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Public notice was given to *The Register-Guard* for publication on October 11, 1996.

## LANE TRANSIT DISTRICT REGULAR BOARD MEETING

October 16, 1996  
7:00 p.m.

*(Please note this new meeting time for regular monthly Board meetings.)*

LTD BOARD ROOM  
3500 E. 17th Avenue, Eugene  
(off Glenwood Blvd.)

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**Alternative formats of printed material (Braille, cassette tapes, or large print) are available upon request. A sign language interpreter will be made available with 48 hours' notice. The facility used for this meeting is wheelchair accessible. For more information, please call 741-6100 (voice) or 687-5552 (TTY, for persons with hearing impairments).**



## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** EMPLOYEE OF THE MONTH

**PREPARED BY:** Jo Sullivan, Executive Secretary

**ACTION REQUESTED:** None

**BACKGROUND:** October 1996 Employee of the Month: Bus Operator Paul Burgett was selected as the October 1996 Employee of the Month. Paul was hired on January 3, 1985. He has nine years of Safe Driving and eleven years of Correct Schedule Operation (CSO), and had exceptional attendance in 1995. He previously was Employee of the Month for July 1990, and the 1990 Employee of the Year. He currently is on the Customer Service Form Committee, and in the past served on the picnic committee. He was nominated by a customer, who praised the way Paul dealt with a rude and obnoxious customer, and said that Paul's actions should have been taped and used for a training film. He stated that Paul went above and beyond what anyone should expect, and was truly professional.

When asked what makes Paul a good employee, Transit Projects Administrator Rick Bailor said, "Paul has always been an enjoyable person to work with. He is known for wearing a big smile, and for possessing a friendly and cooperative attitude. His supervisors rely on his positive attitude and dependability. They also consider him to be a man of integrity and a natural leader. He is very knowledgeable of the system and is willing to share this knowledge with others. He loves the camaraderie with his co-workers and friends, and seems to get along with everyone. He is well respected by his supervisors, co-workers, and customers. He demonstrates the kind of professionalism that gives the District its great reputation."

November 1996 Employee of the Month: Bus operator Will Gaunt has been selected as the November 1996 Employee of the Month. He was hired on June 19, 1995, and promoted to full-time on September 20, 1996. He has earned awards for one-year safe driving and one-year correct schedule operation. He was nominated by three bus riders who had many positive comments to make about him. One stated that she rides the bus to work five days a week, and Will is one of the nicest drivers she ever rode with--he has a sunny disposition and always a kind word to cheer people up; he is very personable to all riders regardless of their age; and he is always very helpful to riders with disabilities, truly not treating them differently than he treats others. She added that there





were more reasons that he should receive this award, but she didn't "need to write a book." Another rider said that Will always takes the time to listen carefully to questions and comments and answers them thoughtfully, and he takes care to see that the bus does not get underway until the infirm, elderly, and disabled are safely in their seats, yet he is always on time. When there are problems, she said, Will handles them quietly, with tact and understanding for all involved, and most of the time other passengers are unaware that there has even been something wrong. His driving is outstanding, smooth and careful, and his smile and good humor make the day much brighter for his passengers. The third customer wrote a grateful letter about LTD's terrific group of drivers, and Will, specifically, for helping resolve a transportation problem that developed after they rode the football shuttle service.

When asked what makes Will a good employee, System Supervisor Dan Budd said that Will has charm and charisma, is well-respected by co-workers and customers, and sets a very good example for others. He is poised and handles customers well, and represents LTD in a very positive manner.

**AWARD:**

Will and Gary will attend the October 16 meeting to be introduced to the Board and receive their awards.

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** CONSENT CALENDAR

**PREPARED BY:** Phyllis Loobey, General Manager

**ACTION REQUESTED:** Approval of Consent Calendar Items

**BACKGROUND:** Issues that can be explained clearly in the written materials for each meeting, and that are not expected to draw public testimony or controversy, are included in the Consent Calendar, for approval as a group. Board members can remove any items from the Consent Calendar for discussion before the Consent Calendar is approved each month.

The Consent Calendar for October 16, 1996:

1. Approval of minutes: September 18, 1996, special meeting/work session
2. Approval of minutes: September 18, 1996, regular Board meeting

**ATTACHMENTS:**

1. Minutes of the September 18, 1996, special Board meeting/work session
2. Minutes of the September 18, 1996, regular Board meeting

**PROPOSED :** I move that the Board adopt the following resolution:

Resolved, that the Consent Calendar for October 16, 1996, is hereby approved as presented.

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

SPECIAL MEETING/WORK SESSION

Wednesday, September 18, 1996

Pursuant to notice given to *The Register-Guard* for publication on September 12, 1996, and distributed to persons on the mailing list of the District, a special meeting of the Board of Directors of the Lane Transit District was held on Wednesday, September 18, 1996, at 5:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Kirk Bailey, Vice President  
Rob Bennett  
Patricia Hocken, President, presiding  
Dave Kleger, Treasurer  
Thomas Montgomery, Secretary  
Mary Murphy  
Roger Saydack  
Phyllis Loobey, General Manager  
Jo Sullivan, Recording Secretary

Absent:

**CALL TO ORDER:** The meeting was called to order at 5:40 p.m. by Board President Pat Hocken. District Counsel Joe Richards was present for this meeting.

**WORK SESSION ON LEGISLATIVE ISSUES:** Ms. Loobey noted that staff had kept track of the issues discussed in meetings with legislators and in other discussions with the Board, and discussed those with Counsel. She said that in the past, the majority of the time staff took issues of concern or initiatives that might impact LTD to the Board, and the Board asked Ms. Loobey to keep them informed. At one point, the Board designated a committee to provide more feedback to staff, independent of the monthly Board meetings. Ms. Loobey stated that the legislative agenda could be handled in several ways. For instance, the whole Board could discuss legislative issues at its monthly meetings; the Board could designate a committee to work more closely with staff; or the full Board could hold more meetings and maintain a higher profile in legislative issues, such as by lobbying or testifying in Salem, or by working with other groups, such as the Oregon Department of Transportation, the Oregon Transit Association (OTA), or the League of Oregon Cities.

Ms. Loobey asked the Board members if they had a sense of how they wanted to work this agenda and a desired level of participation. She said that the 1996-97 agenda was greater than it had been before, with more and different pieces.

Mr. Kleger said that he would be willing to go testify at hearings and talk to legislators when it looked like it would be helpful.

Mr. Bennett asked if LTD could work through the statewide association (OTA), and Tri-Met in Portland participated, but also did things on its own. Ms. Loobey said that was correct; the Tri-Met governmental affairs staff spent a lot of time at the legislature, helping to bolster the agenda as it worked through OTA. Typically, Tri-Met put all its bills before OTA and explained to the other members if they had a stake or not, and what that would be. They also had some bills that concerned only Tri-Met.

Mr. Bennett asked if the Board would be looking at issues for which they might be able to gain statewide support, and whether the Board would be more effective presenting them to OTA. Ms. Loobey stated that it was useful to go through the state association, and the District probably would not get bills through without statewide support.

In response to a question from Mr. Bennett, Ms. Loobey explained that, often, going to testify meant just getting something on the record, and spending time before the hearing going through the halls finding what level of support might be found and who was willing to sponsor the bill or take arguments for and against and respond to those. It was important to do the preparation and let people know what the issues were. It meant being there frequently, sometimes on a daily basis.

Ms. Loobey asked how much time the Board members would be willing to spend, and whether the issues under discussion were important for staff time. Past Boards had been comfortable with a high level of independence for the general manager in these activities, but the current Board had shown that it was more interested in the issues.

Mr. Bailey asked if Ms. Loobey thought the current slate of items warranted more energy than during the last session. Ms. Loobey stated that she did not expend much energy on issues during the last legislative session, because all the principal issues were with the Oregon Transportation Financing Plan. Roger Martin of OTA and his staff spent a lot of time on that issue and the elected board issue, and Ms. Hocken and Mr. Bailey had testified regarding the elected board issue.

Ms. Hocken asked if the Board was able to give Ms. Loobey feedback quickly enough during the last session. Ms. Loobey replied that this was always one of the problems. During one session, she spent three days a week for several months in Salem. She said that sometimes things went exceedingly slowly and sometimes they moved very fast, and staff could not control that.

Mr. Saydack said it seemed that Ms. Loobey needed three things from the Board: definition of the legislative agenda; what kind of commitment the Board wanted staff to make in pursuing the agenda; and what kind of role the Board should play. Ms. Loobey stated that she was not through developing the list of issues for the Board's consideration, and did not expect Board action on the current list.

The Board then discussed several issues scheduled for the 1997 Oregon legislative session. Ms. Loobey explained that the issue in Ballot Measure 32 was to make \$375 million in lottery funds available to Tri-Met. During the special session, the legislature

passed a special transportation equity fund, in which the state would fund the north-south light rail line in Portland, and also \$375 million for transportation projects throughout the rest of the state. The money would go to cities (60 percent) and counties (40 percent), the same as the gas tax. In hearings, Senator Greg Walden said that the money could be used for transit, but nothing was written in the bill. Staff were talking about a technical correction that acknowledged Senator Walden's comments that did not get translated into technical language.

Another issue had to do with the way parking fees were considered business expenses. Staff would like the same treatment for employers who paid for bus passes.

Ms. Loobey said that there was no funding proposal for special transportation or transportation in general. She thought she may need to spend some energy on that issue.

Mr. Bennett said he had heard at a Metropolitan Policy Committee (MPC) meeting that there was not even enough money to take care of the existing road system. He asked if the \$375 million would continue or was a one-time source. Ms. Loobey replied that it was an amount fixed in law, and may take a few years to pay out.

Ms. Loobey offered for the Board's consideration the issue of initiative reform, since the District had to spend money on issues such as Ballot Measure 8, which had then been declared unconstitutional. She wondered if the Board would like to work toward initiative reform in coalition with others.

Mr. Bennett said he would not work to change the initiative process. He thought it would complicate LTD's message and might work against the District in others' viewpoints. He said he would want to think very carefully about doing that.

Mr. Bennett said that the key on all issues was to figure out the key players and get the right people to talk to the right legislators. He did not know that a subcommittee of the Board would be particularly effective in doing that. Aside from Board members' willingness to testify, he thought Ms. Loobey might be more effective representing the Board than the Board would be, given her contacts and years of experience. Some of the Board members may have relationships with legislators that may help, and he thought they should use those contacts.

Mr. Bailey thought that the Board should leave open the question of whether or not LTD would take some role in initiative reform. He did not share the idea that Oregon's initiative process was falling apart, but thought it would be blind of the Board to ignore the fact that it had been hit by the impact of paid signature gatherers. He thought the Board should sit as a committee of the whole on legislative work, and track the issues that were important to the District. He thought some would be very important to what LTD wanted to accomplish, such as signal preemption. He thought it would be helpful for all Board members to play a role with the Oregon legislators, because they liked to see local community decision-makers and not paid guns.

Mr. Bennett wondered if it would be possible that with permission of the Board, some individual members could take some initiative, as long as that member declared and explained ahead of time. He said that he might want to obtain the Board's permission to work the issue of signal preemption on his own time.

Ms. Hocken said that she did not want to be going to Salem all the time, but if it could be done at controlled time, she would be willing. She thought that the Board members may have to make themselves available for particular issues, and rely on Ms. Loobey's experience.

Ms. Murphy commented that Ms. Loobey had a depth of experience and the ability to explain complicated issues. She agreed that legislators liked to receive community input, and suggested that there were a number of things the Board members could do through homework to achieve buy-in that could be done locally.

Ms. Loobey also agreed that the legislators liked to hear from local decision-makers. She said she would ask for help when needed. She commented that each Board member had his or her own network and would be seeing those people at events or meetings and could discuss issues with them. She added that she would continue to refine the legislative agenda for the Board.

### **LABOR RELATIONS:**

**Selection of Designated Representative:** Human Resources Manager Ed Rutledge said that he had talked with a number of people about the selection of a designated representative to help with labor negotiations. Joe Richards, of District Counsel, was from the Eugene/Springfield area and had worked with LTD on other issues. He was experienced in labor negotiations and had a good understanding of how employee-related issues worked at LTD. Staff had asked him if he would be willing and available to serve as the designated representative, and he said he would, so staff were recommending that he be appointed.

Mr. Rutledge stated that staff members and Mr. Richards had attended an international conference on labor/management relations sponsored by the Amalgamated Transit Union.

Mr. Kleger asked Mr. Richards how he felt about doing this after the fractious negotiations last time. Mr. Richards said he knew a little about that time, and had become interested when staff said they were interested in a different way of bargaining and ATU strongly urged its members to use collaborative bargaining. He added that he had only negotiated three public body contracts, but two of them had used collaborative bargaining.

MOTION

Mr. Saydack moved the following resolution: The Lane Transit District Board of Directors hereby resolves that Mr. Joe Richards be selected to serve as the Designated Representative for Lane Transit District for the purpose of conducting labor negotiations with Local 757 of the Amalgamated Transit Union as provided under ORS 243.650-782.

VOTE

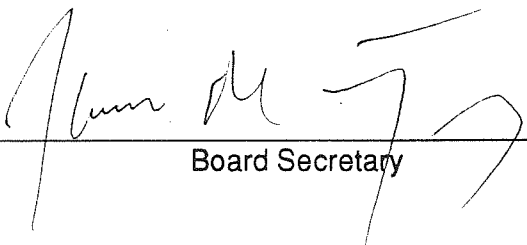
Mr. Bailey seconded, and the motion carried by unanimous vote.



MOTION        **Executive Session:** Mr. Bailey moved that the Board move into Executive Session pursuant to ORS 192.660(1)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations. Mr. Kleger seconded, and the Board  
VOTE        unanimously adjourned into executive session. Mr. Richards was present for this discussion.

**Return to Regular Session:** Upon motion by Mr. Saydack and seconding by Mr. Montgomery, the Board unanimously returned to regular session.

**ADJOURNMENT:** There was no further discussion, and the meeting was unanimously adjourned at 7:28 p.m.

  
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Board Secretary

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MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR MEETING

Wednesday, September 18, 1996

Pursuant to notice given to *The Register-Guard* for publication on September 12, 1996, and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of the Lane Transit District was held on Wednesday, September 18, 1996, at 7:30 p.m. in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present: Kirk Bailey, Vice President  
Rob Bennett  
Patricia Hocken, President, presiding  
Dave Kleger, Treasurer  
Thomas Montgomery, Secretary  
Mary Murphy  
Roger Saydack  
Phyllis Loobey, General Manager  
Jo Sullivan, Recording Secretary

Absent:

**CALL TO ORDER:** The meeting was called to order at 7:40 p.m. by Board President Pat Hocken.

**AUDIENCE PARTICIPATION:** Ms. Hocken opened the meeting for audience participation. There was no one present who wished to address the Board.

**EMPLOYEE OF THE MONTH:** Ms. Hocken introduced the September Employee of the Month, Bus Operator Gary Levy, an LTD employee since September 1985. As of March 1996, he had earned awards for good attendance and ten years of correct schedule operation. Mr. Levy had served on many committees, been a union officer and an accessible service instructor, and worked on various photographic projects for the District. The bus rider who nominated Mr. Levy said that Mr. Levy really went the extra mile to help her husband when he had some trouble with his legs when crossing the street. Mr. Levy helped get her husband on the bus and, after the couple refused ambulance assistance, called his dispatcher, who met the bus at the couple's stop and guided the bus to their door. A couple of hours later, Mr. Levy rode his bicycle to their house to be sure that her husband was okay. The customer wanted to be sure that Mr. Levy received the Employee of the Month award because of his outstanding efforts.

When asked what made Mr. Levy a good employee, Transit Operations Manager Patricia Hansen said, "Gary really cares about people, and it shows in the service he provides. He is especially considerate of the needs of our customers with disabilities. An

avid bike rider, Gary is an inspiration to all of us at LTD in his use of alternative transportation modes. His supervisors describe Gary as always being cooperative, positive, and pleasant to work with. He also has a unique sense of humor that keeps his co-workers on their toes, and his customers happy to see him behind the wheel."

Ms. Hocken presented Mr. Levy with a letter, certificate, and monetary award, and thanked him for his service to the District. Mr. Levy thanked the Board. He used a quote from the movie *White Squall*, in which young men on a boat who were coming of age and learning to work as a team had a slogan, "where we go one, we go all." He said that slogan made him think about LTD; the people at LTD were a lot like those young men, and as they learned and developed and went forward together into the future, where one went, what one did, greatly affected all. He said that this was why it was so important for each person to extend compassion, help, and understanding to others, be it front-line, maintenance, supervisory, administrative, or managerial employees, or Board members. Everyone, he said, should seize opportunities to do good in the world. Mr. Levy said that, while he appreciated the award and recognition, the things he was being lauded for were actions that were selflessly performed by LTD employees every day, and he was very proud to be there.

Ms. Hocken noted that the October Employee of the Month, bus operator Paul Burgett, was unable to attend that evening's meeting, so would be introduced to the Board in October.

MOTION  
VOTE

**CONSENT CALENDAR:** Mr. Kleger moved approval of the Consent Calendar for September 18, 1996. Mr. Bennett seconded, and the Consent Calendar was approved by unanimous vote. Included in the Consent Calendar were the minutes of the July 17, 1996, regular Board meeting and a Resolution Setting Time and Day for Regular Monthly Board Meeting, which changed the regular meeting time to 7:00 p.m. Ms. Hocken noted that in October, the Board would begin meeting at 7:00 p.m. and would finish its meetings earlier in the evening.

**STATE TRANSPORTATION IMPROVEMENT PLAN (STIP) PRIORITY LIST:**  
Planning & Development Manager Stefano Viggiano explained that the STIP was a state four-year plan that was updated every two years, which was to include every state- and federally-funded transportation project. Because the Federal Transit Administration (FTA) will not release funds unless the project being applied for appeared in the plan, it is very important for LTD to make sure its projects are included. Additionally, it is during the STIP process that some money is allocated for some transportation projects, and LTD was competing for some of those funds. The plan under review would be implemented by October 1997, and would go through several draft steps. The State asked that local metropolitan areas indicate their priority for transportation projects. The Transportation Planning Committee, a staff committee, reviewed the projects and developed priority lists for road, transit, and transportation demand management (TDM) projects, and presented those to the Metropolitan Policy Committee (MPC) in July. The MPC endorsed those and sent them on to the State. Mr. Viggiano explained that Mr. Bennett had attended that meeting and supported the action, but felt a little uncomfortable that the recommendations had not been discussed by the Board, so staff were bringing this to the Board in what might

be called backward order. In the future, he said, staff would bring it to the Board first. Mr. Viggiano stated that there was still time to ask for changes in the priorities, if the Board had concerns about that list.

Mr. Viggiano discussed the priority projects and a letter from the State to the MPC, indicating what projects Region 2 would recommend for funding. He first discussed the road projects, and said that LTD staff had participated in the development of those priorities. When doing so, staff considered whether they were projects which might significantly help LTD, such as improvements to meet full urban standards, such as sidewalks, which would provide better access to the transit system, or projects that would help address congestion. Mr. Viggiano explained one complication, which was that there were two West Eugene Parkway projects, phases 2 and 3. City staff had believed that phase 1 would be under contract before the new plan took effect. However, phase 1 of the West Eugene Parkway had been delayed. In order for that project to proceed, it needed to be included in the next STIP and be funded again. It was given a high priority and was one of the projects that would be funded within the next STIP. Additionally, the State indicated that it would have the funds to fund through item number three on the list. Those projects were a Pioneer Parkway overlay; Beltline Highway (completion of four lanes from Barger to West 11th); and safety improvements at the I-5 and Beltline interchange. As Mr. Bennett had mentioned at MPC, there was not enough money to build most of the new projects, much less maintain existing roads.

Mr. Bennett said that the South 42nd Street project was very important to Springfield, because of the building of new schools in that area. He thought there would be some continued effort to try to fund that project. As a point of interest, he discussed the sound wall issue, which apparently was not going to be funded under the current funding mechanism, and it did not sound as if there was another way to fund it. Ms. Hocken said she had been impressed with Mr. Bennett's argument in favor of it, that it should be done because there would be a lot of houses near roads in order to maintain compact urban growth, and those houses needed to be made livable. Mr. Bennett said that his other reason was that there was a certain level of traffic 25 years ago when the road was built, and then the traffic doubled. The homeowners were willing to raise part of the funds, so he was disappointed that the project did not receive more support.

Mr. Viggiano said that item number four, the South 42nd Street project, was a good example of the type of project that was of benefit to LTD, because it would add sidewalks for people to walk on. LTD was supportive of that item.

Table 2 showed TDM projects. The priority list was developed by an inter-jurisdictional staff team and presented to TPC and then MPC. It was an effort by more than just LTD staff, although LTD would have lead responsibility for most of the projects. The only item being recommended for funding by Region 2 was the TDM Coordinator position for the four-year period.

Table 3 listed the transit projects. Only one of the projects mentioned bus rapid transit (BRT), but all had BRT components and were intended to support a future BRT system. The first priority was the West 11th Park and Ride. It was funded in the current

STIP for \$435,000. LTD was requesting additional money for the West 11th Park and Ride facility, for a total of \$1.1 million. Mr. Viggiano explained that the District would like to relocate the Springfield Station to be on the BRT corridor. He said it defeated the purpose of express service if it took an extra five minutes to jog up to and around the station. A Park and Ride on Coburg Road also was important for a future BRT corridor, and could function as a Park and Ride before development of that BRT corridor. The West Springfield Park and Ride would be on the initial BRT line, and there had been a lot of requests for a closer-in Park and Ride for Springfield. The BRT pilot project was included on the STIP priority list, but staff did not expect it to be funded in this way.

Mr. Viggiano explained that the Surface Transportation Program (STP) funds were highway funds that went to the State. Some of the funds were allocated on a formula basis, and the State kept some STP funds to allocate as part of the STIP process. The region had indicated that all of those flexible funds would go for transit and TDM projects. The "inflexible" funds, such as the state gas tax, would go to road projects. Most of the region's flexible funds would be split between Salem and LTD, as the two largest transit districts within one region. Each would receive approximately \$1 million for transit projects, with some funds possibly going to Corvallis. The State had said that it could fund the \$665,000 request for the West 11th Park and Ride. LTD was in the position to try to influence how the additional \$200,000 to \$300,000 would be spent, and would want to keep that money in the area. Staff would propose that a total of \$300,000 be allocated for TDM. The bulk of that would be what the region already indicated it would fund, which was the TDM Coordinator. About another \$76,000 would allow the funding of items two through six, and possibly part of item seven. LTD would still have approximately \$200,000 that could be used to begin work on the Springfield Station relocation, which was the second priority. That would fund site selection environmental assessment, and then additional funds would be needed to actually build the project.

Mr. Viggiano stated that staff were asking the Board to endorse the priority list as approved by the MPC and provide some direction to staff in regard to the direction to the State for allocations.

Ms. Hocken asked for a brief explanation of TDM items numbers two through seven. Commuter Resources Coordinator Connie Bloom Williams explained that Item #2 was an up-front investment to create static displays for all area high schools. Not many programs were directed toward the high school audience, and these displays would help the message reach a large market. The materials would change two to three times a year, with the involvement of a student advisory group. Activities would include competitions among schools to lower the number of single-occupant vehicles. Other items on the list included a video that would be developed as a curriculum aid for teachers, and might be useable in middle schools, as well. The clean air project would involve a public awareness campaign, including a series of signs alerting people to be aware of the quality of the air. It could be done in cooperation with the City or the Department of Environmental Quality (DEQ), if the Lane Regional Air Pollution Authority (LRAPA) no longer existed. The carpool matching software was a program installed this year. Staff wanted to link that software with Salem and include Corvallis, to help people traveling among those three cities. The plan to provide train depot and airport information centers had been scaled down to the

metropolitan area, and would focus on the local area. Staff wanted to include intermodal information wherever possible--bus schedules at the airport; car pooling information for employees; bikes on buses and trains; etc. The goal was to coordinate that information up and down the Willamette Valley. The public kiosk was a sizable project that would provide information on a touch screen similar to those at the Oregon Employment Office. People could access bus schedule information that would print out. This would be an expensive system, but similar systems had proven to be well used.

Mr. Saydack observed that the more familiar he became with these issues (through the TransPlan Symposium, etc.), the more convinced he was that educational projects were critical. The only way to change the pattern was to change people's attitudes about the value and importance of transit for the environment, the quality of life, etc., and educational programs were the way to do that.

Ms. Hocken said she would like to support the information at the train depots, etc. She had found good information on Tri-Met at the Portland train station.

MOTION Mr. Bennett moved the following resolution: Resolved, the LTD Board endorses the  
VOTE STIP priority lists for road, TDM, and transit projects, as presented. Mr. Kleger seconded, and the resolution was passed by unanimous vote.

Ms. Hocken asked Mr. Viggiano if it was staff's intention to obtain some additional funding from the State, or to comment on the draft. Mr. Viggiano replied that the intention was to try to direct the State on how to spend the funding that they tentatively had promised. Staff's recommendation would be to spend about \$300,000 on TDM projects and the rest on the transit projects, which would fund West 11th and a portion of the Springfield Station relocation. If the Board concurred or had any concerns about that recommendation, it would be good to get those comments to the State as soon as possible. Once the draft plan was developed, it would be more difficult to make any changes. The Board's direction to Mr. Viggiano was to proceed as planned.

**POLICY ON SOLICITATION:** Human Resources Manager Ed Rutledge explained that LTD already had a Policy on Solicitation, but staff were concerned that it may be inadequate. During the past year, a couple of groups had called to ask to come onto the property and make presentations to staff, and it would be helpful to have a written policy to outline current practices. Mr. Rutledge had worked with counsel to update the 1983 policy.

Mr. Bailey asked if voter registration would qualify as a political activity. Mr. Rutledge thought that it would. Mr. Bailey asked if it was staff's intent not to have voter registration efforts on the site. Mr. Rutledge stated that he was uncomfortable about how that would appear with public agencies' governing bodies, even though it may be technically correct. He was concerned about the possibility of any group with a particular agenda wanting to have a voter registration campaign on the property. Mr. Bailey asked about voter registration at the UO Station. Mr. Rutledge replied that this was different because the Station was a public area, and there was not a captive audience. Mr. Viggiano added that the UO Station would not be covered under the policy, but the new downtown station, on LTD-owned property, would be, as outlined in the paragraph on Application.

Mr. Rutledge noted that a section had been added to outline the process for dispute resolution.

Mr. Saydack noted that the policy stated what permitted solicitation by groups involved, and asked how it gave guidance regarding charitable activities. Mr. Rutledge replied that Counsel had recommended the text included in the Objective paragraph, which was more attentive to groups that more or less supported the District's overall mission. If the group truly was not political, then the question was whether it addressed the issues that were close to the District's mission. It still allowed the District the right to say yes or no, based on that criterion.

Mr. Saydack asked how many groups the District said yes to. Mr. Rutledge replied that only one, United Way, had been authorized to hold a campaign on District property.

Mr. Montgomery said it seemed that it would be easier to say no to all solicitation, and people could contribute to United Way on their own. Mr. Rutledge replied that LTD had a long tradition of being very supportive of the United Way campaign, and that Counsel was not comfortable with naming one specific group to be allowed on the property.

Ms. Hocken said she shared Mr. Saydack's concern that the criteria were open to different interpretations. Mr. Saydack suggested seeing how the policy worked.

Mr. Bailey asked if it was a fairly standard policy. Mr. Rutledge replied that in his experience with school districts, it was fairly standard.

Ms. Hocken asked about bulletin boards. Mr. Rutledge said that there were a number of different bulletin boards, for required postings (EEOC, etc.); in the employee lounges; one reserved for employee postings; and space reserved for the union, for instance.

MOTION Mr. Bennett moved the following resolution: Resolved that the Board of Directors hereby adopts the revised Policy on Solicitation as presented to the Board on  
VOTE September 18, 1996. Mr. Kleger seconded, and the motion carried by unanimous vote.

**WEST 11TH PARK & RIDE SITE SELECTION:** Micki Kaplan, a transit planner in the Planning & Development department, presented this item. She said that LTD had hired Branch Engineering to conduct research into possible sites along West 11th. She introduced Jim Branch to the Board, and stated that LTD had a long history of working with him. Ms. Kaplan stated that a full copy of the site research report had been given to the Board members with their agenda packets, and a condensed version was included in the packet itself.

Ms. Kaplan said that staff would like Board approval to move to the environmental assessment phase of this project. The study area was along West 11th, between Garfield Street and Bertelsen Road. She used a map showing 15 possible sites reviewed for possible Park and Ride sites, and discussed the factors and criteria to evaluate. Those



included: existing use, which was important in terms of expense of development; bus access; pedestrian access; cost of land; visibility, which was important in order to attract riders to the site; and joint use opportunities, such as day care facilities. Ms. Kaplan said that when the 15 factors were applied to different sites, Sites A, C, D, and N were the top four. Site N screened high on the matrix because it was vacant, but it was not on West 11th, and there currently was no bus service to that site. Site D fell out because someone had begun building a restaurant on that site. Sites A and C remained for the Board's consideration.

Site C was across from Oakpatch Road and had good frontage on West 11th and a traffic signal. There also was good access from Conger, where there also was a signal. Bliss Restaurant currently was on the western part of the site.

Site A had access on 10th Avenue. Waremart was to the east, and would provide excellent trip linkage, meaning that riders could make one stop for their cars and groceries. There was no signal, so that would add approximately \$100,000 to the development cost, which would be dependent upon City approval. Site A involved the Jubilee night club and Jiggles Tavern buildings.

Site E was a vacant half-acre near the current Fred Meyer bus shelter. Staff thought that site might be worthy of development regardless of where a West 11th Park and Ride might be located. If Sites A and C fell through, Site E could be a back-up site for development.

Ms. Kaplan discussed demand estimates compiled by Mr. Branch. She showed service population estimates derived using transportation analysis zone data, similar to census tracts. There did not appear to be any magic trip-generation numbers for the success of Park and Ride facilities. However, staff believed the River Road Park and Ride station to be a good corollary. It was the only major Park and Ride in the community, and it had express bus service and other features that make a successful Park and Ride. Staff reviewed the population figures in the catchment area for that station. The current population in the River Road Transit Station catchment area was 16,000, with a potential population of 25,000 in 2015. Westerly sites on West 11th, around the Bertelsen area, had a potential catchment area significantly less than the easterly sites. Staff believed that a Park and Ride closer to town had a better opportunity to be a successful Park and Ride than the westerly sites. At 58th and Main in East Springfield, the catchment area population currently was 22,000, with 33,000 expected by 2015.

Although there was no magic transit number, there was a transit shape, a parabola, found in transit research. It essentially showed a catchment area that fanned out from the Park and Ride facility toward the central business district. There did not appear to be a certain distance for this area. Ms. Kaplan said that the River Road station estimates only included people living within the urban growth boundaries.

Mr. Bennett asked if staff knew what was happening currently in the River Road catchment area. Ms. Kaplan replied that staff had passenger counts from two years before. The lot was 40 percent full at that time, with a primary destination of the University of

Oregon/Sacred Heart Hospital area. She did not think that riders had been surveyed about where they were coming from. Staff would like to conduct further research to determine why people used the River Road Transit Station Park and Ride facilities, what they found attractive about it, where they were coming from, and where they were going. They would then apply that kind of information to future Park and Ride locations. Ms. Kaplan stated that this was a new area for LTD, and staff's research was really just beginning.

Mr. Bailey asked about other research at other transit districts, and if there was further information about how far the parabola extended. Mr. Branch said that the available information provided the shape, but he thought other information was community-specific. The consultants had tried to identify the transportation analysis zones that fit with the parabola, and that resulted in the estimates that were being shown to the Board. He said that riders would be coming from farther out, such as from the Veneta area or beyond, who were not included in this estimate. Ms. Kaplan added that she did not think Portland was comparable, because of the much larger size of that metropolitan area.

Mr. Saydack said he was struck by the different in value between parcels A and C (\$600,000) and N (\$200,000), with N being a block away. Ms. Kaplan said that the visibility and frontage on West 11th were important criteria, and the success of BRT depended on having the stations along the direct route and visible to potential riders.

Mr. Bennett said he did not think people would walk a block to reach BRT from the Park and Ride. He added that Portland had improved its competitive position and increased demand a lot when it finally got service that was attractive. It would be different in a larger metropolitan area, but the District would be investing a lot in what it was doing in this area, in trying to increase its competitive position. He said that the reality was that land would not get less expensive. He thought LTD could err on the optimistic side and buy land now, and get out of it down the road if it did not turn out the way the District expected. Ms. Kaplan agreed that there probably would be no loss of investment in the land, and added that land was going fast in the West 11th area. She stated that the Board was seeing the assessed value, because that was the only information available to the consultant.

Mr. Bennett asked why LTD had to pay the assessed value. Assistant General Manager Mark Pangborn stated that the District paid the appraised value. Essentially, it was a condemnation process. There was a tax advantage to the property owner for public agencies taking property, which meant that the District would have to use at least the appraised or market value.

Mr. Bennett asked if there would still be a tavern on the property in phase 1. Ms. Kaplan explained that during phase 1 the District probably would remove the Jubilee building for access and visibility, and seek joint development for the Jiggles building, with a day care or some other type of use.

Mr. Bennett asked about Site E. The site was adjacent to Fred Meyer and about one-half block from West 11th, and buses currently traveled adjacent to that site.

Mr. Bennett asked if the District needed surrounding uses that were consistent with trying to broaden its market in the future. Ms. Kaplan replied that linking trips was very important. This could include shopping and commercial retail, to provide as many incentives as possible for people to use the system.

Ms. Loobey commented that for the 58th and Main Park and Ride, Pete Pifer and the property owner went to the Springfield City Hall to say that there should be good access between LTD and other commercial development. Mr. Pifer had been a good supporter of LTD's development on River Road, and was happy about the location at 58th and Main.

Ms. Hocken said that one issue was whether LTD would participate in commercial development, such as for child care.

Ms. Kaplan said she thought it was a wise investment to conduct an environmental assessment (EA) on two sites. Mr. Bennett asked why a site might drop out following an EA. Ms. Kaplan replied that the EA could uncover issues that would preclude LTD from developing the site.

Mr. Bennett asked about the cost of the environmental assessments. Ms. Kaplan stated that the estimate for an EA on one site was \$54,000, and \$70,000 to \$80,000 for two sites. The savings were in a number of activities that would be the same for both sites, such as letters for comment, etc.

Mr. Bennett asked if this would be a Level 1 assessment. Mr. Branch replied that it was kind of like that. Once the EA was completed and approved by the federal government, the funding would be locked in. Mr. Viggiano added that this was not a contamination assessment. Instead, it looked at the flood plain, wild life, archeological resources, etc. It would take approximately three to four months, and then a period for Federal Transit Administration (FTA) approval after that.

Mr. Saydack asked if doing both environmental assessments at the same time would save time if one site were to drop out, but would not affect the ability to purchase either. Ms. Kaplan said that was correct; LTD would gain some efficiency if one of the sites should prove to be undevelopable, and would not have to start over with a second site.

Mr. Bennett said he was not interested in doing that, and needed additional conversation with staff.

Mr. Montgomery said he would not be able to make a decision that evening. This situation seemed similar to the Eugene Station site selection process. He thought some of the criteria seemed to be the same but ranked lower or unequally. He also thought that using Les Schwab as a shopping destination for people on the bus was ridiculous. He said he would need to see if he agreed that those sites were better than some that did not make the list.

Ms. Kaplan asked if a work session on all the sites would be helpful. Mr. Montgomery said it would be helpful to him. Ms. Murphy said she would like to drive to the sites and look

at them. Mr. Kleger said he was familiar with that part of town and would support Ms. Kaplan's position; however, he was willing to attend a work session if other members wanted to. He added that one impact of a delay could be that someone would buy and begin to develop one of the sites.

Ms. Hocken said she was concerned about using the assessed versus the appraised value, since some of those buildings were money makers.

Mr. Saydack said he also was interested in having more time before making a decision. He was concerned about the hundreds of thousands of dollars difference in the sites, and unsure about the parallel assessments. He also was interested in driving to the sites. Mr. Montgomery said he did not need to tour the sites, but would like to attend a work session. The Board members agreed that a tour of sites N, E, L, C, and A should be held in early October, and a work session should be held at 5:00 p.m. on October 16.

The Board also asked for additional information, including where people came from to use the River Road Transit Station Park and Ride facility; what the potential demand for the site would be; the appropriate size for the site; and the population in the parabola. Ms. Kaplan said that staff wanted to take new counts after school started.

Mr. Bennett wanted to know the potential demand for the site. He did not want to need three or four different sites to meet that demand. The site also would need room for buffering, planting, etc., and could occur in phases. Mr. Bennett stated that there would be even more activity in that area of town in the future. Under some set of criteria, LTD needed to say how many parking spaces would be needed a certain time into the future, not how many spaces will fit on a certain site. Ms. Kaplan said she thought that the Park and Ride facility should be built for at least the year 2015. Mr. Bennett also wanted to know what alternatives there were for development on parts of the site, and if the River Road Transit Station, at 150 parking spaces, was the right size.

Mr. Saydack thought that Mr. Bennett made good points, and said that he would like to get a better handle on the relative development costs of the various sites. He said that the Board needed better, solid, figures for parallel environmental assessments, and stated that he would rather not be asked to spend money that way.

Ms. Hocken wanted more information about the relationship between the location of the BRT corridor and the potential Park and Ride sites, and wanted to know if staff did not know that yet.

#### **ITEMS FOR INFORMATION:**

**Board Reports:** MPC - Mr. Bennett and Ms. Hocken said they had no further report, in addition to the earlier discussion on STIP priorities.

TransPlan Symposium - Mr. Kleger said that on balance, the latest Symposium worked better than he had expected, and showed where there was clear agreement and the absence of consensus. He said there was a pretty strong endorsement of the idea that

to reduce fares, service needed to be in place. There was endorsement of the concept of BRT, with a preference for incremental development. There was general agreement that if there were increases in parking charges, they should be community-wide, not just in downtown, so everyone recognized the cost of operating a car.

Mr. Bailey added that he was surprised at the level of support for LTD's preferences. In the early voting and throughout the day, there was support for an increase in the gas tax, but people were not sure whether it should be at the state or local level. The incremental approach to BRT seemed a little slower than the Board had hoped.

Mr. Bennett asked if incremental meant one line at a time. Mr. Kleger replied that those present thought that was probably okay, but they were not ready for complete separate rights of way. The idea of priority signals, etc., was well-received. Mr. Bailey thought that the materials did not adequately describe the concept of exclusive rights-of-way. He thought that people thought it would be an entire line, but the District had not presented it that way.

Mr. Saydack said it struck him that there would be a selling job to do on BRT. The Symposium was attended by a sophisticated group of people who had been studying the issues, and there was general support, but it was not overwhelming. People had lots of questions, but were interested in the time savings. The group was made up of thirty or forty people, with six or eight around each table, with the assignment to reduce trips in a certain period of time. Mr. Saydack used the example of the education regarding recycling during the last twenty years, and thought that the attitudinal issue was there for everyone. He said that all tables individually were able to reach consensus, but reaching the entire room was more difficult.

Mr. Bennett repeated his position that BRT would not work without exclusive rights-of-way. No one said it would be an easy sell, and he was listening carefully for someone who could make the case strongly that queue-jumpers and pull-outs would make the difference for the attitudes in the community. He did not want to wait until the local area had Portland's problems until it made some kind of move. He said it may be politically difficult, but when LTD started backing away from a plan that included exclusive rights-of-way, the District would lose. He did not want to be selling a plan that did not save time and made it more convenient for the cars to get around the buses. Unless the District made a dramatic change in its competitive position, it would not succeed.

Mr. Saydack said that a decision needed to be made very soon on whether BRT would include exclusive rights-of-way or not, and go with it.

Oregon Transportation Initiative (OTI) Base System Working Group: Ms. Hocken explained that the Governor was pursuing the transportation initiative formerly known as the Governor's Transportation Initiative (GTI). The Governor had appointed five regional committees that took testimony in those five regions the previous spring, regarding what the needs were for transportation infrastructure and what the funding gaps were. The committee issued a report, and then it was decided that another group needed to determine a base system. Ms. Hocken had been appointed to represent transit on that committee.

The other members represented the League of Oregon Cities, the Association of Oregon Counties, and the Oregon Transportation Commission (the Board that supervised the Oregon Department of Transportation), as well as a public interest person with a lot of state government experience. The charge for the committee, on the road side, was to decide which roads the State should be responsible for at some level of preservation and maintenance, from the 90,000 miles of roads in the state. One issue was what was meant by the level of preservation, what level of preservation was necessary for their maintenance, and whether that could be different in different parts of the state. The transit charge was less clear, and the group did not expect to get as much out of this process for transit because there was less information and discussion regarding transit in the past than on roads and highways. The Governor, when pressed, admitted a larger role for transit than only for people with no other options, but Ms. Hocken thought it would be difficult to keep that concept on the table. The working group's work had to be completed in September so the finance committee could finish in October for the Governor's financing package.

Ms. Hocken thought that the most that would come out of this process for transit, in terms of a financing package, would be something dealing with special transportation needs. Her goal was to have the committee understand and accept transit's broad role, but she realized that funding probably would not be attached. She thought her role was to get as much recognition from the committee regarding the importance of all aspects of transit and to get as much consensus from people around the state as to what the state should assume. None of the staff initially associated with the committee had transit expertise, so the Oregon Transit Association (OTA) had created an ad hoc staff committee to put together information for the working group.

Mr. Bailey asked about Oregon Department of Transportation (ODOT) participation. Ms. Hocken said that ODOT was providing staff, and one OTC member was on the committee. The head of ODOT, Grace Crunican, was not involved. Ms. Loobey added that the key senior staff was Chris Andersen from the City of Eugene. The OTA transit technical group, representing LTD, Tri-Met, Salem, Corvallis, and small elderly and handicapped service, was meeting to define a base system for transit. This base system was comprised of three elements: (1) transit doing its core piece of business, for the too young, too old, and too poor; (2) an added component that provides for growth in the population; and (3) a component that provides for reductions in vehicle miles traveled (VMTs), congestion, and pollution, increased economic development, land use transportation planning, mobility, economic development, etc.--all the things that transit was told it was supposed to be doing as part of the solution, but had not been recognized or funded.

Ms. Loobey said that at the regional meetings during the GTI discussions, intercity transportation, public transportation, and transit within the communities were high on the priority list, and these were not confined to elderly and handicapped service. There were issues such as how to make the connections to the commuter train project from Corvallis. Ms. Loobey stated that what had come out from the Governor's agenda had woefully ignored transit, and did not recognize that a lot of elderly and handicapped persons used the fixed-route systems.

**Eugene Station Update:** Facilities Manager Charlie Simmons stated that the environmental clean-up of the contamination on the east side of the site had been completed, and the rest of the site had been stripped to a three-foot elevation below grade. An additional source of contamination had been discovered on the west side of the site, but the District was fortunate because the vehicle hoist sump was contained. The soil underneath had been tested and found to be clean.

Mr. Simmons said that since the whole site had been excavated, the District's consultant was comfortable with the level of risk from contamination. The DEQ had sent a report on its findings, and District Counsel sent a letter summarizing what the DEQ had said. In essence, there was a low level of risk, with no evidence of an on-site source. Staff hoped to close on the site the following Monday. Then Eugene Sand and Gravel would begin the major excavation.

Mr. Saydack reported that the Art Selection Committee had selected two finalists for art, but rejected one after the final proposal. Therefore, art selection had been opened up for bids again. The art that was selected was fused glass, by the person who did the glass in the Hult Center ticket booths. Mr. Saydack said that the glass would be quite colorful and would cost about \$20,000. The other proposal, which would be taking the bulk of the money, did not have the support of the committee that they felt was necessary. The committee wanted the artwork to benefit downtown Eugene and be something that people could get excited about. He thought that they would know by the end of October if there was such a proposal in the community.

**Fleet Status Report:** Ms. Loobey told the Board that the District had received favorable bids from Gillig for 29-foot buses. The District was having problems with enough buses to provide service. Hyundai was coming on faster than expected, and there was not sufficient parking for the management staff who had been hired and the construction employees. Since the managers would help set the tone, it was important for them to be on the buses. All of the 700-series buses had been pulled out of the reserve fleet and were being used in active service. There currently was no spares ratio.

Ms. Loobey stated that staff were contemplating a couple of actions. First, they were looking at schemes for acquiring additional buses, possibly five to six used buses. Second, they were researching the possibility of leasing additional buses. Third, the House and Senate Conference Committee had met on the appropriations bill. Staff did not know if they could ask the FTA to allow the District to build more buses with the current order because the money would be coming.

Mr. Bennett stated that if there was a particular bus on the market that could strengthen LTD's demand, the District should have the courage of its convictions and obtain those buses. Ms. Loobey commented that going to different buses would require starting at the beginning of a specification and bidding process that would take 18 months. Mr. Bennett suggested leasing something in the short term until those buses could be bought.

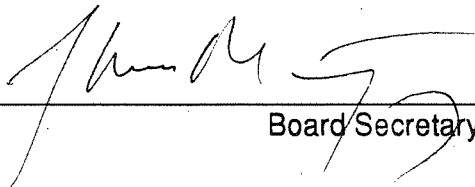
Mr. Saydack suggested eliminating unproductive routes, but Ms. Hocken stated that the District had already completed the annual route review and the schedules had been published.

Mr. Vobora stated that the District would be running 82 buses at the peak the following week. The area where capacity was stretched the most was in the area of special services. He thought LTD could squeak by the next year with the six buses that were on order.

Ms. Hocken asked about the cost of purchasing used buses. Ms. Loobey said they could be bought for salvage value, approximately \$2,000 to \$3,000. She said that staff were talking about stopgap measures to get through the problem areas.

**Bikes on Buses:** Mr. Bennett asked what staff were doing about the safety concerns with the Bikes on Buses program. Mr. Vobora replied that the District was providing additional education, including posters on the buses, brochures, and newsletter articles telling people to be sure to tell the driver when they were going to retrieve a bike from the rack. There also would be stickers by the rear door to tell riders to deboard through the front door and tell the bus operator.

**ADJOURNMENT:** Mr. Bailey moved that the meeting be adjourned. After seconding, the motion carried by unanimous vote. The meeting was unanimously adjourned at 9:55 p.m.

  
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Board Secretary

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 1996

**PREPARED BY:** Diane W. Hellekson, Finance Manager

**ACTION REQUESTED:** That the Board accept the independent audit report for the fiscal year ending June 30, 1996.

**BACKGROUND:** At the conclusion of each fiscal year, an independent audit of Lane Transit District's financial statements and internal controls is performed. The results of the independent audit are incorporated into the District's Comprehensive Annual Financial Report (CAFR).

This year, because staff require Board attention and action on several time-constrained projects at the October meeting, the presentation of the audit report has been separated from the presentation of the Comprehensive Annual Financial Report. The audit results and opinion will be presented and discussed at the October meeting; the CAFR will be distributed at the October meeting, but the presentation and discussion will be part of the November Board meeting agenda. Forrest Arnold and Mike Lewis of Jones & Roth, P. C., will be present at the October Board meeting to answer any questions Board members may have about the audit process or results.

**ATTACHMENT:** FY 1995-96 Audit Report

**PROPOSED MOTION:** I move the following resolution: Resolved, that the Board accepts the Independent Audit Report for the fiscal year ending June 30, 1996.

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**LANE TRANSIT DISTRICT**

**Independent Auditors' Report**

**Disclosures and Comments**

**Grant Compliance Reports**

**Balance Sheets**

**Statements of Revenues, Expenses,  
and Changes in Retained Earnings**

**Statement of Cash Flows**

**Notes to Financial Statements**

**FOR THE FISCAL YEAR ENDED JUNE 30, 1996**



INDEPENDENT AUDITORS' REPORT

Board of Directors  
Lane Transit District  
Eugene, Oregon

We have audited the balance sheets of Lane Transit District as of June 30, 1996 and 1995, and the related statements of revenues, expenses and changes in retained earnings and cash flows for the years then ended. These financial statements are the responsibility of Lane Transit District management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Lane Transit District as of June 30, 1996 and 1995, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 20, 1996 on our consideration of Lane Transit District's internal control structure and a report dated September 20, 1996 on its compliance with laws and regulations.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental statements and schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements of Lane Transit District. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The information listed in the statistical section in the table of contents has not been audited by us and, accordingly, we express no opinion on such data.

JONES & ROTH, P.C.

By: Michael G. Lewis  
Michael G. Lewis, CPA  
Shareholder

LTD BOARD MEETING  
10/16/96 Page 28

Jones & Roth, P.C.	260 East 11th Avenue	444 B Street	4110 Pacific Avenue	445 East Main Street
Member of Affiliated	P.O. Box 10086	Springfield, OR 97477	Suite 102	Suite 100
Conference of	Eugene, OR 97440	(541) 746-4466	Forest Grove, OR 97116	Hillsboro, OR 97123
Practicing Accountants,	(541) 687-2320	FAX (541) 746-0059	(503) 357-6141	(503) 648-0521
ACPA, International	FAX (541) 485-0960		FAX (503) 357-5329	FAX (503) 648-2692

LANE TRANSIT DISTRICT  
DISCLOSURES AND COMMENTS REQUIRED BY STATE MINIMUM STANDARDS

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We have audited the financial statements of Lane Transit District as of and for the year ended June 30, 1996, and our report thereon is included in the Financial Section of this report. Our audit was made in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the Minimum Standards for Audits of Oregon Municipal Corporations.

In connection with our audit, nothing came to our attention that caused us to believe the District was not in substantial compliance with:

- ORS 294.305 to 294.520 in the preparation, adoption, and execution of its budget for the year ended June 30, 1996, and the preparation and adoption of its budget for the year ended June 30, 1997, except the District's transfers to the Capital Fund exceeded appropriations by \$611,684 .
- The legal requirements relating to short-term and long-term debt, the amount of debt which may be incurred, liquidation of debt within the prescribed period of time, and compliance with provisions of bond indentures.
- The collateral requirements for public fund deposits specified in ORS Chapter 295.
- The legal requirements of ORS 294 pertaining to the investment of public funds.
- The appropriate laws, rules, and regulations pertaining to programs funded wholly or in part by other governmental agencies. Separate reports related to compliance with federal financial assistance programs are included in the Grant Compliance section.
- The legal requirements of ORS 279 pertaining to the awarding of public contracts and the construction of public improvements.

However, it should be noted, our audit was not directed primarily toward obtaining knowledge of noncompliance with such requirements.

Additionally, we make the following other comments:

- We found the District's accounting records to be adequate for audit purposes.
- A separate report on internal control structure is included in the Grant Compliance section.
- We reviewed the District's insurance and fidelity bond coverage at June 30, 1996, and ascertained such policies appeared to be in force. We are not competent by training to state whether the insurance policies covering District-owned property in force at June 30, 1996, are adequate.

GRANT COMPLIANCE SECTION



INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL  
FINANCIAL ASSISTANCE

Board of Directors  
Lane Transit District  
Eugene, Oregon

We have audited the financial statements of Lane Transit District for the year ended June 30, 1996, and have issued our report thereon dated September 20, 1996. These financial statements are the responsibility of Lane Transit District management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the financial statements of Lane Transit District taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

JONES & ROTH, P.C.

Eugene, Oregon  
September 20, 1996

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
Lane Transit District  
Eugene, Oregon

We have audited the financial statements of Lane Transit District for the year ended June 30, 1996, and have issued our report thereon dated September 20, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of Lane Transit District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of Lane Transit District for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be

Board of Directors  
Lane Transit District

detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the board of directors, management, and federal and state agencies. However, this report is a matter of public record and its distribution is not limited.

JONES & ROTH, P.C.

*Jones & Roth, P.C.*

September 20, 1996



Board of Directors  
Lane Transit District

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting controls:

- Revenue/receipts
- Purchases/disbursements
- Payroll/personnel
- External financial reporting

Controls used in administering compliance with laws and regulations:

- General:
  - Political activity
  - Civil rights
  - Davis-Bacon Act
  - Cash management
  - Relocation assistance and real property acquisition
  - Federal financial reports
  - Allowable costs/cost principles
  - Drug-Free Workplace Act
  - Administrative requirements
- Specific:
  - Types of services allowed or unallowed
  - Claims for advances and reimbursements
  - Reporting
  - Matching and level of effort
  - Special requirements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, Lane Transit District expended 100 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the District's major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Board of Directors  
Lane Transit District

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the board of directors, management, and federal and state agencies. However, this report is a matter of public record and its distribution is not limited.

JONES & ROTH, P.C.

*Jones & Roth, P.C.*

September 20, 1996



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL  
REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL  
ASSISTANCE PROGRAMS

Board of Directors  
Lane Transit District  
Eugene, Oregon

We have audited the financial statements of Lane Transit District as of and for the year ended June 30, 1996, and have issued our report thereon dated September 20, 1996.

We have applied procedures to test Lane Transit District's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance for the year ended June 30, 1996:

- Political activity
- Civil rights
- Davis-Bacon Act
- Cash management
- Relocation assistance and real property acquisition
- Federal financial reports
- Allowable costs/cost principles
- Drug-Free Workplace Act
- Administrative requirements

Our procedures were limited to the applicable procedures<sup>as</sup> described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Lane Transit District's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Lane Transit District had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the board of directors, management, and federal and state agencies. However, this report is a matter of public record and its distribution is not limited.

JONES & ROTH, P.C.

*Jones & Roth, P.C.*  
September 20 1996

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
SPECIFIC REQUIREMENTS APPLICABLE TO  
MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Directors  
Lane Transit District  
Eugene, Oregon

We have audited the financial statements of Lane Transit District as of and for the year ended June 30, 1996, and have issued our report thereon dated September 20, 1996.

We have also audited Lane Transit District's compliance with the requirements governing types of services allowed or unallowed; claims for advances and reimbursements; reporting; matching and level of effort; and special requirements that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The management of Lane Transit District is responsible for Lane Transit District's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Lane Transit District's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements listed above.

In our opinion, Lane Transit District complied, in all material respects, with the requirements governing types of services allowed or unallowed; claims for advances and reimbursements; reporting; matching and level of effort; and special requirements that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

This report is intended for the information of the board of directors, management, and federal and state agencies. However, this report is a matter of public record and its distribution is not limited.

JONES & ROTH, P.C.

*Jones & Roth, P.C.*

September 20, 1996

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**Lane Transit District  
Balance Sheets  
June 30, 1996 and 1995**

Assets

<u>Current assets</u>	<u>1996</u>	<u>1995</u>
Cash and equivalents	\$ 5,291,249	\$ 3,658,481
Receivables	435,539	1,327,365
Inventory of parts and supplies	531,237	516,758
Prepaid expenses	28,032	94,309
<b>Total current assets</b>	<b>6,286,057</b>	<b>5,596,913</b>
<u>Restricted assets</u>		
Cash and equivalents	7,392,078	5,574,128
Receivables	228,666	254,896
Deposits	-	10,000
<b>Total restricted assets</b>	<b>7,620,744</b>	<b>5,839,024</b>
Property and equipment, net of accumulated depreciation	23,411,469	22,321,881
<u>Other assets</u>		
Long-term lease	83,333	89,583
Deferred compensation investments	1,658,870	1,215,876
<b>Total other assets</b>	<b>1,742,203</b>	<b>1,305,459</b>
<b>Total assets</b>	<b>\$ 39,060,473</b>	<b>\$ 35,063,277</b>

The notes to the Financial Statements are an integral part of this statement

Liabilities and Fund Equity

	<u>1996</u>	<u>1995</u>
<u>Current liabilities (payable from current assets)</u>		
Accounts payable	\$ 301,222	\$ 288,782
Accrued payroll	358,346	295,931
Payroll withholdings and taxes	27,537	20,858
Accrued vacation and sick leave	1,012,114	940,461
Accrued pension	38,197	30,973
Unearned revenue	72,066	66,415
Other current liabilities	147,550	112,996
<u>Total current liabilities</u>	<u>1,957,032</u>	<u>1,756,416</u>
<u>Current liabilities (payable from restricted assets)</u>		
Accounts payable	251,781	172,433
<u>Noncurrent liabilities</u>		
Due to employees for deferred compensation	1,658,870	1,215,876
<u>Total noncurrent liabilities</u>	<u>1,658,870</u>	<u>1,215,876</u>
<u>Total liabilities</u>	<u>3,867,683</u>	<u>3,144,725</u>
<u>Fund equity</u>		
Contributed capital	32,865,619	30,481,351
Retained earnings	2,327,171	1,437,201
<u>Total fund equity</u>	<u>35,192,790</u>	<u>31,918,552</u>
<u>Total liabilities and fund equity</u>	<u>\$ 39,060,473</u>	<u>\$ 35,063,277</u>

The notes to the Financial Statements are an integral part of this statement<sup>13</sup>

**Lane Transit District**  
**Statements of Revenues, Expenses, and Changes In Retained Earnings**  
**For the Years Ended June 30, 1996 And 1995**

	1996	1995
<u>Operating revenues</u>		
Transportation	\$ 3,103,037	\$ 2,781,909
Other fixed route	394,213	248,739
Special transportation	404,840	375,995
<b>Total operating revenues</b>	<b>3,902,090</b>	<b>3,406,643</b>
<u>Operating expenses</u>		
Personal services	10,811,445	10,018,639
Materials and services	2,896,736	2,853,116
Insurance	645,912	624,781
Special transportation	881,996	766,433
Depreciation	1,816,379	2,024,947
<b>Total operating expenses</b>	<b>17,052,468</b>	<b>16,287,916</b>
<b>Operating loss</b>	<b>(13,150,378)</b>	<b>(12,881,273)</b>
<u>Nonoperating revenues (expenses):</u>		
Employer payroll tax, net of state administrative fees (1996, \$200,050; 1995, \$233,025)	11,709,671	10,769,903
Self employment tax, net of state administrative fees (1996, \$46,389; 1995 \$0)	695,104	-
Federal operating grant	143,905	897,248
Federal grant - bus maintenance, TDM	-	138,523
State operating grant	-	2,494
State payroll assessment	853,045	816,598
Interest	647,778	446,122
Loss on disposal of property and equipment	(9,155)	(837,812)
<b>Total nonoperating revenues</b>	<b>14,040,348</b>	<b>12,233,076</b>
<b>Net income (loss)</b>	<b>889,970</b>	<b>(648,197)</b>
Retained earnings, beginning of year	1,437,201	2,085,398
<b>Retained earnings, end of year</b>	<b>\$ 2,327,171</b>	<b>\$ 1,437,201</b>

The notes to the Financial Statements are an integral part of this statement

**Lane Transit District**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 1996 And 1995**

	1996	1995
<u>Cash flows from operating activities</u>		
Cash received from customers	\$ 4,825,797	\$ 4,461,953
Cash paid to suppliers for goods and services	(4,230,254)	(6,924,907)
Cash paid to employees for services	(10,663,474)	(10,112,410)
<b>Net cash used for operating activities</b>	<b>(10,067,931)</b>	<b>(12,575,364)</b>
<u>Cash flows from noncapital financing activities</u>		
Employer payroll tax	11,709,671	10,769,903
Self employment tax	695,104	-
Federal operating grant	143,905	897,248
Federal grant - bus maintenance, TDM	-	138,523
State operating grant	-	2,494
State payroll assessment	853,045	816,598
<b>Net cash provided by noncapital financing activities</b>	<b>13,401,725</b>	<b>12,624,766</b>
<u>Cash flows from capital and related financing activities</u>		
Contribution from federal and state agencies	2,384,267	482,154
Acquisition and construction of capital assets	(2,915,121)	(642,757)
Proceeds from sale of capital assets	-	293,152
<b>Net cash provided (used for) by capital and related financing activities</b>	<b>(530,854)</b>	<b>132,549</b>
<u>Cash flows from investing activities</u>		
Interest revenue	647,778	446,122
<b>Net cash provided by investing activities</b>	<b>647,778</b>	<b>446,122</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,450,718</b>	<b>628,073</b>
Cash and cash equivalents, beginning of year	9,232,609	8,604,536
<b>Cash and cash equivalents, end of year</b>	<b>\$ 12,683,327</b>	<b>\$ 9,232,609</b>

Reconciliation of operating loss to net cash used for operating activities

	1996	1995
Operating loss	\$ (13,150,378)	\$ (12,881,273)
<u>Adjustments to reconcile operating loss to net cash used for operating activities</u>		
Depreciation	1,816,379	2,024,947
Amortization	6,250	6,250
Decrease in receivables	918,056	1,065,287
Decrease in prepaid expenses and deposits	76,277	(64,735)
Decrease (increase) in inventories	(14,479)	13,410
Increase (decrease) in accounts payable	91,788	(2,626,014)
Increase in accrued payroll and related liabilities	147,971	106,255
Decrease in retroactive union compensation	-	(200,026)
Increase (decrease) in unearned revenue	5,651	(9,977)
Increase (decrease) in other current liabilities	34,554	(9,488)
<b>Net cash used for operating activities</b>	<b>\$ (10,067,931)</b>	<b>\$ 2,575,364</b>

There were no noncash capital or related financing activities for the years ended June 30, 1996 and 1995.

The notes to the Financial Statements are an integral part of this statement



**Lane Transit District**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1996, AND 1995**

**1. Summary of Significant Accounting Policies**

The financial statements of the Lane Transit District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is recognized as the authoritative body for establishing governmental and financial reporting standards. The more significant accounting policies of the District are described below.

**A. The Financial Reporting Entity**

The financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Based upon the above criteria, the District does not have any component units which require inclusion in the financial statements. Conversely, the District is not a component unit of another government.

**B. Organization and Operation**

Lane Transit District was organized under the provisions of the Oregon Revised Statutes chapter 267 to provide public transportation services to portions of Lane County. The District was created on November 23, 1970. The Board of Directors consists of seven members appointed by the Governor.

The accounts of the District are organized on the basis of funds. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating governmental functions and activities. The operations of each fund are accounted for by providing a separate set of self balancing accounts which comprise its assets, liabilities, fund equities, revenues, and expenditures (expenses).

The District is accounted for as a single proprietary fund. Proprietary funds are used to account for operations and activities which are similar to those found in the private sector. The measurement focus is upon the determination of net income.

In September 1993, GASB issued Statement No. 20, which established standards for accounting and financial reporting for proprietary funds. In accordance with GASB No. 20, the District's accounting and financial reporting practices are based on all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless

**Lane Transit District**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 1996, AND 1995**

those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedures. As allowed under GASB No. 20, the District has elected not to apply FASB guidance issued subsequent to November 30, 1989, unless specifically adopted by the GASB.

**C. Measurement Focus and Basis of Accounting**

The accrual basis of accounting is used by the District. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. The District applies a flow of economic resources measurement focus whereby all assets and liabilities associated with the operation of the District is included on the balance sheet.

**D. Budgets and Appropriations**

For budgeting purposes the District consists of a general fund, capital project fund and special revenue fund. This is in conformity with Oregon Budget Law. Budgetary basis revenues and expenditures are recognized on the modified accrual basis. The treatment of capital expenditures is the principal difference between the budgetary basis and the accrual basis. Capital expenditures on a budgetary basis are recorded as current expenditures.

The General Manager submits a proposed operating and capital budget to the Budget Committee a sufficient length of time in advance to allow adoption of the budget prior to July 1. The operating and capital budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments.

The District legally adopts its budget annually prior to July 1 through passage of a resolution. The resolution authorizes appropriations by fund, at a board classification level for personal services, materials and services, capital outlay, and contingency. Expenditures cannot legally exceed appropriations at these control levels. Appropriations which have not been spent at year end lapse.

The Board of Directors, by resolution may amend the budget as originally adopted. There were two amendments made to the budget during fiscal year 1995-96.

**E. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and commitments for the expenditure of moneys are recorded to restrict a portion of the appropriation, is employed for administrative control purposes during the year. Encumbrances at year end do not constitute expenses or liabilities.

**Lane Transit District**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 1996, AND 1995**

**F. Cash and Investments**

Oregon Revised Statutes (294.035) authorize the District to invest in obligations of the U.S. Treasury and agencies, time certificates of deposit, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. Such investments are stated at, cost, increased by accretion of discounts and reduced by amortization of premiums, both computed by the straight-line method, which approximates market value.

For purposes of the Statement of Cash Flows, the District considers cash and equivalents to include all highly liquid debt instruments, with a maturity of three months or less.

**G. Inventories**

Inventories of fuel, lubricants, parts and supplies are valued at cost, which approximates market, using the average cost method.

**H. Fixed Assets**

Fixed assets are valued at cost. Fixed assets are depreciated over the assets' estimated useful lives using the straight-line method.

**I. Long Term Lease**

The District has a lease for the Valley River Center bus stop shelter and boarding area. The lease expires in 2009 and has been paid in advance. The lease is amortized ratably over the period.

**J. Compensated Absences**

The liability for vested or accumulated leave pay is recorded as the benefits accrue to employees. Sick leave is recorded at approximately 50 percent of total accumulated benefits based on the estimated total benefits paid to employees prior to or at retirement or at separation from service.

**K. Unearned revenue**

Income from pass sales which relate to succeeding months is deferred and recognized when earned. Similarly income from bus token sales is initially deferred and recognized when the tokens are as through farebox receipts.

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

**L. Revenue Recognition**

Employer payroll tax collections are recorded when collections are made by the Oregon Department of Revenue. Federal and state grants contributions for all purposes other than capital outlay are classified as non-operating income when earned.

**M. Contributed Capital**

Receipts of federal and state grants for acquisition or construction of property and equipment are recorded as contributed capital. Depreciation on such property and equipment is not closed to contributed capital.

**2. Cash and investments:**

Cash and investments at June 30 consist of the following:

	<u>1996</u>	<u>1995</u>
Cash on hand	\$ 3,610	\$ 3,560
Deposits with financial institutions:		
Demand deposit	69,384	50,626
Certificates of deposit	100,000	100,000
Investments	<u>12,510,333</u>	<u>9,078,423</u>
Total cash and investments	<u>\$ 12,683,327</u>	<u>\$ 9,232,609</u>

Cash and investments are reflected in the balance sheet as follows:

	<u>1996</u>	<u>1995</u>
Cash and investments, current	\$ 5,291,249	\$ 4,018,491
Cash and investments, restricted	<u>7,392,078</u>	<u>4,586,045</u>
Total cash and investments	<u>\$ 12,683,327</u>	<u>\$ 8,604,536</u>

Total deposits at financial institutions of \$177,118 and \$219,760 at June 30, 1996, and 1995, were fully insured or collateralized by financial institutions acting as an agent for the district.

Oregon Revised Statutes require the depository institution to maintain on deposit, with a collateral pool manager, securities having a value not less than 25 percent of the outstanding certificates of participation issued by the pool manager. Further information regarding investments is included in "The Summary of Significant Accounting Policies."

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

**Investments:**

The District's investments are categorized below to give an indication of the degree of risk assumed by the District. Category 1 included investments which are insured or which the District or its agent holds in the District's name. Category 2 includes uninsured investments for which the securities are held in the District's name by the trust department of the financial institution selling the security. Category 3 includes uninsured investments for which the securities are held by the financial institution selling the security or by its trust department but not in the District's name.

The District's investments at year end are as follows:

At June 30, 1996

	<u>Carrying Amount</u>	<u>Market Value</u>
Investment in State of Oregon		
Pool, 5.68%	<u>\$ 12,510,333</u>	<u>\$ 12,510,333</u>

At June 30, 1995

	Category			<u>Carrying Amount</u>	<u>Market Value</u>
	1	2	3		
U.S. Treasury bill, face value \$1,000,000, 6.072%, maturing 7/13/95	\$ -	\$ 997,905	\$ -	\$ 997,905	\$ 997,905
Investment in State of Oregon Local Government Investment Pool Pool, 6.08%				<u>8,103,243</u>	<u>8,103,243</u>
				<u>9,101,148</u>	<u>9,101,148</u>
Less amount in accrued interest receivable				<u>(22,725)</u>	<u>-</u>
Total investments at June 30, 1995				<u>\$ 9,078,423</u>	<u>\$ 9,101,148</u>

**Lane Transit District**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 1996, AND 1995**

**3. Receivables:**

Unrestricted receivables at June 30 consist of the following:

	<u>1996</u>	<u>1995</u>
Payroll tax assessments	\$ 19,809	\$ 246,572
Due from other governments	231,495	-
Self employment tax	3,238	-
Passenger fares	87,723	72,045
Federal operating grant	-	897,248
Advertising	25,777	17,421
Miscellaneous	5,842	27,351
Interest	61,655	66,728
Total unrestricted	<u>\$ 435,539</u>	<u>\$ 1,327,365</u>

The District has no allowance for doubtful accounts. Past experience has shown that uncollectible amounts are likely to be insignificant.

**4. Restricted assets:**

Restricted assets consist of current assets which are designated or restricted for capital outlay, risk management, and Special Transportation. They include the District's share of investment funds required to qualify the District as a recipient under federal capital grant programs, and funds restricted by the District's Board of Directors for future expenses.

Restricted assets are as follows:

	<u>1996</u>	<u>1995</u>
Restricted for capital projects		
Cash and investments	\$ 6,517,821	\$ 4,720,261
Federal and state capital grants receivable	228,666	254,896
Deposits	-	10,000
Total restricted for capital projects	<u>6,746,487</u>	<u>4,985,157</u>
Restricted for self-insured risk		
Cash and investments	<u>850,000</u>	<u>850,000</u>
Restricted for Special Transportation		
Cash and investments	<u>24,256</u>	<u>3,867</u>
Total restricted assets	<u>\$ 7,620,743</u>	<u>\$ 5,839,024</u>

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

**5. Property and equipment:**

Major classes of property and equipment and accumulated depreciation are as follows:

	Useful <u>Lives</u>	<u>1996</u>	<u>1995</u>
Land	-	\$ 807,752	\$ 807,752
Buildings and improvements	3-40	11,874,006	11,632,863
Rolling stock	5-12	17,611,397	17,611,397
Radios and APC equipment	5-10	408,512	408,382
Fareboxes	10	11,076	16,764
Bus shelters and stations	10	2,793,566	2,854,544
Maintenance equipment	10	443,563	421,413
Administration and shop vehicles	5	294,307	257,726
Office equipment	5-10	922,771	999,818
Computer software	3-5	215,606	257,674
Signs	5-10	247,352	233,060
Miscellaneous assets	-	95,268	58,705
Construction-in-progress	-	2,804,328	675,804
Equipment under capitalized lease	10	70,775	70,775
		<u>38,600,279</u>	<u>36,306,677</u>
Less accumulated depreciation		<u>(15,188,810)</u>	<u>(13,984,796)</u>
		<u>\$ 23,411,469</u>	<u>\$ 22,321,881</u>

The federal government retains a reversionary interest in property and equipment to the extent that capital grants provided for their purchase. Upon disposal of property and equipment, a prorated share of proceeds, if any, is returned to the federal government.

Property and equipment includes \$69,285 of leased equipment under capital leases. Related accumulated depreciation was \$63,698 for 1996, and \$60,159 for 1995.

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

**6. Leases**

**Operating lease commitments:**

The District conducts some of its operations from leased facilities. These leases are classified as operating leases and expire within the next five years. The total rental expense for operating leases for the years ended June 30, 1996, and 1995, were \$30,709 and \$27,302 respectively. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 1996:

<u>Fiscal year</u> <u>ending June 30</u>	<u>Rentals</u>
1997	\$ 44,876
1998	22,306
Total minimum future rentals	<u>\$ 67,182</u>

**7. Pension plans:**

**Salaried Employee's Retirement Plan:**

The District contributes to the Lane Transit District Salaried Employees' Retirement Plan (SERP), which is a single-employer public employees retirement system. It is the responsibility of the Retirement Committee for the salaried plan, composed of the President of the Lane Transit District Board of Directors, The General Manager of Lane Transit District, and the Assistant General Manager, to function as administrative agent with respect to the plan.

For the year ended June 30, 1996, the District's total payroll for all employees and the District's total covered payroll amounted to \$8,589,234 and \$2,310,117 respectively.

Covered payroll refers to all compensation paid by the District to active employees covered by the LTD SERP on which contributions to the plan are based.

All non-bargaining unit employees of the District are eligible to participate in the plan on the January 1 or July 1 following hire. Under provisions of the District's pension plan, benefit credits for participants are based on all completed and partial plan years of employment according to the number of hours worked or compensated for in the plan year. An employee will receive one vesting credit for each plan year with the District in which he/she earns 1,600 or more hours of service. An employee will be 20 percent vested for each vesting credit up to a maximum of 100 percent.

A participant is eligible for normal retirement at age 62 and receives benefits based on 1.67 percent of the final three-year average salary, multiplied by the participants benefit credits.



**Lane Transit District**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 1996, AND 1995**

Also, the pension plan provides for early retirement, delayed retirement, disability benefits, and death benefits.

Presented below is the total pension benefit obligation of the District's SERP. The amount of the total pension benefit obligation is based on a standardized measurement that, with some exceptions, must be used by a SERP. The standardized measurement is the actuarial present value of credited projected benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effects of projected salary increases. A standardized measure of the pension benefit obligation was adopted to enable readers of SERP financial statements to assess the District's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparison among SERP.

Because the standardized measure is used only for disclosure purposes by the District, the measurement is independent of the actuarial computation made to determine contributions to SERP. However, the significant actuarial assumptions used to compute the pension benefit obligation are the same as those used to compute the actuarially determined contributions. A variety of significant actuarial assumptions is used to determine the standardized measure of the pension benefit obligation. These assumptions are summarized below:

- The present value of future pension payments was computed by using a discount rate of 8 percent. The discount rate is equal to the estimated long-term rate of return on current and future investments of the pension plan.
- Future pension payments reflect an assumption of a 5.0 percent salary increase, which reflects both inflation and merit/longevity increases.
- Future pension payouts reflect no post-retirement benefit increases, which is consistent with the terms of the pension agreement.

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

The standardized measure of the unfunded pension benefit obligation as of July 1, 1996, is as follows:

Pension benefit obligation:	
Retirees	\$ 409,000
Terminated employees	181,000
Transferred employees	42,000
Current employees:	
Vested benefit obligation	1,637,000
Non-vested benefit obligation	52,000
	2,321,000
Net assets available for benefits	2,953,886
Assets in excess of pension benefit obligation	\$ 632,886

Periodic employer contributions to the pension plan are determined on an actuarial basis using the aggregate actuarial cost method.

Total contributions to the pension plan in fiscal years 1995-96 and 1994-95 were \$44,238 and \$86,924 respectively. The contributed amounts were actuarially determined as described above and were based on an actuarial valuation as of July 1, 1995. Contributions made by the District represent 1.9 percent of 1995-96 and 4.2 percent of 1994-95 covered payroll. Beginning December 4, 1994, District contributions were reduced from 7.75 percent of covered payroll to 1.9 percent of covered payroll.

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information for SERP as a whole is presented in the SERP annual report. The following three-year trend information is available.

	Fiscal Year		
	<u>1996</u>	<u>1995</u>	<u>1994</u>
Net assets as a percentage of the pension benefit obligation	127.3%	122.7%	118.5%
Assets in excess of the pension benefit obligation as a percentage of covered payroll	27.4%	22.7%	18.0%
District contributions as a percentage of covered payroll	1.9%	4.2%	7.7%

**Amalgamated Transit Union Local No. 757 Pension Plan:**

The District contributes also to the Lane Transit District - Amalgamated Transit Union Local No. 757 Pension Plan (LTD-ATU), which is a defined benefit pension plan.

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

As established by the plan, eligible participants are bargaining unit employees who have at least six month's seniority. Service credit is based on the total hours worked by a participant in covered employment during a plan year. During each plan year, every participant will be credited with a portion of the employer's contribution (currently \$.10) based on the number of hours reported for him/her. The portion of the contribution to be credited will be determined by the trustees. Eligible employees are fully vested after five years.

At retirement, the value of the participant's account will be determined and will be used to provide a monthly benefit based on the table of factors adopted by the trustees as shown below:

Age (Last Birthday at Retirement)	Basic Monthly Current Service Benefit Per \$1,000 in Employee Participation Account
55	\$7.07
56	7.21
57	7.35
58	7.50
59	7.65
60	7.82
61	8.00
62	8.19
63	8.39
64	8.61
65	8.83
66	9.07
67	9.32
68	9.59
69	9.87
70	10.17
71	10.49
72	10.83

If the monthly retirement benefit payable from his/her account is less than 21 times his/her total current service plus \$32 times his/her total credited past service (up to a maximum of five years), the participant's benefit will be increased to this minimum level or \$100.

Under provisions of the pension plan, no employee contributions are required. Employees may contribute on a voluntary basis. The District must provide contributions sufficient to satisfy actuarially determined contribution requirements.

**Lane Transit District**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 1996, AND 1995**

Presented below is a total pension benefit obligation. The amount of the total pension benefit obligation is based on recent experience of the plan, and on current expectations as to future economic conditions. The significant actuarial assumptions used to compute the pension benefit obligation are summarized below:

- The present value of future pension payments was computed by using a discount rate of 8 percent. The discount rate is equal to the estimated long-term rate of return on current and future investments of the pension plan.
- The future contributions to each participant's account were assumed to remain at the \$.10 level, with new participants' contributions annualized.
- Participants were assumed to earn future service credits at a rate based on their annualized 1994 hours.

Unfunded pension benefit obligation as of January 1, 1996, is as follows:

Pension benefit obligation:	
Retirees	\$ 1,746,000
Vested terminated employees	41,000
Salaried employees with service under the hourly plan	102,000
Current employees:	
Vested benefit obligation	3,482,000
Non-vested benefit obligation	<u>357,000</u>
	5,728,000
 Net assets available for benefits	 <u>6,198,766</u>
 Assets in excess of pension benefit obligation	 <u>\$ 470,766</u>

Contributions are made to the pension plan under the provisions of the collective bargaining agreement between the employer and the union based on actuarial valuations using the aggregate actuarial cost method. The employer contributions from the effective date of the plan are shown below:

<u>Contribution</u>	<u>Effective Date</u>
\$ .25 per hour	March 1, 1972 - February 28, 1973
\$ .27 per hour	March 1, 1973 - December 31, 1974
\$ .30 per hour	January 1, 1975 - June 30, 1977
\$ .32 per hour	July 1, 1977 - June 24, 1978
\$ .34 per hour	June 25, 1978 - June 23, 1979
\$ .36 per hour	June 24, 1979 - July 5, 1980
\$ .38 per hour	July 6, 1980 - December 31, 1983
\$ .39 per hour	January 1, 1984 - January 12, 1985

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

<u>Contribution, Cont.</u>	<u>Effective Date, Cont.</u>
\$.40 per hour	January 13, 1985 - June 30, 1985
\$.41 per hour	July 1, 1985 - June 28, 1986
\$.42 per hour	June 29, 1986 - January 9, 1988
\$.43 per hour	January 10, 1988 - January 7, 1989
\$.44 per hour	January 8, 1989 - January 6, 1990
\$.45 per hour	January 6, 1990 - July 7, 1990
\$.50 per hour	July 8, 1990 - July 6, 1991
\$.55 per hour	July 7, 1991 - July 4, 1994
\$.60 per hour	July 5, 1994 - July 29, 1994
\$.65 per hour	July 31, 1994 - January 13, 1996
\$.70 per hour	January 14, 1996 - January 11, 1997
\$.75 per hour	January 12, 1997, and thereafter

Contributions for fiscal years 1995-96 and 1994-95 were \$268,747 and \$246,650, respectively, which were 4.7 and 4.8 percent of the covered payrolls of approximately \$5,697,036 and \$5,100,022, respectively. The contributed amounts were actuarially determined as described above and were based on an actuarial valuation as of January 1, 1995.

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information for the plan as a whole is presented in the plan's annual report. The following three-year trend information is available:

	Fiscal Year		
	<u>1996</u>	<u>1995</u>	<u>1994</u>
Net assets as a percentage of the pension benefit obligation	108.2%	100.4%	110.7%
Assets in excess of the pension benefit obligation as a percentage of covered payroll	8.3%	0.4%	10.5%
District contributions as a percentage of covered payroll	4.7%	4.8%	3.8%

**8. Deferred compensation plan:**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. Payment from the plan is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the District (without being restricted to the provisions of benefits under the plan), subject only to the claims of the District's general creditors. Participants' rights

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

under the plan are equal to those of general creditors of the District in an amount equal to the fair market value of the deferred account for each participant.

The deferred compensation plan is managed by a trustee. Participating employees have several investment options with varying degrees of market risk. The District has no liability for losses under the plan, but does have the duty to administer the plan in a prudent manner. The district believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The following is a summary of the increases and decreases of the plan:

	<u>1996</u>
Fund assets (at market value), beginning of year	\$ 1,215,876
Deferrals of compensation	261,374
Earnings and adjustment to market value	207,230
Withdrawals	(23,319)
Administrative expenses	<u>(2,291)</u>
Fund assets (at market value), end of year	<u>\$ 1,658,870</u>

**9. Contributed Capital:**

Contributed capital is increased for the portion of the cost of property and equipment funded by federal and state grants.

During the year, contributed capital changed as follows:

	<u>1996</u>	<u>1995</u>
Balance, beginning of year	\$ 30,481,351	\$ 29,999,197
Capital grant contributions	2,384,267	482,154
Rounding Adjustment	1	-
Balance, end of year	<u>\$ 32,865,619</u>	<u>\$ 30,481,351</u>

**10. Risk Management:**

Risk is managed through a combination of purchased commercial insurance coverage and self-insurance with risk reserves. Insurance coverage was maintained during fiscal year 1995-96 at the same level as fiscal year 1994-95. The limits are consistent with coverage carried by other public entities in Oregon of the District's size and type. Oregon tort liability law generally limits claims for one incident to \$500,000. Additional coverage is for federal claims, out-of-state claims, or contractual liability. This coverage is tabulated below:

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

<u>Retention Level</u> <u>(Deductible)</u>	<u>Description</u>	<u>Limits of Coverage</u>
\$ 1,000	Property and contents	\$ 13,697,000
10,000	General and tort liability	5,000,000
250,000	Excess liability	4,000,000
10,000	Bus - physical damage	unlimited
1,000	Boiler and machinery	1,025,000
5,000	Pollution liability (fuel storage tanks)	1,000,000
-	Bonds	By position

The greatest risk exposure for Lane Transit District is in vehicle liability. The District self-insures up to \$250,000 per accident. Excess liability coverage is purchased with a limit of \$3,750,000. Thus, any risk over \$4,000,000 is retained by the District. The level of risk reserving is set by Board policy considering both the history of payments and the potential exposure to risk. The reserve level is evaluated and the reserve amount budgeted during the annual budget process. Current Board policy sets this amount between 5 and 8 percent of the operating budget. Reserves set at \$850,000 at June 30, 1996, and 1995, are shown as restricted assets on the balance sheet.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). Claim liabilities are set by an independent firm. These liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors. Changes in the balances of claims liabilities during the past two years are as follows:

Lane Transit District  
Changes in the Aggregate Claims Liabilities  
For the Years ended June 30, 1996 and 1995

	<u>Automobile/bus liability</u>	
	<u>1996</u>	<u>1995</u>
Unpaid claims and claim adjustment expenses at beginning of the year	\$ 112,100	\$ 121,100
Incurred claims (including IBNRs)	59,177	46,077
Claim payments	(26,527)	(55,077)
Total unpaid claims and claim adjustment expenses at end of the year	\$ 144,750	\$ 112,100

Unpaid claims are carried at estimated gross settlement value.

**Lane Transit District  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 1996, AND 1995**

**11. Contingencies:**

Under the terms of federal and state grants, periodic audits are required and costs may be questioned as not being appropriate under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. District management believes disallowance, if any, will be immaterial.

The District is in the process of doing design work for a new downtown Eugene transit station. At June 30, 1996, the District had not-to-exceed architectural and design contracts with remaining commitments of approximately \$477,000.

**12. Changes to comparative statements:**

The June 30, 1995, financial statements have been restated for the following:

- The statement of cash flows has been changed from the indirect method to the direct method.
- Contributed capital of \$2,316,374 has been reclassified from retained earnings.

**13. Excess of expenditures over appropriations:**

During the year ended June 30, 1996, the District exceeded appropriations in their general fund by \$611,684 in the category "transfers to Capital Fund."

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** DOWNTOWN CONSTRUCTION SHUTTLE DELETION

**PREPARED BY:** Andy Vobora, Service Planning & Marketing Manager

**ACTION REQUESTED:** Approve elimination of the downtown construction shuttle, effective immediately.

**BACKGROUND:** The downtown construction shuttle was developed and implemented to mitigate the impacts of lost parking resulting from the construction of the new Eugene Station. The shuttle was one measure implemented as part of the mitigation and was scheduled for service from July 1996 through December 1996. This period was established to cover the estimated time for completion of new parking structures at 10th Avenue and Pearl Street.

The primary audience for the shuttle was to be LCC Downtown Center students, faculty, and staff. The market was expanded to include all employees in the Downtown Eugene Incorporated (DEI) boundary. It was hoped that the combination of an inexpensive monthly pass and the convenience of a nearby Park and Ride shuttle would encourage some downtown employees to make a switch from auto travel to transit. Sales of discounted passes, another part of the mitigation program, have continued to gain in popularity; however, shuttle use has been dismal.

This program was marketed in a number of ways. Displays have been placed in pedestrian-busy businesses in downtown, including US Bank and the Citizen's Building. Special bus, bus stop, and Park and Ride signage was created. A timetable showing shuttle schedules and regular route schedules was distributed to businesses downtown. DEI newsletter articles and special inserts were mailed to DEI members. Informational flyers were mailed with parking permits to advertise the program. Two *Register-Guard* weather page advertisements were dedicated to the shuttle and pass program. Last, an ad has been running in the KPNW Newsbreak Newsletter that is distributed to downtown restaurants.



It was decided that any decision about eliminating the shuttle would wait until school at the LCC Downtown Center was in session and the parking at the station site was removed. Both of these occurred in September, with no resulting increase in shuttle ridership.

Staff at DEI and the City of Eugene have expressed no concern over losing the shuttle. LTD staff believe that any interest in using the Fairgrounds Park and Ride can be accommodated by the regular service offered by routes 30 and 42, which offer four trips per hour on weekdays.

Costs to date:

Shuttle:	76 days x 5 hrs x \$35/hr =	\$13,300
Advertising: production & media		\$ 7,040

Staff costs included four or five staff members working on pieces of the project. To separate out the time allocated to the shuttle portion would be very difficult.

Savings if discontinued on October 19, 1996:

Shuttle:	50 days x 5 hrs x \$35/hr =	\$ 8,750
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**ATTACHMENT:** None

**PROPOSED MOTION:** I move the following resolution: Resolved, the LTD Board approves the elimination of service provided by the downtown construction shuttle effective October 19, 1996.

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## AGENDA ITEM SUMMARY

- DATE OF MEETING:** October 16, 1996
- ITEM TITLE:** BOARD COMPENSATION COMMITTEE RECOMMENDATION:  
RESOLUTION TO VOID THE EFFECTS OF MEASURE 8
- PREPARED BY:** Rob Bennett, Chair, Board Compensation Committee
- ACTION REQUESTED:** Adoption of the Resolution to Void the Effects of Measure 8 and adoption of the First Amendment to Restated Lane Transit District Salaried Employee's Retirement Plan.
- BACKGROUND:** By prior resolution, the Board of Directors granted a salary increase of 6 percent for employees not included in a collective bargaining unit to compensate for the Measure 8 requirement that public employees contribute to the cost of their pension plans. On June 21, 1996, the Oregon Supreme Court declared Measure 8 void. The attached Resolution to Void the Effects of Measure 8 reverses the earlier resolution, and reduces the administrative salary schedule by the amount of the earlier increase. The attached First Amendment to Restated Lane Transit District Salaried Employees' Retirement Plan amends the retirement plan to incorporate the changes required by the new resolution. The Board Compensation Committee met on October 2, 1996, and recommended that the proposed adoption of the resolution and plan amendment be forwarded to the Board of Directors in the form presented. The administrative salary schedule change would be effective October 20, 1996, which is the first day of the next pay period following the October Board meeting.
- ATTACHMENTS:**
- (1) Lane Transit District Resolution to Void the Effects of Measure 8
  - (2) First Amendment to Restated Lane Transit District Salaried Employee's Retirement Plan
- PROPOSED MOTION:** Resolved, that the Resolution to Void the Effects of Measure 8 is hereby adopted, and that the First Amendment to the Restated Lane Transit District Salaried Employees Retirement Plan is approved as presented.

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**LANE TRANSIT DISTRICT  
RESOLUTION TO VOID THE EFFECTS OF MEASURE 8**

WHEREAS, by prior Resolution, Lane Transit District (the District) implemented the requirement of Ballot Measure 8 (Oregon Constitution Article IX, Sections 10, 11, and 12) that employees of the District who will receive a retirement benefit from the Restated Lane Transit District Salaried Employees' Retirement Plan (the Plan) contribute to the Plan six percent of their salary or gross wage;

WHEREAS, by prior Resolution, the District amended the Plan to implement Ballot Measure 8;

WHEREAS, June 21, 1996, the Oregon Supreme Court declared Ballot Measure 8 void;

WHEREAS, by prior Resolution, the District granted a salary increase of six percent for employees not included in a collective bargaining unit; and

WHEREAS, the Board desires to implement the decision of the Oregon Supreme Court voiding Ballot Measure 8 and desires to make an associated decrease in the salary of employees not included in a collective bargaining unit,

NOW, THEREFORE, THE LANE TRANSIT DISTRICT BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

1. Effective for compensation earned on or after October 20, 1996, no employee shall be required to contribute any amount to the Plan; provided that the District reserves the right hereafter to require employees to contribute to the Plan.

2. Effective for compensation earned on or after October 20, 1996, each amount of salary shown on the Administrative Salary Schedule of the District is adjusted to the amount determined by dividing the amount of salary shown on that Schedule immediately before this Resolution by 1.06.

3. The Plan is amended as provided in the attached First Amendment to Restated Lane Transit District Salaried Employees' Retirement Plan.

October 16, 1996  
Date

Patricia Hocken  
Board President





FIRST AMENDMENT TO RESTATED LANE TRANSIT DISTRICT  
SALARIED EMPLOYEES' RETIREMENT PLAN

PARTY:

LANE TRANSIT DISTRICT, which is the assumed business name of Lane County Mass Transit District ("Employer")

RECITALS:

A. On November 15, 1995, the Employer adopted the Restated Lane Transit District Salaried Employees' Retirement Plan (the Plan).

B. It is the intent of the Employer to amend the Plan as provided herein.

NOW, THEREFORE, the Plan is amended as shown on the following replacement pages attached hereto by:

1. Amending the last sentence of Section 3.1 to read as shown on attached Page 8, effective for any Employee who becomes a salaried employee after October 16, 1996, and by restating Section 3.2 without change as shown on attached Page 8;
2. Amending the first sentence of Section 3.3 to read as shown on attached Pages 8 and 9, effective for any Employee who resumes salaried employment after October 16, 1996;
3. Amending Section 4.1 to read as shown on attached Pages 10 and 11, effective for hours of service after October 19, 1996, and by restating Section 4.2 without change as shown on attached Pages 11 and 12; and
4. Amending Section 4.3 to read as shown on attached Page 13, effective for Plan Years beginning on or after July 1, 1996, and by restating Sections 4.4 and 4.5 without change as shown on attached Pages 13 and 14.

DATED this 16th day of October, 1996.

LANE TRANSIT DISTRICT

By Patricia Hocken



### SECTION III

#### MEMBERSHIP

3.1 All salaried Employees employed by Employer on the Effective Date and who are not covered by a Plan to which Employer is required to contribute pursuant to a collective bargaining agreement shall become Members in the Plan on the Effective Date. Salaried Employees hired after the Effective Date shall become Members on the first day of the Plan Year following the Plan Year in which they began work for Employer; provided, however, that effective July 1, 1992, such salaried Employees shall become Members on the earlier of the first day of July or the first day of January following the day on which they began work for the Employer. A salaried Employee who was otherwise employed by Employer prior to salaried employment and who has a currently effective year of service (one thousand (1,000) hours of service in the first twelve (12) months as an Employee or in a Plan Year, beginning with the Plan Year which commenced during that twelve (12) month period) shall become a Member on the first day of the month after becoming a salaried Employee.

3.2 Membership shall cease on the date a Member incurs a Break in Service prior to becoming vested pursuant to Section IX; provided, however, in the event the Member remains an Employee the Member shall become an Inactive Member.

3.3 The membership of a former Member will resume upon the date the salaried Employee resumes salaried employment if the



Employee's forfeited service is reinstated pursuant to 4.4 below. Otherwise, a former Member will become a Member again upon completing the Service requirements at 3.1 above.



SECTION IV  
BENEFIT CREDITS AND  
VESTING CREDITS

4.1 Benefit Credits.

Benefit Credits are used in the computation of retirement or disability benefits and consist of the sum of all completed and partial years of employment as a salaried Employee prior to July 1, 1975, and all completed and partial Plan Years of employment on and after July 1, 1975, to and including June 30, 1980, as follows:

<u>Hours of Service During Plan Year</u>	<u>Benefit Credits</u>
2,000 hours or more	1
1,500 hours to 2,000	3/4
1,000 hours to 1,500	1/2
500 hours to 1,000	1/4

Effective July 1, 1980, Benefit Credits used in the computation of retirement or disability benefits shall consist of the sum of all completed partial years of employment as a salaried Employee prior to July 1, 1975, and all completed and partial years of employment as follows:

<u>Hours of Service During Plan Year</u>	<u>Benefit Credits</u>
1,600 hours or more	1
1,200 hours to 1,600	3/4
800 hours to 1,200	1/2
400 hours to 800	1/4

Notwithstanding the foregoing, benefits which become payable on or after July 1, 1980, shall be computed based on all completed and





partial years of employment and Plan Years of employment as calculated immediately above, whether such employment occurred prior to, on or after July 1, 1980. Inactive Members and nonmembers do not earn Benefit Credits.

#### 4.2. Vesting Credits.

4.2.1 Vesting Credits shall be computed on the basis of one (1) full credit for each completed Plan Year of Service with the Employer. For Vesting Credit purposes a completed Plan Year of Service shall be any Plan Year in which an Employee has at least 1,000 hours of service as defined in 4.2.2 during such Plan Year.

4.2.2 An "hour of service" for Vesting Credit and Benefit Credit purposes is each hour of service for which an Employee is directly or indirectly paid or entitled to payment for performance of duties during a Plan Year, including hours for which back pay may be awarded or agreed to by Employer, and each hour during a Plan Year for which an Employee is directly or indirectly paid or entitled to payment on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) because of vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. Notwithstanding the foregoing, no more than five hundred one (501) hours of service will be credited to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single Plan Year). An Employee will not receive hour of service credit under the foregoing if the payment



is made or due under a plan maintained solely for the purpose of complying with applicable workmen's compensation or unemployment compensation or disability insurance laws or if the payment solely reimburses an Employee for medical or medically-related expenses incurred by the Employee. Irrespective of the foregoing, an Employee is not required to be credited on account of a period during which no duties are performed with a number of hours of service which is greater than the number of hours regularly scheduled for the performance of duties during such period.

The hours of service of an Employee whose compensation is computed on other than an hourly basis shall be computed on the basis of weeks of employment. Such hours of service shall be computed on the basis that the Employee shall receive forty-five (45) hours of service a week for each week for which the Employee would be required to be credited with at least one (1) hour of service under the preceding paragraph.

Hours of service for the nonperformance of duties will be credited in accordance with Department of Labor Regulation Section 2530.200b-2(b). Hours of service are credited to the applicable computation period pursuant to Department of Labor Regulation Section 2530.200b-2(c).

4.2.3 In the event that a Member (or Inactive Member) has more than five hundred (500) or more but less than one thousand (1,000) hours of service during any Plan Year, the Member will not receive a Vesting Credit for that year, but will not lose the Member's accrued Vesting Credits.



4.3 Break in Service.

In the event a Member or an Inactive Member is credited with less than five hundred (500) hours of service in a Plan Year, the Member shall suffer a Break in Service at the end of such Plan Year. All Benefit Credits and Vesting Credits shall be forfeited at the time the Break in Service occurs, unless the member (or Inactive Member) has met the vesting requirements of Section IX (subject to reinstatement pursuant to 4.4 below).

4.4 Reinstatement of Benefit Credits and Vesting Credits.

If a Break in Service occurs prior to a Member's or Inactive Member's becoming vested pursuant to Section IX or the Member's normal retirement date, all Benefit Credits and Vesting Credits forfeited because of the Break in Service shall be reinstated if the Member has at least one thousand (1,000) hours of service during the twelve (12) month period following the Member's return to employment (or any subsequent twelve (12) month period), or earns a Vesting Credit during the Plan Year following a Plan Year in which the Member suffered a Break in Service.

4.5 Credits Under the Lane Transit District & Amalgamated Transit Union Local No. 757 Pension Trust.

From time to time, an Employee may transfer from an hourly status to a salaried status or from a salaried status to an hourly status. If, as a result of such transfer, the Employee will lose a partial Benefit Credit under either the Lane Transit District & Amalgamated Transit Union Local No. 757 Pension Trust or



this Retirement Plan, this Plan shall be administered to credit such Employee with a partial Benefit Credit under this Plan if such credit is lost as a result of such transfer.





## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** BOARD COMPENSATION COMMITTEE RECOMMENDATION:  
GENERAL MANAGER'S PERFORMANCE EVALUATION AND SALARY  
ADJUSTMENT FOR FISCAL YEAR 1996-97

**PREPARED BY:** Rob Bennett, Chair, Board Compensation Committee

**ACTION REQUESTED:** That the Board approve an increase of 3 percent to the general manager's base salary for FY 96-97 and approve continuation of her employment contract.

**BACKGROUND:** The Compensation Committee met to discuss the performance review process and compensation level for the general manager for the current fiscal year. The committee believes that this is an unusual year for the District, since LTD is in a period of reorganizing certain areas of administrative responsibility, has undergone significant changes in administrative personnel, is considering and developing serious new initiatives, and is managing additional sources of income. The committee believes that it is too early in these processes to provide a meaningful evaluation, and therefore recommends that the Board express its confidence in the general manager but wait until early 1997 to formally evaluate her performance and the possibility of a merit increase. Before that time, the committee will recommend changes to the current evaluation form and procedures.

In recommending to renew the general manager's employment contract, the committee wishes to express its strong support of and confidence in the general manager in her efforts to successfully integrate new key administrative personnel, efficiently utilize the new sources of revenue, and balance the new initiatives with the other important, ongoing responsibilities of the District.

The committee recommends that the general manager's compensation for Fiscal Year 1996-97 be increased by 3 percent against her base salary. This increase would match the 3 percent increase approved by the Board for the administrative salary scale for FY 96-97. The committee also recommends continuation of the general manager's employment contract with the Board of Directors.



**CONSEQUENCES OF  
REQUESTED ACTION:**

The base salary of the general manager would be increased by 3 percent effective July 1, 1996.

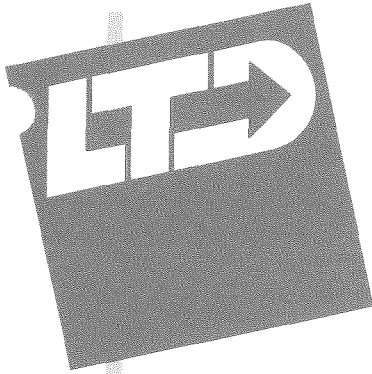
**ATTACHMENTS:**

- (1) Explanation of proposed salary adjustment for FY 96-97
- (2) Proposed FY 96-97 Employment Agreement

**PROPOSED MOTION:**

I move the following resolution: The Board of Directors hereby resolves that the general manager's base salary for Fiscal Year 1995-96 shall be increased by 3 percent effective July 1, 1996, and that the general manager's employment contract with the Board of Directors shall be continued upon all other terms and conditions as in the present contract.





**Lane Transit District**

P.O. Box 7070  
Eugene, Oregon 97401-0470

(541) 741-6100  
Fax (541) 741-6111

October 16, 1996

MEMORANDUM

TO: Board of Directors  
FROM: Diane W. Hellekson, Finance Manager  
RE: Salary Adjustment for LTD General Manager for Fiscal Year 1996-97

The following information summarizes recommended General Manager compensation for the current fiscal year. The analysis assumes a 3 percent increase retroactive to July 1, 1996, and that the Measure 8 adjustment is discontinued effective October 20, 1996, (the first day of the pay period following the October Board of Directors' meeting).

	<u>1995-96 Annualized Salary</u>	<u>1996-97 After Salary Adjustment</u>
Base Salary	\$68,543	\$70,599
Supplemental Benefits	8,993	8,993
Ballot Measure 8 @ 6%	<u>4,652</u>	<u>1,431</u>
Total (Before Pension)	\$82,188	\$81,023
Pension Contribution	<u>(4,931)</u>	<u>(1,517)</u>
Total	\$79,306	\$79,506

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**EMPLOYMENT AGREEMENT  
BETWEEN  
LANE TRANSIT DISTRICT AND PHYLLIS P. LOOBEY**

This is an Employment Agreement made and entered into on October 16, 1996, by and between the Lane Transit District and Phyllis P. Loobey.

The Board of Directors of Lane Transit District (hereinafter the Board) is authorized pursuant to ORS 267.200(5) to enter into contracts on behalf of Lane Transit District and to appoint and fix the salary of the General Manager.

Therefore, in consideration of the terms and conditions of this agreement, the parties agree as follows:

Section 1: Duties and Responsibilities.

(a) Lane Transit District (hereinafter the District) agrees to employ Phyllis P. Loobey as General Manager, and Phyllis P. Loobey (hereinafter the Manager) hereby accepts such employment upon the terms and conditions set forth in this agreement.

(b) The Manager shall have, and agrees to perform in good faith, the duties and responsibilities of General Manager. As such, the Manager shall maintain her office at the headquarters of the District, and shall:

- 1) Have full charge of the acquisition, construction, maintenance, and operation of the transit system of the District.
- 2) Have full charge of the administration of the business affairs of the District.
- 3) Enforce all ordinances adopted by the Board.





4) Administer the personnel system adopted by the Board, and, except for officers appointed by the Board, appoint, discipline, or remove all officers and employees, subject to ORS 267.010 to 267.390 and the rules of the Board.

5) Prepare and submit to the Board within 30 days after the end of each fiscal year a complete report of the finances and administrative activities of the District for that preceding fiscal year.

6) Keep the Board advised as to the needs of the District.

7) Prepare all plans and specifications for acquisition of equipment or construction of improvements or facilities for the District.

8) Cause to be installed and maintained a system of auditing and accounting which shows completely and at all times the financial condition of the District.

9) Devote her entire working time to the business of the District. The Manager's participation in civic and charitable affairs is deemed to be business of the District within the meaning of this provision.

10) Perform such other duties as the Board requires by resolution.

11) Attend the meetings of the Board and may participate in its deliberations, but has no vote.

## Section 2: Term.

This employment shall continue as long as mutually agreeable to both parties. The Manager may be removed by the Board only by an affirmative vote of the majority of the members.



Section 3: Termination/Suspension.

(a) Before the Manager is removed, she shall upon demand be given a written statement of the reasons for her removal. If requested, she shall be given an open hearing at a meeting of the Board before the final vote for her removal; however, the Board may by resolution suspend her from office pending a hearing. The action of the Board in suspending or removal of the Manager, if approved by a majority of the members of the Board, may be reconsidered by the Board, but is otherwise final and not subject to appeal.

(b) The parties agree to give each other written notice of termination. Notice of termination given by the Manager to the District shall be effective at the date specified therein, which date shall be not less than 90 days after the date of service of the notice. Notice of termination given by the District to the Manager, if termination is for the Manager's job-related criminal activity or job-related willful misfeasance, can be made effective immediately; otherwise, it shall be made effective at the date specified therein, which date shall be not less than 90 days after the date of service of the notice. The District agrees to give written notice of any suspension to the Manager.

Section 4: Compensation.

(a) As compensation for the services rendered to the District during the fiscal year 1995-96, the Manager shall be paid a salary of \$\_\_\_\_\_ (now including the annual fringe benefit supplement) and a monthly automobile allowance of \$ 275, in accordance with the District's regular payroll procedures. Said compensation shall be subject to modification from year to year by Board action and be based upon the same criteria as have been used by the Board in the past. In addition, the Manager shall be entitled to the fringe benefits which are generally available to other employees of the District, including, without limitation: hospital; surgical, medical, dental, or other group health insurance; life insurance and disability benefits; holidays; sick leave;



vacation; travel insurance; severance pay plan; and participation in the Lane Transit District pension or retirement program.

(b) The Manager shall be entitled to full compensation and benefits during periods of suspension.

(c) Compensation and benefits received by the Manager from other parties after notice of termination or suspension, for services performed for other parties during the period of 90 days after notice of termination or during periods of suspension, shall reduce the compensation and benefits to which the Manager shall be entitled under this agreement.

Section 5: Expenses.

The District shall reimburse the Manager for reasonable and necessary business expenses of the Manager incurred in the performance of the duties and responsibilities set out in this agreement, upon presentation, in accordance with the District's normal practice, of reasonably detailed statements of expense for which reimbursement is claimed.

Section 6: Indemnification.

To the extent permitted under the laws of the State of Oregon, the District shall indemnify and hold harmless the Manager from any liability, cost, or expense arising out of the Manager's actions as General Manager of the District, except for any criminal activity or willful misfeasance.

Section 7: Assignment.

This agreement is personal to the Manager and cannot be assigned to any other person.



Section 8: Entire Agreement.

This agreement represents the entire agreement between the parties and supersedes any prior agreements or understandings, whether oral or written.

Section 9: Amendments.

This agreement cannot be changed or terminated orally and may be modified only by a written agreement executed by both parties.

Section 10: Notices.

Any notice to the District under this agreement shall be given to the President of the Board of Directors at the President's latest address as shown by the records of the Executive Secretary of the District. Any notice to the Manager under this agreement shall be given to her at her latest address as shown on the records of the Executive Secretary of the District. Notices shall be deemed given when delivered in person or within two business days after being mailed by certified mail at the United States Post Office in Eugene or Springfield, Oregon, with postage fully prepaid and addressed as hereinabove specified.

IN WITNESS WHEREOF, the undersigned have executed this agreement in duplicate on this 16th day of October, 1996.

LANE TRANSIT DISTRICT

\_\_\_\_\_  
General Manager

By \_\_\_\_\_  
President, Board of Directors

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** BOARD MEMBER REPORTS

**PREPARED BY:** Jo Sullivan, Executive Secretary

**ACTION REQUESTED:** None

**BACKGROUND:** Board members have been appointed to the Metropolitan Policy Committee (MPC), the TransPlan Update Symposia process, and a committee working on the Governor's Oregon Transportation Initiative. Board members also will present testimony at public hearings on specific issues, as the need arises. After meetings, public hearings, or other activities attended by individual Board members on behalf of LTD, time will be scheduled on the next Board meeting agenda for an oral report by the Board member. The following activities have occurred since the last Board meeting:

- a. **MPC:** MPC meetings generally are held on the second Thursday of each month. At the Board meeting, LTD's MPC representatives, Pat Hocken and Rob Bennett, can report on the October 10 MPC meeting.
- b. **TransPlan Update Symposia:** Board members Dave Kleger, Kirk Bailey, and Roger Saydack represent LTD in the TransPlan Update Symposia and task force process. At the October Board meeting, the Board representatives will provide an update on the activities of the Transportation Systems Management (TSM) task force, the Land Use task force, and the Transportation Demand Management (TDM) task force.
- c. **Oregon Transportation Initiative Base System Working Group:** In September 1996, the Governor's office appointed Board President Pat Hocken as the transit representative on a new committee to discuss Phase II of the Governor's Transportation Initiative. At the October 16 Board meeting, she will report to the Board about this committee's activities since its first meeting on



September 5, and about her subsequent appointment to the Revenue Committee discussing this same initiative.

**ATTACHMENTS:** None

**PROPOSED MOTION:** None

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** SELECTION OF COMPENSATION STUDY VENDOR

**PREPARED BY:** Ed Rutledge, Human Resources Manager

**ACTION REQUESTED:** None

**BACKGROUND:** In May 1996, the Board approved a Board Compensation Committee recommendation to perform a comprehensive compensation study of administrative salaries during FY 96-97. This expenditure then was approved in the FY 96-97 budget adopted in June. Staff developed a request for proposals (RFP) and received seven proposals. Those proposals were reviewed by a staff task team and two were selected for interviews. The criteria used in evaluating the proposals were expertise; qualifications of staff; private-sector compensation experience; knowledge of local government operations; knowledge of service-based operations; references; and fees.

The two finalist candidates were interviewed in late September, and Moss-Adams was selected as the District's consultant for this study. This decision was reported to the Board Compensation Committee on October 2, and the Committee concurred with the staff selection and asked staff to notify the full Board of the decision.

The selection of Moss-Adams was made based on its experience in both the public and private sector; its strong commitment to complete the project in a timely manner; its examples of product that appeared to be on target for the Compensation Committee's requirements for comparison data; its experience working with transit agencies; its professional presentation; and its willingness to provide a "not to exceed" fee, which was below the cap budgeted for this project.

Moss-Adams representatives will begin training staff and performing the on-site work in the near future. Staff will confer and consult with the members of the Compensation Committee during the progress of the study, and will report accordingly to the Board.

**ATTACHMENT:** None

**PROPOSED MOTION:** None

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** PROPOSAL TO INCREASE RIDESOURCE FARE

**PREPARED BY:** Micki Kaplan, Transit Planner

**ACTION REQUESTED:** Information only. Action will be requested at the December Board meeting.

**BACKGROUND:** The Board will recall that during the last several years, **RideSource** has experienced a decline in Special Transportation Fund revenues and an increase in operating costs and demand. As a result, LTD has been required to increase general fund contributions to pay for Americans with Disabilities Act (ADA) paratransit service.

LTD and Lane Council of Governments (LCOG) staff have been working on a variety of strategies to manage **RideSource** demand and increase operating revenues for **RideSource**. One of the first strategies discussed by the STF Advisory Committee was a proposal to increase the **RideSource** passenger fare. Results of the fare research and the STF Advisory Committee recommendations are discussed in more detail on the attached memorandum from LCOG Planner Terry Parker.

As the LCOG memo indicates, staff and the STF Advisory Committee recommend increasing the **RideSource** fare from \$.80 to \$1 per ride, effective February 1, 1997. During the next several years, staff recommend eventually charging the ADA maximum of twice the LTD adult cash fare in order to increase the farebox ratio and manage demand. Future fare increases will occur in conjunction with LTD fare increases.

If the Board is comfortable with the proposed fare change, the next step would be as follows:

October 18: Advertise November fare hearing  
November 18: First reading of fare ordinance, conduct public hearing  
December 20: Second reading. Board action.  
February 1: Implement fare change from \$.80 to \$1 per ride

**ATTACHMENT:** Memorandum from Lane Council of Governments

**PROPOSED MOTION:** None

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** RIDESOURCE STATUS REPORT

**PREPARED BY:** Micki Kaplan, Transit Planner

**ACTION REQUESTED:** None

**BACKGROUND:** LTD and LCOG staff have been working on a variety of strategies to manage **RideSource** demand and increase operating revenues for RideSource. A status report on **RideSource** is provided by LCOG Associate Planner Terry Parker.

**ATTACHMENT:** Memorandum from Lane Council of Governments

**PROPOSED MOTION:** None

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** COMPARATIVE PERFORMANCE REPORTS (UNCC REPORTS)

**PREPARED BY:** Roy Burling, Assistant Finance Manager

**ACTION REQUESTED:** None

**BACKGROUND:** At the meeting, staff will present the results of a study conducted by the University of North Carolina at Charlotte (UNCC) that tracks and compares 120 of the nation's largest bus systems and a separate peer group study. In 1994, LTD's overall performance ranked 21<sup>st</sup> out of 120 transit systems nationwide and 4<sup>th</sup> in a peer group of 16 systems. LTD's overall performance is about 18 percent better than the national average and about 15 percent better than its peer group average.

Copies of the full report are being distributed to Board members with their meeting agenda packets. A brief presentation will explain some of the major elements in the reports.

**ATTACHMENTS:** Comparative Performance of Lane Transit District, Eugene, Oregon, by the Center for Interdisciplinary Transportation Studies, University of North Carolina at Charlotte (enclosed separately from agenda packet)

**PROPOSED MOTION:** None

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** EUGENE STATION UPDATE

**PREPARED BY:** Charlie Simmons, Facility Services Manager

**ACTION REQUESTED:** None. Information only.

**BACKGROUND:** **Land Acquisition:** Acquisition of the Hammer property was completed this last month. This concludes all property acquisitions for the site.

**Phase I Construction:** Phase I, which is the earthwork, has progressed extremely well during the recent dry weather and is on schedule to be completed by October 29.

**Phase II:** The Phase II construction package went out to bid the first week of October. A pre-bid meeting is scheduled for October 16, and the bid opening will occur on October 30 at 6:00 p.m.

**Art:** New proposals for the \$60,000 portion of the art budget are due to be received by October 11. The Art Selection Committee will meet on the 23rd of October to review the proposals.

**ATTACHMENT:** None

**PROPOSED MOTION:** None

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** BUS RAPID TRANSIT UPDATE

**PREPARED BY:** Stefano Viggiano, Planning and Development Manager

**ACTION REQUESTED:** None. Information only.

**BACKGROUND:** As work on the implementation of the BRT pilot corridor proceeds, a key issue that must be resolved is the extent of exclusive right-of-way that the line should have, both initially and eventually. A related issue is how the exclusive right-of-way is to be provided, either through the acquisition of property and construction of a bus lane along the corridor, or by replacing existing on-street parking or travel lanes with bus lanes. Staff suggest that the Board discuss these key policy and operational questions at the retreat on November 2 and 3, 1996. Staff will present options for various approaches that use differing levels of exclusive right-of-way. Each option will be drawn and include an analysis of bus travel time and implementation cost.

The Technical Advisory Committee (TAC) met in late September to review options for the BRT alignment in the section of the corridor on West 11th/13th between Garfield and downtown Eugene. The TAC also reviewed options to include transit signal priority capability in future software purchases. Both cities expect to be purchasing new software within the next year and will be including the transit priority option in the Request for Proposals.

**ATTACHMENT:** None

**PROPOSED MOTION:** None

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** CORRESPONDENCE

**PREPARED BY:** Phyllis Loobey, General Manager

**ACTION REQUESTED:** None

**ATTACHMENTS:** The attached correspondence is included for the Board's information:

- Letter from Norman Lewis and Barbara Myrick regarding exterior advertising on the buses.
- Letter from Senator Hatfield regarding federal appropriations for buses and the new Eugene Station

At the September meeting, staff will respond to any questions the Board members may have about this correspondence.

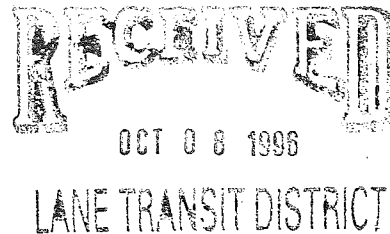
**PROPOSED MOTION:** None

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3876 Monroe St.  
Eugene, OR 97405-2312  
October 2, 1996

Board of Directors  
Lane Transit District  
PO Box 7070  
Eugene, OR 97401



RE: BUS ADVERTISING

Dear Board Members:

When the LTD Board approved exterior advertising on the system's buses, we could reluctantly accept the change in policy and the need to generate revenue in a new way. The placards got bigger and our acceptance level decreased. We now must thoroughly object to the current extent, size, and nature of the exterior bus advertising.

When did LTD become a subsidiary of Obie Media? When did the mission of LTD change to being a mobile billboard service? We can not support the visual pollution which seems to be the current position and policy of LTD, the communities' "former" mass transportation system. We will not, by choice, support LTD in any manner. We will drive our cars without guilt or remorse.

Please return the buses to public transportation vehicles and do away with the giant travelling billboards polluting our streets and highways. Please return LTD's integrity.

Sincerely,

A handwritten signature in cursive script that reads "Norman Lewis".

Norman Lewis

A handwritten signature in cursive script that reads "Barbara Myrick".

Barbara Myrick

cc Tim Laue, Eugene City Council



MARK O. HATFIELD, OREGON, CHAIRMAN

TED STEVENS, ALASKA  
THAD COCHRAN, MISSISSIPPI  
ARLEN SPECTER, PENNSYLVANIA  
PETE V. DOMENICI, NEW MEXICO  
CHRISTOPHER S. BOND, MISSOURI  
SLADE GORTON, WASHINGTON  
MITCH MCCONNELL, KENTUCKY  
CONNIE MACK, FLORIDA  
RAD BURNS, MONTANA  
IARD C. SHELBY, ALABAMA  
JAMES M. JEFFORDS, VERMONT  
JUDD GREGG, NEW HAMPSHIRE  
ROBERT F. BENNETT, UTAH  
BEN NIGHTHORSE CAMPBELL, COLORADO

ROBERT C. BYRD, WEST VIRGINIA  
DANIEL K. INOUE, HAWAII  
ERNEST F. HOLLINGS, SOUTH CAROLINA  
J. BENNETT JOHNSTON, LOUISIANA  
PATRICK J. LEAHY, VERMONT  
DALE BUMPERS, ARKANSAS  
FRANK R. LAUTENBERG, NEW JERSEY  
TOM HARKIN, IOWA  
BARBARA A. MIKULSKI, MARYLAND  
HARRY REID, NEVADA  
J. ROBERT KERREY, NEBRASKA  
HERB KOHL, WISCONSIN  
PATTY MURRAY, WASHINGTON

J. KEITH KENNEDY, STAFF DIRECTOR  
JAMES H. ENGLISH, MINORITY STAFF DIRECTOR

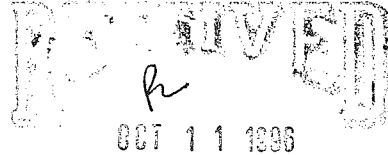
# United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

October 7, 1996

Ms. Phyllis Loobey  
General Manager  
Eugene Lane Transit District  
3500 East 17th Avenue  
P.O. Box 7070  
Eugene, Oregon 97401



LANE TRANSIT DISTRICT

Dear Ms. Loobey:

It is my pleasure to inform you that the Eugene Buses and Station project received \$2.55 million in the fiscal year 1997 appropriations cycle. I enjoyed working with you on this endeavor and am extremely gratified we secured a federal investment in this meritorious venture.

In these times of declining federal resources, Congress is frequently required to take difficult steps to meet the numerous funding requests presented each year. During my tenure as Chairman of the Senate Appropriations Committee, it was necessary to craft several legislative packages to rescind unobligated federal funds. I fully expect the practice of re-allocating unspent funds to continue in the future. Consequently, I strongly urge you to obligate these funds expeditiously and avoid the potential threat of losing them to a rescission by the next Congress.

Once again congratulations on receiving funding for this important project.

With kind regards.

Sincerely,

Mark O. Hatfield  
United States Senator

MOH:sh



## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** OREGON TRANSIT ASSOCIATION ANNUAL CONFERENCE

**PREPARED BY:** Phyllis Loobey, General Manager

**ACTION REQUESTED:** None

**BACKGROUND:** The Oregon Transportation Conference 1996, the annual conference of the Oregon Transit Association (OTA), will be held in Seaside, Oregon, beginning Sunday, October 27, and ending Wednesday, October 30. A preliminary agenda was distributed to the Board in September.

Board members Dave Kleger and Kirk Bailey will be attending the conference. As an OTA Board member, I also will attend, as will other members of the staff. Any additional LTD Board members wishing to participate are urged to contact Eileen Mugglewortz, LTD Administrative Secretary, at 741-6100 immediately, to make conference and lodging reservations.

During my absence, Public Affairs Manager Ed Bergeron will be Acting General Manager.

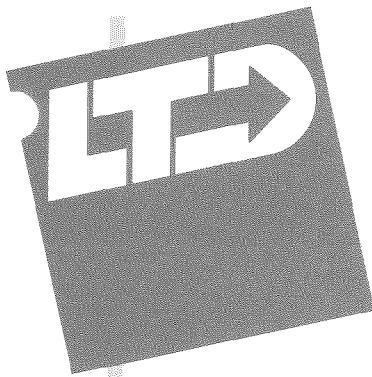
**ATTACHMENT:** None

**PROPOSED MOTION:** None

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**Lane Transit District**  
P.O. Box 7070  
Eugene, Oregon 97401-0470

(541) 741-6100  
Fax (541) 741-6111

## **MONTHLY STAFF REPORT**

October 16, 1996

### **TRANSIT OPERATIONS**

*Prepared by Patricia Hansen, Transit Operations Manager*

There is no operations report this month.

### **HUMAN RESOURCES**

*Prepared by Ed Rutledge, Human Resources Manager*

#### **RECRUITMENT AND SELECTION**

Interviews for part-time bus operators began on August 26 and were conducted through September 16. Interviews for the positions of inventory technician and distribution coordinator also were conducted in September.

#### **TRAINING**

Safety-sensitive employees from the Transit Operations and Fleet Services departments attended a training class regarding the effects and consequences of illicit drug use. This training was presented by Jerry Gjesvold of Serenity Lane.

The risk/safety/benefits specialist presented a class on safety issues to a class of new operators.

The fall operators' training began on September 30. This year's training curriculum includes a session on LTD's future projects, sexual harassment, and labor-management relations.



The HR Manager also presented a training session for supervisors and managers on labor relations, collective bargaining, and recent changes in Oregon's public sector collective bargaining law.

### **RISK/SAFETY/BENEFITS**

Following a reported incident in which a companion dog bit one of the operators, the Accessible Issues Committee discussed the use of animals as companions for persons with disabilities.

The Facilities Safety Committee meeting was convened on September 26. Bus operator Robert Mosley was elected as the chairperson.

The risk/safety/benefits specialist attended a meeting to discuss problems associated with carrying bikes in wheelchair bays.

### **EMPLOYEE RELATIONS**

Ergonomic evaluations were conducted on six employee work stations. Modifications may be made, depending on the full report, which is yet to be delivered to the District.

Representatives from HR met repeatedly with one employee to resolve an outstanding workers' compensation claim. The issue was resolved through crafting a retirement option for the employee.

### **LABOR RELATIONS**

Four members of LTD's bargaining team attended a conference on union-management cooperation. Sponsored by the Amalgamated Transit Union (ATU), the conference was held in Calgary, Alberta. The International President of ATU, Jim La Sala, challenged management and union leaders to change the way they have been conducting the business of union-management relations and contract negotiations. Each conference participant also was encouraged to briefly discuss efforts in union-management cooperation being explored at their respective properties. LTD reported on recent progress in establishing a Labor-Management Committee (LMC).

Counsel has engaged in a dialog with the leadership of Local 757 regarding the initiative directed at limiting the salary of the general manager. This dialog resulted from a commitment expressed by Local 757 at the ATU conference in Calgary. Since the Calgary conference, however, the Local has given mixed signals on this issue. Nevertheless, the Local recently submitted a motion to the Court of Appeals requesting that an abeyance be granted. It is possible that this issue may be resolved without continued litigation.

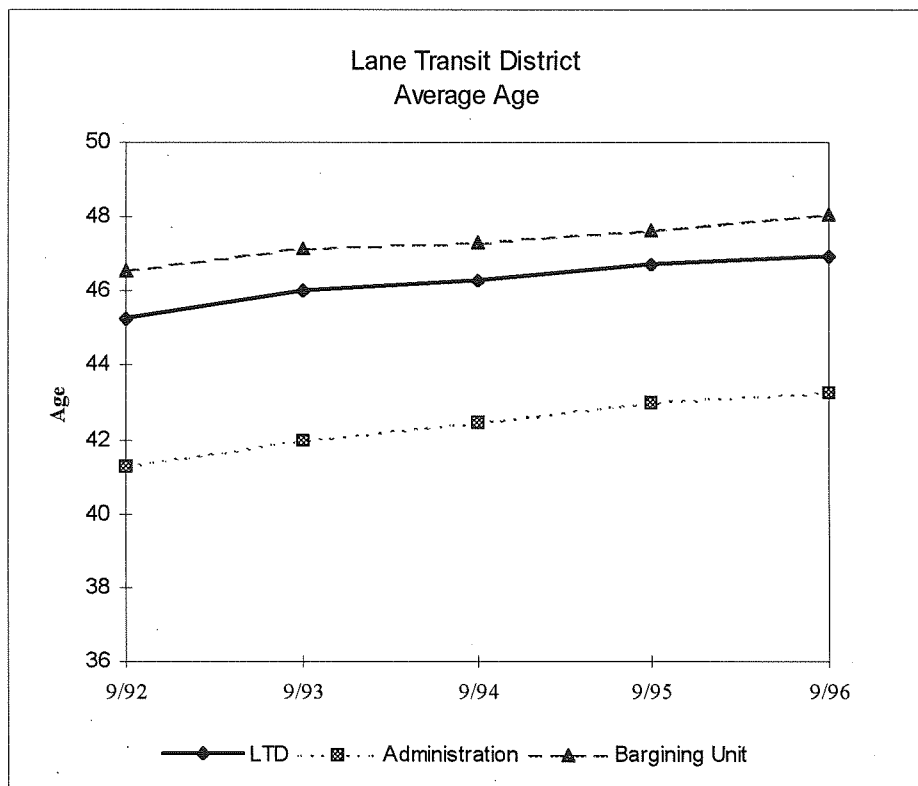


The HR manager and the HR specialist attended a one-day workshop on ethics in bargaining. The workshop was sponsored by the Industrial Relations Research Association.

**OTHER**

An RFP was distributed regarding a comprehensive compensation study for all non-bargaining unit positions, excluding the position of general manager. The HR manager headed a task team with representatives from Transit Operations, Information Services, and Finance to review the proposals that were received. Selected potential vendors for this project were interviewed and one vendor was selected. It is expected that the project will begin in October.

Concerned about worker injuries and retirement-related issues, such as benefit design and replacement strategies, a recent study profiling the average age of LTD's work force was completed. This study indicates that the average age of LTD employees is presently over 46 years and is increasing. See the graph below:





**SERVICE PLANNING & MARKETING**

*Prepared by Andy Vobora, Service Planning & Marketing Manager*

**FALL BID IMPLEMENTATION**

Fall bid is a hectic time for everyone at LTD, and this one was no exception. Commuter Packs were mailed to Eugene-Springfield homes, and all arrived prior to the implementation date. Some zip code areas were later in receiving the information due to post offices holding the materials, but, overall, the information made it to area residents with ample time for review.

Service implementation has gone smoothly. Overloads, associated with the rush during the return to school, have been covered with extra board trippers, and additional service plans have been made to cover the heaviest demands. Early indications point toward a much higher demand for service by Sacred Heart and University of Oregon (UO) area riders. The new Duck Village development on Centennial Boulevard has shown very high ridership. Park and Ride and neighborhood use of regular routes seems to be increasing among Sacred Heart employees. An aggressive increase in parking fees, earlier morning service, and a ridership incentive program appear to be driving the Sacred Heart increase.

LTD has been very visible in print, television, and radio over the past month. Additionally, LTD staff have been active with group pass organization employees. Staff have been present at more than a dozen employee trip planning sessions. These sessions give us an opportunity to talk about new service and to hear about changes that might help more employees use the bus.

**HYUNDAI**

Staff continue to work with Hyundai personnel to craft service for the growing number of Hyundai employees. A fall service change in the routing of bus route 93 has given some of the 8:00 a.m. to 5:00 p.m. employees an opportunity to ride the bus. Service plans are being developed to implement an employee shuttle from temporary housing on Goodpasture Island Road to the plant site. This shuttle is schedule to begin operating November 1.

Inclusion of information in employee newsletters has given LTD an opportunity to introduce itself to new employees, and Connie Bloom Williams has been participating regularly in new employee orientation sessions. This will continue monthly as new employees are added to the work force.





## **BIKES ON BUSES**

Ridership continues to grow. More than 7,000 bikes were carried on buses during both August and September. October will give us our first look at how UO and Lane Community College (LCC) ridership will impact this program. Information is being placed on the buses (posters, Bus Talk articles, and stickers) to remind bike rack users to follow some common sense procedures that will ensure their safety when using the bike racks.

## **UO FOOTBALL SHUTTLES**

UO football shuttle ridership blew us away for the first home game this year. Over 8,500 rides for a non-conference game is unheard of and caused serious delays for customers. We had anticipated larger crowds by scheduling 32 post-game buses; however, this was not enough. Service plans were revised for the second and third games. Forty post-game buses were scheduled and an express lane between the boarding area and the west parking lot entrance was instituted. These changes have allow post-game service to be more efficient and have reduced customer waiting time significantly. The per-game average is approximately 1,000 rides higher than in 1995.

## **EAST SPRINGFIELD PARK AND RIDE**

The environmental assessment is out for public review. Ads in the *Register-Guard* and the *Springfield News* advertised the location of the documents for public review and response. The displays are located in the Albertson's and Bi-Mart stores at 58th and Main Streets, at the Eugene and Springfield libraries, and at the CSC. The response period closes October 31. Following public review, FTA will give the final go-ahead and design work will begin. Completion is scheduled for fall 1997.

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** SEPTEMBER FINANCIAL STATEMENT

**PREPARED BY:** Diane W. Hellekson, Finance Manager

**ACTION REQUESTED:** None

**BACKGROUND:** First quarter financial results for the 1996-97 fiscal year meet or exceed budget plan expectations in all major revenue and expense categories. Year-to-date passenger fare revenue continues to be 14 percent ahead of the same period in the prior fiscal year. Advertising revenue has increased nearly 75 percent over the first quarter of last year.

Late self-employment tax payments for 1995 have resulted in first-quarter receipts of \$56,650, which were not anticipated by the budget. In the absence of any data from the Department of Revenue (DOR) on taxpayer demographics, LTD has undertaken its own study of a DOR processing report that was provided to LTD in mid-summer. This report contains tax payment information for approximately 6,000 taxpayers who paid the tax in full by June. (The report contained an error message that invalidated it for DOR purposes; a thoughtful DOR employee diverted it from scheduled shredding.) The analysis of this data will be complete for presentation at the November Board meeting.

Also in process is a review of payroll tax receipts. There is concern that the amounts collected may not include taxes due from out-of-area contractors who may be working on the many Eugene/Springfield construction projects currently in progress. A list of contractors will be generated and submitted to the Department of Revenue for verification of tax payment. The Board of Directors will be informed of the results of this inquiry at a subsequent meeting.

**ATTACHMENT:** Attached are the following financial reports for Board review:

1. Analysis report - comparison to prior year
2. Comparative Balance Sheets
  - a. General Fund
  - b. Special Transportation Fund
  - c. Capital Fund

3. Income Statements
  - a. General Fund
  - b. Special Transportation Fund
  - c. Capital Fund

**PROPOSED MOTION:** None

**LANE TRANSIT DISTRICT  
OPERATING FINANCIAL REPORT  
FOR THE FISCAL PERIOD ENDING 9/30/96 WITH COMPARISONS TO PRIOR YEAR-TO-DATE**

	Prior YTD 95-96	Current year - 96-97			
		Annual Budget	YTD Actual	% budget	% over last year
<b>REVENUE</b>					
Passenger fares	\$ 526,048	\$2,669,830	\$ 599,657	22.5%	14.0%
Group pass	89,796	602,510	93,909	15.6%	4.6%
Special service	44,901	70,000	43,171	61.7%	-3.9%
Advertising	44,262	315,510	77,331	24.5%	74.7%
Miscellaneous	813	42,250	3,021	7.2%	271.6%
<b>Total operating</b>	<b>705,820</b>	<b>3,700,100</b>	<b>817,089</b>	<b>22.1%</b>	<b>15.8%</b>
Payroll tax	2,992,359	12,672,110	3,054,405	24.1%	2.1%
Self-employment tax	-	799,400	56,650		
FTA operating grnt	18,446	186,000	11,615	6.2%	-37.0%
State-in-lieu	-	867,580	-	0.0%	
<b>Total taxes &amp; grants</b>	<b>3,010,805</b>	<b>14,525,090</b>	<b>3,122,670</b>	<b>21.5%</b>	<b>3.7%</b>
Interest income	132,281	722,000	181,086	25.1%	36.9%
Sale of assets	-	-	-	-	-
<b>Total revenue</b>	<b>3,848,906</b>	<b>18,947,190</b>	<b>4,120,845</b>	<b>21.7%</b>	<b>7.1%</b>
<b>EXPENSES</b>					
<b>Personnel Costs</b>					
Administration wages	563,111	2,593,220	641,129	24.7%	13.9%
Adminstration fringe	135,960	612,150	156,404	25.5%	15.0%
<b>Total administration</b>	<b>699,071</b>	<b>3,205,370</b>	<b>797,533</b>	<b>24.9%</b>	<b>14.1%</b>
Contract as administration	19,378	40,400	7,777	19.3%	-59.9%
Contract wages	1,538,862	6,557,410	1,606,819	24.5%	4.4%
Contract fringe	417,364	1,914,520	447,590	23.4%	7.2%
<b>Total contract</b>	<b>1,975,604</b>	<b>8,512,330</b>	<b>2,062,186</b>	<b>24.2%</b>	<b>4.4%</b>
<b>Total personnel</b>	<b>2,674,675</b>	<b>11,717,700</b>	<b>2,859,719</b>	<b>24.4%</b>	<b>6.9%</b>
<b>Materials &amp; Services</b>					
Administration	44,651	141,500	18,432	13.0%	-58.7%
Public Affairs	-	146,600	9,869		
Finance	9,140	32,200	6,912	21.5%	-24.4%
Information Services	8,334	63,750	9,679	15.2%	16.1%
Human Resources	27,807	239,960	31,535	13.1%	13.4%
Planning & Development	1,701	54,450	11,001	20.2%	546.7%
Commuter Solutions	8,131	56,870	5,538	9.7%	-31.9%
Service Planning & Marketing	195,781	452,600	198,408	43.8%	1.3%
Customer Service	23,702	78,250	26,796	34.2%	13.1%
Transit Operations	23,372	163,990	27,848	17.0%	19.2%
Fleet Services	272,150	1,515,450	308,253	20.3%	13.3%
Facility Services	72,472	383,360	65,592	17.1%	-9.5%
Insurance / Liability Costs	411,977	621,360	462,625	74.5%	12.3%
Transfer - STF	113,225	602,000	145,500	24.2%	28.5%
<b>Total Materials &amp; services</b>	<b>1,212,443</b>	<b>4,552,340</b>	<b>1,327,988</b>	<b>29.2%</b>	<b>9.5%</b>
<b>Total expenses</b>	<b>3,887,118</b>	<b>16,270,040</b>	<b>4,187,707</b>	<b>25.7%</b>	<b>7.7%</b>
<b>Revenue less expenses</b>	<b>(38,212)</b>	<b>2,677,150</b>	<b>(66,862)</b>		<b>-75.0%</b>
<b>Transfer to capital</b>	<b>-</b>	<b>2,958,980</b>	<b>-</b>		<b>-</b>
<b>Net to fund</b>	<b>(38,212)</b>	<b>5,636,130</b>	<b>(66,862)</b>		<b>-75.0%</b>

LANE TRANSIT DISTRICT  
COMPARATIVE BALANCE SHEET  
GENERAL FUND  
September 30, 1996

	CURRENT BALANCES	BALANCE 6/30/1996
<b>ASSETS</b>		
Cash & short term investments	\$6,047,522	\$6,041,249
Receivables	199,064	435,539
Inventory	581,674	531,237
Prepaid expenses	331	28,032
Treasury Bill	0	0
Certificate of deposit	0	100,000
Deferred compensation	1,658,870	1,658,870
VRC lease	83,333	83,333
Property, plant and equipment	23,411,469	23,411,469
Total Assets	<u>\$31,982,263</u>	<u>\$32,289,729</u>
<b>LIABILITIES</b>		
Accounts payable	\$118,951	\$301,219
Payroll payable	373,420	424,081
Unearned income	64,862	72,066
Liability claims/other payable	147,079	147,550
CAL/sick accrual	1,012,114	1,012,114
Deferred compensation	1,658,870	1,658,870
Total Liabilities	<u>\$3,375,296</u>	<u>\$3,615,900</u>
<b>FUND BALANCE</b>		
Reserved for long term lease	\$83,333	\$83,333
Property, plant and equipment	23,411,469	23,411,469
Fund Balance restricted to assets	<u>\$23,494,802</u>	<u>\$23,494,802</u>
Fund balance 6/30/96	\$5,179,027	\$5,179,027
Change in fund balance	(66,862)	
Ending fund balance	<u>\$5,112,165</u>	<u>\$5,179,027</u>
Total reserves and fund balances	<u>28,606,967</u>	<u>28,673,829</u>
Total Liabilities & Fund Balances	<u>\$31,982,263</u>	<u>\$32,289,729</u>

LANE TRANSIT DISTRICT  
 COMPARATIVE BALANCE SHEET  
 SPECIAL TRANSPORTATION FUND  
 September 30, 1996

	CURRENT BALANCES	BALANCE 6/30/1996
<b>ASSETS</b>		
Cash & short term investments	\$0	\$24,256
Receivables	0	0
Prepaid expenses	0	0
Total Assets	\$0	\$24,256
<b>LIABILITIES</b>		
Accounts payable	\$0	\$24,256
Total Liabilities	\$0	\$24,256
<b>RESERVES &amp; BALANCES</b>		
Fund balance	\$0	\$0
Change in fund balance	0	0
Ending fund balance	\$0	\$0
Total Liabilities & Fund Balances	\$0	\$24,256

LANE TRANSIT DISTRICT  
 COMPARATIVE BALANCE SHEET  
 CAPITAL FUND  
 September 30, 1996

	CURRENT BALANCES	BALANCE 6/30/1996
<b>ASSETS</b>		
Cash & short term investments	\$6,373,351	\$6,517,821
Receivables	114,082	228,666
Prepaid	0	0
Deposits	0	0
Total Assets	<u>\$6,487,433</u>	<u>\$6,746,487</u>
<b>LIABILITIES</b>		
Accounts payable	\$28,124	\$227,525
Retainage payable	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$28,124</u>	<u>\$227,525</u>
<b>RESERVES &amp; BALANCES</b>		
Fund balance	\$6,518,962	\$6,518,962
Change in fund balance	<u>(59,653)</u>	<u></u>
Ending fund balance	<u>\$6,459,309</u>	<u>\$6,518,962</u>
Total Liabilities & Fund Balances	<u>\$6,487,433</u>	<u>\$6,746,487</u>



LANE TRANSIT DISTRICT  
GENERAL FUND INCOME STATEMENT  
For the period 7/01/96 to 9/30/96

	Percent of year					25%
	SEPTEMBER					
	ORIGINAL BUDGET	AMENDED BUDGET	Y-T-D ACTUAL	1996 ACTUAL	BALANCE	YTD % BUDGET
<b>REVENUES</b>						
Passenger Fares	\$2,669,830	\$2,669,830	\$599,657	\$225,427	(\$2,070,173)	22.5%
Group Pass Payments	602,510	602,510	93,909	31,538	(508,601)	15.6%
Special Services	70,000	70,000	43,171	3,889	(26,829)	61.7%
Advertising	315,510	315,510	77,331	25,777	(238,179)	24.5%
Miscellaneous Income	42,250	42,250	3,021	421	(39,229)	7.2%
Payroll Tax Revenue	12,672,110	12,672,110	3,054,404	71,506	(9,617,706)	24.1%
Self-employment tax	799,400	799,400	56,650	19,101	(742,750)	7.1%
State In-Lieu-of-Tax	867,580	867,580	0	0	(867,580)	0.0%
Operating Grants	186,000	186,000	11,615	3,173	(174,385)	6.2%
Interest Income	722,000	722,000	181,086	59,030	(540,914)	25.1%
<b>Total General Fund Revenues</b>	<b>\$18,947,190</b>	<b>\$18,947,190</b>	<b>\$4,120,844</b>	<b>\$439,862</b>	<b>(\$14,826,346)</b>	<b>21.7%</b>
<b>EXPENSES/TRANSFERS/RESERVES</b>						
General Administration	568,660	568,660	\$117,897	\$35,808	\$450,763	20.7%
Public Affairs	219,380	219,380	28,355	8,927	\$191,025	12.9%
Finance	401,520	401,520	98,047	28,011	303,473	24.4%
Information Services	189,930	189,930	41,591	12,929	148,339	21.9%
Human Resources	466,040	466,040	86,704	32,144	379,336	18.6%
Planning & Development	256,220	256,220	63,923	18,346	192,297	24.9%
Commuter Solutions Program	107,600	107,600	18,483	6,118	89,117	17.2%
Service Planning & Marketing	813,640	813,640	289,798	65,461	523,842	35.6%
Customer Service Center	439,330	439,330	110,174	32,922	329,156	25.1%
Transit Operations	7,710,070	7,710,070	1,872,196	614,563	5,837,874	24.3%
Fleet Maintenance	3,363,550	3,363,550	755,805	175,635	2,607,745	22.5%
Facility Services	510,740	510,740	96,608	32,906	414,132	18.9%
Insurance / Liability Costs	621,360	621,360	462,625	7,699	158,735	74.5%
<b>Total before transfers</b>	<b>\$15,668,040</b>	<b>\$15,668,040</b>	<b>\$4,042,206</b>	<b>\$1,071,469</b>	<b>\$11,625,834</b>	<b>25.8%</b>
Special Transportation Transfer	602,000	602,000	\$145,500	\$48,500	\$456,500	24.2%
Capital Transfer	2,958,980	2,958,980	0	0	2,958,980	0.0%
<b>Total General Fund Expenses</b>	<b>\$19,229,020</b>	<b>\$19,229,020</b>	<b>\$4,187,706</b>	<b>\$1,119,969</b>	<b>\$15,041,314</b>	<b>21.8%</b>
<b>UNRESERVED FUND BALANCE</b>						
Change to fund balance	(281,830)	(281,830)	(66,862)			
Beginning balance	6,070,050	6,070,050	5,224,762			
Ending balance	<u>\$5,788,220</u>	<u>\$5,788,220</u>	<u>\$5,157,900</u>			

LANE TRANSIT DISTRICT  
SPECIAL TRANSPORTATION FUND INCOME STATEMENT  
For the period 7/01/96 to 9/30/96

					Percent of year	25%
	ORIGINAL BUDGET	AMENDED BUDGET	Y-T-D ACTUAL	SEPTEMBER 1996 ACTUAL	BALANCE	YTD% BUDGET
<b>REVENUES/TRANSFERS</b>						
State Special Transp Funds	\$374,000	\$374,000	\$0	\$0	(\$374,000)	0.0%
STF - contingency & capital	302,180	302,180	\$0	\$0	(302,180)	0.0%
State Special Grant	0	0	\$0	\$0	-	-
Transfer from general fund	602,000	602,000	\$145,500	\$48,500	(456,500)	24.2%
<b>Total Revenues</b>	<b>\$1,278,180</b>	<b>\$1,278,180</b>	<b>\$145,500</b>	<b>\$48,500</b>	<b>(\$1,132,680)</b>	<b>11.4%</b>
<b>EXPENSES/TRANSFERS/RESERVES</b>						
STF - flow through transfer	676,180	676,180	0	0	676,180	0.0%
Direct support - Ride Source	540,000	540,000	130,000	43,333	410,000	24.1%
Direct support - LCOG admin	62,000	62,000	15,500	5,167	46,500	25.0%
<b>Total Expenses</b>	<b>\$1,278,180</b>	<b>\$1,278,180</b>	<b>\$145,500</b>	<b>\$48,500</b>	<b>\$1,132,680</b>	<b>11.4%</b>
<b>UNRESERVED FUND BALANCE</b>						
Change to fund balance	0	0	0.00			
Beginning balance	0	0	0.00			
Ending balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

LANE TRANSIT DISTRICT  
CAPITAL FUND INCOME STATEMENT  
For the period 7/01/96 to 9/30/96

			SEPTEMBER		Percent of year	25%
	ORIGINAL BUDGET	AMENDED BUDGET	Y-T-D ACTUAL	1996 ACTUAL	BALANCE	YTD % BUDGET
<b>REVENUES</b>						
Grant income	\$9,584,700	\$9,584,700	\$321,402	\$155,699	(\$9,263,298)	3.4%
Other income	\$0	\$0	\$11,794	\$11,794	\$0	
Transfer from General Fund	2,958,980	2,958,980	0	0	(\$2,958,980)	0.0%
Total resources	<u>\$12,543,680</u>	<u>\$12,543,680</u>	<u>\$333,196</u>	<u>\$167,493</u>	<u>(\$12,210,484)</u>	<u>2.7%</u>
<b>EXPENDITURES</b>						
<b>GRANT PAID CAPITAL</b>						
Bus related equipment	\$0	\$0	\$0	\$0	0	
Bus stations, stops, & terminals	837,000	837,000	32,343	9,612	804,657	3.9%
Eugene Station	7,500,000	7,500,000	272,784	163,056	7,227,216	3.6%
Facilities	30,000	37,200	9,787	6,075	27,413	26.3%
Revenue rolling stock	1,580,000	1,580,000	1,870	0	1,578,130	0.1%
Support vehicles	85,000	85,000	0	0	85,000	0.0%
ADP hardware & software	119,100	119,100	27,665	3,695	91,435	23.2%
Shop equipment	53,680	53,680	3,756	1,227	49,924	7.0%
Miscellaneous equipment	1,686,600	1,691,600	44,644	5,471	1,646,956	2.6%
Budgeted for capital contingency	100,000	87,800	0	0	87,800	0.0%
Total federal capital purchases	<u>\$11,991,380</u>	<u>\$11,991,380</u>	<u>\$392,849</u>	<u>\$189,136</u>	<u>\$11,598,531</u>	<u>3.3%</u>
<b>LOCALLY FUNDED CAPITAL</b>						
Eugene Station	\$0	\$0	\$0	\$0	\$0	0.0%
Other local only	0	0	0	0	0	0.0%
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0%</u>
Total expenditures	<u>\$11,991,380</u>	<u>\$11,991,380</u>	<u>\$392,849</u>	<u>\$189,136</u>	<u>\$11,598,531</u>	<u>3.3%</u>
Change in Fund Balance	552,300	552,300	(59,653)	(21,643)		-10.8%
Beginning Fund Balance	<u>4,667,305</u>	<u>4,667,305</u>	<u>6,518,962</u>			
Ending Fund Balance	<u><u>\$5,219,605</u></u>	<u><u>\$5,219,605</u></u>	<u><u>\$6,459,309</u></u>			



## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING

**PREPARED BY:** Jo Sullivan, Executive Secretary

**ACTION REQUESTED:** None at this time

**BACKGROUND:** The action or information items listed below will be included on the agenda for future Board meetings:

- A. **Staff Presentation--Fiscal Year 1995-96 Comprehensive Annual Financial Report:** The staff presentation of the FY 95-96 year-end financial report will be scheduled for the November 20, 1996, Board meeting.
- B. **Staff Presentation--Fiscal Year 1995-96 Year-end Performance Report:** At the November 20, 1996, meeting, staff will discuss FY 95-96 performance statistics with the Board.
- C. **Policy on Sexual Harassment:** Revisions to the District's Policy on Sexual Harassment will be presented to the Board for approval at the November 20, 1996, meeting.
- D. **Eugene Station Art Presentation:** Following more detailed discussion by the Art Selection Committee, staff will arrange a presentation on the art for the Eugene Station, perhaps for the November 20, 1996, Board meeting.
- E. **Work Session on Labor Relations Goals:** In November, the Board will be asked to hold a work session to review and consider possible labor relations and bargaining goals.
- F. **TransPlan Modeling Results:** Staff will schedule a discussion of the TransPlan modeling results for the November 20, 1996, meeting.
- G. **Board Strategic Planning Retreat:** The Board's annual strategic planning retreat has been scheduled for Saturday and Sunday,



November 2 and 3, in Eugene. Additional details will be available in the near future.

- H. **Work Session on Image and Role in the Community:** Staff recommend that the Board hold a work session on the District's image and role in the community, including a discussion of the Lynx transit system in Orlando, Florida, which recently changed its focus and direction to enhance its role in its community.
- I. **Eugene Station:** Various action and information items will be placed on Board meeting agendas during the design and construction of the Eugene Station.
- J. **Bus Rapid Transit:** As the District develops the Bus Rapid Transit (BRT) system, various action and information items will be placed on Board meeting agendas.







INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
Lane Transit District  
Eugene, Oregon

We have audited the financial statements of Lane Transit District as of and for the year ended June 30, 1996, and have issued our report thereon dated September 20, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Lane Transit District is the responsibility of Lane Transit District's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the board of directors, management, and federal and state agencies. However, this report is a matter of public record and its distribution is not limited.

JONES & ROTH, P.C.

September 20, 1996

LTD BOARD MEETING  
10/16/96 Page 34

Jones & Roth, P.C.  
Member of Affiliated  
Conference of  
Practicing Accountants,  
ACPA, International

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Hillsboro, OR 97123  
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INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE  
USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Directors  
Lane Transit District  
Eugene, Oregon

We have audited the financial statements of Lane Transit District for the year ended June 30, 1996, and have issued our report thereon dated September 20, 1996. We have also audited the compliance of Lane Transit District with requirements applicable to major federal financial assistance programs and have issued our report thereon dated September 20, 1996.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether Lane Transit District complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the internal control structure of Lane Transit District in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of Lane Transit District and on the compliance of Lane Transit District with requirements applicable to major programs and to report on the internal control structure, in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated September 20, 1996.

The management of Lane Transit District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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LTD BOARD MEETING  
10/16/96 Page 35

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## AGENDA ITEM SUMMARY

**DATE OF MEETING:** October 16, 1996

**ITEM TITLE:** 1997 SECTION 9 FEDERAL GRANT APPLICATION

**PREPARED BY:** Lisa Gardner, Transit Planner

**ACTION REQUESTED:** Approval of grant application

**BACKGROUND:** On an annual basis, LTD applies for federal grant funds. These funds are in a number of different categories. The most consistent form of funding is Section 9. Section 9 funding can be used for both capital and operations, and until last year, LTD has used these funds in both categories. LTD's capital priorities this year will again consume the entire grant amount. Consequently, LTD will not be applying for operating funds with this application, and thus will be able to reduce the amount of federal regulations that we are subject to.

The grant request includes \$690,000 in funds for three 40-foot buses; funds for the Eugene Station for work on 10th Avenue; the balance of funding for continuation of the Transportation Demand Management staff position; and other assorted capital equipment, such as computer hardware and software, service vehicles, and facilities improvements.

At the meeting, Service Planning & Marketing staff will make a presentation on projected peak bus needs and productivity standards.

Following the staff presentation, the Board will need to hold a public hearing on the grant application.

**ATTACHMENTS:**

- (1) Program of Projects and Budgets for the grant
- (2) Staff Report: Adding Three Buses to Section 9 Grant/Peak-Hour Bus Needs (with attachments)

**PROPOSED MOTION:** I move the following resolution: The Board hereby resolves that the Board approve the proposed 1997 Section 9 federal grant application for \$1,395,174 in federal funds and authorize the General Manager to submit this application to the Federal Transit Administration for approval.



**FY 1997 PROGRAM OF PROJECTS AND BUDGET  
SECTION 9**

Page 1

GRANTEE: Lane Transit District  
Eugene, Oregon

10/16/96  
OR-90-X065

GRANT NO.: FY 1997

	FEDERAL AMOUNT	TOTAL AMOUNT
<u>SCOPE</u>		
111-01 REVENUE ROLLING STOCK PURCHASE BUSES BUS-RELATED EQUIPMENT SECTION 9 FUNDS (80% / 20%)	\$ 852,174	\$ 1,065,218
<u>ACTIVITY</u>		
11.12.01 3 BUSES 40 FOOT \$230,000/BUS	552,000	\$ 690,000
11.12.40 SPARE PARTS/ASSOC CAPITAL MAINTENANCE ITEMS	300,174	375,218
<u>SCOPE</u>		
113-04 BUS - STATION / STOPS / TERMINALS STP FUNDS (89.73% / 10.27%)	125,000	139,307
<u>ACTIVITY</u>		
11.33.20 EUGENE STATION - 10TH AVE.	125,000	139,307
<u>SCOPE</u>		
114-01 BUS SUPPORT EQUIPMENT/FACILITIES SECTION 9 (80% / 20%)	368,000	460,000
<u>ACTIVITY</u>		
11.42.07 COMPUTER HARDWARE	64,000	80,000
11.42.08 COMPUTER SOFTWARE	48,000	60,000
11.42.11 SUPPORT VEHICLES	56,000	70,000
11.43.03 FACILITIES IMPROVEMENTS	120,000	150,000
11.73.00 CONTINGENCIES	80,000	100,000
<u>SCOPE</u>		
117-01 BUS - OTHER CAPITAL ITEMS STP FUNDS (89.73% / 10.27%)	50,000	55,723
<u>ACTIVITY</u>		
11.72.11 TRANSPORTATION DEMAND MANAGEMENT	<u>50,000</u>	<u>55,723</u>
<b>TOTAL</b>	<b>\$1,395,174</b>	<b>\$1,720,248</b>



FY 1997 PROGRAM OF PROJECTS AND BUDGET  
SECTION 9

SOURCES OF FEDERAL ASSISTANCE

FUNDING UZA: 411440

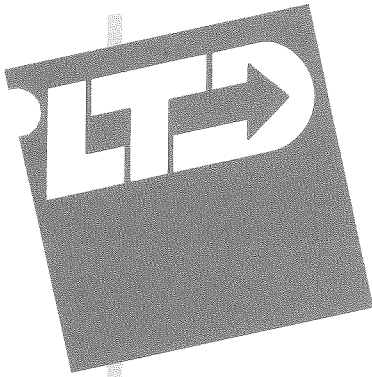
FUNDING UZA NAME: EUGENE-SPRINGFIELD, OREGON

FY 1995, SEC.9 CAPITAL (CARRYOVER)	\$ 139,233
FY 1996, STP	175,000
FY 1996, SEC. 9 CAPITAL	<u>1,080,941</u>
<b>TOTAL</b>	<b>\$1,395,174</b>

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**Lane Transit District**  
P.O. Box 7070  
Eugene, Oregon 97401-0470

(541) 741-6100  
Fax (541) 741-6111

**STAFF REPORT: ADDING THREE BUSES TO  
SECTION 9 GRANT - PEAK HOUR BUS NEEDS**

Prepared by Paul Zvonkovic, Transit Planner  
October 16, 1996

LTD currently operates 85 buses during the afternoon peak hours between 3:15 p.m. and 5:30 p.m. Expanding ridership demand and worsening traffic congestion led to the increase from 81 peak buses in FY 95-96. These conditions required the addition of operating time for peak-hour trips, and some of the additional buses are used for that purpose. Staff believe that current service trends will require more peak buses each year, which is why it is important to add the three 40-foot buses to the current grant.

Service is scheduled with care in order to get the maximum use out of the current fleet. The District operates 18 GMC (700-series) buses that were built in 1980. These buses are used sparingly because of their reduced passenger capacity and slow operation: they are not assigned to most schedules because of heavy passenger loads or routes that have hilly terrain or long distances. The percentage of spare buses during peak hours is 20 percent, which is within acceptable range, but half of the spare buses are the GMC buses, so operational problems involving capacity or mechanical capability will occasionally occur when the regular buses are being serviced.

The number of peak buses is projected to grow in the near future. With no new buses, such growth would reduce the spare bus ratio to an unacceptable level. Some of this projected growth in the near future will be handled by the expected arrival of six small buses in time for next year's service expansions. These buses will be pressed into service immediately. They are expected to be used on some current peak trips, depending upon what alternatives seem viable during this year's Annual Route Review (ARR). Staff also intend to develop test routes using the type of "feeder" line service that will be implemented with Bus Rapid Transit (BRT). The test routes likely would replace current service on some existing routes.

Staff predict, however, that service demands and community growth will continue to drive the need for peak buses beyond the addition of the six small buses. The following factors influence the need for more buses to handle peak service:

- Reduction in travel times due to traffic congestion. LTD added service time to many peak-hour trips this year and anticipates having to continue to do so in the future.
- Growth in development. New residential and employment centers will increase the demand for commuter trips during peak hours. The resulting higher ridership also slows down service and adds challenges for bus operators.



- Addition and expansion of group pass programs. There is heightened interest from both large and small employers or schools that would make transit service accessible and financially attractive to their members. LTD has signed an agreement with Hyundai and expects that the resulting service that will be implemented in the west Eugene industrial areas will also spark ridership from current companies like Spectra Physics and Molecular Probes, as well as new ridership from the Aster and Greenhill industrial park projects.

Group pass programs with Lane Community College (LCC) and additional secondary school service are pending. Also, staff expect ridership increases from veteran group pass organizations such as Sacred Heart and the University of Oregon (UO) because of increasing parking pressures in east Eugene. Further, it should be noted that ridership demand for some of these organizations, such as LCC or Hyundai, will require a span of service beyond peak hours as well, which puts additional requirements on the current fleet.

The table below shows projected needs for additional peak hour buses for service increases or enhancements that are likely to be required during the next seven years. Over the next several months, during the ARR process, these items will be analyzed and prioritized. A timeline will be developed for any service additions, especially with respect to the impact on peak service. The table below is a first draft of such a time line.

### PEAK BUS NEEDS PROJECTION: 1997 - 2003

Service Addition or Service Enhancement	YEAR						
	1997	1998	1999	2000	2001	2002	2003
Expansion & addition of peak timepoints	1	2	0	1	0	1	0
Hyundai / other west Eugene	2	0	0	2	0	0	0
LCC	4	2	1	0	1	0	0
Cottage Grove/Creswell	0	0	2	1	0	0	0
New Group Pass Programs	1	1	1	1	1	1	1
4J middle schools	0	0	3	0	0	0	0
More service frequency	0	0	4	0	3	0	0
East Spfld / I-105 Express	1	1	0	0	1	0	0
<b>Peak Buses added:</b>	<b>9</b>	<b>6</b>	<b>11</b>	<b>5</b>	<b>6</b>	<b>2</b>	<b>1</b>
<b>Cumulative Total:</b>	<b>9</b>	<b>15</b>	<b>26</b>	<b>31</b>	<b>37</b>	<b>39</b>	<b>40</b>

/\  
|  
|  
Number  
of Peak  
Added  
|  
|  
/\



Even if some of the items are delayed, the current need for the three buses in the current grant is apparent.

During the current Annual Route Review, staff also will be examining current service to see if peak-hour bus needs can be reduced by eliminating unproductive trips. The tables on the next two pages show a ranking of routes by the productivity measure of *rides per revenue hour* for the most recent Automatic Passenger Counter (APC) data collection period (winter / spring 1996). The tables show urban routes with the current urban productivity standard. Routes that fall below the standard have comments regarding the recent actions that have been taken on those routes. The first table shows the current standard of 66.7 percent below the urban average. The second table shows the order if the standard were raised to 75 percent. Rural routes and the rural standard of 25 boardings per trip also are shown in the tables.

This systemwide examination of service shows few immediate options for eliminating service, especially *peak-hour* service, which includes the more productive trips. Service reduction options will be examined closely during this year's ARR. Staff will be available at this Board meeting to answer questions about service and discuss ideas for the productivity standard.



# LTD PRODUCTIVITY STANDARDS

*Winter '96 APC Data*

**Urban Average (WK) = 32.3**

↑ **67% of the urban routes average**

## **Current Productivity Std.**

**Weekday: 21.6 rides per hour**

**Saturday: 22.6 rides per hour**

**Sunday: 21.8 rides per hour**

## **Express Service**

**25 rides per trip --- or --- (1.25 times the peak hour urban service average)**

## **Rural Service**

**20 boardings per trip --- or --- specific trip is substandard if less than 15 bdgs.**





## APC Route Summary: Winter '96

Route	Samples	Avg. Bdgs.	Trip Prod.	
02 Total	98	19.5	59.8	
77 Total	58	25.7	59.1	
78 Total	41	22.7	53.6	
28 Total	193	35.0	48.1	
52 Total	81	41.1	44.6	
34 Total	132	39.9	43.0	
35 Total	102	40.2	42.0	
76 Total	35	14.6	41.6	
11 Total	422	57.9	41.5	
30 Total	210	37.0	39.2	
51 Total	258	35.8	38.4	
52X Total	21	21.0	36.8	
31 Total	152	28.8	36.2	
23 Total	223	40.3	35.9	
50 Total	101	31.2	34.0	
26C Total	42	13.0	33.9	
79 Total	116	15.3	33.1	
13 Total	235	31.8	33.0	
25 Total	180	26.0	33.0	
66 Total	191	26.5	32.6	
41 Total	216	30.3	32.1	
33 Total	181	15.8	31.7	
32 Total	49	12.8	31.4	
27 Total	195	14.9	30.9	
40 Total	221	29.4	30.8	
24 Total	166	24.6	30.7	
18 Total	138	21.7	30.5	
19 Total	154	24.8	30.5	
11X Total	12	21.8	30.0	
83 Total	22	18.1	29.4	
67 Total	183	24.7	29.1	
44 Total	78	27.5	28.7	
3X Total	101	20.7	28.4	
29 Total	52	9.7	28.2	
81 Total	326	23.3	26.5	
82 Total	309	14.8	26.0	
22C Total	41	10.2	25.6	
14 Total	81	9.4	25.3	
60 Total	163	16.1	24.5	
61 Total	143	16.9	24.5	
12 Total	448	26.0	24.0	
85 Total	170	10.7	23.4	
24S Total	31	11.4	22.8	
<b>Urban Standard</b>			<b>21.6</b>	<b>Current Standard</b>
68C Total	76	7.1	20.7	Revised
53C Total	72	11.6	20.6	DELETED
01 Total	119	6.2	18.7	No Change
63 Total	83	16.6	17.7	Revised
45 Total	139	16.7	16.6	DELETED
18S Total	27	11.6	14.8	DELETED
71 Total	33	4.0	14.4	Reduced
61S Total	25	7.0	14.1	No Change
15 Total	90	7.1	11.8	DELETED
65 Total	109	8.9	10.2	DELETED
<b>Urban Total</b>	<b>7,144</b>	<b>25.6</b>	<b>32.3</b>	

### Rural Service

Route	Samples	Average Boardings	Trip Productivity	
91 Total	25	47.5	15.3	
92 Total	40	36.3	21.0	
93 Total	37	30.9	21.8	
95 Total	38	23.7	15.0	
96 Total	37	18.4	18.7	
<b>Rural Standard</b>		<b>20 bdgs/trip</b>		<b>Current Standard</b>



## APC Route Summary: Winter '96

Route	Samples	Avg. Bdgs.	Trip Prod.	
02 Total	98	19.5	59.8	
77 Total	58	25.7	59.1	
78 Total	41	22.7	53.6	
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52 Total	81	41.1	44.6	
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26C Total	42	13.0	33.9	
79 Total	116	15.3	33.1	
13 Total	235	31.8	33.0	
25 Total	180	26.0	33.0	
66 Total	191	26.5	32.6	
41 Total	216	30.3	32.1	
33 Total	181	15.8	31.7	
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82 Total	309	14.8	26.0	
22C Total	41	10.2	25.6	
14 Total	81	9.4	25.3	
60 Total	163	16.1	24.5	
61 Total	143	16.9	24.5	If 75%
<b>Urban Standard</b>			<b>24.2</b>	<b>Standard</b>
12 Total	448	26.0	24.0	
85 Total	170	10.7	23.4	
24S Total	31	11.4	22.8	
68C Total	76	7.1	20.7	Revised
01 Total	119	6.2	18.7	No Change
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61S Total	25	7.0	14.1	No Change
<b>Urban Total</b>	<b>7,144</b>	<b>25.6</b>	<b>32.3</b>	

### Rural Service

Route	Samples	Avg. Bdgs.	Trip Prod.	
91 Total	25	47.5	15.3	
92 Total	40	36.3	21.0	
93 Total	37	30.9	21.8	Current
95 Total	38	23.7	15.0	Standard
96 Total	37	18.4	18.7	
<b>Rural Standard</b>		<b>20 bdgs/trip</b>		



# **LCOG** Lane Council of Governments

125 East Eighth Avenue Eugene, Oregon 97401 (503) 687- 4283 Fax: (503) 687- 4099 TDD: (503) 687- 4567

October 7, 1996

TO: Micki Kaplan, LTD

FROM: Terry Parker, LCOG

SUBJECT: **RideSource** Fare Proposal

## Background

One of the discussions that we had last Spring, when ride demand seemed to be sky rocketing and funds remained relatively static, was the need to look at a number of strategies for decreasing costs and increasing revenues. One of the sources of revenue that we said we would evaluate is the fare for **RideSource** rides. The amount we charge on **RideSource** needs to be viewed not only as revenue generating but as a partial incentive to encourage riders who are able (conditionally eligible on **RideSource**) to use fixed-route bus service whenever possible.

Currently, the **RideSource** fare is 80 cents per one-way ride, the same as the adult cash fare on LTD. The Americans with Disabilities Act (ADA) stipulates that **RideSource** fares cannot exceed *twice the amount of the fixed-route regular fare*. At present LTD bus fares are 80 cents for a regular fare throughout the day and 50 cents after 7:00 p.m.

These are some of this considerations reviewed by the Special Transportation Fund Advisory Services Review and Appeal Committee in preparing their proposal:

- If we want to stay with one fare for **RideSource** then the highest fare possible is \$1.00 under LTD's current cash fares.
- If we choose to charge different fares for daytime and evenings, like LTD, then the highest fare that can be charged under ADA is \$1.60 during the day and on weekends (as per LTD's recent fare changes) and \$1.00 for evening rides.
- Going from 80 cents to \$1.00 is a 25% increase.
- In order to benefit from any increase in fare revenue during this fiscal year, a fare change must be considered as soon as possible.

- In 1982 when SMS first started providing service for LTD under the Dial-a-Bus program the fare was \$1.25 but then decreased over time to as low as 35 cents per one-way ride.
- In July 1992 the fare was raised from 35 to 50 cents then up to 75 cents in July 1993.
- The last fare increase was in September 1994 up to 80 cents to equal LTD's adult cash fare.

**How do we compare with other paratransit services for revenue received from fares?**

Fare box recovery figures to compare with RideSource are not readily available. Tri-Met in Portland, for example, keeps track of fare revenue at a cost recovery rate of only around 1% but this does not include the sale of passes. Prior to instituting a paratransit pass their fare recovery was between 2 and 2.5% of their operating costs.

To get a national average for fare box recovery I contacted both the Federal Transportation Administration (FTA) and Community Transportation Association of America (CTAA). All demand-response programs are considered together (services to elderly and disabled are not separate from other demand-response services) and passenger fares are combined with contracted service revenue resulting in a recovery rate of 28.1%.

Within our own mix of services this is the breakdown per program showing the percentage that fares and other direct revenues contribute:

**Ridership, Fare/Other Resources and Cost per Program for FY95-96:**

Service	# of Rides	Revenue (Fare & Other)	Total Annual Cost	% Recovery
RideSource	51,060	\$37,039	\$638,262	5.80%
Pearl Buck	10,819	\$31,334	\$65,676	47.71%
Title XIX	7,527	\$41,815	\$61,601	67.88%
Shopper & Escort	32,492	\$7,569	\$61,049	12.40%
<b>Total</b>	<b>101,898</b>	<b>\$117,757</b>	<b>\$826,588</b>	<b>14.25%</b>

Federal *Older Americans Act*, state *Special Transportation Funds* and local funds from *Lane Transit District's General Fund* are not included in the revenues indicated above and cover the remaining costs.

The average revenue to operating cost for twenty paratransit services in California is 9.85% with the lowest at 3% and the highest at 18.9%<sup>1</sup>. RideSource cost recovery is between 5% and 6%<sup>2</sup>.

<sup>1</sup> The low and high figures are only within those programs included in the comparison.

<sup>2</sup> There is going to be some variation depending on the base number of rides used.

**Possible Revenue from Increases in RideSource Fares**

Increasing the RideSource fare from 80 cents to \$1.00 will bring an estimated \$13,300 in increased fare revenue for one full year. Fares would still cover between 5% and 6% of the current cost of operations.

If we want to increase the fare recovery percentage then we need to consider having a day time (peak hour weekday/weekend) fare different from the evening fare. As an aside, there may be some shifting from daytime to evening service for some rides. We would need to look at RideSource fare rides by purpose in order to evaluate the possible shifting of rides. Since 82% of the riders are elderly and many services are available only during the day the potential number of rides that would actually shift to evening service to avoid a higher fare during the day would be somewhat limited.

By taking the percentage of daytime rides and applying it to the projected RideSource fare rides for next year, the following additional revenues would be realized if the daytime fare were to increase up to the maximum of \$1.60. The new revenue indicated assumes a \$1.00 base fare.

**Additional Revenue Projections for Fare Increases over \$1.00 up to \$1.60 <sup>3</sup>:**

Fare	# of Projected Rides	Additional Revenue	New Revenue for 1 Year	New Revenue for 6 Months	Fare Revenue % of Total Operations
\$ 0.05	53,885	\$ 2,441	\$ 15,730	\$ 7,865	5.73%
\$ 0.10	53,885	\$ 4,882	\$ 18,171	\$ 9,086	6.00%
\$ 0.15	53,885	\$ 7,323	\$ 20,612	\$ 10,306	6.26%
\$ 0.20	53,885	\$ 9,764	\$ 23,053	\$ 11,527	6.53%
\$ 0.25	53,885	\$ 12,205	\$ 25,494	\$ 12,747	6.79%
\$ 0.30	53,885	\$ 14,646	\$ 27,935	\$ 13,968	7.06%
\$ 0.35	53,885	\$ 17,087	\$ 30,376	\$ 15,188	7.32%
\$ 0.40	53,885	\$ 19,528	\$ 32,817	\$ 16,409	7.59%
\$ 0.45	53,885	\$ 21,969	\$ 35,258	\$ 17,629	7.85%
\$ 0.50	53,885	\$ 24,410	\$ 37,699	\$ 18,850	8.12%
\$ 0.55	53,885	\$ 26,851	\$ 40,140	\$ 20,070	8.38%
\$ 0.60	53,885	\$ 29,292	\$ 42,581	\$ 21,291	8.65%

<sup>3</sup> The projected number of rides remains static. Although riders may be sensitive to fare increases, with the exception of conditional users, RideSource passengers do not have other options and will use the service. The projected of 53,885 is based on daytime rides in fiscal year 1996-97.

**Requested Action**

The STFAC is proposing the following Fare Increase Schedule:

February 1, 1996	from \$.80 to \$1.00
September 1997	\$1.30 day time / twice LTD for the evening fare
September 1998	\$1.80 day time / twice LTD for the evening fare (or twice daytime Adult Cash Fare)



# **Lane Council of Governments**

125 East Eighth Avenue Eugene, Oregon 97401 (503) 687- 4283 Fax: (503) 687- 4099 TDD: (503) 687- 4567

October 3, 1996

TO: Micki Kaplan, LTD

FROM: Terry Parker, LCOG

SUBJECT: **RideSource** Status Report

This is a year end summary for the **RideSource** program for fiscal year 1995-96 and a status report on the projects that we are working on to improve service efficiency and to benefit from other possible resources for paratransit services.

### **RideSource Year End Revenue and Expense Summary**

	FY95-96	FY94-95	FY93-94	FY92-93	FY91-92
<b>RideSource Revenue:</b>					
Program Income	44,608	36,973	32,991	20,548	25,658
Other Resources	73,150	54,861	51,123	46,871	58,676
Special Transportation Fund	282,406	305,209	312,612	339,644	330,872
Lane Transit District	417,868	345,338	281,746	203,174	143,204
Older Americans Act	8,553	7,055	6,264	6,438	6,228
<b>RideSource Expenditures</b>	<b>\$826,585</b>	<b>\$749,436</b>	<b>\$684,736</b>	<b>\$616,675</b>	<b>\$564,638</b>
Cost per Ride for All Rides	\$8.11	\$7.95	\$7.61	\$7.78	\$6.90
<b>Cost per Ride for General Paratransit</b>	<b>\$12.50</b>	<b>\$12.47</b>	<b>\$12.90</b>		

The average cost per ride for all rides includes rides provided by volunteers through the **RideSource Escort** program, **RideSource Shopper** grouped rides as well as rides provided to agencies under contract and service agreements. The cost per ride for general paratransit reflects those rides and associated costs for ADA required paratransit only.

Last year we originally budgeted \$395,500 in LTD general fund revenue for **RideSource** operations. Later we learned that there was a shortfall in the anticipated revenue from the cigarette tax as well as experiencing increases in service demand. LTD committed an additional allocation to cover operations costs and staff proposed a possible budget transfer in June. The budget transfer at year end was not necessary. Program costs came in under projections because of cost savings from modest service reductions, higher than anticipated revenue from agency provided trips and an \$1,888 insurance reimbursement. A total of 101,896 one-way rides were provided; an 8% increase over the previous year. LTD's year expense for **RideSource** was \$417,868. Although LTD's costs exceeded the original budget by \$22,368 this essentially covered the adjustment for the loss in STF revenue while the budget was able to accommodate the 8% increase in rides with additional revenue from fares and other resources.



### **STF Contract Review**

In May the Special Transportation Fund Advisory Committee (STFAC) considered and approved a staff recommendation to discontinue a \$3,200 annual contract with Alvord-Taylor that served six individuals with severe disabilities. The decision served to contribute an additional \$3,200 of STF revenue to the general paratransit services and to eliminate a separate contract that was established prior to ADA that no longer met program goals.<sup>1</sup>

### **RideSource Transportation for Low-Income**

In July 1994 **RideSource** engaged in a pilot project with the Oregon Senior and Disabled Services Division to provide non-medical transportation services to low-income individuals receiving Medicaid assistance. In the past these riders needed to apply for **RideSource** for all non-medical trips and pay the regular fare. Under the new program local revenue is used as a 50% match to federal dollars and **RideSource** receives a per ride reimbursement based on 50% of the full cost of the ride. Riders do not pay a fare. Service is also available to individuals who need door-to-door assistance rather than being limited to the regular curb-to-curb service. Social and recreational rides to nursing home or foster care residents, who otherwise had been limited to medical trips, are now possible.

In January 1996, at LCOG's request, the reimbursement rate was raised from \$4.71 to \$6.23 per ride. Increases in "Other Resources" in the **RideSource** budget are mostly due to the program's development and success. Nearly 50% of the rides provided last year were for individuals that had been regular **RideSource** users prior to the initiation of the service in 1994. At that time **RideSource** received the 80 cent fare rather than the current \$6.23 per ride. LCOG is pursuing similar coordination efforts with other State agencies.

### **Rider Training**

LCOG has convened the Mobility Project Work Group and moving ahead to establish specific project goals and objectives. This is a demonstration project, funded through ODOT's Community Transportation Grant Program, aimed at training paratransit riders to use fixed-route service and to design and test an attendant program. In August we were notified of having been selected for the Project ACTION 1996 consumer training event called, ADA...The Bus Stops Here. This will provide free training to people with disabilities on their rights and responsibilities for using public transportation under the ADA and orientation to the LTD bus service. REELife Solutions, a nationally known training and consulting firm which specializes in disability issues, will conduct the training in coordination with LTD and local disability groups.

### **RideSource Eligibility**

Thorough eligibility determination is a key element to successful paratransit for managing demand and promoting the most appropriate mode of transportation. Eligibility for **RideSource** will undergo extensive review with assistance from the STF Advisory Committee starting January 1997. A program offered through the National Transit Institute, Comprehensive ADA

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<sup>1</sup> Transportation services to many Alvord-Taylor participants were already being provided by **RideSource**. Due to the nature of their disabilities, some participants need to be accompanied by attendants in order to effectively use the service.



Paratransit Eligibility Determinations workshop, has provided us with guidelines to understand the importance of the initial determination process and a framework for our review and a re-design of the ADA appeals process.

**Community Transportation Program Preliminary Grant Awards**

Below is a summary of a Preliminary Recommendation for Community Transit / STP<sup>2</sup> Projects received from ODOT. For the first time the possibility of using Surface Transportation Program (STP) funds for our projects is being considered. With STP support all but one of our requested projects will be funded. Without it, only those projects that are highlighted in **bold** will be recommended for funding because these projects are considered a high priority in helping to preserve existing services.

Year	Project	Community Transit & STP Funding <sup>3</sup>
1999	<b>RideSource Replacement Vehicle</b>	<b>\$55,914</b>
	<b>South Lane Wheels Replacement Vehicle</b>	<b>\$50,565</b>
	<b>RideSource Replacement Vehicle x 2</b>	<b>\$111,827</b>
	Metro Paratransit Plan	\$55,320
	RideSource New Vehicle	\$55,914
	RideSource Vehicle Hoist	\$7,200
2000	City of Oakridge Replacement Vehicle	\$53,094
	<b>RideSource Replacement Vehicle x 2</b>	<b>\$117,418</b>
	<b>RideSource Replacement (Low-Floor Van)</b>	<b>\$34,209</b>
	Florence Transit Planning Project	\$44,000
	<b>South Lane Wheels Replacement Vehicle</b>	<b>\$53,094</b>
	RideSource Capital Plan & Set-Aside	\$40,000
2001	<b>RideSource Replacement Vehicle</b>	<b>\$61,644</b>
	<b>RideSource Replacement (Small Bus)</b>	<b>\$160,000</b>
	<b>RideSource Replacement Vehicle</b>	<b>\$61,644</b>
	Oakridge Transit Planning Project	\$32,000
	RideSource New	\$61,644
	RideSource Computer & LAN Update	\$40,000

If you have questions about the capital project recommendations or any other information provided please call me at 687-4380.

<sup>2</sup> Surface Transportation Program (STP) is a block grant program under the Intermodal Surface Transportation Efficiency Act (ISTEA).

<sup>3</sup> Only the grant amounts are listed here; a 20% local match is required.

