

## AGENDA ITEM SUMMARY

**DATE OF MEETING:** February 18, 2010

**ITEM TITLE:** 2010 ANNUAL ROUTE REVIEW

**PREPARED BY:** Andy Vobora, Director of Service Planning, Accessibility, and Marketing

**ACTION REQUESTED:** Discuss and provide feedback.

**BACKGROUND:** Lane Transit District evaluates its routes on an annual basis. This process concludes in the spring when the LTD Board of Directors adopts a service plan for the coming fiscal year. The state of the economy and the direct impact of continuing high unemployment have taken a toll on the District's primary source of operating income: the payroll tax. This dramatic reduction in payroll tax receipts has created a \$6.5 million budget gap that must be filled through reductions in the operating budget. Current plans call for a \$3 million reduction in 2010 and a \$3.5 million reduction in 2012.

At this time last year, LTD developed a route redesign plan that reduced nearly 15 percent of bus service hours. However, approval of the American Recovery and Reinvestment Act, federal stimulus funding, in early 2009 provided sufficient additional transit funding so that only a relatively small 3 percent service reduction was implemented. Those stimulus funds are being spent along with LTD reserve funds this fiscal year, but by year-end, the budget gap must be addressed. There is discussion of additional federal funds becoming available later this year; however, the Senate must still act and there are no details regarding the amount of funding, criteria for use, or when the funds would be dispersed. The LTD staff and Board are proceeding into the Annual Route Review and budget processes by assuming that no new federal funds will be available. If funds become available, staff will present the LTD Board with a plan that shows how best to apply these funds in order to balance the budget over the coming years.

To prepare a balanced 2010-11 operating budget, LTD service planners are in the process of identifying areas to trim bus service hours by approximately 20 percent. These plans will be vetted with the community between January and April 2010. The Springfield City Council reviewed the plan at its January 25 work session, the Eugene Council on February 17, and the Lane County Commissioners reviewed the plan at a joint session with the LTD Board on February 8. Many open houses and public hearings have been scheduled, and the LTD Board will make its final decision on service changes on April 21, 2010.

Riders also have complete access to the details of the service plan by visiting LTD's website.

The Service Planning staff have developed a redesign of current bus service that reduces service hours by approximately 20 percent. The service redesign package accomplishes this level of reductions by eliminating service in some neighborhoods, reducing frequency at varying times of the day, and restricting routes along major travel corridors. It is likely that this 20 percent figure will be reduced slightly as more refinements are made to the service package. Therefore, staff also have developed a list of additional service reductions that will provide options for finding additional operational savings. The service redesign package has been vetted with the District's Service Advisory Committee and the LTD Board Service Committee, and a robust series of public meetings is also in full swing.

Implementation of the 20 percent redesign is scheduled to be phased in over the coming year. In the first phase, approximately 6 percent of the service hours will be trimmed in June 2010. The second phase will be implemented in September 2010 when the most significant of the route redesign elements will become effective. The third phase will include the implementation of the Gateway EmX service, which necessitates changes to Springfield routes. The final phase will occur in June 2011 when two Lane Community College routes will be modified. The Tier 2 attachment refers to changes that may replace components of the 2010-11 service redesign based on public input gathered during the outreach process. Whatever remains on the Tier 2 list will be evaluated as part of a potential service reduction in 2012 when the District addresses the remaining budget shortfall of \$3.5 million.

A cost analysis has illustrated that a 20 percent reduction in bus service hours will result in a savings of approximately \$2.6 million. In order to reach the \$3 million budget reduction goal, the District will need to find approximately \$400,000 in other budget reductions or cut additional bus service. The District will examine personnel services costs, materials and services expenditures, and other cost-saving measures in an effort to maximize the amount of bus service to our customers. An example of personnel services cost savings is the continuation of an administrative employee pay freeze in 2010-11.

During the work session, the LTD Board and staff will review the areas where service is proposed for deletion and will be prepared to provide a summary of the service redesign by sector.

**ATTACHMENTS:**

Redesign Summary  
Tier Two Summary  
System Map of Proposed Changes  
Public Involvement Calendar