

Salem Area Mass Transit District
BOARD OF DIRECTORS

Thursday, February 25, 2016
6:30 PM Regular Meeting

Courthouse Square–Senator Hearing Room
555 Court Street NE, Salem, Oregon 97301

AGENDA

REGULAR BOARD MEETING

- A. CALL TO ORDER & NOTE OF ATTENDANCE**
- B. PLEDGE OF ALLEGIANCE** – Director Steve Evans
- C. ANNOUNCEMENTS & CHANGES TO AGENDA**
- D. PRESENTATION**
 - FY2105 Auditor’s Report by Chuck Swank 1
- E. PUBLIC COMMENT** - Each person’s comments are limited to three (3) minutes.
- F. CONSENT CALENDAR**
 - 1. Routine Business Items [Action]**
 - a. Appointment of Citizen Member to Budget Committee for Subdistrict #2 111
- G. ITEMS DEFERRED FROM THE CONSENT CALENDAR**
- H. ACTION ITEMS**
 - 1. Receipt of the Final Report for the Regional Transportation Plan Project Prepared by Jarrett Walker & Associates 117
 - 2. Approval of the ODOT STF 5310 Grant Project Submittals Recommended by the STF Advisory Committee 213
 - 3. Approve RFP#2015-03 Purchase of 12 CNG Fixed Route Buses 274
- I. INFORMATION ITEMS**
 - 1. West Salem Connector Update 283
- J. REPORTS**
 - 1 Performance Report – Second Quarter 293
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 - 3. Finance Report – Second Quarter 321
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 - a. Minutes of the January 11, 2016 Work Session 333
 - b. Minutes of the February 2, 2016 STF Advisory Committee Meeting 337
 - c. Minutes of the January 25, 2016 STFAC Technical Advisory Committee Meeting 341
- K. BOARD & MANAGEMENT ISSUES**
 - 1. General Manager
 - 2. Board President
 - 3. Board of Directors
- L. ADJOURNMENT**

BOARD MEETING PROCEDURES

CONSENT CALENDAR AND AGENDA ITEMS All items on the Consent Calendar will be adopted as a group by a single motion unless a Board member requests to withdraw an item for discussion. Action on items requested for discussion will be deferred until after adoption of the Consent Calendar. Comments on specific items will be taken after the staff report and before Board discussion for each agenda item.

APPEARANCE OF INTERESTED CITIZENS & AGENCIES Time is designated on every Board agenda for questions or statements by persons in the audience on any items of Board business, including those items appearing on the agenda which are subject to public hearing. Individual citizens will be invited to come forward in a manner similar to that prescribed for public hearings and make any statement they wish, being limited to three minutes. Members of any agency wishing to make statements should submit their statement in writing to the Clerk of the Board per the agenda deadline below. At the designated meeting, the agency representative will be invited to come forward to speak for a limit of five minutes on their item.

TO GET ITEMS ON THE AGENDA All communications and matters that appear on the Board agenda must be submitted to the Clerk of the Board by noon on Wednesday, one week prior to the Board meeting. You are encouraged to mail, email or bring your written communication to Salem-Keizer Transit, 555 Court St NE, Suite 5230, Salem, OR 97301. The Board of Directors Email Address is: Board@cherriots.org

SPECIAL ACCOMODATIONS Those individuals needing special accommodations such as sign or other language interpreters to participate in the Board meeting must request such services at least 48 hours prior to the meeting. Please direct your request to the Clerk of the Board at 503-588-2424. Hearing impaired please call Oregon Telecommunications Relay Service, 711.

PROCEDIMIENTOS DE LA REUNIÓN

CALENDARIO DE CONSENTIMIENTO Y ARTÍCULOS DE AGENDA Todos los artículos en el Calendario de Consentimiento serán adoptados como grupo por un única propuesta a menos que un miembro de la Junta solicita retirar un artículo para discusión. La acción sobre artículos solicitados para discusión serán diferidos hasta después de la adopción del Calendario de Consentimiento. Comentarios sobre artículos específicos serán adoptadas tras el informe de personal y antes de la discusión de la Junta para cada orden del día.

COMPARECENCIA DE LOS CIUDADANOS Y AGENCIAS INTERESADAS Este es el tiempo designado en cada orden del día de la Junta para preguntas o declaraciones por las personas en la audiencia, de cualquiera de los puntos de los asuntos de la Junta, incluyendo aquellos puntos que aparecen en el orden del día que estén sujetos a una audiencia pública. Se le invita a los ciudadanos individuales a presentarse en una forma similar a los prescritos para las audiencias públicas y a hacer cualquier declaración que deseen, estando limitadas a (3) minutos. Cualquier miembro de una agencia que desee hacer declaraciones en ese momento debe enviar la información al personal de la Junta de acuerdo a los plazos abajo mencionados. En la reunión designada, el miembro de la agencia será invitado a presentarse para hablar, con un límite de (5) minutos en su asunto.

PARA TENER ASUNTOS EN EL ORDEN DEL DIA Para que todas las comunicaciones y asuntos aparezcan en el orden del día de la Junta, deben ser enviados al personal de la Junta antes del mediodía del miércoles de la semana previa a la reunión de la Junta. Si Ud. tiene algún asunto que quiera presentar ante la Junta en el futuro, le animamos a mandarlo por correo o traer una comunicación por escrito al Distrito de Transito del Área de Salem, 555 Court St NE, Suite 5230, Salem, OR 97301; 503-588-2424; Board@cherriots.org

NECESIDADES ESPECIALES Aquellos individuos que necesiten servicios especiales como Interpretes para el lenguaje de señales u otros, para participar en la reunión de la Junta, deben solicitar dichos servicios al menos 48 horas antes de la reunión. Por favor dirigir su solicitud al Secretario de la Junta al 503-588-2424. Las personas sordas por favor llamar al Servicio de Telecomunicaciones de Oregón, 711.

Next Regular Board Meeting Date: Thursday, March 24, 2016

Regular Board meetings are televised and can be viewed on CCTV's website: www.cctvsalem.org.

Go to www.cherriots.org/board for an electronic copy of the Board's agenda packet.

Salem-Keizer Transit Administration Office ~ 555 Court Street NE, Suite 5230 ~ Salem, OR 97301

Phone (503) 588-2424 ~ Board of Directors Email Address: Board@cherriots.org

MEMO TO: BOARD OF DIRECTORS

FROM: JARED ISAKSEN, FINANCE MANAGER

**THRU: ALLAN POLLOCK, GENERAL MANAGER
PAULA DIXON, DIRECTOR OF ADMINISTRATION**

**SUBJECT: AUDIT REPORTS FOR THE FY2014-15 COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

Issue

Presentation of the Audit Reports and FY2014-15 Comprehensive Annual Financial Report.

Background and Findings

Oregon Statutes require that Salem Area Mass Transit District (District) publishes a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. To meet that requirement, this year, the District prepared a Comprehensive Annual Financial Report (CAFR) in compliance with the rigorous guidelines for financial reporting as defined by the Governmental Finance Officers Association (GFOA). The report was submitted to GFOA's Certificate of Achievement for Excellence in Financial Reporting Program.

In preparing this report, the District followed the Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This format is required for the CAFR and has traditionally been used by the District. One change from last year was the new requirement to record the full liability of our pensions in the financial statement.

Grove, Mueller & Swank, P.C., a firm of licensed certified public accountants, audited the District's financial statements. The goal of this independent audit was to provide reasonable assurance that the financial statements are free of material misstatements. The auditors from Grove, Mueller & Swank concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's basic financial statements for the fiscal year ended (June 30, 2015) are fairly presented in material respects in conformity with GAAP.

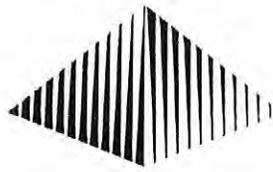
Chuck Swank and Ryan Pasquarella will present the audit report and management letter to the Board (Attachment A), and answer any questions the Board may have.

Recommendation

Information only.

Proposed Motion

None.



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

January 20, 2016

Board of Directors
Salem Area Mass Transit District
Salem, Oregon

We have audited the financial statements of Salem Area Mass Transit District (the District) for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 27, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in note 1 of the financial statements. The District implemented two new pronouncements which had a significant impact on the District's financial statements including posting a prior period adjustment which is described as note 13 in the financial statements.

Governmental Accounting and Standards Board (GASB) Statement No. 68 "Accounting and Reporting for Pension Plans—an amendment of GASB Statement No. 27." The statement establishes accounting and financial reporting requirements related to pensions provided by governments.

GASB Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date". The statement amends transition provisions of GASB Statement No. 68, establishes accounting and financial reporting standards for recognition of contributions made between the measurement date of the net pension liability and implementation of GASB Statement No. 68.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

- Management's estimate of the net pension liability for the District's future payments for its active and retired bargaining and non-bargaining defined benefit eligible employees. The estimated was based on an actuarial study performed by an independent actuarial firm and based on the requirements of GASB 68. Management's estimate of other post-employment benefits is based on an actuarial study performed by an independent actuarial firm and based on the requirements of GASB 45.
- Management's estimate of inventory costing is based on the average-cost methodology. Management's estimate of obsolete inventory is based on analysis of inventory aging as well as historical experience.

- Management's estimate of the depreciable life of the capital assets is based on management's determination of the useful lives and future economic benefit of the assets.
- Management's estimate that an allowance for doubtful accounts is not necessary is based on the nature of the receivables.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was the expenditures in excess of appropriations disclosed in the Independent Auditor's Report Required by Oregon State Regulations.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We did experience delays in completing the audit as accounts were not fully reconciled when the account balances were received. There were 26 journal entries posted after the account balances were received which slowed down the audit process. 24 of the 26 entries posted were found by management during their reconciliation of accounts.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 20, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, schedule of employer contributions – defined benefit plan – non-bargaining, schedule of changes in the net pension liability and related ratios – non-bargaining, schedule of changes in net pension liability and related ratios – bargaining, schedule of employer contributions – defined benefit plan – bargaining, and schedule of OPEB funding progress, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures

consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements, but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the transmittal letter and statistical section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,


CERTIFIED PUBLIC ACCOUNTANTS



Salem Area Mass Transit District

Marion County, Oregon

Comprehensive Annual Financial Report

Fiscal Years Ended June 30, 2015 and 2014

SALEM AREA MASS TRANSIT DISTRICT

Comprehensive Annual Financial Report

For the years ended

June 30, 2015 and 2014

Marion County, Oregon

Prepared by the Finance Department
Jared Isaksen, Finance Manager
Wendy Feth, Accountant

Salem Area Mass Transit District
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Introductory Section



January 20, 2016

Board of Directors
Salem Area Mass Transit District
555 Court St. NE, Suite 5230
Salem, OR 97301-3980

It is our pleasure to submit to you the Comprehensive Annual Financial Report of the Salem Area Mass Transit District for the fiscal year ended June 30, 2015. Oregon Statutes require that the District publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. The District has received an extension for this year's report.

This report consists of management's representations concerning the finances of the District. Consequently, responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management has established an internal control structure designed to safeguard District assets against loss, theft, or misappropriation, and to ensure the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure has been designed to provide reasonable, but not absolute, assurance that these objectives are being met. The concept of reasonable assurance recognizes that (1) the cost of the control structure should not exceed the benefits likely to be derived; and (2) the evaluation of cost and benefits requires estimates and judgments by management. We believe that the District's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions. To the best of our knowledge and belief, the enclosed data is presented accurately, in all material respects, along with disclosures necessary to provide the reader with a reasonable understanding of the District's financial affairs.

This report was prepared in accordance with the Governmental Accounting Standards Board (GASB) and includes:

- A narrative introduction, overview, and analysis of the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found following the independent auditor's report on the basic financial statements, beginning on page 5 of this report.
- Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows and related notes for the District as a whole on the full accrual basis.
- Schedule of Revenues, Expenses, and Changes in Fund Balance - Budget to Actual is presented as supplementary information.

Grove, Mueller & Swank, P.C., a firm of licensed certified public accountants, audited the District's financial statements. The goal of this independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2015, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2015, are fairly presented in all material respects in conformity with GAAP. The independent auditor's report is presented in the Financial Section of this report beginning on page 2.

In addition to meeting the requirements set forth above, the independent audit was also designed to meet the special needs of federal grantor agencies as provided for in the Federal Single Audit Act and the Office of Management and Budget's (OMB) Circular A-133. These standards require the independent government's internal controls to be established and maintained effectively and the District to be in compliance with legal requirements, with special emphasis on internal controls and compliance with legal requirements involving the administration of federal awards. The results of the independent audit for the fiscal year ended June 30, 2015 indicated no significant violations of applicable laws and regulations. The independent auditor's reports, related specifically to the Single Audit and OMB Circular A-133, are contained in a separate report.

District Overview

Salem-Keizer Transit, officially known as the Salem Area Mass Transit District (District) provides public transportation services to the Salem and Keizer communities, as well as to many communities throughout Oregon's mid-Willamette Valley. The District was established in 1979, under the laws of the State of Oregon that allowed for the formation of transit districts as special taxing entities. Prior to that time, Cherriots, the District's fixed route bus system, had been part of the City of Salem.

The District is governed by a seven member elected Board of Directors, elected at-large from within the District's boundaries. The Board of Directors sets District policy, levies taxes, appropriates funds, adopts budgets, and performs other duties required by state and federal laws. The daily management of the District is under the supervision of the General Manager, who is appointed by the Board of Directors.

For financial planning and control, the District prepares and adopts an annual budget in accordance with Oregon Revised Statutes Chapters 294.305 through 294.565. The legally adopted budget is at the fund/object level for current expenditures, with separate appropriations established for the object levels of personnel services, materials and services, capital outlay, and internal transfers for each fund. Budgetary control is internally administered at a more restrictive level. Budget-to-actual comparisons for each individual fund for which an appropriated annual budget has been adopted are provided as other supplementary information in this report.

The District provides effective and efficient solutions to the community's transportation needs and advocates for policies and programs that promote a high quality of life, clean air, transportation, efficient land use, and the effective use of resources.

The District is committed to the successful implementation of total fixed-route accessibility and the successful operation of a demand-response/para-transit service for persons unable to use the fixed route system. All of the District's fixed-route buses are ADA accessible.

Local Economy

The District is located within the Salem Metropolitan Statistical Area (MSA). The Salem MSA, as defined by the United States Census Bureau, is an area consisting of two counties in western Oregon, Marion and Polk. The principal city is Salem, which has a population of 160,614. As of the 2013 census, there were 399,945 people living in the Salem MSA compared with a population of 391,395 in the 2010 census. Marion and Polk Counties are located south of the Portland metropolitan area in the center of the Willamette Valley. The District's boundaries are contiguous with the urban growth boundaries and include the City of Salem and the City of Keizer. The District also provides rural services to Marion and Polk Counties and commuter services to Wilsonville and the Spirit Mountain Casino in Grand Ronde, Oregon.

The City of Salem is the capitol of Oregon and the county seat for Marion County. Salem is the third largest city and Keizer is the fourteenth largest city in Oregon. The major industries in the Salem MSA are agribusiness, health care, and technology. The area's economy also has a substantial government and education base. State agencies located in Marion County provide employment to approximately 19,000 people.

The seasonally adjusted unemployment in the Salem MSA in September 2015 was 6.7 percent, 0.5 percentage points higher than the September 2014 rate but still lower than the September 2013 rate of 8.4 percent. The recovery from the recession has been slow. Salem's economy lost nearly 12,000 jobs during the last recession, 8 percent of total jobs, from 2007 to the trough of the recession in November of 2011. While growth has returned, and is picking up, the median county has regained just half of its recessionary losses. Many of the state's smaller and generally Southern and/or Eastern counties have regained one-third or less of their losses. The Salem area is now growing faster than Portland area according to the Oregon Office of Economic Analysis. The Oregon Office of Economic states that Bend and Salem are currently adding jobs today about as fast as they ever have.

Fixed Route Transportation

Over 11 million passenger miles are traveled annually, with total ridership of 3,371,517 for fiscal year 2015. This total ridership represents an increase of 1.5 percent from the fiscal year 2014. This increase is minor when compared to the 20 percent decrease experienced by the District during the fiscal year 2012. For fiscal year 2015 the operating costs, on a budgetary basis, per revenue mile for the fixed route service amounted to \$10.08 compared to a cost of \$10.16 for fiscal year 2014 or (a 0.8 percent decrease), while the average cost per ride increased from \$6.12 in fiscal year 2014 to \$6.15 for fiscal year 2015 (a 0.5 percent increase). The increase in the cost per ride is minor and within expectations as the same level of service was provided between FY 2014 and 2015.

Alternative Transportation

Ridership in the para-transit, non-emergency medical transportation, dial-a-ride, and shopper shuttle programs increased during fiscal year 2015. The total rides provided in fiscal year 2015 were 581,184 compared to 528,610 rides provided in fiscal year 2014. The average cost of providing demand response

rides in fiscal year 2015 was \$28.86 compared with \$25.94 for fiscal year 2014. This increase in cost per ride is due to an increase in the number of rides provided, especially in rides that are ungrouped during a trip.

A small portion of the cost of providing these alternative transportation services is covered with fare revenue, 2.4 percent for the fiscal year 2015 compared with 2.8 percent for fiscal year 2014. Funding from federal and state sources provided 95.7 percent of fiscal year 2015 program operating costs, and 90.7 percent of fiscal year 2014 program operating costs. Grant funding eliminated the net program costs to the District in fiscal year 2015.

Major Initiatives

The District establishes an annual list of strategic priorities. For fiscal year 2015 highlights of the strategic priorities include the introduction of the West Salem Connector pilot project, Bus Stop Improvement Project, site selection of the South Salem Transit Center.

Future

Our vision is to make a positive difference by enhancing community livability through innovative, sustainable regional transportation options. In the next three years, work towards this vision will be focused on the implementation of the District's Moving Forward service plan. Phase I of this plan was implemented in September 2015. Succeeding phases will be implemented upon acquiring a new sustainable revenue source.

Major capital improvements anticipated in the upcoming fiscal year include the continuation of the Bus Stop Improvement Project, construction of a signalized intersection at the Keizer Transit Center, and preliminary design and engineering for the South Salem transit center.

Long-term Financial Planning

While the District has maintained the current level of service for the last six years there is a great need in the community for weekend service. The District asked voters to approve a local option levy or a payroll tax in November 2015 election but was unsuccessful. The additional funds would have provided resources to expand services to include weekend, evening and holiday service enhancements. The District is now working at the State level to seek out a sustainable funding source for transit operations.

Acknowledgements

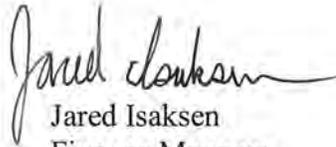
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. This was the third year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely preparation of the CAFR was made possible by the efforts of the entire staff of the Finance Department. The Finance Department appreciates and thanks the staff who assisted and contributed to the report's presentation. They also thank the members of the Board of Directors and the General Manager for their interest and support in managing the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

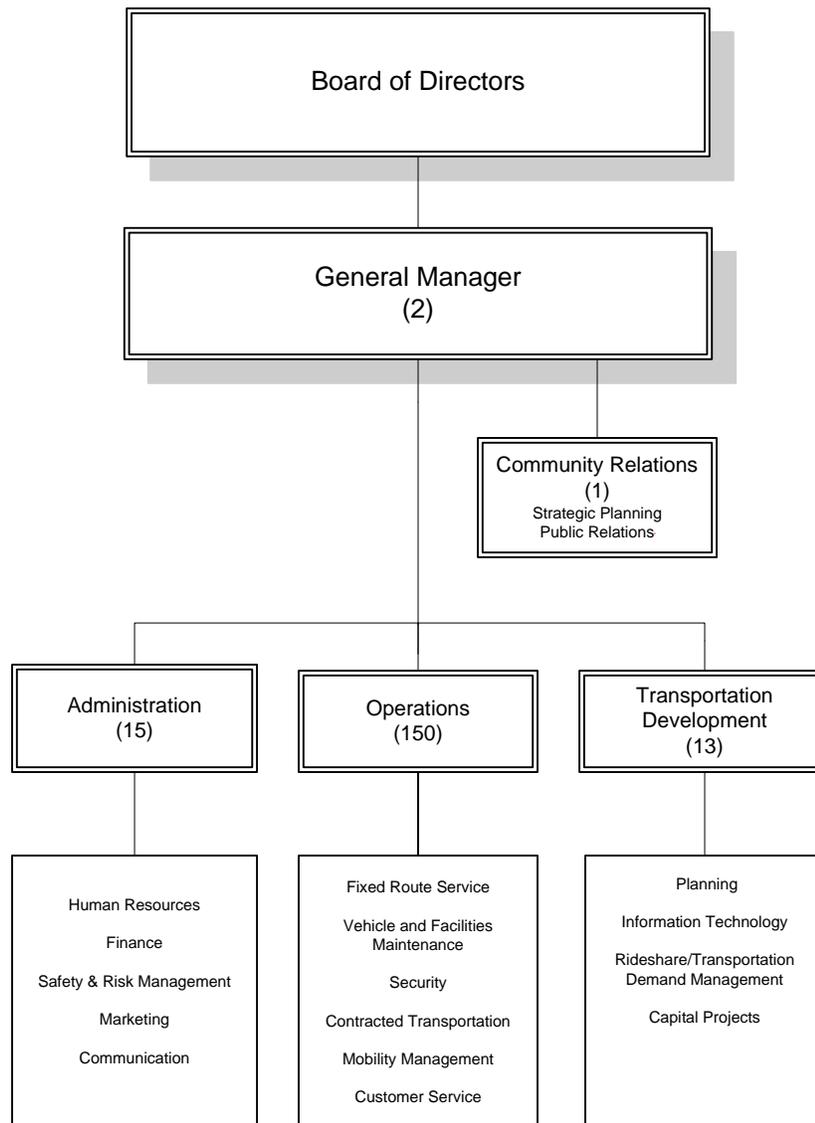


Allan Pollock
General Manager



Jared Isaksen
Finance Manager

SALEM AREA MASS TRANSIT DISTRICT DISTRICT-WIDE ORGANIZATIONAL CHART



**Salem Area Mass Transit District
BOARD OF DIRECTORS**

<u>Board</u>	<u>Subdistrict</u>	<u>Term Expiration</u>
Steve Evans, Treasurer	1 - West Salem	June 30, 2015
Brad Coy	2 - Keizer	June 30, 2017
Kate Tarter, Secretary	3 - North Salem	June 30, 2015
John Hammill	4 - Northeast Salem	June 30, 2017
Jerry Thompson, President	5 - Southeast Salem	June 30, 2015
Robert Krebs, Vice-President	6 - South Salem	June 30, 2017
Marcia Kelley	7 - South Salem	June 30, 2015

General Manager
Allan Pollock



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Salem Area Mass Transit District
Oregon

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Financial Section



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Salem Area Mass Transit
Salem, Oregon

Report on the Financial Statements

We have audited the statements of net position, statements of revenue, expenses and changes in net position, and cash flows of Salem Area Mass Transit (the District) as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Salem Area Mass Transit District, as of June 30, 2015 and 2014, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in notes to the financial statements, the District adopted the accounting requirements of Governmental Accounting Standards Board Statements No. 68, Accounting and Financial Reporting for Pensions, and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date as of July 1, 2014, which resulted in the restatement of the financial statements for the year ended June 30, 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) (pages 5 through 9), schedule of changes in net pension liability and related ratios – non-bargaining (page 43), schedule of employer contributions – defined benefit plan – non-bargaining (pages 44 and 45), schedule of changes in net pension liability and related ratios – bargaining (page 47), schedule of employer contributions – defined benefit plan - bargaining (pages 48 and 49), and schedule of OPEB funding progress (page 50) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A and other schedules described above in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information, introductory section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion,

the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards and Other Legal and Regulatory Requirements

Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2016, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 20, 2016, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, A Shareholder
January 20, 2016

Salem Area Mass Transit District's Management's Discussion and Analysis

The management of Salem Area Mass Transit District (District) presents this narrative overview and analysis to facilitate both a short-term and long-term analysis of the financial activities of the District for the fiscal years ended June 30, 2015 and 2014. This Management's Discussion and Analysis (MD&A) is based on facts, decisions, and conditions that existed as of the date of the independent auditor's report.

Overview of the Financial Statements

The District's financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. They have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this basis of accounting, revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which they are incurred, regardless of the related cash flows.

Financial Highlights

In fiscal year (FY) 2015, The District adopted GASB Statements No. 68 and 71. These statements established new accounting and reporting rules related to pension plans that, most notably, include presenting the net pension liability and deferred inflows and outflows related to pensions on the statement of net position. There are also a number of changes to the notes to the financial statements and required supplementary information. Implementation of these statements required the restatement of FY 2014 financial statements to maintain comparability between the two years presented in this report.

The District's total assets increased in FY 2015 from \$57 million to \$59.6 million, due to an increase in federal grants receivables and cash balances. The District's total assets decreased in FY 2014 from \$58.5 million to \$57 million, due to a decrease in federal grants receivables.

The District's deferred outflows increased in FY 2015 by approximately \$784,000 due to the adoption of GASB Statements No. 68 and 71. The District did not have any deferred outflows in FY 2014.

The District's total liabilities decreased in FY 2015 by \$.6 million, due mostly to a decrease in the net pension liability and accounts payable from restricted assets. The District's total liabilities, as restated, increased in FY 2014 by \$3.6 million, due to the adoption of new GASB statements recording the net pension liability on the Statement of Net Position.

In FY 2015, the District's deferred inflows decreased by approximately \$170,000 from \$676,000 to \$507,000. These amounts were part of the adoption of new GASB statements.

In FY 2015, the District's total net position increased by \$4.2 million. The investment in capital assets decreased by approximately \$2.0 million, or 5.6 percent mainly due to the yearly depreciation and the unrestricted net position increased by approximately \$5.8 million.

In FY 2014, the District's total net position, as restated, decreased by \$5.7 million. The beginning net position was restated by \$8.9 million as a result of the retroactive implementation of a new

accounting standard, GASB Statement No. 68, Accounting and Financial Reporting for Pensions, under which the net pension liability for each of the District's pension plans is now recorded on the face of the Statement of the Net Position. In FY 2014, the investment in capital assets increased by approximately \$2.5 million, or 7.2 percent, the restricted net position increased by \$127,570, and the unrestricted net position decreased by approximately \$8.4 million. Unrestricted net position was reduced as a result of the adoption of new GASB statements.

In FY 2015, operating revenue increased more than \$1.1 million from \$6.4 million to \$7.5 million, or 18 percent, from the prior year. This increase was due to increased ridership in the Non-Emergent Medical Transportation (DMAP/WVCH) program. Non-operating revenues, including capital contributions, increased approximately \$4 million from the prior year. This increase is due to an increase in non-operating revenues from federal grants and state programs. Operating expenses increased more than \$4.1 million from the prior year. The majority of the increase is from an increase in eligible DMAP/WVCH participants and contracted transportation costs associated with that increase.

In FY 2014, operating revenue decreased more than \$203,000 from \$6.5 million to \$6.3 million, or 3.1 percent, from the prior year. This decrease was due to Lamar Advertising cancelling their contract with the District in early FY 2014. Non-operating revenues, including capital contributions, decreased approximately \$915,000 from the prior year. This decrease is due to a decrease in non-operating revenues from federal grants and from grants for capital acquisition. Operating expenses increased more than \$3.2 million from the prior year. The majority of the increase is from an 18% increase in eligible Non-Emergency Medical Transportation (DMAP) participants and contracted transportation costs associated with that increase. The remainder of the increase is due to filling budgeted positions and an increased number of operators.

The District's major transfers were from the general fund to the capital project fund for \$102,000 and \$1.8 million and to the special transportation fund for \$0 and \$975,000 for the fiscal years ended June 30, 2015 and 2014 respectively.

	<i>June 30,</i>		
	<i>2015</i>	<i>2014</i>	<i>2013</i>
Assets		(As Restated)	
Current and restricted assets	\$ 24,911,083	\$ 20,148,979	\$ 24,153,129
Capital assets, net of depreciation	<u>34,772,770</u>	<u>36,855,141</u>	<u>34,371,636</u>
Total assets	59,683,853	57,004,120	58,524,765
Deferred outflows of resources	<u>784,790</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	60,468,643	57,004,120	58,524,765
Liabilities			
Current liabilities	3,488,792	3,717,897	6,078,400
Noncurrent liabilities	<u>7,451,813</u>	<u>7,826,851</u>	<u>1,904,030</u>
Total liabilities	10,940,605	11,544,748	7,982,430
Deferred inflows of resources	<u>506,952</u>	<u>675,936</u>	<u>-</u>
Net position			
Investment in capital assets	34,772,770	36,855,141	34,371,636
Restricted for capital projects	3,707,543	4,017,170	3,952,823
Restricted for special transportation	2,249,540	1,038,737	975,514
Unrestricted	<u>8,291,233</u>	<u>2,872,388</u>	<u>11,242,362</u>
Total net position	49,021,086	44,783,436	50,542,335
Total liabilities, deferred inflows of resources and net position	<u>\$ 60,468,643</u>	<u>\$ 57,004,120</u>	<u>\$ 58,524,765</u>

Net position invested in capital assets consists of land, land improvements, buildings, vehicles, and office and shop equipment, net of accumulated depreciation.

Net position restricted for capital projects and special transportation programs represents amounts restricted for use for special transportation programs, projects, and capital expenditures.

	<i>Year Ended June 30,</i>		
	2015	2014	2013
Operating revenues		(As Restated)	
Passenger fares	\$ 2,817,514	\$ 2,776,575	\$ 2,793,604
Accessible services and medicaid	4,305,757	3,129,220	3,127,234
Other revenues	365,058	465,052	653,937
Non-operating revenues			
Property taxes	10,714,350	10,179,017	9,984,733
State assistance	6,350,961	5,746,114	5,251,979
Federal assistance	18,721,493	11,786,100	12,538,020
Other revenues	125,940	55,316	79,672
Total revenue	43,401,073	34,137,394	34,429,179
Operating expenses	(39,808,053)	(35,684,127)	(35,595,418)
Extraordinary gain/(loss)	-	-	3,842,554
Capital contributions	644,630	4,691,727	5,519,348
Changes in net position	4,237,650	3,144,994	8,195,663
Beginning net position	44,783,436	50,542,335	42,346,672
Cumulative effect of restatement	-	(8,903,893)	-
Beginning net position (restated)	-	41,638,442	-
Ending net position	\$ 49,021,086	\$ 44,783,436	\$ 50,542,335

The District's total revenue increased more than \$9.2 million, or 27.1 percent, during FY 2015. The District's total revenue decreased more than \$290,000, or 0.85 percent, during FY 2014.

Capital Assets

The District's investment in capital assets amounts to \$34.7 million and \$36.8 million net of accumulated depreciation as of June 30, 2015 and 2014 respectively. This investment in capital assets includes land, construction in progress, buildings, land improvements, revenue rolling stock, and equipment. The total decrease in the District's investment in capital assets for FY 2015 was 5.7 percent. The total increase in the District's investment in capital assets for FY 2014 was 7.2 percent.

Major capital projects during FY 2015 included the Stops and Shelters project as well as the purchase of CherryLift vehicles. Construction in progress at the end of the year was approximately \$1 million for various projects.

Major capital projects during FY 2014 included the remediation of Courthouse Square. Construction in progress at the end of the year was \$685,523 for various projects.

	June 30,			Increase/(decrease)	
	2015	2014	2013	2015 - 2014	2014- 2013
Land	\$ 2,050,691	\$ 2,050,691	\$ 2,050,691	\$ -	\$ -
Construction in progress	1,072,188	685,523	4,308,914	386,665	(3,623,391)
Buildings	19,413,087	19,850,285	11,520,160	(437,198)	8,330,125
Land improvements	3,359,769	3,454,594	3,573,889	(94,825)	(119,295)
Revenue rolling stock	7,687,429	9,488,924	11,777,007	(1,801,495)	(2,288,083)
Equipment	1,189,606	1,325,124	1,140,975	(135,518)	184,149
	<u>\$ 34,772,770</u>	<u>\$ 36,855,141</u>	<u>\$ 34,371,636</u>	<u>\$ (2,082,371)</u>	<u>\$ 2,483,505</u>

Additional information on the District’s capital assets can be found in note 5 on pages 25 – 26 of this report.

Request for Information

This financial report is designed to provide a general overview of the District’s finances for those with an interest in the District’s finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to:

Salem Area Mass Transit District
555 Court Street NE, Suite 5230
Salem, Oregon 97301-3980

Basic Financial Statements



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Salem Area Mass Transit District
Statements of Net Position
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u> (As restated)
Assets		
Current assets		
Unrestricted cash and cash equivalents	\$ 11,871,819	\$ 7,631,563
Accounts receivable	205,098	236,792
Property taxes receivable	596,631	660,274
Prepaid expenses	196,705	191,859
Inventories	637,755	682,056
Restricted cash and cash equivalents	2,471,124	-
Federal grants receivable	6,402,865	5,559,318
State grants receivable	<u>2,529,086</u>	<u>5,187,117</u>
Total current assets	<u>24,911,083</u>	<u>20,148,979</u>
Capital assets		
Land	2,050,691	2,050,691
Land improvements (net of depreciation)	3,359,769	3,454,594
Buildings and improvements (net of depreciation)	19,413,087	19,850,285
Buses and equipment (net of depreciation)	8,877,035	10,814,048
Construction in progress	<u>1,072,188</u>	<u>685,523</u>
Total capital assets	<u>34,772,770</u>	<u>36,855,141</u>
Total assets	<u>59,683,853</u>	<u>57,004,120</u>
Deferred outflows of resources		
Deferred outflows - Non-bargaining	219,656	-
Deferred outflows - Bargaining	<u>565,134</u>	-
Total deferred outflows of resources	<u>784,790</u>	-
Total assets and deferred outflows of resources	<u><u>\$ 60,468,643</u></u>	<u><u>\$ 57,004,120</u></u>

	2015	2014 (As restated)
Liabilities		
Current liabilities		
Accounts payable	\$ 426,138	\$ 371,691
Accounts payable from restricted assets	1,154,369	1,527,627
Payroll, withholdings and payroll taxes	697,337	619,570
Construction retainage	12,003	12,003
Due to other governments from restricted assets	83,788	32,923
Accrued vacation and sick leave	1,115,157	1,154,083
Total current liabilities	<u>3,488,792</u>	<u>3,717,897</u>
Noncurrent liabilities		
Net pension liability - Non-bargaining	1,233,214	1,589,868
Net pension liability - Bargaining	3,713,820	3,951,953
Net OPEB obligation	2,504,779	2,285,030
Total noncurrent liabilities	<u>7,451,813</u>	<u>7,826,851</u>
Total liabilities	<u>10,940,605</u>	<u>11,544,748</u>
Deferred inflows of resources		
Deferred inflows - Non-bargaining	141,533	188,711
Deferred inflows - Bargaining	365,419	487,225
Total deferred outflows of resources	<u>506,952</u>	<u>675,936</u>
Net position		
Investment in capital assets	34,772,770	36,855,141
Restricted for capital projects	3,707,543	4,017,170
Restricted for special transportation	2,249,540	1,038,737
Unrestricted	8,291,233	2,872,388
Total net position	<u>49,021,086</u>	<u>44,783,436</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 60,468,643</u>	<u>\$ 57,004,120</u>

Salem Area Mass Transit District
Statements of Revenues, Expenses and Changes In Net Position
For the Fiscal Years Ended June 30, 2015 and 2014

	2015	2014 (As restated)
Operating revenues		
Passenger fares	\$ 2,817,514	\$ 2,776,575
Accessible services and medicaid	4,305,757	3,129,220
Other revenues	<u>365,058</u>	<u>465,052</u>
Total operating revenues	<u>7,488,329</u>	<u>6,370,847</u>
Operating expenses		
Personnel services	16,204,737	13,960,216
Materials and services	16,407,550	14,486,383
Accessible services and special transportation	3,886,694	3,824,460
Depreciation	3,089,323	3,032,068
OPEB expense	<u>219,749</u>	<u>381,000</u>
Total operating expenses	<u>39,808,053</u>	<u>35,684,127</u>
Operating loss	(32,319,724)	(29,313,280)
Non-operating revenues		
Property taxes	10,714,350	10,179,017
State assistance	6,350,961	5,746,114
Federal assistance	18,721,493	11,786,100
Earnings on investments	94,776	53,457
Insurance settlement	22,557	-
Gain on disposal of capital assets	<u>8,607</u>	<u>1,859</u>
Total non-operating revenues	<u>35,912,744</u>	<u>27,766,547</u>
Change in net position before extraordinary items and capital contributions	3,593,020	(1,546,733)
Capital contributions		
Federal and state grants for capital acquisition	<u>644,630</u>	<u>4,691,727</u>
Changes in net position	4,237,650	3,144,994
Total net position - beginning of year	<u>44,783,436</u>	<u>41,638,442</u>
Total net position - end of year	<u>\$ 49,021,086</u>	<u>\$ 44,783,436</u>

Salem Area Mass Transit District
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2015 and 2014

	2015	2014 (As restated)
Cash flows from operating activities		
Cash received from customers	\$ 7,520,023	\$ 6,379,052
Payments to employees for services	(17,714,457)	(18,549,006)
Cash paid to suppliers for good and services	<u>(20,573,600)</u>	<u>(18,633,663)</u>
Net cash used for operating activities	<u>(30,768,034)</u>	<u>(30,803,617)</u>
Cash flows from noncapital financing activities		
Receipts from property taxes	10,777,993	10,267,512
Receipts from state assistance	12,559,857	5,309,468
Receipts from federal assistance	<u>18,258,181</u>	<u>18,622,262</u>
Net cash provided by noncapital financing activities	<u>41,596,031</u>	<u>34,199,242</u>
Cash flows from capital and related financing activities		
Receipts from capital grants	(3,235,605)	1,669,133
Receipts from litigation/insurance recoveries	22,557	-
Acquisition and construction of capital assets	(1,006,952)	(5,701,789)
Sale of capital assets	<u>8,607</u>	<u>1,859</u>
Net cash provided (used) for capital and related financing activities	<u>(4,211,393)</u>	<u>(4,030,797)</u>
Cash flows from investing activities		
Interest received	<u>94,776</u>	<u>53,457</u>
Net change in cash and cash equivalents	6,711,380	(581,715)
Cash and cash equivalents, July 1	<u>7,631,563</u>	<u>8,213,278</u>
Cash and cash equivalents, June 30	<u>\$ 14,342,943</u>	<u>\$ 7,631,563</u>
Reconciliation of operating loss to net cash used for operating activities		
Operating loss	\$ (32,319,724)	\$ (29,313,280)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	3,089,323	3,032,068
Decrease in net pension liability and related deferrals	(1,548,561)	(2,686,136)
OPEB expense	219,749	381,000
(Increase) decrease in accounts receivable	31,694	8,205
(Increase) decrease in prepaid expenses	(4,846)	19,970
(Increase) decrease in inventories	44,301	(58,113)
Increase (decrease) in accounts payable	54,447	32,123
Increase (decrease) in accounts payable from restricted assets	(373,258)	(316,800)
Increase (decrease) in payroll, withholdings and payroll taxes	77,767	(1,971,266)
Increase (decrease) in accrued vacation and sick leave	<u>(38,926)</u>	<u>68,612</u>
Net cash used for operating activities	<u>\$ (30,768,034)</u>	<u>\$ (30,803,617)</u>
Noncash Investing, Capital, and Financing Activities		
Noncash portion of capital contributions	<u>\$ -</u>	<u>\$ -</u>

**Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014**

(1) Summary of Significant Accounting Policies

The financial statements of the Salem Area Mass Transit District (District) have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applied to government units in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Financial Reporting Entity

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, all organizations for which the primary government is financially accountable and other organizations that, by the nature and significance of their relationship with the primary government, would cause the financial statements to be incomplete or misleading if excluded. Based on these criteria, the District is considered a primary government and does not have any component unit relationships. Conversely, the District is not considered a component unit of any primary government.

B. Organization and Operation

The District was organized under the provisions of Oregon Revised Statutes (ORS) Chapter 267 to provide mass transit services to the Salem/Marion County area. Formation of the District was effective in 1979. Under ORS 267, the District is authorized to levy taxes and charge fares to pay for the operations of the District. The District is also authorized to issue general obligation bonds and revenue bonds.

The District is governed by an elected seven-member Board of Directors. Board members represent and must live in certain geographical sub-districts. The Board of Directors sets District policy, levies taxes, appropriates funds, adopts budgets, and performs other duties required by state and federal law.

C. Basis of Accounting and Revenue Recognition

The District is reported as a single proprietary unit. Proprietary reporting is used to account for operations and activities that are similar to those found in the private sector.

The financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this basis, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred, regardless of the timing of related cash flows.

Operating revenues consist primarily of passenger fares and funds received for special transportation. Operating expenses include the costs of operating the District, including depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

Revenues are recognized when they are earned and available to meet current obligations. 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 are included on the Statement of Net Position.

Ad valorem property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Federal and state grant contributions for capital acquisitions are recorded as capital contributions and are included in net income when earned. Federal and state grant receipts relating to operating expenses are recorded as non-operating revenue when earned.

D. Restricted Assets

Restricted assets consist of assets restricted for federal capital grant programs and State of Oregon special transportation programs. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed.

E. Cash and Investments

ORS 294.035 authorizes the District to invest in obligations of the U.S. Treasury and agencies, time certificates of deposit, bankers' acceptances, repurchase agreements, certain types of corporate bonds, and the State of Oregon Local Government Investment Pool. Such investments are stated at cost. The investments are increased by accretion of discounts and reduced by amortization of premiums, which are computed by the straight-line method and approximates fair market value.

Fair value is defined as the amount at which an investment could be exchanged between willing parties, other than in a forced or liquidation sale.

For purposes of the statement of cash flows, the District considers cash and equivalents to include all highly liquid debt instruments with an original maturity of three months or less.

F. Inventories

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

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

G. Prepaid Expenses

Payments to vendors reflecting costs applicable to future accounting periods are recorded as prepaid expenses.

H. Capital Assets

Capital assets are stated at cost, except for donated capital assets, which are stated at the fair market value on the date of donation. Expenditures for additions and improvements with a value in excess of \$5,000 and a useful life of more than one year are capitalized. Expenditures for maintenance, repairs, and minor improvements are charged to operations as incurred. Upon disposal of capital assets, the accounts are relieved of the related costs and accumulated depreciation, and the resulting gains or losses are reflected in the statement of revenues, expenses, and changes in net position.

Capital assets, excluding land and construction in progress, are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation is an accounting process to allocate the cost of capital assets to expense in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair market value, nor are capital assets net of accumulated depreciation, intended to represent an estimate of the current condition, of the assets or the maintenance requirements needed to maintain the assets at their current level of condition.

Asset	Years
Buildings, Shelters, Stations	10 – 50
Revenue Rolling Stock	5 – 12
Equipment	3 – 10

Monthly depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

I. Vacation and Sick Pay

Vacation pay is vested when earned. Employees earn annual leave based on length of service to the District. Unpaid vested vacation is shown as vested compensated absences on the Statement of Net Position and recorded as an expense when earned.

Sick pay is accrued on a bi-weekly basis. Payouts are either 50 percent or 20 percent of the balance depending on the accrued hours and length of service. Sick pay is recorded as a liability on the statement of net position and an expense as accrued.

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J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

K. Net Position

Net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following three categories.

Investment in capital assets — consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction and improvement of those assets, if any.

Restricted — consists of external constraints placed on net position use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted — consists of all other net position that is not included in the other categories previously mentioned.

L. Deferred Inflows and Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

M. New Pronouncements

During FY 2014, the District implemented the following GASB pronouncements:

- GASB Statement No. 66, “Technical Corrections – 2012—An Amendment of GASB Statement 10 and No. 62.” The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements

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No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. The District has determined that this statement has no significant impact on the District's financial statements.

- GASB Statement No. 67, "Financial Reporting of Pension Plans—an Amendment of GASB No. 25." The objective of the statement is to improve financial reporting by state and local governmental pension plans. The statement is effective for reporting periods after June 15, 2013. The District has determined that this statement has no significant impact on the District's financial statements.
- GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees." The objective of the statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The statement is effective for reporting periods beginning after June 15, 2013. The District has determined that this statement has no significant impact on the District's financial statements.

During FY 2015, the District implemented the following GASB pronouncements:

- GASB Statement No. 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB No. 27." The objective of the statement is to improve accounting and financial reporting by state and local governments for pensions. The statement is effective for reporting periods beginning after June 15, 2014. The District has implemented this standard.
- GASB Statement No. 69, "Government Combinations and Disposals of Government Operations." This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The statement is effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. The District has determined that this statement has no significant impact on the District's financial statements.
- GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date; an amendment of GASB No. 68." The provisions of this Statement are required to be applied simultaneously with the provisions of Statement No. 68. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014.

(2) Stewardship, Compliance, and Accountability

For budgeting purposes, the District consists of a general fund, capital improvement fund, and special transportation fund. This is in conformity with Oregon Budget Law. Budgetary basis revenues and expenditures are recognized on the modified accrual basis. The treatment

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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.

Financial operations of the District are accounted for in the following budgetary funds:

General Fund

The fund accounts for all financial resources and expenditures related to the District's general operations, except those required to be accounted for in another fund. The principal revenue sources are property taxes, state payroll assessments, passenger fares and federal operating assistance.

Capital Improvement Fund

This fund accounts for major capital acquisitions and projects. The principal revenue sources are capital grants from the Federal Transit Administration and transfers from the General Fund.

Special Transportation Fund

This fund accounts for expenditures related to transportation service to special public groups. The fund's principal sources of revenue are Federal grants and reimbursements, State special transportation formula grants and transfers from the General Fund.

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 annual budget prior to July 1 through passage of a resolution. The resolution authorizes appropriations by fund and at broad classification levels for personal services, materials and services, capital outlay, and contingency. Expenditures cannot legally exceed appropriations at these control levels. Appropriations that have not been spent at year-end expire.

The Board of Directors, by resolution, may amend the budget as originally adopted. One amendment totaling approximately \$1.25 million was made to the budget during the year ended June 30, 2015.

The Special Transportation Fund had over-expenditures for materials and services of \$448,105.

(3) Cash and Cash Equivalents

The District maintains a cash and investment pool that is available for use by all funds, except for restricted cash and investments. At June 30, 2015 and 2014 the carrying value of

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cash and investments and fair value are approximately equal. At June 30, 2015 and 2014, cash and investments included in cash and cash equivalents consisted of:

	<u>2015</u>	<u>2014</u>
<i>Cash</i>		
Cash on hand	\$ 16,676	\$ 32,951
Deposits with financial institutions	591,534	352,680
<i>Investments</i>		
Local government investment pool	<u>13,734,733</u>	<u>7,245,932</u>
 <i>Total cash and investments</i>	 <u>\$ 14,342,943</u>	 <u>\$ 7,631,563</u>
 Unrestricted cash and investments	 \$ 11,871,819	 \$ 8,592,387
Restricted cash and investments	<u>2,471,124</u>	<u>(960,824)</u>
 <i>Total cash and investments</i>	 <u>\$ 14,342,943</u>	 <u>\$ 7,631,563</u>

A. Deposits

As of June 30, 2015 and 2014, the book balance of the District's bank deposits (checking accounts) was \$591,534 and \$352,680 and the bank balance was \$1,230,012 and \$537,698 respectively. The difference is due to transactions in process.

B. Custodial Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned. Effective July 1, 2008, the State of Oregon formed the Oregon Public Funds Collateralization Program under ORS 295. The collateralization program creates a statewide pool of qualified bank depositories for local governments, providing collateralization for bank balances that exceed the limits of federal depository insurance, and eliminating the need for certificates of participation. As of June 30, 2015 and 2014, none of the District's bank balances were exposed to credit risk.

C. Investments

The State Treasurer of the State of Oregon maintains the Oregon Short-term Fund, of which the Local Government Investment Pool (LGIP) is part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, the investment funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The Oregon Short-term Fund is the LGIP for local governments and was

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established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations.

At June 30, 2015 and 2014, the fair value of the District's position in the LGIP was approximately equal to the value of the pool shares. The investment in the Oregon Short-term Fund is not subject to risk evaluation. Separate financial statements for the Oregon Short-term Fund are available from the Oregon State Treasurer.

D. Interest Rate Risk - Investments

In accordance with its investment policy, the District manages its exposure to declines in fair value of its investments by limiting the maximum maturity of its investments to one year or less.

E. Custodial Risk - Investments

For an investment, there is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. Currently the District's investments are limited to the LGIP.

F. Credit Risk - Investments

The LGIP is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Commission. The LGIP is an open-ended, no-load, diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-term Fund Board, which has established diversification percentages and specifies the types and maturities of the investments. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. These investments within the LGIP must be invested and managed as a prudent investor would, exercising reasonable care, skill and caution. Professional standards indicate that the investments in external investment pools are not subject to custodial risk because they are not evidenced by securities that exist in physical or book entry form. Nevertheless, management does not believe that there is any substantial custodial risk related to investments in the LGIP. The LGIP is not rated for credit risk.

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(4) Restricted Assets

Restricted assets are restricted for capital outlay and special transportation.

	<i>Total Restricted Assets</i>	<i>Less Current Liabilities Payable</i>	<i>Net Restricted Assets (Liabilities)</i>
2015			
<i>Restricted for capital</i>			
Cash and investments	\$ 2,888,219	\$ (304,882)	\$ 2,583,337
Federal grants receivable	1,124,206	-	1,124,206
<i>Total restricted for operating capital</i>	<u>4,012,425</u>	<u>(304,882)</u>	<u>3,707,543</u>
<i>Restricted for special transportation</i>			
Cash and investments	(417,095)	(990,427)	(1,407,522)
Federal grants receivable	2,545,454	-	2,545,454
State grants receivable	1,111,608	-	1,111,608
<i>Total restricted for special transportation</i>	<u>3,239,967</u>	<u>(990,427)</u>	<u>2,249,540</u>
	<u>\$ 7,252,392</u>	<u>\$ (1,295,309)</u>	<u>\$ 5,957,083</u>
2014			
<i>Restricted for capital</i>			
Cash and investments	\$ (68,753)	\$ (158,048)	\$ (226,801)
Federal grants receivable	743,971	-	743,971
State grants receivable	3,500,000	-	3,500,000
<i>Total restricted for operating capital</i>	<u>4,175,218</u>	<u>(158,048)</u>	<u>4,017,170</u>
<i>Restricted for special transportation</i>			
Cash and investments	(892,071)	(1,476,678)	(2,368,749)
Federal grants receivable	3,015,716	-	3,015,716
State grants receivable	391,770	-	391,770
<i>Total restricted for special transportation</i>	<u>2,515,415</u>	<u>(1,476,678)</u>	<u>1,038,737</u>
	<u>\$ 6,690,663</u>	<u>\$ (1,634,726)</u>	<u>\$ 5,055,907</u>

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(5) Capital Assets

The changes in capital assets for the year ended June 30, 2015 are summarized below:

	Beginning Balance	Additions	Deletions	Impairment/ Adjustments	Ending Balance
Capital assets, non-depreciable:					
Land	\$ 2,050,691	\$ -	\$ -	\$ -	\$ 2,050,691
Construction in progress	685,523	601,071	-	(214,406)	1,072,188
Total capital assets, non-depreciable	<u>2,736,214</u>	<u>601,071</u>	<u>-</u>	<u>(214,406)</u>	<u>3,122,879</u>
Capital assets, depreciable:					
Buildings	25,248,779	150,554	-	-	25,399,333
Land improvements	3,578,860	24,748	-	-	3,603,608
Revenue rolling stock	26,923,402	176,937	(286,664)	214,406	27,028,081
Equipment	5,145,288	53,642	-	-	5,198,930
Total capital assets, depreciable	<u>60,896,329</u>	<u>405,881</u>	<u>(286,664)</u>	<u>214,406</u>	<u>61,229,952</u>
Less accumulated depreciation:					
Buildings	(5,398,494)	(587,752)	-	-	(5,986,246)
Land improvements	(124,266)	(119,573)	-	-	(243,839)
Revenue rolling stock	(17,434,478)	(2,192,838)	286,664	-	(19,340,652)
Equipment	(3,820,164)	(189,160)	-	-	(4,009,324)
Total accumulated depreciation	<u>(26,777,402)</u>	<u>(3,089,323)</u>	<u>286,664</u>	<u>-</u>	<u>(29,580,061)</u>
Net depreciable capital assets	<u>34,118,927</u>	<u>(2,683,442)</u>	<u>-</u>	<u>214,406</u>	<u>31,649,891</u>
Net capital assets	<u>\$ 36,855,141</u>	<u>\$ (2,082,371)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,772,770</u>

The changes in capital assets for the year ended June 30, 2014 are summarized below:

	Beginning Balance	Additions	Deletions	Impairment/ Adjustments	Ending Balance
Capital assets, non-depreciable:					
Land	\$ 2,050,691	\$ -	\$ -	\$ -	\$ 2,050,691
Construction in progress	4,308,914	448,743	-	(4,072,134)	685,523
Total capital assets, non-depreciable	<u>6,359,605</u>	<u>448,743</u>	<u>-</u>	<u>(4,072,134)</u>	<u>2,736,214</u>
Capital assets, depreciable:					
Buildings	16,501,439	4,869,693	-	3,877,647	25,248,779
Land improvements	3,578,860	-	-	-	3,578,860
Revenue rolling stock	27,080,183	58,350	(215,131)	-	26,923,402
Equipment	5,117,371	138,787	(305,357)	194,487	5,145,288
Total capital assets, depreciable	<u>52,277,853</u>	<u>5,066,830</u>	<u>(520,488)</u>	<u>4,072,134</u>	<u>60,896,329</u>
Less accumulated depreciation:					
Buildings	(4,981,279)	(417,215)	-	-	(5,398,494)
Land improvements	(4,971)	(119,295)	-	-	(124,266)
Revenue rolling stock	(15,303,176)	(2,346,433)	215,131	-	(17,434,478)
Equipment	(3,976,396)	(149,125)	305,357	-	(3,820,164)
Total accumulated depreciation	<u>(24,265,822)</u>	<u>(3,032,068)</u>	<u>520,488</u>	<u>-</u>	<u>(26,777,402)</u>
Net depreciable capital assets	<u>28,012,031</u>	<u>2,034,762</u>	<u>-</u>	<u>4,072,134</u>	<u>34,118,927</u>
Net capital assets	<u>\$ 34,371,636</u>	<u>\$ 2,483,505</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,855,141</u>

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The federal government retains a reversionary interest in property and equipment to the extent of capital grants provided for their purchase. Upon disposal of property and equipment, a prorated share of proceeds in excess of \$5,000, if any, is returned to the federal governments.

(6) Employee Retirement Plans

The District provides retirement benefits to its employees through two defined benefit plans, a defined contribution plan and a deferred compensation plan.

A. Defined Benefit Plans

The District contributes to two single-employer defined benefit pension plans. The Salem Area Mass Transit–Non-bargaining plan (Non-bargaining) covers all nonunion employees. The Salem Area Mass Transit-Bargaining plan (Bargaining) covers all union employees.

Each plan's assets are held in trust, independent of the District, and solely for the purpose of paying each plan's benefits and administrative expenses. The assets are invested in a variety of stocks, bonds, and other securities. Neither plan includes in its assets, any District securities or securities of any related parties. No loans have been granted to the District from plan funds.

Plan Description

In a defined benefit plan, benefits are determined using benefit formulas which take into account actuarial information. The plans were effective January 1, 2002 and are administered by Pioneer Trust. No separate financial statements are available for these plans. The District's Board of Directors holds the authority for establishing and amending plan benefits and funding policies for both defined benefit plans.

Benefits Provided

The defined benefit plans provide pension benefits to eligible full-time bargaining and non-bargaining employees. Regular career status employees who have successfully completed the probationary period of six months or 1,000 hours of service, whichever is later, are eligible to participate.

The District makes all contributions to the plan. The District's contributions for each employee (and investment earnings allocated to the employee's account) are fully vested after five years of service. District contributions for, and investment earnings forfeited by, employees who leave employment before five years of service, are used to reduce the District's contribution requirements.

The benefit payable at a participant's normal retirement date will be equal to the excess of 1.64 percent times the participant's final average salary times the participant's benefit credits for the non-bargaining employees or 1.64 percent for the bargaining unit employees over the amount which is the actuarial equivalent of the participant's account balance in the plan as of termination of employment.

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Non-Bargaining Plan

Employees Covered by Benefit Terms

The following employees were covered by the benefit terms as of the most recent actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	27
Inactive employees entitled to but not yet receiving benefits	7
Active employees	54
	<u>88</u>

Contributions

The District is in the process of establishing a formal funding policy with the Board of Directors. The Board of Directors has the authority to establish or amend such policies. Currently, the District's contribution rates are actuarially determined and approved and implemented by executive staff. Contributions to the plan are made quarterly according to an actuarially determined rate recommended by an independent actuary. This rate is intended to finance the cost of current benefits earned, plus an amount to finance the unfunded accrued liability. This rate, expressed as a percentage of covered payroll was, 12.62 percent and 29.02 percent for the years ended June 30, 2015 and 2014, respectively. The District makes additional level dollar contribution to further reduce the unfunded accrued liability. For the years ended June 30, 2015 and 2014, that amount was \$50,645 and \$604,852, respectively.

Net Pension Liability

The District's net pension liability for the non-bargaining plan at June 30, 2015, was measured as of that date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013.

The District's net pension liability for the non-bargaining plan at June 30, 2014 was measured as of that date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013.

Actuarial Methods and Assumptions

The total pension liability in the July 1, 2013, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation rate:	3%
Salary increases:	8.25% for first 5.5 years of service; 4.00% thereafter
Investment rate of return, net:	6.75%
Mortality:	RP-2000 Combined Healthy Mortality Table projected to 2015 per Scale AA

The non-bargaining pension plan does not provide for automatic, post-retirement benefit increases. No ad hoc increases have been adopted.

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The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of June 30, 2013:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Cash	1.82%	0.50%
Core Fixed Income	30.88%	2.20%
Non-U.S. Fixed Income	16.83%	1.32%
Broad U.S. Equities	27.40%	6.12%
Mid Cap U.S. Equities	5.93%	6.63%
Small Cap U.S. Equities	2.97%	7.64%
Developed Foreign Equities	3.79%	6.29%
Emerging Market Equities	5.84%	8.94%
Real Estate (REITS)	4.54%	5.59%
	100.00%	
		6.75%

Rate of Return

For the years ended June 30, 2015 and 2014, respectively, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.47 percent and 12.46 percent. The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate

The discount rate is used to measure the total pension liability was 6.75 percent as of June 30, 2015 and 2014. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the current contribution rate. The actuarially determined contribution rate is based on a closed amortization period, which means that payment of the actuarially determined contribution each year will bring the plan to a 100% funded position by the end of the amortization period. Plan assets are assumed to earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at 6/30/14	\$ 6,662,590	\$ 5,072,722	\$ 1,589,868
Changes for the year:			
Service cost	67,782	-	67,782
Interest on total pension liability	436,793	-	436,793
Benefit payments	(527,340)	(527,340)	-
Employer contributions	-	450,685	(450,685)
ICMA transfers	-	334,156	(334,156)
Net investment income	-	76,388	(76,388)
Balance at 6/30/15	\$ 6,639,825	\$ 5,406,611	\$ 1,233,214

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at 6/30/13	\$ 6,652,319	\$ 3,863,409	\$ 2,788,910
Changes for the year:			
Service cost	63,496	-	63,496
Interest on total pension liability	437,042	-	437,042
Benefit payments	(490,267)	(490,267)	-
Employer contributions	-	1,069,000	(1,069,000)
ICMA transfers	-	111,013	(111,013)
Net investment income	-	519,567	(519,567)
Balance at 6/30/14	\$ 6,662,590	\$ 5,072,722	\$ 1,589,868

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using a discount rate of 6.75 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate of one percentage point lower or one percentage point higher than the rate used:

	Net Pension Liability	
	2015	2014
1% decrease (5.75%)	\$ 1,769,368	\$ 2,147,014
Current discount rate (6.75%)	1,233,214	1,589,868
1% increase (7.75%)	675,364	1,021,154

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Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position can be obtained by writing to: Salem-Keizer Transit, 555 Court St NE Suite 5230, Salem, OR 97301-3980.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended June 30, 2015 and 2014, The District recognized pension expense of \$(278,123) and \$(657,050), respectively. The District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at June 30, 2015:

	Deferred Inflow of Resources	Deferred Outflows of Resources
Net difference between projected and actual earnings	\$ (141,533)	\$ 219,656

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 7,736
2017	7,736
2018	7,737
2019	54,914
2020	-
Thereafter	-

Bargaining Plan

Employees Covered by Benefit Terms

The following employees were covered by the benefit terms as of the most recent actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	57
Inactive employees entitled to but not yet receiving benefits	15
Active employees	<u>116</u>
	<u>188</u>

Contributions

The District is in the process of establishing a formal funding policy with the Board of Directors. The Board of Directors has the authority to establish or amend such policies. Currently, the District's contribution rates are actuarially determined and approved and

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implemented by the executive staff. Contributions to the plan are made quarterly according to an actuarially determined rate recommended by an independent actuary. This rate is intended to finance the cost of current benefits earned, plus an amount to finance the unfunded accrued liability. This rate, expressed as a percentage of covered payroll was, 24.39 percent and 38.05 percent for the years ended June 30, 2015 and 2014, respectively. The District makes additional level dollar contribution to further reduce the unfunded accrued liability. For the years ended June 30, 2015 and 2014, that amount was \$0 and \$959,392, respectively.

Net Pension Liability

The District's net pension liability for the non-bargaining plan at June 30, 2015, was measured as of that date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013.

The District's net pension liability for the non-bargaining plan at June 30, 2014 was measured as of that date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013.

Actuarial Methods and Assumptions

The total pension liability in the July 1, 2013, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation rate:	3%
Salary increases:	8.25% for first 5.5 years of service; 4.00% thereafter
Investment rate of return, net:	6.75%
Mortality:	RP-2000 Combined Healthy Mortality Table projected to 2015 per Scale AA

The non-bargaining pension plan does not provide for automatic, post-retirement benefit increases. No ad hoc increases have ever been adopted.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of June 30, 2013:

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Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Cash	1.82%	0.50%
Core Fixed Income	30.88%	2.20%
Non-U.S. Fixed Income	16.83%	1.32%
Broad U.S. Equities	27.40%	6.12%
Mid Cap U.S. Equities	5.93%	6.63%
Small Cap U.S. Equities	2.97%	7.64%
Developed Foreign Equities	3.79%	6.29%
Emerging Market Equities	5.84%	8.94%
Real Estate (REITS)	4.54%	5.59%
	100.00%	
		6.75%

Rate of Return

For the years ended June 30, 2015 and 2014, respectively, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.50 percent and 12.59 percent. The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate

The discount rate is used to measure the total pension liability was 6.75 percent as of June 30, 2015 and 2014. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the current contribution rate. The actuarially determined contribution rate is based on a closed amortization period, which means that payment of the actuarially determined contribution each year will bring the plan to a 100% funded position by the end of the amortization period. Plan assets are assumed to earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at 6/30/14	\$ 16,945,345	\$ 12,993,392	\$ 3,951,953
Changes for the year:			
Service cost	571,573	-	571,573
Interest on total pension liability	1,157,908	-	1,157,908
Benefit payments	(737,506)	(737,506)	-
Employer contributions	-	1,374,052	(1,374,052)
ICMA transfers	-	388,882	(388,882)
Net investment income	-	204,680	(204,680)
Balance at 6/30/15	\$ 17,937,320	\$ 14,223,500	\$ 3,713,820

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at 6/30/13	\$ 15,884,678	\$ 9,769,695	\$ 6,114,983
Changes for the year:			
Service cost	535,431	-	535,431
Interest on total pension liability	1,089,620	-	1,089,620
Benefit payments	(564,384)	(564,384)	-
Employer contributions	-	2,362,838	(2,362,838)
ICMA transfers	-	93,932	(93,932)
Net investment income	-	1,331,311	(1,331,311)
Balance at 6/30/14	\$ 16,945,345	\$ 12,993,392	\$ 3,951,953

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using a discount rate of 6.75 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate of one percentage point lower or one percentage point higher than the rate used:

	Net Pension Liability	
	2015	2014
1% decrease (5.75%)	\$ 5,711,083	\$ 5,884,464
Current discount rate (6.75%)	3,713,819	3,951,953
1% increase (7.75%)	1,950,213	2,253,428

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position can be obtained by writing to: Salem-Keizer Transit, 555 Court St NE Suite 5230, Salem, OR 97301-3980.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended June 30, 2015 and 2014, the District recognized pension expense of \$136,383 and \$(627,438), respectively. The District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at June 30, 2015:

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings	\$ (365,419)	\$ 565,134

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 19,477
2017	19,477
2018	19,476
2019	141,285
2020	-
Thereafter	-

B. Defined Contribution Plan

Plan Description

The District provides pension benefits through a defined contribution pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan is administered by ICMA. The District's Board of Directors holds the authority for establishing and amending plan provisions and contribution requirements for the defined contribution plan.

Benefits Provided

The defined contribution plan provides pension benefits to eligible full-time non-bargaining employees. Regular career status employees who have successfully completed the probationary period of six months or 1,000 hours of service, whichever is later, are eligible to participate.

Contributions

The District makes all contributions to the plan. The District's contributions for each

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

employee (and investment earnings allocated to the employee's account) are fully vested after five years of service. District contributions for, and investment earnings forfeited by, employees who leave employment before five years of service, are used to reduce the District's contribution requirements.

The contribution rate is 10 percent of employee's gross salary for non-bargaining unit employees. For the years ended June 30, 2015 and 2014, employer contributions recognized as expense were \$349,004 and \$319,336, respectively.

(7) Post Employment Benefits Other than Pensions

A. Plan Description

The District administers a single-employer defined benefit healthcare plan per the requirements of collective bargaining agreements. The plan provides an explicit employer benefit of up to the cost per month per pre-Medicare retiree toward postretirement healthcare insurance for eligible retirees, and at cost for retiree spouses, through the District's group health insurance plans, which cover both active and retired participants. The level of benefits provided by the plan are the same as those afforded to active employees. This level of coverage is provided to retirees until they become eligible for Medicare, typically age 65.

The District's post-retirement healthcare plan was established in accordance with ORS 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees and their spouses. The difference between retiree claim costs (which because of the effect of age is generally higher in comparison to all plan members) and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

The District has not established a trust fund to supplement the costs for the net other post-employment benefit (OPEB) obligation. No standalone financial report is generated for the plan.

B. Funding Policy

The District collects insurance premiums, net of applied explicit benefits, from all retirees each month. The District then pays health insurance premiums for all retirees at the blended rate for each family classification. The required contribution to the plan included the employer's pay-as-you-go amount, an amount paid by retirees and an additional amount calculated to prefund future benefits as determined by the actuary. The District has elected to not pre-fund the actuarially determined future cost. The amount paid by the District for retirees, and eligible retiree spouses, healthcare for the years ended June 30, 2015 and 2014 was \$127,643 and \$77,625 respectively.

C. Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the guidelines of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the fiscal year ending June 30, 2015, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

	<u>2015</u>	<u>2014*</u>	<u>2013*</u>
Annual required contribution	\$ 541,272	\$ 601,000	\$ 601,000
Interest earned on net OPEB obligation	79,976	40,000	40,000
Adjustment to the annual required contribution	<u>(163,067)</u>	<u>(50,000)</u>	<u>(50,000)</u>
Annual OPEB cost	458,181	591,000	591,000
Estimated benefit payments	<u>238,432</u>	<u>210,000</u>	<u>210,000</u>
Increase in Net OPEB obligation	219,749	381,000	381,000
Beginning net OPEB obligation	<u>2,285,030</u>	<u>1,904,030</u>	<u>1,523,030</u>
Ending net OPEB obligation	<u>\$ 2,504,779</u>	<u>\$ 2,285,030</u>	<u>\$ 1,904,030</u>

*Amounts estimated as actuarial valuation was not complete by date of report.

The District's percentage of annual OPEB cost contributed to the plan for fiscal years ending June 30, 2015, 2014, and 2013 was 51 percent, 36 percent, and 36 percent, respectively.

D. Funding Status

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and the new estimates are made about the future. The funded status of the plan at June 30, 2015, based on the July 1, 2013 actuarial valuation is as follows:

Actuarial value of assets	\$ -
Actuarial accrued liability	<u>3,681,355</u>
Unfunded actuarial accrued liability (UAAL)	3,681,355
Funded ratio	0%
Covered payroll	10,327,935
UAAL as a percentage of covered payroll	<u>36%</u>

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

E. Actuarial Methods and Assumptions

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The July 1, 2013 actuarial valuation used the projected unit credit cost method, an assumed 3.5 percent rate of return, and a healthcare cost inflation trend of 15.5 percent premiums for fiscal year 2013, 5.8 percent after the second year, 5.5 percent after the third and fourth years, 5.6 percent for the fifth through eleventh years, and slowly increasing to an ultimate rate of 5.9 percent in 2042 and beyond. The general inflation rate is assumed to be 2.75 percent per year. Retirement and withdrawal rates are the same as those used by the District in the actuarial valuations of retirement benefits. The discount rate is selected based on the expected long-term annual investment returns for Oregon’s Local Government Investment Pool and comparable investment vehicles. The unfunded actuarially accrued liability is amortized as a level percent of payroll over 15 years on a rolling basis.

(8) Interfund Transfers

Interfund transfers for the year ended June 30, 2015 consisted of the following:

<i>Transfers to:</i>	<i>Transfers from:</i>
	<i>General</i>
Capital Projects	\$ 102,842

Transfers are used to (1) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (2) use unrestricted reserve funds.

(9) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage in any of the past three years.

**Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014**

(10) Reclassification

Certain amounts in prior-year financial statements have been reclassified for comparative purposes to conform to presentation in the current-year financial statements.

(11) Commitments and 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.

As of June 30, 2015, the District also had commitment of approximately \$151,900 for architectural work related to the South Salem Transit Center.

The District has a long-term lease agreement for storage space. During the year ended June 30, 2014 the District vacated the office space that was being rented while the Courthouse Square building and transit mall were being remediated. Rent for the office space for the fiscal year ended June 30, 2014 was \$279,217. Rent for the storage space for fiscal years ended June 30, 2015 and 2014 was \$3,798 and \$3,726, respectively. Future obligations under the agreement are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 3,852
2017	3,852

(12) Subsequent Events

Management has evaluated subsequent events through January 20, 2016 and is not aware of any other subsequent events that require recognition or disclosure in the financial statements.

(13) Adoption of New Accounting Standard

The GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions in June 2012." The statement is required to be implemented for financial statements beginning after June 15, 2014. The District has implemented this standard for the current year and has retroactively applied the requirements to the prior year in order to retain comparability of the statements presented herein.

Statement No. 68 introduces a number of changes related to pension accounting and reporting. A net pension liability and deferred inflows and outflows of resources related to pensions must now be reported on the face of the Statement of Net Position. The calculation of pension expense has also been prescribed. A number of new disclosures are included in the Notes to the Basic Financial Statements and additional schedules are included as Required Supplementary Information.

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

As a result of the adoption of Statement No. 68, the following changes were made to amounts previously reported as of June 30, 2014:

	As Originally Reported	As Restated	Effect of Change
Statement of Net Position			
Current liabilities	\$ 4,149,053	\$ 3,717,897	\$ 431,156
Non-current liabilities			
Net pension liability - Non-bargaining	-	1,589,868	(1,589,868)
Net pension liability - Bargaining	-	3,951,953	(3,951,953)
Deferred inflows of resources			
Deferred inflows of resources - Non-bargaining	-	188,711	(188,711)
Deferred inflows of resources - Bargaining	-	487,225	(487,225)
Total effect of change			(5,786,601)
Beginning net position as of July 1, 2013, as originally reported			50,570,037
Beginning net position as of July 1, 2013, as restated			<u>\$ 44,783,436</u>
Statement of Revenues, Expenses and Changes in Net Position			
	As Originally Reported	As Restated	Effect of Change
Operating expenses			
Personnel services	\$ 17,077,508	\$ 13,960,216	\$ 3,117,292
Change in net position for the fiscal year ended June 30, 2014, as originally reported			27,702
Changes in net position for the fiscal year ended June 30, 2014, as restated			<u>\$ 3,144,994</u>

(14) Future Pronouncements

The District will implement new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements from implementing any of the pronouncements.

GASB Statement No. 72, "Fair Value Measurement and Application." This statement provides guidance for determining fair value measurements for financial reporting purposes. The statement is effective for fiscal years beginning after June 15, 2015.

Salem Area Mass Transit District
Notes To The Basic Financial Statements
For the Years Ended June 30, 2015 and 2014

GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” This statement supersedes Statement No. 45, establishing new accounting and financial reporting requirements for governments whose employees are provided with other postemployment benefits. This statement is effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 76, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,” supersedes Statement No. 55, reducing the GAAP hierarchy to two categories of authoritative GAAP and addressing the use of non-authoritative literature. The statement is effective for fiscal years beginning after June 15, 2015.

Required Supplementary Information



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Salem Area Mass Transit District
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Years Ended June 30, 2015 and 2014

Defined Benefit Pension Plan - Non-Bargaining
(in 1,000s)

Last 10 Fiscal Years¹
Fiscal Year ending June 30

	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service cost	\$ 68	\$ 63
Interest on total pension liability	437	437
Benefit payments	<u>(527)</u>	<u>(490)</u>
Net change in total pension liability	(22)	10
Total pension liability, beginning	6,663	6,652
Total pension liability, ending (a)	<u>\$ 6,641</u>	<u>\$ 6,662</u>
Fiduciary Net Position		
Employer contributions	\$ 451	\$ 1,069
ICMA transfers	334	111
Investment income net of investment expenses	76	520
Benefit payments	<u>(527)</u>	<u>(490)</u>
Net change in plan fiduciary position	334	1,210
Fiduciary net position, beginning	5,073	3,863
Fiduciary net position, ending (b)	<u>\$ 5,407</u>	<u>\$ 5,073</u>
Net pension liability, ending = (a)-(b)	<u>\$ 1,234</u>	<u>\$ 1,589</u>
Fiduciary net position as a % of total pension liability	81.42%	76.15%
Covered payroll	\$ 3,572	\$ 3,684
Net pension liability as a % of covered payroll	34.55%	43.13%

¹ This schedule is intended to show a 10-year trend of changes in the net pension liability. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.

Salem Area Mass Transit District
Schedule of Employer Contributions -Defined Benefit Plan - Non-bargaining
Last 10 Fiscal Years

	2015	2014	2013	2012
Actuarially determined contribution	\$ 400,040	\$ 464,148	\$ 418,720	\$ 544,976
Actual employer contribution	450,685	1,069,000	704,449	316,025
Contribution deficiency(excess)	<u>\$ (50,645)</u>	<u>\$ (604,852)</u>	<u>\$ (285,729)</u>	<u>\$ 228,951</u>
Covered payroll	\$ 3,571,786	\$ 3,683,712	\$ 3,323,178	\$ 3,707,321
Contribution as a % of covered payroll	12.62%	29.02%	21.20%	8.52%

Notes to Schedule:

Valuation date: 7/1/2013

Investment rate of return assumption: 6.75%

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age normal

Amortization method: Level dollar

Type of period: Open period

Amortization period at 7/1/13: 12 years

Amortization growth rate: 0.00%

Asset valuation method: Market value

Inflation: 3.00%

Salary increases: 8.25% for first 5.5 year of service; 4.00% thereafter

Investment rate of return: 6.75%

Cost of living adjustments: None

Turnover: Service based

Mortality: RP-2000 Combined healthy morality with projection to 2015 per Scale AA

2011	2010	2009	2008	2007	2006
\$ 511,342	\$ 354,515	\$ 360,588	\$ 307,171	\$ 152,184	\$ 164,064
391,913	328,377	294,417	270,653	224,480	164,064
\$ 119,429	\$ 26,138	\$ 66,171	\$ 36,518	\$ (72,296)	\$ -
\$ 3,478,516	\$ 3,313,227	\$ 3,369,982	\$ 3,530,703	\$ 3,539,157	\$ 3,815,442
11.27%	9.91%	8.74%	7.67%	6.34%	4.30%



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Salem Area Mass Transit District
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Years Ended June 30, 2015 and 2014

Defined Benefit Pension Plan - Bargaining
(in 1,000s)
Last 10 Fiscal Years¹
Fiscal Year ending June 30

	2015	2014
Total Pension Liability		
Service cost	\$ 572	\$ 535
Interest on total pension liability	1,158	1,090
Benefit payments	(738)	(564)
Net change in total pension liability	992	1,061
Total pension liability, beginning	16,945	15,885
Total pension liability, ending (a)	\$ 17,937	\$ 16,946
Fiduciary Net Position		
Employer contributions	\$ 1,374	\$ 2,363
ICMA transfers	389	94
Investment income net of investment expenses	205	1,331
Benefit payments	(738)	(564)
Net change in plan fiduciary position	1,230	3,224
Fiduciary net position, beginning	12,993	9,770
Fiduciary net position, ending (b)	\$ 14,223	\$ 12,994
Net pension liability, ending = (a)-(b)	\$ 3,714	\$ 3,952
Fiduciary net position as a % of total pension liability	79.29%	76.68%
Covered payroll	\$ 5,633	\$ 6,210
Net pension liability as a % of covered payroll	65.93%	63.64%

¹ This schedule is intended to show a 10-year trend of changes in the net pension liability. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.

Salem Area Mass Transit District
Schedule of Employer Contributions -Defined Benefit Plan - Bargaining
Last 10 Fiscal Years

	2015	2014	2013
Actuarially determined contribution	\$ 1,385,691	\$ 1,403,446	\$ 1,310,605
Actual employer contribution	1,374,052	2,362,838	1,314,866
Contribution deficiency(excess)	<u>\$ 11,639</u>	<u>\$ (959,392)</u>	<u>\$ (4,261)</u>
Covered payroll	\$ 5,632,890	\$ 6,209,939	\$ 5,850,916
Contribution as a % of covered payroll	24.39%	38.05%	22.47%

Notes to Schedule:

Valuation date: 7/1/2013

Investment rate of return assumption: 6.75%

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age normal

Amortization method: Level dollar

Type of period: Open period

Amortization period at 7/1/13: 12 years

Amortization growth rate: 0.00%

Asset valuation method: Market value

Inflation: 3.00%

Salary increases: 8.25% for first 5.5 year of service; 4.00% thereafter

Investment rate of return: 6.75%

Cost of living adjustments: None

Turnover: Service based

Mortality: RP-2000 Combined healthy morality with projection to 2015 per Scale AA

2012	2011	2010	2009	2008	2007	2006
\$ 1,336,104	\$ 1,316,567	\$ 1,176,679	\$ 947,845	\$ 845,719	\$ 745,309	\$ 755,685
1,352,215	1,172,427	1,138,077	861,566	928,704	591,481	755,685
\$ (16,111)	\$ 144,140	\$ 38,602	\$ 86,279	\$ (82,985)	\$ 153,828	\$ -
\$ 5,991,497	\$ 5,903,889	\$ 6,003,464	\$ 5,924,033	\$ 5,955,768	\$ 5,962,469	\$ 6,045,420
22.57%	19.86%	18.96%	14.54%	15.59%	9.92%	12.50%

Salem Area Mass Transit District
Schedule of OPEB Funding Progress
Other Post-Employment Benefit (OPEB) Funding Progress

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
7/1/2013	\$ -	\$ 3,681,355	\$ 3,681,355	0.00%	\$ 10,327,935	36%
7/1/2011	-	3,951,083	3,951,083	0.00%	9,698,818	41%
7/1/2008	-	3,846,335	3,846,335	0.00%	9,389,595	41%

Supplementary Information

BUDGETARY COMPARISON SCHEDULES

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual be displayed for each fund where legally adopted budgets are required.

Enterprise Budgetary Comparison schedules include the following:

- General Fund
- Capital Project Fund
- Special Transportation Fund

Salem Area Mass Transit District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual On A Non-GAAP Budgetary Basis - General Fund
For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance
	Original	Final		
Revenues				
Local revenue				
Passenger fares, passes & other fixed route services	\$ 2,835,640	\$ 2,835,640	\$ 2,701,909	\$ (133,731)
Property taxes	10,089,142	10,089,142	10,777,993	688,851
Courthouse square rentals	72,400	72,400	27,210	(45,190)
Earnings on investments	40,000	40,000	94,776	54,776
Miscellaneous	26,000	26,000	59,720	33,720
Total local revenue	<u>13,063,182</u>	<u>13,063,182</u>	<u>13,661,608</u>	<u>598,426</u>
State revenue				
Energy tax credits	140,000	140,000	505,609	365,609
State in lieu taxes	4,800,000	4,800,000	5,395,588	595,588
Total state revenue	<u>4,940,000</u>	<u>4,940,000</u>	<u>5,901,197</u>	<u>961,197</u>
Federal revenue				
FTA urbanized area formula program (5307)	3,861,093	3,861,093	5,229,968	1,368,875
FTA metropolitan & statewide planning (5303)	133,726	133,726	133,726	-
Oregon health authority - medical assistance programs (DMAP)	64,000	64,000	207,553	143,553
Total federal revenue	<u>4,058,819</u>	<u>4,058,819</u>	<u>5,571,247</u>	<u>1,512,428</u>
Total revenues	<u>22,062,001</u>	<u>22,062,001</u>	<u>25,134,052</u>	<u>3,072,051</u>
Expenditures				
Personnel services	18,140,690	18,140,690	16,532,584	1,608,106
Materials and services	5,525,608	5,525,608	4,401,288	1,124,320
Contingency	1,500,000	1,500,000	-	1,500,000
Total expenditures	<u>25,166,298</u>	<u>25,166,298</u>	<u>20,933,872</u>	<u>4,232,426</u>
Excess (deficiency) of revenues over expenditures	(3,104,297)	(3,104,297)	4,200,180	7,304,477
Other financing sources (uses)				
Transfers in from other funds	2,000	2,000	-	(2,000)
Transfer out to other funds	(2,029,514)	(2,029,514)	(102,842)	1,926,672
Net change in fund balance	(5,131,811)	(5,131,811)	4,097,338	9,229,149
Fund balance, beginning of year	<u>6,632,332</u>	<u>6,632,332</u>	<u>10,225,673</u>	<u>3,593,341</u>
Fund balance, end of year	<u>\$ 1,500,521</u>	<u>\$ 1,500,521</u>	<u>\$ 14,323,011</u>	<u>\$ 12,822,490</u>

Salem Area Mass Transit District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual on a Non-GAAP Budget Basis - Capital Improvement Fund
For the Fiscal Year Ended June 30, 2015

Revenues	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
State Revenue				
Special transportation fund program (ODOT)	\$ 72,000	\$ 72,000	\$ -	\$ (72,000)
Federal revenue				
Urbanized area formula (Section 5307)	1,620,976	1,620,976	41,372	(1,579,604)
FTA Job Access / Reverse Commute Programs (Section 3037)	-	-	17	17
Formula Grants for Other than Urbanized Areas (5311)	-	-	42,107	42,107
New freedom program (5317)	245,511	245,511	18,013	(227,498)
Discretionary grants - section (5309)	2,797,581	2,797,581	322,308	(2,475,273)
Federal Flex Funds	<u>2,581,935</u>	<u>2,581,935</u>	<u>220,813</u>	<u>(2,361,122)</u>
Total federal revenue	<u>7,246,003</u>	<u>7,246,003</u>	<u>644,630</u>	<u>(6,601,373)</u>
Other revenue				
Insurance Settlement	<u>-</u>	<u>-</u>	<u>22,557</u>	<u>22,557</u>
Total revenues	<u>7,318,003</u>	<u>7,318,003</u>	<u>667,187</u>	<u>(6,650,816)</u>
Expenditures				
Personnel services	224,915	224,915	100,653	124,262
Materials and services	44,700	44,700	25,566	19,134
Capital outlay	<u>6,163,634</u>	<u>6,163,634</u>	<u>953,437</u>	<u>5,210,197</u>
Total expenditures	<u>6,433,249</u>	<u>6,433,249</u>	<u>1,079,656</u>	<u>5,353,593</u>
Excess (deficiency) of revenues over expenditures	884,754	884,754	(412,469)	(12,004,409)
Other financing sources (uses)				
Transfer from general fund	1,911,054	1,911,054	102,842	(1,808,212)
Transfer from other funds	<u>531,732</u>	<u>531,732</u>	<u>-</u>	<u>(531,732)</u>
Total other financing sources (uses)	<u>2,442,786</u>	<u>2,442,786</u>	<u>102,842</u>	<u>(2,339,944)</u>
Net change in fund balance	3,327,540	3,327,540	(309,627)	(3,637,167)
Fund balance, beginning of year	<u>3,282,374</u>	<u>3,282,374</u>	<u>4,017,170</u>	<u>734,796</u>
Fund balance, end of year	<u>\$ 6,609,914</u>	<u>\$ 6,609,914</u>	<u>\$ 3,707,543</u>	<u>\$ (2,902,371)</u>

Salem Area Mass Transit District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual on a Non-GAAP Budget Basis - Special Transportation Fund
For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance
	Original	Final		
Revenues				
Local revenue				
Passenger fares	\$ 430,450	\$ 430,450	\$ 402,340	\$ (28,110)
State revenue				
Special transportation fund program (ODOT)	1,376,719	1,376,719	1,599,546	222,827
Federal revenue				
Oregon health plan - medical assistance programs (DMAP)	7,446,159	8,696,159	10,350,887	1,654,728
Developmental disabilities transportation services (DD53)	3,116,622	3,116,622	2,948,422	(168,200)
Transportation for elderly persons and persons with disabilities (5310)	1,204,535	1,204,535	1,235,812	31,277
Formula grants for other than urbanized areas (5311)	331,050	331,050	288,944	(42,106)
Rideshare/TDM grant	388,463	388,463	372,365	(16,098)
Urbanized area formula (Section 5307)	<u>1,309,657</u>	<u>1,309,657</u>	<u>1,109,791</u>	<u>(199,866)</u>
Total federal revenue	<u>13,796,486</u>	<u>15,046,486</u>	<u>16,306,221</u>	<u>1,259,735</u>
Total revenues	<u>15,603,655</u>	<u>16,853,655</u>	<u>18,308,107</u>	<u>1,454,452</u>
Expenditures				
Personnel services	1,347,481	1,347,481	1,120,552	226,929
Materials and services	<u>14,222,801</u>	<u>15,472,801</u>	<u>15,920,906</u>	<u>(448,105)</u>
Total expenditures	<u>15,570,282</u>	<u>16,820,282</u>	<u>17,041,458</u>	<u>(221,176)</u>
Excess (deficiency) of revenues over expenditures	33,373	33,373	1,266,649	1,675,628
Other financing sources (uses)				
Transfer from general fund	118,460	118,460	-	(118,460)
Transfer out to other funds	<u>(533,732)</u>	<u>(533,732)</u>	<u>-</u>	<u>533,732</u>
Total other financing sources (uses)	<u>(415,272)</u>	<u>(415,272)</u>	<u>-</u>	<u>415,272</u>
Net change in fund balance	(381,899)	(381,899)	1,266,649	1,648,548
Fund balance, beginning of year	<u>763,104</u>	<u>763,104</u>	<u>1,096,806</u>	<u>333,702</u>
Fund balance, end of year	<u>\$ 381,205</u>	<u>\$ 381,205</u>	<u>\$ 2,363,455</u>	<u>\$ 1,982,250</u>

Salem Area Mass Transit District

Reconciliation of Net Change in Fund Balance on a Non-GAAP Budgetary Basis to Changes in Net Position on a GAAP Basis

For the Fiscal Year Ended June 30, 2015

Net change in fund balance:

General fund	\$ 4,097,338
Capital improvement fund	(309,627)
Special transportation fund	<u>1,266,649</u>
Total change in fund balance	5,054,360

GAAP basis adjustments:

Capitalized capital assets	1,006,952
Depreciation expense	(3,089,323)
Pension contributions in excess of pension expense	1,549,053
Property taxes accrual	(63,643)
OPEB liability adjustment	<u>(219,749)</u>
Change in net position	<u>\$ 4,237,650</u>

Salem Area Mass Transit District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Capital Improvement Projects on a Non-GAAP Budget Basis
For the Fiscal Year Ended June 30, 2015

	Capital Project Administration	Del Webb Facility Improvements	ADA Assesment Center	Cherriots Vehicles	CherryLift Vehicles	Non-Revenue Vehicles
Revenues						
Federal revenue						
Urbanized area formula (Section 5307)	\$ -	\$ 23,665	\$ -	\$ -	\$ -	\$ -
FTA Job Access / Reverse Commute Programs (Section 3037)	-	17	-	-	-	-
Formula Grants for Other than Urbanized Areas (5311)	-	-	-	-	-	-
New freedom program (5317)	-	-	2,466	-	-	-
Discretionary grants - section (5309)	-	-	-	-	161,865	-
Federal Flex Funds	-	-	-	-	-	-
Total federal revenue	<u>-</u>	<u>23,682</u>	<u>2,466</u>	<u>-</u>	<u>161,865</u>	<u>-</u>
Other revenue						
Insurance Settlement	-	-	-	-	22,557	-
Total revenues	<u>-</u>	<u>23,682</u>	<u>2,466</u>	<u>-</u>	<u>184,422</u>	<u>-</u>
Expenditures						
Personnel services	33,319	2,129	163	192	-	-
Materials and services	11,157	3,145	634	990	-	-
Capital outlay	-	105,242	2,086	-	196,896	80,219
Total expenditures	<u>44,476</u>	<u>110,516</u>	<u>2,883</u>	<u>1,182</u>	<u>196,896</u>	<u>80,219</u>
Excess (deficiency) of revenues over expenditures	(44,476)	(86,834)	(417)	(1,182)	(12,474)	(80,219)
Other financing sources (uses)						
Transfer from general fund	34,238	49,755	-	-	-	5,219
Net change in fund balance	(10,238)	(37,079)	(417)	(1,182)	(12,474)	(75,000)
Fund balance, beginning of year	<u>43,216</u>	<u>290,079</u>	<u>417</u>	<u>2,268,920</u>	<u>97,893</u>	<u>75,000</u>
Fund balance, end of year	<u>\$ 32,978</u>	<u>\$ 253,000</u>	<u>\$ -</u>	<u>\$ 2,267,738</u>	<u>\$ 85,419</u>	<u>\$ -</u>

Keizer Transit Center	South Salem Transit Center	Bus Stop Improvements	CARTS Stop Improvements	Call Center Phone Replacement	Equipment	Courthouse Square Improvements	Furnishings	Leased Space Improvements	Total Capital Improvement Fund
\$ -	\$ -	\$ 17,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,372
-	-	-	-	-	-	-	-	-	17
-	-	-	42,107	-	-	-	-	-	42,107
-	-	-	-	-	15,547	-	-	-	18,013
20,415	140,028	-	-	-	-	-	-	-	322,308
-	-	220,813	-	-	-	-	-	-	220,813
<u>20,415</u>	<u>140,028</u>	<u>238,520</u>	<u>42,107</u>	<u>-</u>	<u>15,547</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>644,630</u>
-	-	-	-	-	-	-	-	-	22,557
<u>20,415</u>	<u>140,028</u>	<u>238,520</u>	<u>42,107</u>	<u>-</u>	<u>15,547</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>667,187</u>
13,742	6,763	41,464	981	1,900	-	-	-	-	100,653
4,940	203	2,745	-	847	-	-	905	-	25,566
<u>14,501</u>	<u>133,071</u>	<u>229,889</u>	<u>64,829</u>	<u>33,366</u>	<u>42,315</u>	<u>24,034</u>	<u>20,644</u>	<u>6,345</u>	<u>953,437</u>
<u>33,183</u>	<u>140,037</u>	<u>274,098</u>	<u>65,810</u>	<u>36,113</u>	<u>42,315</u>	<u>24,034</u>	<u>21,549</u>	<u>6,345</u>	<u>1,079,656</u>
(12,768)	(9)	(35,578)	(23,703)	(36,113)	(26,768)	(24,034)	(21,549)	(6,345)	(412,469)
3,308	-	-	-	-	-	10,322	-	-	102,842
(9,460)	(9)	(35,578)	(23,703)	(36,113)	(26,768)	(13,712)	(21,549)	(6,345)	(309,627)
<u>469,517</u>	<u>41,009</u>	<u>389,329</u>	<u>23,703</u>	<u>36,113</u>	<u>155,368</u>	<u>48,712</u>	<u>21,549</u>	<u>56,345</u>	<u>4,017,170</u>
<u>\$ 460,057</u>	<u>\$ 41,000</u>	<u>\$ 353,751</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,600</u>	<u>\$ 35,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 3,707,543</u>

Salem Area Mass Transit District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Special Transportation Programs on a Non-GAAP Budget Basis
For the Fiscal Year Ended June 30, 2015

	<u>CherryLift</u>	<u>RED LINE</u>
Revenues		
Local revenue		
Passenger fares	\$ 197,048	\$ 12,509
State revenue		
Special transportation fund program (ODOT)	1,357,336	60,312
Federal revenue		
Oregon health plan - medical assistance programs (DMAP)	-	-
Developmental disabilities transportation services (DD53)	2,948,422	-
Transportation for elderly persons and persons with disabilities (5310)	309,833	149,571
Formula grants for other than urbanized areas (5311)	-	-
Rideshare/TDM grant	-	-
Urbanized area formula (Section 5307)	<u>1,109,791</u>	<u>-</u>
Total federal revenue	<u>4,368,046</u>	<u>149,571</u>
Total revenues	<u>5,922,430</u>	<u>222,392</u>
Expenditures		
Personnel services	323,377	12,780
Materials and services		
Other materials and services	4,369,427	176,546
Call center allocation	<u>190,666</u>	<u>33,066</u>
Total expenditures	<u>4,883,470</u>	<u>222,392</u>
Net change in fund balance	1,038,960	-
Fund balance, beginning of year	<u>640,889</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,679,849</u>	<u>\$ -</u>

CARTS	DMAP/ WVCH	TripLink Call Center	Travel Training	STF Coordination	Rideshare	TDM Grant	Total Special Transportation Fund
\$ 192,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 402,340
-	-	-	24,414	157,484	-	-	1,599,546
-	10,350,887	-	-	-	-	-	10,350,887
-	-	-	-	-	-	-	2,948,422
447,746	-	-	201,999	126,663	-	-	1,235,812
288,944	-	-	-	-	-	-	288,944
-	-	-	-	-	181,480	190,885	372,365
-	-	-	-	-	-	-	1,109,791
<u>736,690</u>	<u>10,350,887</u>	<u>-</u>	<u>201,999</u>	<u>126,663</u>	<u>181,480</u>	<u>190,885</u>	<u>16,306,221</u>
<u>929,473</u>	<u>10,350,887</u>	<u>-</u>	<u>226,413</u>	<u>284,147</u>	<u>181,480</u>	<u>190,885</u>	<u>18,308,107</u>
125,497	207,929	45,503	187,168	20,015	90,740	107,543	1,120,552
1,150,362	8,667,110	1,080,001	39,245	264,132	90,740	83,343	15,920,906
<u>31,606</u>	<u>870,166</u>	<u>(1,125,504)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,307,465</u>	<u>9,745,205</u>	<u>-</u>	<u>226,413</u>	<u>284,147</u>	<u>181,480</u>	<u>190,886</u>	<u>17,041,458</u>
(377,992)	605,682	-	-	-	-	-	1,266,649
<u>455,917</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,096,806</u>
<u>\$ 77,925</u>	<u>\$ 605,682</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,363,455</u>

Salem Area Mass Transit District
Schedule of Property Tax Transactions and Outstanding Balances
For the Fiscal Year Ended June 30, 2015

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2014</u>	<u>2014-15 Levy</u>	<u>Discount & Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2015</u>
2014-15	\$ -	\$ 10,882,259	\$ (315,470)	\$ (10,279,838)	\$ 286,951
2013-14	316,534	-	(1,615)	(174,831)	140,088
2012-13	167,393	-	(648)	(78,565)	88,180
2011-12	98,779	-	1,404	(63,076)	37,107
2010-11	40,156	-	1,113	(26,365)	14,904
2009-10	15,125	-	(99)	(3,825)	11,201
2008-09	6,520	-	(385)	(1,582)	4,553
Prior years	15,767	-	(1,155)	(965)	13,647
Totals	<u>\$ 660,274</u>	<u>\$ 10,882,259</u>	<u>\$ (316,855)</u>	<u>\$ (10,629,047)</u>	<u>\$ 596,631</u>

Statistical Section

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents

Financial Trend Information

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity Information

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its most significant local revenue source, property taxes.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the financial statements for the relevant year.



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Financial Trend Information

Salem Area Mass Transit District
Summary of Net Position
Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS			
Current and other assets	\$ 8,895,486	\$ 10,258,141	\$ 11,263,617
Capital assets, net	<u>24,147,672</u>	<u>23,614,440</u>	<u>27,949,586</u>
Total assets	<u>33,043,158</u>	<u>33,872,581</u>	<u>39,213,203</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 33,043,158</u>	<u>\$ 33,872,581</u>	<u>\$ 39,213,203</u>
LIABILITIES AND NET POSITION			
LIABILITIES			
Current liabilities	\$ 2,829,063	\$ 2,659,202	\$ 3,234,389
Noncurrent liabilities	<u>885,767</u>	<u>402,358</u>	<u>2,009,656</u>
Total liabilities	<u>3,714,830</u>	<u>3,061,560</u>	<u>5,244,045</u>
Deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Investment in capital assets	24,147,672	23,614,440	27,949,586
Restricted for capital projects and special transportation	-	1,281,412	4,543,842
Unrestricted	<u>5,180,656</u>	<u>5,915,169</u>	<u>1,475,730</u>
Total net position	<u>29,328,328</u>	<u>30,811,021</u>	<u>33,969,158</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 33,043,158</u>	<u>\$ 33,872,581</u>	<u>\$ 39,213,203</u>

2009	2010	2011	2012	2013	(restated) 2014	2015
\$ 9,902,524	\$ 15,370,036	\$ 17,728,733	\$ 23,652,119	\$ 24,153,129	\$ 20,148,979	\$ 24,911,083
28,131,954	27,433,790	33,014,713	28,156,242	34,371,636	36,855,141	34,772,770
38,034,478	42,803,826	50,743,446	51,808,361	58,524,765	57,004,120	59,683,853
-	-	-	-	-	-	784,790
<u>\$ 38,034,478</u>	<u>\$ 42,803,826</u>	<u>\$ 50,743,446</u>	<u>\$ 51,808,361</u>	<u>\$ 58,524,765</u>	<u>\$ 57,004,120</u>	<u>\$ 60,468,643</u>
\$ 2,822,167	\$ 4,840,891	\$ 5,355,014	\$ 7,938,659	\$ 6,078,400	\$ 3,717,897	\$ 3,488,792
746,212	813,866	1,153,604	1,523,030	1,904,030	7,826,851	7,451,813
3,568,379	5,654,757	6,508,618	9,461,689	7,982,430	11,544,748	10,940,605
-	-	-	-	-	675,936	506,952
28,131,954	27,433,790	33,014,713	28,156,242	34,371,636	36,855,141	34,772,770
4,727,824	6,058,918	1,699,364	2,178,935	4,928,337	5,055,907	5,957,083
1,606,321	3,656,361	9,520,751	12,011,495	11,242,362	2,872,388	8,291,233
34,466,099	37,149,069	44,234,828	42,346,672	50,542,335	44,783,436	49,021,086
<u>\$ 38,034,478</u>	<u>\$ 42,803,826</u>	<u>\$ 50,743,446</u>	<u>\$ 51,808,361</u>	<u>\$ 58,524,765</u>	<u>\$ 57,004,120</u>	<u>\$ 60,468,643</u>

Salem Area Mass Transit District
Schedule of Changes in Net Position
Last Ten Fiscal Years

	2006	2007	2008	2009
OPERATING REVENUES:				
Passenger fares	\$ 2,362,414	\$ 2,632,514	\$ 2,762,266	\$ 3,231,769
Accessible services and medicaid	-	-	-	-
Other revenue	603,628	496,318	795,715	622,791
Total operating revenues	<u>2,966,042</u>	<u>3,128,832</u>	<u>3,557,981</u>	<u>3,854,560</u>
OPERATING EXPENSES:				
Personnel services	14,126,427	13,586,670	14,524,212	14,351,777
Materials and services	11,686,151	12,083,544	12,769,166	15,770,114
Depreciation	1,504,886	1,644,803	2,512,574	2,459,175
OPEB expense	-	-	-	406,933
Total operating expenses	<u>27,317,464</u>	<u>27,315,017</u>	<u>29,805,952</u>	<u>32,987,999</u>
Operating loss	(24,351,422)	(24,186,185)	(26,247,971)	(29,133,439)
NON-OPERATING REVENUES (EXPENSES):				
Property taxes	7,743,212	8,314,992	8,566,026	9,076,275
State assistance	3,621,502	4,460,309	5,029,477	6,286,707
Federal assistance	9,273,351	8,674,691	9,488,576	9,173,937
Investment income	152,357	266,571	265,859	111,844
Insurance Settlement	-	-	-	-
(Loss) gain on disposal of capital assets	-	-	-	-
Total non-operating revenues (expenses)	<u>20,790,422</u>	<u>21,716,563</u>	<u>23,349,938</u>	<u>24,648,763</u>
Net income (loss) before contributions	(3,561,000)	(2,469,622)	(2,898,033)	(4,484,676)
EXTRAORDINARY ITEMS				
Loss on capital asset impairment	-	-	-	-
Litigation settlement	-	-	-	-
CAPITAL CONTRIBUTIONS				
Change in net position	(524,644)	1,482,693	3,158,137	496,941
NET POSITION, BEGINNING	<u>29,852,972</u>	<u>29,328,328</u>	<u>30,811,021</u>	<u>33,969,158</u>
Cumulative effect of restatement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION, ENDING	<u>\$ 29,328,328</u>	<u>\$ 30,811,021</u>	<u>\$ 33,969,158</u>	<u>\$ 34,466,099</u>

2010	2011	2012	2013	(restated) 2014	2015
\$ 2,095,166	\$ 2,271,146	\$ 2,916,951	\$ 2,793,604	\$ 2,776,575	\$ 2,817,514
-	1,255,467	2,472,645	3,127,234	3,129,220	4,305,757
886,411	501,722	594,405	653,937	465,052	365,058
<u>2,981,577</u>	<u>4,028,335</u>	<u>5,984,001</u>	<u>6,574,775</u>	<u>6,370,847</u>	<u>7,488,329</u>
15,408,544	15,536,920	15,715,505	16,130,831	13,960,216	16,204,737
15,143,728	13,275,500	14,901,593	16,200,005	18,310,843	20,294,244
2,341,038	2,699,400	3,556,442	2,883,582	3,032,068	3,089,323
406,933	339,738	369,426	381,000	381,000	219,749
<u>33,300,243</u>	<u>31,851,558</u>	<u>34,542,966</u>	<u>35,595,418</u>	<u>35,684,127</u>	<u>39,808,053</u>
(30,318,666)	(27,823,223)	(28,558,965)	(29,020,643)	(29,313,280)	(32,319,724)
9,461,631	9,632,849	9,733,903	9,984,733	10,179,017	10,714,350
7,764,506	7,615,152	7,459,771	5,251,979	5,746,114	6,350,961
13,010,303	10,306,319	11,014,530	12,538,020	11,786,100	18,721,493
32,217	44,304	58,336	65,672	53,457	94,776
-	-	-	-	-	22,557
-	-	(21,817)	14,000	1,859	8,607
<u>30,268,657</u>	<u>27,598,624</u>	<u>28,244,723</u>	<u>27,854,404</u>	<u>27,766,547</u>	<u>35,912,744</u>
(50,009)	(224,599)	(314,242)	(1,166,239)	(1,546,733)	3,593,020
-	-	(4,033,628)	-	-	-
-	-	-	3,842,554	-	-
<u>2,732,979</u>	<u>7,310,358</u>	<u>2,459,714</u>	<u>5,519,348</u>	<u>4,691,727</u>	<u>644,630</u>
2,682,970	7,085,759	(1,888,156)	8,195,663	3,144,994	4,237,650
<u>34,466,099</u>	<u>37,149,069</u>	<u>44,234,828</u>	<u>42,346,672</u>	<u>50,542,335</u>	<u>44,783,436</u>
-	-	-	-	(8,903,893)	-
<u>\$ 37,149,069</u>	<u>\$ 44,234,828</u>	<u>\$ 42,346,672</u>	<u>\$ 50,542,335</u>	<u>\$ 44,783,436</u>	<u>\$ 49,021,086</u>



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Revenue Capacity Information

Salem Area Mass Transit District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal years

Fiscal Year Ended June 30	Real Property			Public Utilities
	Residential	Commercial	Other	
2015	\$ 9,465,844,664	\$ 3,995,343,187	\$ 911,072,066	\$ 379,053,441
2014	9,007,573,480	3,846,172,970	905,365,652	368,759,319
2013	8,816,797,730	3,433,678,538	1,279,522,572	369,029,826
2012	8,759,048,203	3,339,150,044	1,343,247,958	379,657,608
2011	8,600,677,419	3,183,653,070	1,312,362,404	442,244,755
2010	8,361,385,216	3,087,730,407	1,289,452,586	427,454,948
2009	8,077,158,768	2,918,957,086	1,277,143,724	339,680,536
2008	7,684,866,692	2,803,893,266	1,216,667,745	344,047,884
2007	7,302,989,213	2,647,888,179	1,144,732,743	305,671,160
2006	6,904,738,831	2,502,620,059	1,124,720,548	305,267,725

Sources:

Marion County and Polk County Assessors.

Notes:

- (1) Estimated actual value of taxable property equals real market value except for tax exempt property which is excluded, and farm use property which is included at its lower taxable value. Real market value and assessed value were required to be equal by state law prior to fiscal year 1998. In May 1997, voters approved ballot Measure 50 which reduced assessed values to 90% of 1995 real market values and limits the annual increase in assessed values to 3%.

<u>Personal Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Value of Taxable Property</u>
\$ 382,966,983	\$ 15,134,280,341	0.7609	\$ 23,163,638,103
412,792,970	14,540,664,391	0.7609	22,031,259,655
390,105,749	14,289,134,415	0.7609	21,722,497,819
380,494,517	14,201,598,330	0.7609	21,696,127,273
388,944,263	13,927,881,911	0.7609	22,584,754,218
394,774,662	13,560,797,819	0.7609	23,200,234,621
376,216,930	12,989,157,044	0.7609	23,664,102,049
365,161,804	12,414,637,391	0.7609	22,610,541,701
340,400,775	11,741,682,070	0.7609	19,737,098,423
335,286,345	11,172,633,508	0.7609	17,733,108,386

Salem Area Mass Transit District
Principal Property Taxpayers
Current Fiscal Year and Nine Years Ago

Taxpayer	2015			2006		
	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Portland General Electric Co	1	\$ 126,569,221	0.89%	1	\$ 89,898,900	0.80%
Northwest Natural Gas Co	2	92,097,700	0.41%	3	73,513,500	0.66%
Lancaster Development Company LLC	3	58,833,290	0.64%	4	46,529,970	0.42%
CenturyLink (Formerly Qwest)	4	47,886,000	0.34%	2	77,545,800	0.69%
Donahue Schriber Realty Group	5	51,968,800	0.36%			0.00%
Metropolitan Life Insurance Co	6	45,385,410	0.32%	5	34,365,100	0.31%
Comcast Corporation	7	39,818,000	0.28%		15,951,073	0.14%
State Investments LLC	8	38,153,602	0.27%		13,811,595	0.12%
Wal-Mart Real Estate Business Tr	9	33,706,160	0.24%	6	26,835,980	0.24%
HD Salem OR Landlord LLC	10	33,954,000	0.24%			
State Accident Insurance Fund				7	24,090,330	0.22%
Lowe's HIW Inc				8	23,413,456	0.21%
PPG Industries Inc				9	22,010,357	0.20%
Price-ASG LLC				10	19,042,120	0.17%
Total for principal taxpayers		<u>568,372,183</u>	3.98%		<u>467,008,181</u>	4.18%
Total taxable assessed value		<u>\$ 14,289,134,415</u>			<u>\$ 11,172,633,508</u>	

Sources:
Marion County and Polk County Assessors.

**Salem Area Mass Transit District
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2015	\$ 10,882,259	\$ 10,279,838	94.46%	\$ -	\$ 10,279,838	94.46%
2014	10,472,555	9,853,189	94.09%	174,831	10,028,020	95.76%
2013	10,233,065	9,570,505	93.53%	261,042	9,831,547	96.08%
2012	10,084,413	9,412,400	93.34%	310,086	9,722,486	96.41%
2011	9,899,957	9,218,258	93.11%	325,429	9,543,687	96.40%
2010	9,648,987	8,976,407	93.03%	367,844	9,344,251	96.84%
2009	9,308,022	8,651,833	92.95%	393,022	9,044,855	97.17%
2008	8,920,000	8,353,566	93.65%	311,415	8,664,981	97.14%
2007	8,464,291	7,999,676	94.51%	255,638	8,255,314	97.53%
2006	7,969,446	7,505,581	94.18%	242,290	7,747,871	97.22%

Sources:
Marion County Assessor and Polk County Treasurer

Demographic and Economic Information

**Salem Area Mass Transit District
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate</u>
2015	331,643	\$ 11,614,203	\$ 35,614	6.1%
2014	326,150	11,484,654	35,489	6.9%
2013	322,880	11,249,451	35,156	8.5%
2012	319,985	11,249,451	35,156	9.6%
2011	318,150	10,790,917	33,841	10.2%
2010	315,335	10,371,061	32,805	10.8%
2009	318,170	10,453,957	32,876	10.8%
2008	314,865	10,374,739	33,075	9.2%
2007	311,070	9,901,895	31,926	5.5%
2006	306,665	9,458,541	30,924	5.7%

Personal Income in thousands

(1) This schedule is for the Marion County area and is provided as reference only. The District operates in both Marion and Polk Counties, however more operations occur in Marion than Polk County. Polk County information was not available for all years.

Sources:

Oregon Employment Department - Worksource Oregon
 Marion County - Oregon Demographics
 US Department of Commerce, Bureau of Economic Analysis
 US Census Bureau
 US Bureau of Labor Statistics, Local Area Unemployment Statistics
 Population Research Center, Portland State University

**Salem Area Mass Transit District
Salem Metropolitan Area Employers - Largest to Smallest
Current Year and Nine Years Ago**

<u>Employer</u>	<u>FY 2015</u>		<u>FY 2006</u>	
	<u>Employees</u>	<u>% of Total</u>	<u>Employees</u>	<u>% of Total</u>
Government	41,108	26.93%	39,767	26.74%
Trade, transportation, and utilities	24,925	16.32%	25,325	17.03%
Educational and health services	24,283	15.90%	18,817	12.65%
Leisure and hospitality	13,958	9.14%	12,258	8.24%
Professional and business services	13,308	8.71%	13,100	8.81%
Manufacturing	12,450	8.15%	15,325	10.30%
Construction	8,125	5.32%	8,842	5.94%
Financial activities	7,175	4.70%	7,358	4.95%
Other services	5,233	3.43%	5,167	3.47%
Mining and logging	1,150	0.75%	1,308	0.88%
Information	1,000	0.65%	1,475	0.99%
Total Salem Metropolitan Area Non-Farm Payroll Employment	<u>152,715</u>	<u>100.00%</u>	<u>148,742</u>	<u>100.00%</u>

Source: Oregon Employment Department Salem Area MSA Nonfarm Employment annual reports using only the months that coincide with District's fiscal year.



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Operating Information

Salem Area Mass Transit District
District Employees by Division
Last Ten Fiscal Years

Division	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Administrative										
General Manager	3.0	2.0	2.0	2.0	3.0	2.0	2.0	2.0	2.0	2.0
Finance	8.0	8.0	8.75	8.3	6.75	7.0	7.0	7.0	6.6	6.5
Human Resources	6.6	6.0	6.0	6.0	5.5	5.5	4.5	4.5	5.0	5.6
Information Systems	3.0	2.0	2.0	2.1	2.1	3.1	4.0	4.0	5.0	4.4
Operations										
Administration	3.0	3.0	3.0	3.0	3.0	2.0	2.0	4.0	3.9	3.0
Security	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fixed Route Operations - Non-Bargaining	10.0	9.0	9.0	9.0	9.0	11.0	11.0	10.0	10.0	9.0
Fixed Route Operations - Bargaining	129.0	104.0	106.5	106.5	96.5	97.5	97.5	96.0	96.0	101.0
Vehicle Maintenance - Non-Bargaining	5.0	5.0	5.0	5.0	6.0	6.0	6.0	4.0	3.7	3.8
Vehicle Maintenance - Bargaining	26.0	22.0	21.0	21.0	19.0	19.0	19.0	20.0	22.6	20.6
Facilities Maintenance - Non-Bargaining	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Facilities Maintenance - Bargaining	5.0	4.0	5.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0
Transportation Development										
Transportation Development	5.0	4.0	4.0	4.0	3.0	7.0	7.0	4.0	4.4	3.7
Rideshare Program	2.0	2.0	2.0	2.0	2.0	1.0	1.5	2.0	2.0	-
Community Relations										
Customer Service	7.5	6.5	6.5	6.5	5.5	5.5	6.0	6.0	6.0	6.1
Marketing	-	-	-	-	-	-	-	2.0	2.0	2.0
Director	-	-	-	-	-	-	-	1.0	1.0	1.0
Total FTE Per Budget	<u>215.1</u>	<u>179.5</u>	<u>182.75</u>	<u>183.4</u>	<u>168.35</u>	<u>173.6</u>	<u>174.5</u>	<u>173.5</u>	<u>177.2</u>	<u>175.7</u>

**Salem Area Mass Transit District
Operating Revenue and Cost Measurements
Last Ten Fiscal Years**

Fixed Route System

Fiscal Year	Fare Revenue	Operating Expense	Revenue Margin	Annual Vehicle Miles	Annual Revenue Miles	Unlinked Passenger Trips (UPT)
2006	\$ 2,044,104	\$ 18,013,506	11.3%	2,808,326	2,593,144	5,551,542
2007	2,286,289	17,104,414	13.4%	2,430,139	2,235,947	5,125,357
2008	2,762,266	17,707,826	15.6%	2,329,787	2,150,744	5,047,275
2009	3,231,769	17,349,035	18.6%	2,192,433	2,009,115	4,746,944
2010	2,095,166	17,904,498	11.7%	2,171,446	2,019,554	4,272,534
2011	2,156,084	18,481,242	11.7%	2,131,035	1,990,530	4,203,930
2012	2,487,342	18,582,768	13.4%	2,089,966	1,951,757	3,363,002
2013	2,358,925	19,555,613	12.1%	2,117,115	1,982,591	3,413,873
2014	2,363,360	20,331,685	11.6%	2,125,959	2,001,989	3,322,655
2015	2,623,816	20,751,653	12.6%	2,191,929	2,059,524	3,371,517

Demand Response

Fiscal Year	Fare Revenue	Operating Expense	Revenue Margin	Annual Vehicle Miles	Annual Revenue Miles	Unlinked Passenger Trips (UPT)
2006	\$ 360,920	\$ 4,426,714	8.2%	1,358,527	1,157,971	293,028
2007 ^	372,961	9,148,118	4.1%	2,410,478	2,110,211	341,171
2008	381,634	9,459,013	4.0%	3,605,490	3,169,918	430,040
2009	316,694	11,567,019	2.7%	4,314,455	3,467,393	440,924
2010	389,909	11,044,498	3.5%	3,998,375	3,485,995	465,112
2011	311,598	12,975,583	2.4%	3,838,149	3,724,201	441,921
2012	248,961	11,527,023	2.2%	4,789,771	4,789,771	429,685
2013	198,154	12,865,869	1.5%	4,530,236	4,182,683	488,466
2014	175,101	13,710,320	1.3%	4,750,911	4,382,166	528,610
2015	226,675	16,771,188	1.4%	7,871,544	7,482,224	581,184

Vanpool

Fiscal Year	Fare Revenue	Operating Expense	Revenue Margin	Annual Vehicle Miles	Annual Revenue Miles	Unlinked Passenger Trips (UPT)
2006	\$ 17,346	\$ 233,704	7.4%	122,877	122,877	22,358
2007	56,877	208,195	27.3%	157,586	157,586	25,163
2008	-	106,615	0.0%	120,258	120,258	23,444
2009	67,246	150,398	44.7%	186,407	186,407	34,466
2010	100,692	190,234	52.9%	223,173	223,173	38,080
2011	103,070	219,087	47.0%	246,546	246,546	42,888
2012	140,800	289,517	48.6%	343,211	343,211	55,830
2013	182,063	376,183	48.4%	399,775	399,775	66,175
2014	200,596	381,891	52.5%	499,454	499,454	79,084
2015	483,530	391,795	123.4%	613,938	499,454	79,084

^ In FY 2007 the District began receiving the funds and paying contractors for the services they provided rather than the contractor receiving the funds directly.

* Information was not available at time of report issuance.

Fixed Route System						
Fiscal Year	Annual Passenger Miles	Annual Vehicle Revenue Hours	Operating Expense per Mile	Operating Expense per Revenue Mile	Operating Expense per UPT	Operating Expense per Passenger Mile
2006	16,270,599	171,375	\$ 6.41	\$ 6.95	\$ 3.24	\$ 1.11
2007	15,338,365	173,879	7.04	7.65	3.34	1.12
2008	14,968,263	168,745	7.60	8.23	3.51	1.18
2009	15,643,452	159,896	7.91	8.64	3.65	1.11
2010	11,974,068	157,480	8.25	8.87	4.19	1.50
2011	13,620,825	157,335	8.67	9.28	4.40	1.36
2012	10,896,126	154,772	8.89	9.52	5.53	1.71
2013	11,060,948	154,905	9.24	9.86	5.73	1.77
2014	11,695,746	156,860	9.56	10.16	6.12	1.74
2015	11,867,740	155,246	9.47	10.08	6.15	1.75

Demand Response						
Fiscal Year	Annual Passenger Miles	Annual Vehicle Revenue Hours	Operating Expense per Mile	Operating Expense per Revenue Mile	Operating Expense per UPT	Operating Expense per Passenger Mile
2006	1,157,971	85,763	\$ 3.26	\$ 3.82	\$ 15.11	\$ 3.82
2007 ^	3,274,771	140,894	3.80	4.34	26.81	2.79
2008	4,008,772	216,539	2.62	2.98	22.00	2.36
2009	5,124,417	215,509	2.68	3.34	26.23	2.26
2010	5,449,726	233,497	2.76	3.17	23.75	2.03
2011	6,202,495	226,002	3.38	3.48	29.36	2.09
2012	8,340,340	232,769	2.41	2.41	26.83	1.38
2013	5,534,320	244,964	2.84	3.08	26.34	2.32
2014	3,626,371	270,933	2.89	3.13	25.94	3.78
2015	8,801,096	272,262	2.13	2.24	28.86	1.91

Vanpool						
Fiscal Year	Annual Passenger Miles	Annual Vehicle Revenue Hours	Operating Expense per Mile	Operating Expense per Revenue Mile	Operating Expense per UPT	Operating Expense per Passenger Mile
2006	1,113,153	2,913	\$ 1.90	\$ 1.90	\$ 10.45	\$ 0.21
2007	1,166,256	3,557	1.32	1.32	8.27	0.18
2008	956,191	3,939	0.89	0.89	4.55	0.11
2009	1,296,409	4,217	0.81	0.81	4.36	0.12
2010	1,457,047	4,974	0.85	0.85	5.00	0.13
2011	1,645,638	5,633	0.89	0.89	5.11	0.13
2012	2,060,457	7,705	0.84	0.84	5.19	0.14
2013	2,611,080	8,704	0.94	0.94	5.68	0.14
2014	2,841,022	11,418	0.76	0.76	4.83	0.13
2014	2,864,484	11,418	0.64	0.78	4.95	0.14

Disclosures and Comments Required by State Minimum Standards



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Salem Area Mass District
Salem, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Salem Area Mass Transit District (the District) as of and for the year ended June 30, 2015, and have issued our report thereon dated January 20, 2016.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except the District had expenditures in excess of appropriations as detailed in the notes to the financial statements.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Restriction on Use

This report is intended solely for the information and use of the board of directors and management of the District and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, A Shareholder
January 20, 2016

SALEM AREA MASS TRANSIT DISTRICT

Federal Compliance Report

For the year ended

June 30, 2015

Marion County, Oregon



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

475 Cottage Street NE, Suite 200, Salem, Oregon 97301

(503) 581-7788

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Salem Area Mass Transit District
Salem, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Salem Area Mass Transit District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 20, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS
January 20, 2016



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Directors
Salem Area Mass Transit District
Salem, Oregon

Report on Compliance for Each Major Federal Program

We have audited Salem Area Mass Transit District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of

compliance, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purposes of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the District as of and for the year ended June 30, 2015, and have issued our report thereon dated January 20, 2016 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by OMB Circular A-133, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS

January 20, 2016

**Salem Area Mass Transit District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015**

	<u>Federal CFDA Number</u>	<u>Pass- Through Grantor/Number</u>	<u>Program/ Award Amount</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<i>U S Dept of Transportation</i>					
<i>Federal Transit Cluster</i>					
<i>Direct</i>					
11 5309 Livability Keizer Transit Center	20.500	OR04-0039	2,800,000	\$ 20,415	-
FY12 5309 Paratransit Vehicles	20.500	OR04-0045	589,300	161,865	-
				<u>182,280</u>	
14 5307 PM, ADA, Operating	20.507	OR90-X173	5,847,526	3,004,623	-
15 5307 PM, ADA, Operating	20.507	OR90-X182	5,577,900	3,358,801	-
STP Bus Stops, Shelters	20.507	OR95-X015	695,380	17,707	-
STP Bus Stops, Shelters	20.507	OR95-X043	796,923	220,813	-
				<u>6,601,944</u>	
<i>Total Federal Transit Cluster</i>				<u>6,784,224</u>	
<i>Transit Services Programs Cluster</i>					
<i>Direct</i>					
13/14/15 5310	20.513	OR16-X040	670,409	180,485	-
<i>Passed through Oregon Department of Transportation</i>					
Cherrylift Purchased Service	20.513	29307	759,448	285,248	-
West Valley Hospital	20.513	29307	8,698	2,320	2,320
Catholic Community Service	20.513	29307	76,897	76,897	76,897
Silverton Health	20.513	29307	34,085	34,085	34,085
CARTS Preventative Maintenance	20.513	29307	310,134	121,867	-
Mobility Management	20.513	29307	314,320	206,495	-
CARTS Purchased Service	20.513	29307	844,970	302,202	-
Redline Purchased Service	20.513	29307	26,214	26,214	-
				<u>1,235,813</u>	
<i>Direct</i>					
JARC	20.516	OR37-X003	1,294,397	17	-
New Freedom 06-12	20.521	OR57-X004	479,971	18,013	-
<i>Total Transit Services Programs Cluster</i>				<u>1,253,843</u>	
<i>Passed through Oregon Department of Transportation</i>					
CARTS Rural FY15	20.509	29264	331,050	331,050	-

**Salem Area Mass Transit District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015 (Continued)**

	<u>Federal CFDA Number</u>	<u>Pass- Through Grantor/Number</u>	<u>Program/ Award Amount</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<i>U S Dept of Transportation (continued)</i>					
<i>Highway Planning and Construction Cluster</i>					
<i>Direct</i>					
South Salem Transit Center	20.205	OR15-X001	750,000	\$ 140,028	-
<i>Passed through Oregon Department of Transportation</i>					
Rideshare	20.205	28619	331,653	55,266	-
TDM	20.205	28619	-	24,907	-
Rideshare	20.205	29576	370,292	126,214	-
TDM	20.205	29576	191,834	82,535	-
Rideshare	20.205	30276	-	42,556	-
TDM	20.205	30276	-	40,887	-
<i>Passed through Mid-Willamette Valley Council of Governments</i>					
Transportation Planning 14/15	20.205	29997	133,726	133,726	-
<i>Total Highway Planning and Construction Cluster</i>				<u>646,119</u>	
<i>Total Expenditures of Federal Awards</i>				<u>\$ 9,015,236</u>	

Salem Area Mass Transit District
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Purpose of the Schedule

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the District's financial statements and is presented for purposes of additional analysis. Because the Schedule presents only a selected portion of activities of the district, it is not intended to and does not present either the financial position or the results of operations of the district.

Significant Accounting Policies

Basis of Presentation

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Federal Financial Assistance

Pursuant to the Single Audit Act Amendment of 1996 and OMB Circular A-133, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, non-monetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

The Single Audit Act Amendment of 1996 and OMB Circular A-133 establish criteria to be used in defining major federal financial assistance programs. Major programs for the District are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in OMB Circular A-133. Programs with similar requirements may be grouped into a cluster for testing purposes.

Reporting Entity

The reporting entity is fully described in the notes to the financial statements. Additionally, the Schedule includes all federal programs administered by the District for the year ended June 30, 2015.

Revenue and Expenditure Recognition

The revenue and expenditures of federal awards are accounted for under the modified accrual basis of accounting.

**Salem Area Mass Transit District
 Schedule of Audit Findings and Questioned Costs
 Year Ended June 30, 2015**

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issues:	Unmodified
Internal control reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
• Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of major program:

<u><i>CFDA Numbers</i></u>	<u><i>Name of Federal Program or Cluster</i></u>
20.500, 20.507	Federal Transit Cluster
20.513, 20.516, 20.521	Transit Services Program Cluster
20.509	Formula Grants for Other than Urbanized Areas

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

FINANCIAL STATEMENT FINDINGS

None

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

None

MEMO TO: BOARD OF DIRECTORS
FROM: LINDA GALEAZZI, EXECUTIVE ASSISTANT
THRU: ALLAN POLLOCK, GENERAL MANAGER
SUBJECT: BUDGET COMMITTEE VACANCY

Issue

Shall the Board appoint Michael DeBlasi to the Budget Committee as a citizen member representing Subdistrict #2?

Background and Findings

There is one citizen member vacancy on the Budget Committee representing Subdistrict #2 due to a term ending June 30, 2015. District Bylaws provides for filling vacancies on the Committee at the discretion of the Board as follows:

- a. A Qualified Elector must be a registered voter 18 years of age or older who resides within the Subdistrict, or within the District at-large.
- b. The Board member representing the Subdistrict of the vacancy may recommend to the Board the appointment of a qualified elector. The Board then moves to accept or reject that appointment; or
- c. The Board member representing the Subdistrict of the vacancy may call for applications for the Budget Committee.

The Board received four applications. One of the applicants lived outside the Urban Growth Boundary thereby disqualifying him. The other three applications were reviewed at the Board work session on February 8th.

Recommendation

Director Busch recommends that the Board appoint Michael DeBlasi to the Budget Committee as a citizen member representing Subdistrict #2 for a three-year term from July 1, 2015 to June 30, 2018.

Proposed Motion (Director Busch)

I move the Board appoint Michael DeBlasi to the District's Budget Committee as a citizen-member representing Subdistrict #2 for a three-year term from July 1, 2015 to June 30, 2018.

ORS 294.414¹ Budget Committee

- (1) Except as provided in ORS 294.423 (Governing body of certain municipal corporations to be budget committee), the governing body of each municipal corporation shall establish a budget committee in accordance with the provisions of this section.
- (2) The budget committee shall consist of the members of the governing body and a number, equal to the number of members of the governing body, of electors of the municipal corporation appointed by the governing body; if there are electors fewer than the number required, the governing body and the electors who are willing to serve shall be the budget committee; and if there are no electors willing to serve, the governing body shall be the budget committee.
- (3) The members of the budget committee shall receive no compensation for their services as members of such committee.
- (4) Appointive members of the budget committee may not be officers, agents or employees of the municipal corporation.
- (5) Appointive members of a budget committee that prepares an annual budget shall be appointed for terms of three years. The terms shall be staggered so that, as near as practicable, one-third of the terms of the appointive members end each year.
- (6) Appointive members of a budget committee that prepares a biennial budget shall be appointed for terms of four years. The terms shall be staggered so that, as near as practicable, one-fourth of the terms of the appointive members end each year.
- (7) If any appointive member is unable to serve the term for which the member was appointed, or an appointive member resigns prior to completion of the term for which the member was appointed, the governing body of the municipal corporation shall fill the vacancy by appointment for the unexpired term.
- (8) If the number of members of the governing body is reduced or increased by law or charter amendment, the governing body of the municipal corporation shall reduce or increase the number of appointive members of the budget committee so that the number thereof shall be equal to but not greater than the number of members of the governing body. To effect a reduction, the governing body of the municipal corporation may remove such number of appointive members as may be necessary. The removals shall be made so that the number remaining will be divided into three, if the terms of the appointive members are governed by subsection (5) of this section, or four, if the terms of the appointive members are governed by subsection (6) of this section, equal or approximately equal groups as to terms. In case of an increase, additional appointive members shall be appointed for such terms so that they, together with the members previously appointed, will be divided into three or four, as appropriate under this section, equal or approximately equal groups as to terms.
- (9) The budget committee shall at its first meeting after its appointment elect a presiding officer from among its members.

[¹**Formerly 294.336**]

BEFORE THE BOARD OF DIRECTORS
FOR SALEM AREA MASS TRANSIT DISTRICT

In the matter of appointing)
citizen members to the)
SAMTD Budget Committee)

ORDER No. **2016-01**

This matter came for consideration by the Salem Area Mass Transit District Board of Directors at its regularly scheduled public meeting on February 25, 2016; and

WHEREAS, citizen member vacancies exist on the SAMTD Budget Committee; and Michael DeBlasi is qualified and willing to fill a position on the Budget Committee; now, therefore,

IT IS HEREBY ORDERED that Michael DeBlasi be appointed to the SAMTD Budget Committee as a citizen member for a three-year term ending June 30, 2018.

DATED in Salem, Oregon, this 25th day of February 2016.

SALEM AREA MASS TRANSIT DISTRICT
BOARD OF DIRECTORS

ATTEST:

President

Secretary



February 25, 2016

Mr. Michael DeBlasi
1191 Mandarin Street NE
Keizer, Oregon 97303

Dear Mr. DeBlasi:

It was the pleasure of the Salem Area Mass Transit District Board of Directors to appoint you to the SAMTD Budget Committee as a citizen member for a three-year term ending June 30, 2018. We are delighted that you are willing to serve the citizens of Salem and Keizer as a member on this important committee.

We look forward to working with you in the future. We are confident that your dedication and interest will make our District a better place to live and work.

A copy of an *Order of Appointment No. 2016-01*, a FY2016 Budget Calendar and a 2016 Budget Committee Roster are enclosed.

Sincerely,

Robert Krebs, President
SAMTD Board of Directors

BUDGET COMMITTEE
Salem Area Mass Transit District
As of February 25, 2016

BOARD MEMBERS

CITIZEN MEMBERS

Subdistrict #1

STEVE EVANS
1936 Orchard Heights Rd
Salem, OR 97304-2507

Term Expires 06/30/19

E.M. EASTERLY
775 Fir Gardens St NW
Salem, OR 97304

Appointed 12-11-14;
Appointment Expires 06/30/17

Subdistrict #2

COLLEEN BUSCH
4064 Noon Ave NE
Keizer OR 97303

Elected 2-year Unexpired Term 06/30/15
(Full Term Expires 06/30/17)

MICHAEL DEBLASI
1191 Mandarin Street NE
Keizer, OR 97303

Appointed 02/25/16;
Appointment Expires 06/30/18

Subdistrict #3

KATHY LINCOLN
3291 Willamette Dr N
Keizer, OR 97303-6045

Term Expires 06/30/19

DERIK E. MILTON
2517 Dan Ave NW
Salem, OR 97304-4252

Appointed 12/12/13;
Appointment Expires 06/30/2016

Subdistrict #4

JOHN HAMMILL
4372 Vernon Loop NE
Salem, OR 97305

Term Expires 06/30/17

BILL HOLMSTROM, Chair 2015
625 14th Street NE
Salem, OR 97301

Appointed 09/27/09; Reappointed 09/27/12;
10/22/15; Appointment Expires 06/30/18

BUDGET COMMITTEE
Salem Area Mass Transit District
As of February 25, 2016

BOARD MEMBERS

CITIZEN MEMBERS

Subdistrict #5

JERRY THOMPSON
4930 State Street
Salem, OR 97301-5244

Term Expires 06/30/19

HERSCH SANGSTER, Secretary
832 Maine Av
Keizer, OR 97303

Appointed 12/12/13;
Appointment Expires 06/30/16

Subdistrict #6

ROBERT KREBS
3435 Bluff Ave SE
Salem, OR 97302

Term Expires 06/30/17

SCOTT BASSETT
2243 Wildwood Drive SE
Salem, OR 97304

Appointed 01/22/15;
Appointment Expires 06/30/17

Subdistrict #7

MARCIA KELLEY
396 Washington Street S
Salem, OR 97302-5149

Term Expires 06/30/19

SHERONNE BLASI
2375 Summer Street SE
Salem, Oregon 97302

Appointed 03/26/15
Appointment Expires 06/30/17

BUDGET OFFICER

ALLAN POLLOCK
General Manager/CEO
Salem Area Mass Transit District
555 Court St NE, Suite 5230
Salem, OR 97301-3980

Phone: (503) 588-2424
Fax: (503) 566-3933
Email: allan.pollock@cherriots.org
or Board@cherriots.org

MEMO TO: BOARD OF DIRECTORS

**FROM: MATT BERGGREN, PLANNING TECHNICIAN
STEPHEN DICKEY, DIRECTOR OF TRANSPORTATION
DEVELOPMENT**

THRU: ALLAN POLLOCK, GENERAL MANAGER

**SUBJECT: RECEIVE FINAL REPORT OF THE REGIONAL TRANSIT
PLANNING PROJECT BY JARRETT WALKER AND
ASSOCIATES**

Issue

Shall the Board receive the final report of the Regional Transit Planning Project titled “*Volume II of a Regional Transit Plan*” written by Jarrett Walker and Associates?

Background and Findings

Salem-Keizer Transit operates a number of regional services throughout Marion and Polk Counties including the Chemeketa Area Regional Transportation System (CARTS), Cherriots Routes 1X (Wilsonville/Salem Express) and 2X (Grand Ronde/Salem Express). Jarrett Walker and Associates (JWA) was hired in July, 2015 to perform the Regional Transit Planning Project, which included an analysis of CARTS, 1X, and 2X existing services, and a recommendation for changes to some or all of the services.

The purpose of the project is to increase ridership, maximize efficiency, and improve the usefulness of public transportation services throughout Marion and Polk Counties. The final report recommends significant service changes that would address the desires of project stakeholders and the public, and optimizes the regional network in two future scenarios: one with a cost-neutral approach, and one that would only be possible with twenty-five percent greater funding.

A presentation on JWA’s *Volume I: Existing Conditions Report* was delivered at the October, 2015 Board work session. The final report titled “*Volume II of a Regional Transit Plan*” is now complete. Michelle Poyourow, Senior Project Manager from JWA, will present the report to the Board at their February 25, 2016 regular meeting and to the STF Advisory Committee on March 1, 2016.

As documented in *Volume II*, numerous public meetings have already occurred where the findings of *Volume I* were presented and stakeholders were polled about how they envision the transit system for the future. Following the stakeholder workshop held in Keizer, JWA and staff held meetings with various city staff and elected officials in November and December 2015 and a map with recommendations was presented. As a result, many city officials and supporters wrote letters to support the CARTS 30 service east of Stayton. Letters were received from the Cities of Aumsville, Gates, Lyons, and

Mill City; and from Eugene Edwards, Director of Community Life, Corban University; and from Sandra Rupert, board member of the North Santiam Canyon Economic Development Corporation (NSCEDC). These letters are provided as **Attachments B through G**.

Once the Board receives the report, staff will develop a service proposal based on JWA's final report including maps, schedules, and a Title VI service equity analysis of the changes. A public comment period including public meetings in the major cities served by CARTS will be held in late April and early May. After receiving public input, staff will develop a final proposal and bring it to the Board for approval at the July 28, 2016 meeting.

Recommendation

Staff recommends the Board receive the final report for the Regional Transit Planning Project by Jarrett Walker and Associates as shown in **Attachment A**.

Proposed Motion

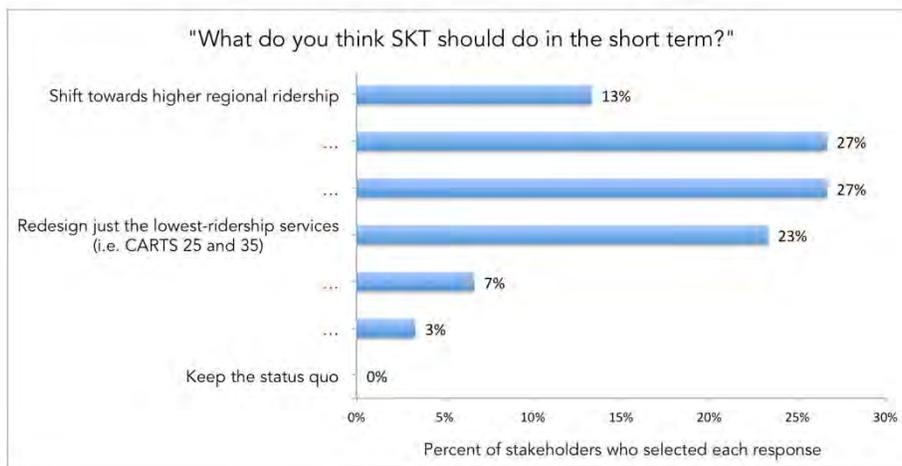
I move the Board receive the final report for the Regional Transit Planning Project by Jarrett Walker and Associates as shown in **Attachment A**.

SKT Regional Transit Planning

Recommendations

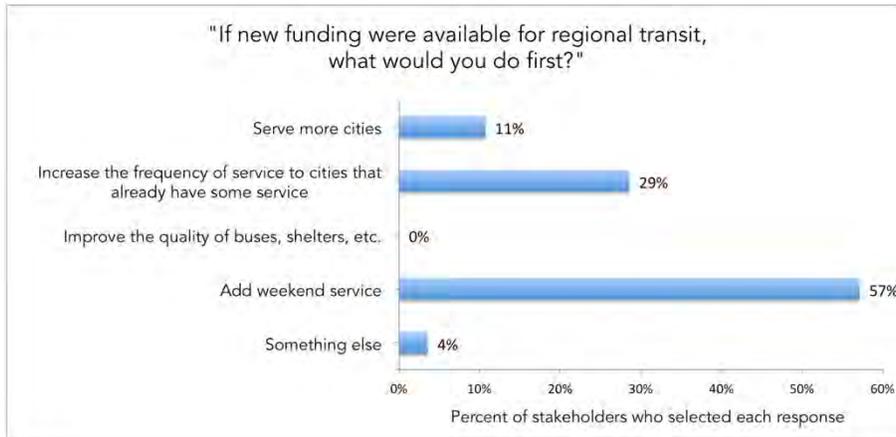
JARRETT WALKER + ASSOCIATES

How to balance ridership and coverage



JARRETT WALKER + ASSOCIATES

Increase frequencies, or serve new cities?



JARRETT WALKER + ASSOCIATES

Is there a maximum tolerable cost per rider?

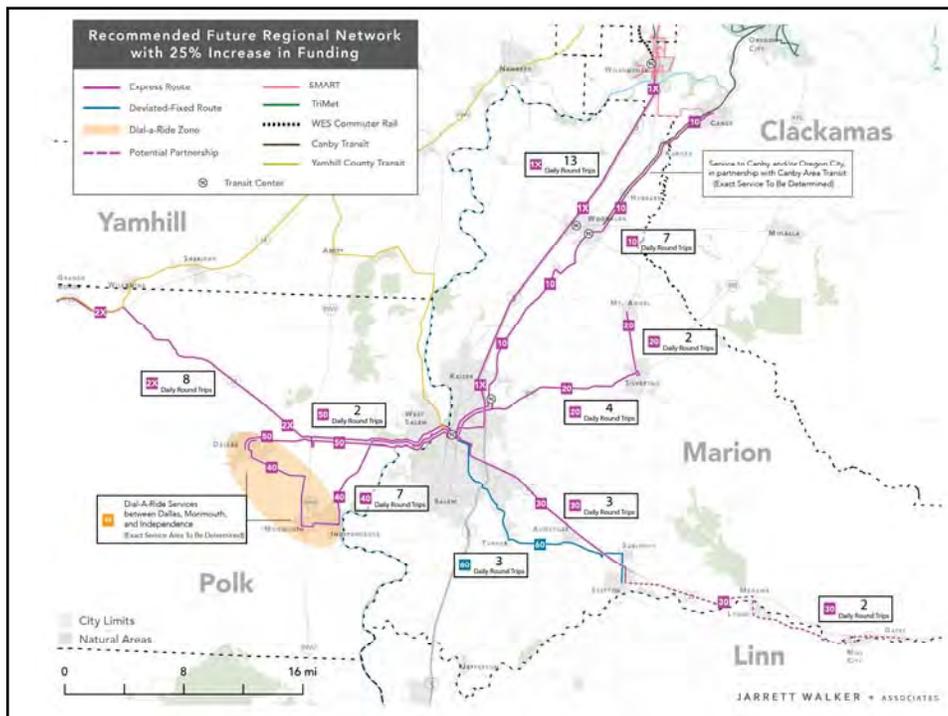
Service Name	Productivity (Boardings per Hour)	Operating Cost per Boarding
40 Polk County	13.4	\$5.49
50 Dallas/Salem	11.1	\$6.64
1X Wilsonville/Salem	22.0	\$7.21
30 Canyon Connector	8.4	\$8.80
10 Woodburn/Salem	8.2	\$8.98
20 Silverton/Salem	7.4	\$9.92
45 Polk County Flex	6.7	\$11.00
2X Grand Ronde/Salem	7.1	\$22.20
35 Canyon Flex	1.6	\$47.25
25 North Marion Flex	1.0	\$75.72

JARRETT WALKER + ASSOCIATES

Coverage policy: maintain corridor-by-corridor balance?

	Service Allocation Among Corridors, Counties		
	Existing	No new funding network	Increased funding network
Woodburn, 99E	15.0	18.0	30.3
Silverton/Mt. Angel	8.5	7.0	7.4
Canyon Cities	12.2	8.8	10.4
Polk County Cities	31.4	31.2	34.2
Marion County	35.7	33.8	48.1
Polk County	31.4	31.2	34.2
Total	67.1	65.0	82.2

JARRETT WALKER + ASSOCIATES



Policy Steps

JARRETT WALKER + ASSOCIATES

Policy steps

- Discuss and decide whether to increase ridership on the regional network.
- Discuss and decide whether service-shifts among corridors are possible, and if so, under what conditions.
 - If not, this limits ridership growth.
- Consider whether to set a maximum cost per rider.
- Update fare structure, to reduce transfer penalties and improve price signals.

JARRETT WALKER + ASSOCIATES

Backup Slides

JARRETT WALKER + ASSOCIATES

Linn County residents



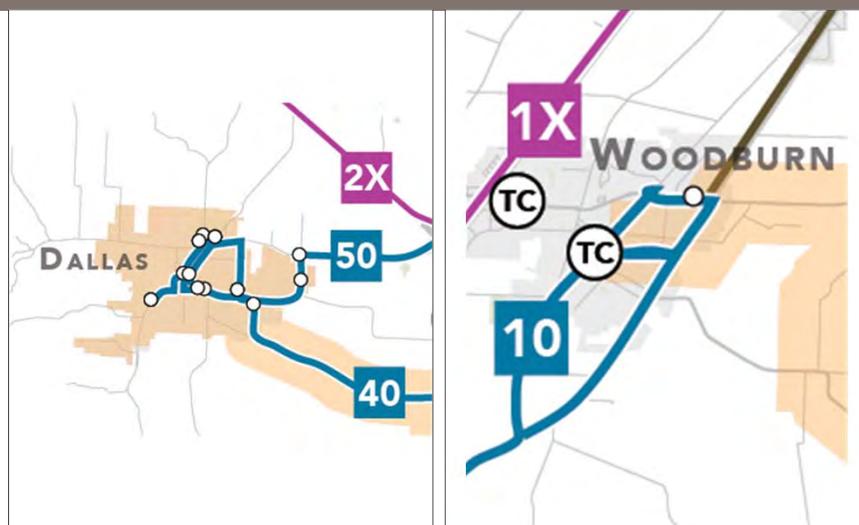
JARRETT WALKER + ASSOCIATES

Lower vs. Upper Canyon cities

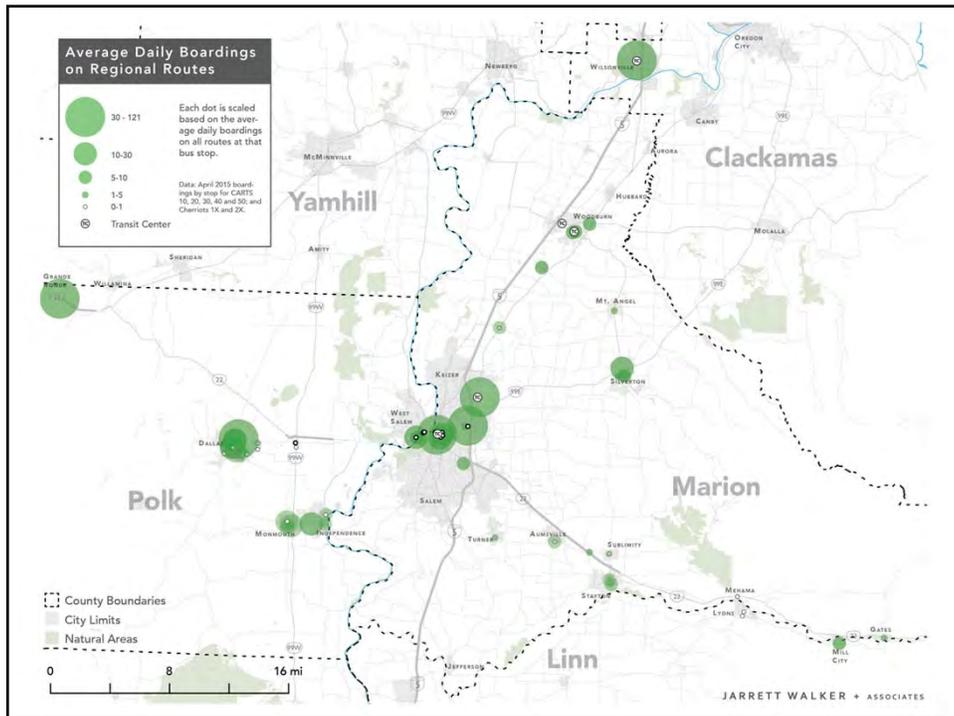
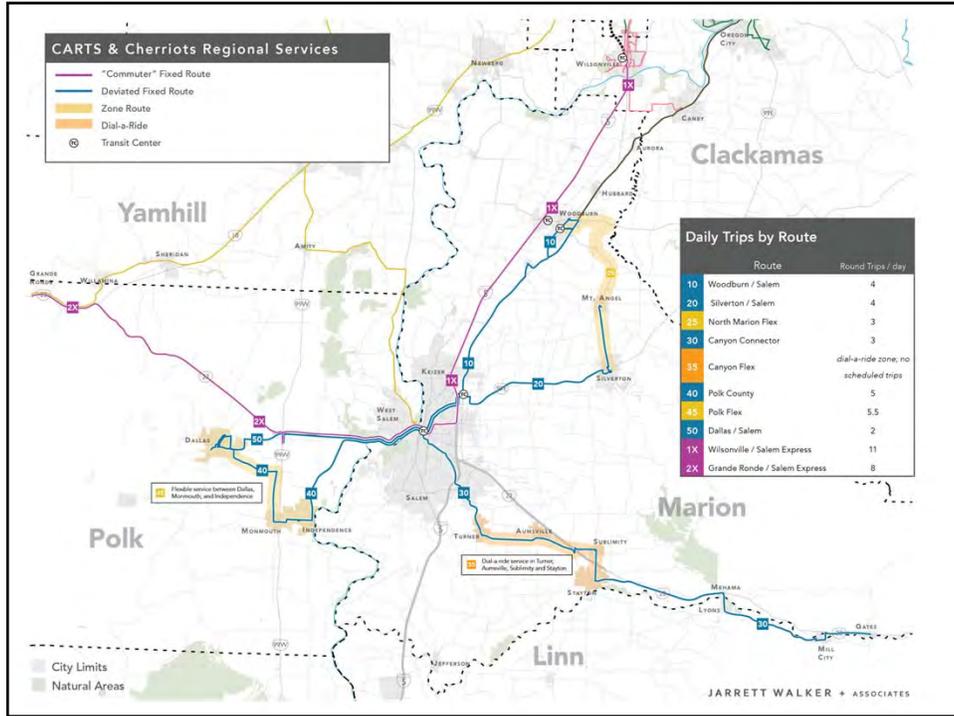
	Service name	Productivity (boardings per service hour)	Operating cost per boarding
40	Polk County	13.4	\$5.49
30W	Salem to Stayton	11.7	\$6.29
50	Dallas/Salem	11.1	\$6.64
1X	Wilsonville/Salem	22.0	\$7.21
30	Canyon Connector	8.4	\$8.80
10	Woodburn/Salem	8.2	\$8.98
20	Silverton/Salem	7.4	\$9.92
45	Polk County Flex	6.7	\$11.00
30E	Mehama to Gates	4.3	\$17.20
2X	Grand Ronde/Salem	7.1	\$22.20
35	Canyon Flex	1.6	\$47.25
25	North Marion Flex	1.0	\$75.72

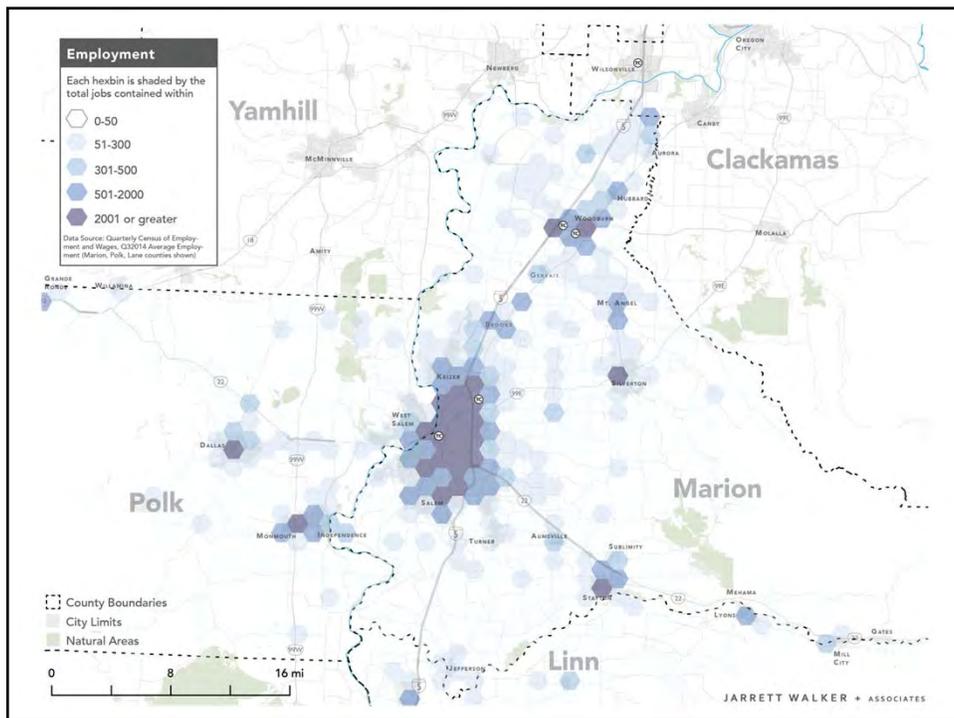
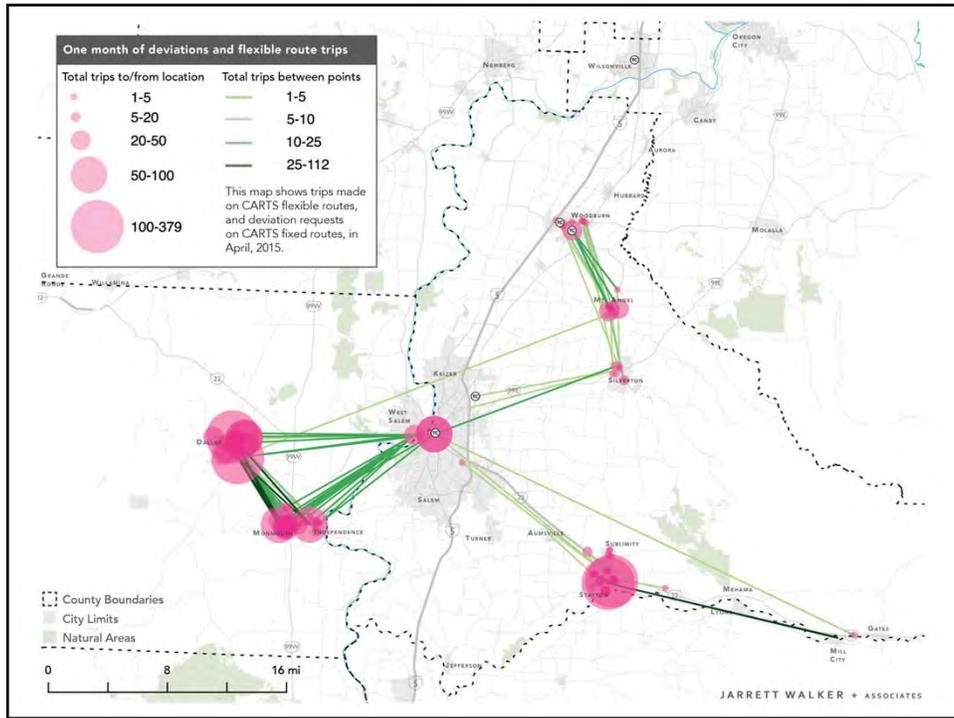
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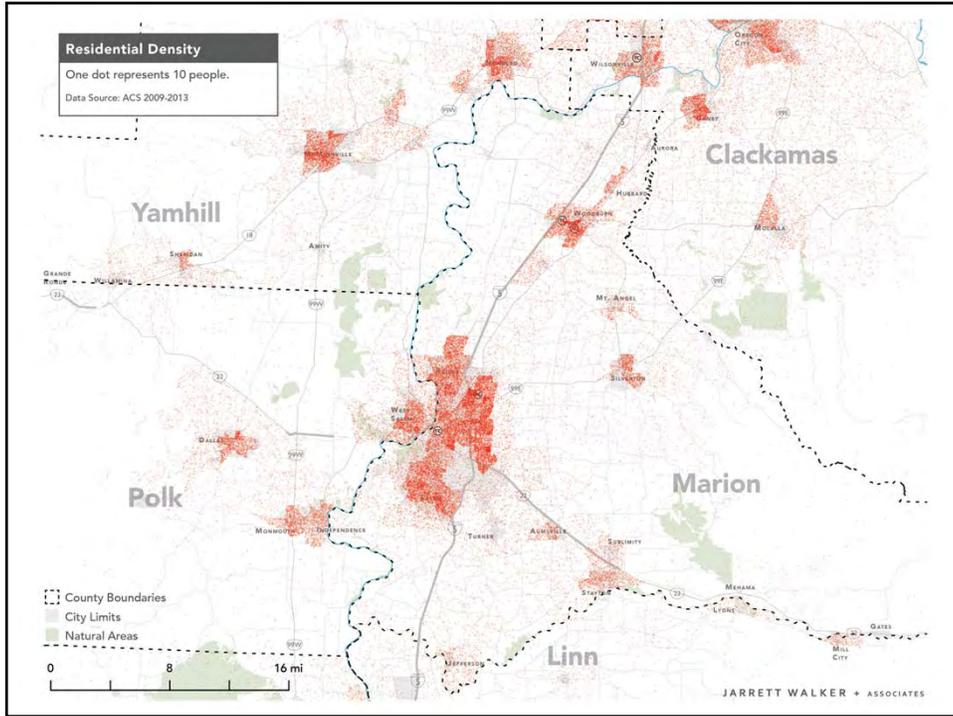
Within or between cities?



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Stakeholder workshop



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Stakeholder workshop



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Follow-up meetings in...

- Stayton
- Dallas
- Woodburn

...caused changes in the final recommended networks, such as:

- The deviated-fixed route option for lower Canyon cities
- Partial-funding of an upper Canyon route
- Inclusion of Route 50 (Dallas-to-Salem) twice daily
- More dial-a-ride in Polk County

JARRETT WALKER + ASSOCIATES

Volume II of a Regional Transit Plan

JANUARY 2016

For Salem Keizer Transit

JARRETT WALKER + ASSOCIATES

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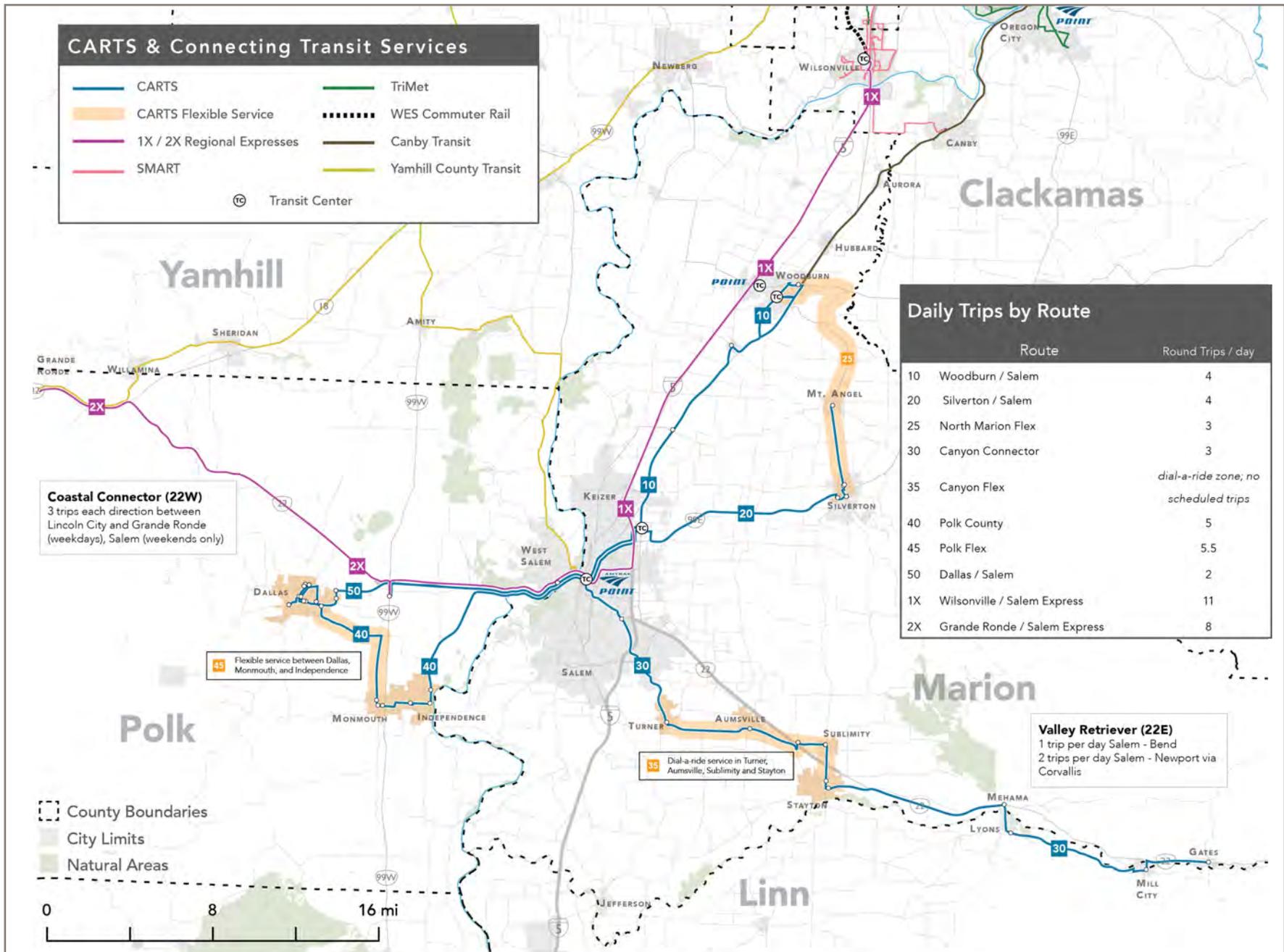


Figure 1: This map shows existing SKT regional transit services, as well as other neighboring services. The amount of service offered on each SKT route is described, in the box, in terms of daily round trips. All SKT services operate on weekdays only.

Introduction

This is the second volume of a report on Salem-Keizer Transit's regional network.

The first volume is called the Existing Conditions Report. It describes how CARTS, 1X and 2X services are currently performing, and where regional goals and needs for transit are currently in conflict.

This second volume describes the planning process that followed publication of the Existing Conditions Report, and the recommendations that it produced.

The input of stakeholders had a large effect on these recommended future plans. The ways stakeholders were involved and the priorities they expressed are also described in this volume.

Key Choices

Volume I of this report laid out five key choices for SKT. The subsequent planning process focused on three of these choices:

- How should SKT balance the goal of maximizing ridership with the goal of providing lifeline service to people no matter where they live?
- Should SKT's regional routes be designed and operated to help people travel between cities, or within cities?
- Should SKT's regional services be integrated with neighboring networks? If so, which connections are the highest priority?

Ridership vs. coverage

Many transit agencies have adopted goals like *"We will serve everyone"* and *"We will run efficiently and maximize ridership."* Yet these two high-level goals are fundamentally in conflict. (For an explanation of this conflict, see the section titled "Ridership vs. coverage" starting on page 7 of Volume I.)

For example, SKT today provides a dial-a-ride

service that achieves low ridership relative to its cost. If SKT were exclusively focused on maximizing ridership, SKT would spend those resources running a different kind of service, or in a different place, so that more riders would use the service relative to its cost. This would maximize ridership relative to cost.

Yet the right thing to do in this situation is not so cut-and-dried, because maximizing ridership isn't SKT's only goal. High ridership isn't the only transit outcome that SKT stakeholders value. They also value providing transit for people who need it badly.

In places where transit achieves high ridership, there are people with severe needs who use it and benefit from it. High ridership transit serves many different kinds of people, making many kinds of trips; low-income, elderly and disabled people are among them.

Yet in places where transit achieves low ridership, the compelling reason to continue providing it is the presence of low-income, elderly and disabled people who rely on it because they have so few other choices.

Salem-Keizer Transit wrestles with the trade-off between maximizing ridership and providing service in some places where ridership will always be low. Stakeholders were asked for their input on how to balance these two competing goals. The trade-off will never go away, but SKT and its stakeholders can acknowledge the conflict between their own goals for transit, and establish how those goals should be traded-off against one another. This discussion was begun at the Stakeholder Workshop, described in this report; continued in meetings with city leaders; and will surely continue in the future.

Stakeholders in this process, as is described in the next chapter, expressed a desire to shift the SKT network's balance towards higher ridership (but not all the way to a completely ridership-focused network). This would result in lower coverage, and negative impacts to small

numbers of people with severe needs who today depend on those coverage services.

RECOMMENDATION

Based on this input from stakeholders, we recommend that SKT switch from providing a regional deviated-fixed route network to a regional Express network, supplemented in certain high-need places by dial-a-ride or deviated fixed routes. Further, we also recommend that SKT shift some of its service away from geographic areas where ridership is low (and ridership potential will always be low, because of small numbers of people and long travel distances) and towards places with higher ridership and more people.

Cost-effective coverage

The group of stakeholders who participated in this planning process mostly agreed that SKT should provide some socially-important transit services, even if those services do not maximize ridership. However, a question still remains about how cost-effective those services should be.

In Marion and Polk Counties, the concentration of low-income people is very similar to the concentration of all people (compare Figures 2 and 3, above, maps showing where all people and where low-income people reside). Thus SKT is not forced to make a choice between running low-ridership coverage services to reach low income people, and running higher-ridership services that serve fewer low-income people. Useful transit anywhere in the region can serve low-income people in large numbers.

(Information about where people with disabilities live is kept confidential, to protect those people from exploitation. However, anecdotal information suggests that there are people with disabilities throughout the region, and they are more concentrated where the general population is more concentrated. However, there is an unusually high concentration in Dallas, Monmouth and Independence.)

Today, two of SKT's dial-a-ride services (CARTS 25 and 35) have very high costs per boarding (about \$47 and \$76, respectively). Even if SKT were to continue providing some low-ridership, coverage service in these areas, there is no doubt that more people with severe needs can be reached for the same total cost as today (at a lower cost per passenger).

This raises a difficult question about the cost-effectiveness of coverage services: *Is there some minimum ridership that coverage services should achieve? Or is there a maximum justifiable cost per rider, above which a service should be redesigned or moved elsewhere so that it reaches more people in need?*

Stakeholders in this process expressed low support for continuing to spend as much per rider as SKT does through the CARTS 25 and 35 services. For these stakeholders, then, there is some maximum justifiable cost per rider, even for coverage services that aren't intended to maximize ridership.

RECOMMENDATION

We recommend that SKT reallocate resources that are currently spent on very small numbers of riders (through CARTS 25 and 35), and instead spend them on services that provide socially-important coverage more cost-effectively. The more cost-effective coverage service we recommend takes the form of deviated-fixed routes or Express routes, going to cities that are too small to generate high ridership, but are home to people with severe needs for transit. These are



likely to reach much larger numbers of people in need more cost-effectively than CARTS 25 and 35 do today.

Between vs. within cities

Today, SKT's regional services run through some cities, making just a few stops, and circulate through other cities, making many stops. Some cities operate their own local circulators (such as Woodburn and Silverton), while others rely on SKT for local circulation (such as Dallas).

In general, many more people will find intercity transit useful than transit circulating within small towns. For longer intercity trips, there is a greater payoff for leaving one's car behind or relieving a family member of having to give one a ride. For shorter within-town trips, most people can walk, drive or bike rather than wait for an infrequent and circuitous bus. For these reasons, intercity transit routes connecting many small cities are likely to achieve higher ridership relative to their cost than are within-city transit routes.

Most of the stakeholders in this process expressed support for more inter-city "Express" service and less within-city circulation. This input was consistent with their preference for a higher ridership regional network.

(The term "Commuter Express" is a Federal Transit Administration (FTA) designation that relates to paratransit, not to how useful the route is for different kinds of people and trips. Unfortunately, the word "commuter" connotes that the people who use such services are white-collar commuters. In fact, Express routes can and should be useful to a broad range of people, who work many types of jobs, starting and ending work at all times of the day, studying, traveling to medical appointments, shopping, or just being social. For this reason, we refer to these routes simply as Expresses, but the FTA knows them as "Commuter Expresses.")

RECOMMENDATION

Given the consistent stakeholder input in support of higher regional transit ridership, and Express services, we recommend that SKT shift away from deviated fixed routes and dial-a-ride, and towards more Express routes that reliably connect the region's cities to one another.

Integrating with neighboring networks

Some of the travel into and out of the Salem-Keizer Urban area, and the smaller cities outside it, comes from other regions. This raises questions about where SKT should connect with neighboring services, and which connections are most urgent.

Stakeholders in this process were enthusiastic about the potential for better transit connections with other regions, especially with Albany/Corvallis and Canby/Oregon City.

RECOMMENDATION

We suggest that a transit connection between Salem and the Portland Metro area via 99E, Canby and Oregon City has higher potential for ridership relative to its cost than does a connection with Albany. We therefore recommend that SKT prioritize developing a connection with Canby Area Transit (CAT) along the 99E corridor. The potential for additional connections to Albany, Wilsonville or the coast (via Grand Ronde) are also discussed in this report.

Background Information

Information about the current performance of SKT's regional services, and the underlying development and demographics that relate to performance, is detailed in Volume I of this report.

The maps on the following pages are repeated from Volume I, to provide some geographic context for the discussion and recommendations in this report.

These maps give us a rough sense of where ridership potential is high (because there are many residents or jobs near any transit stop) and where the need for transit may be severe (because there is a high density of people in poverty). Additional maps showing where seniors and people of color reside are included in Volume I.

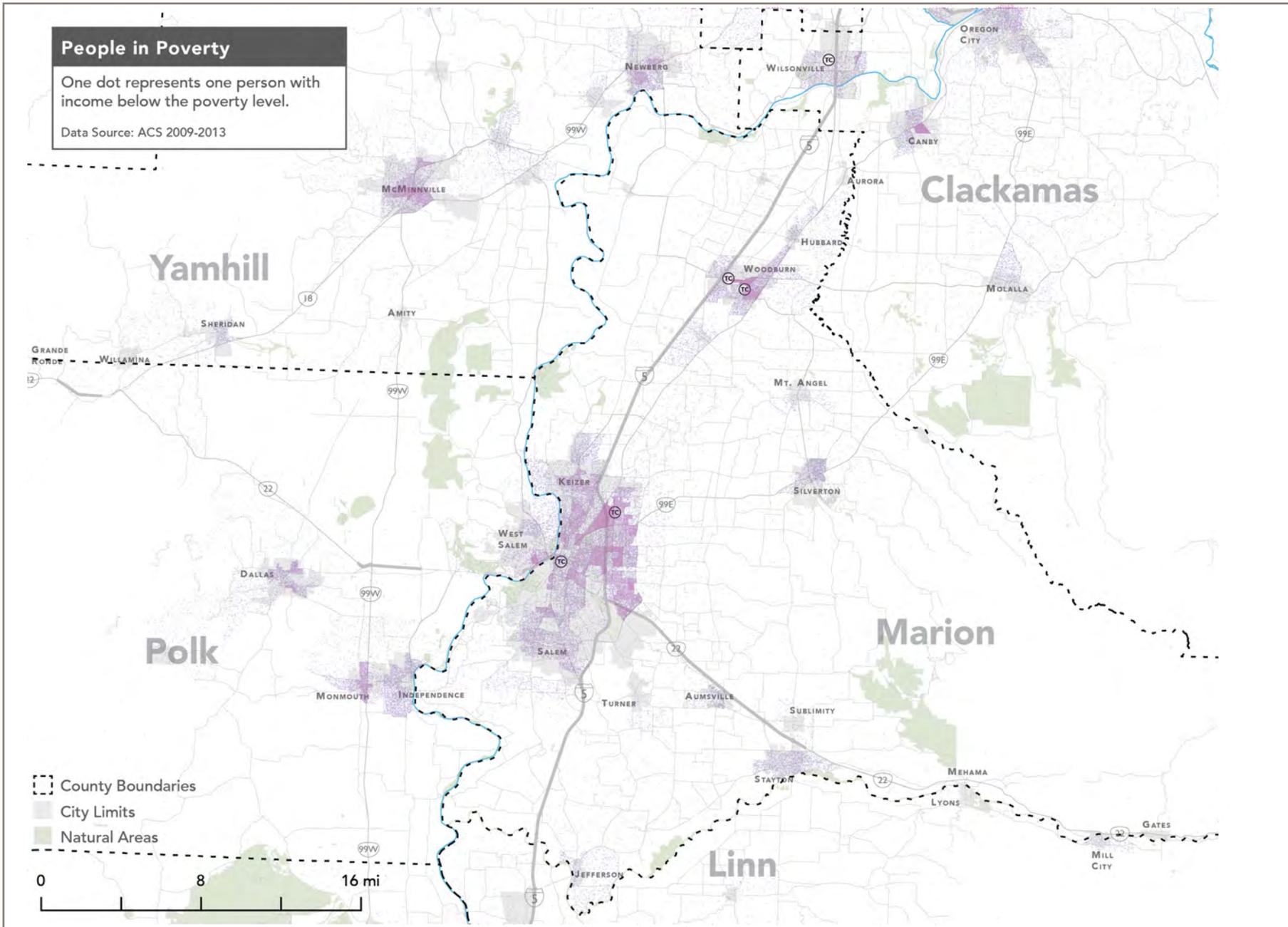


Figure 3: This map shows where low-income people live in the areas around Salem-Keizer. This pattern is very similar to the pattern of general residential density in the region, suggesting that transit service anywhere has potential to serve low-income people.

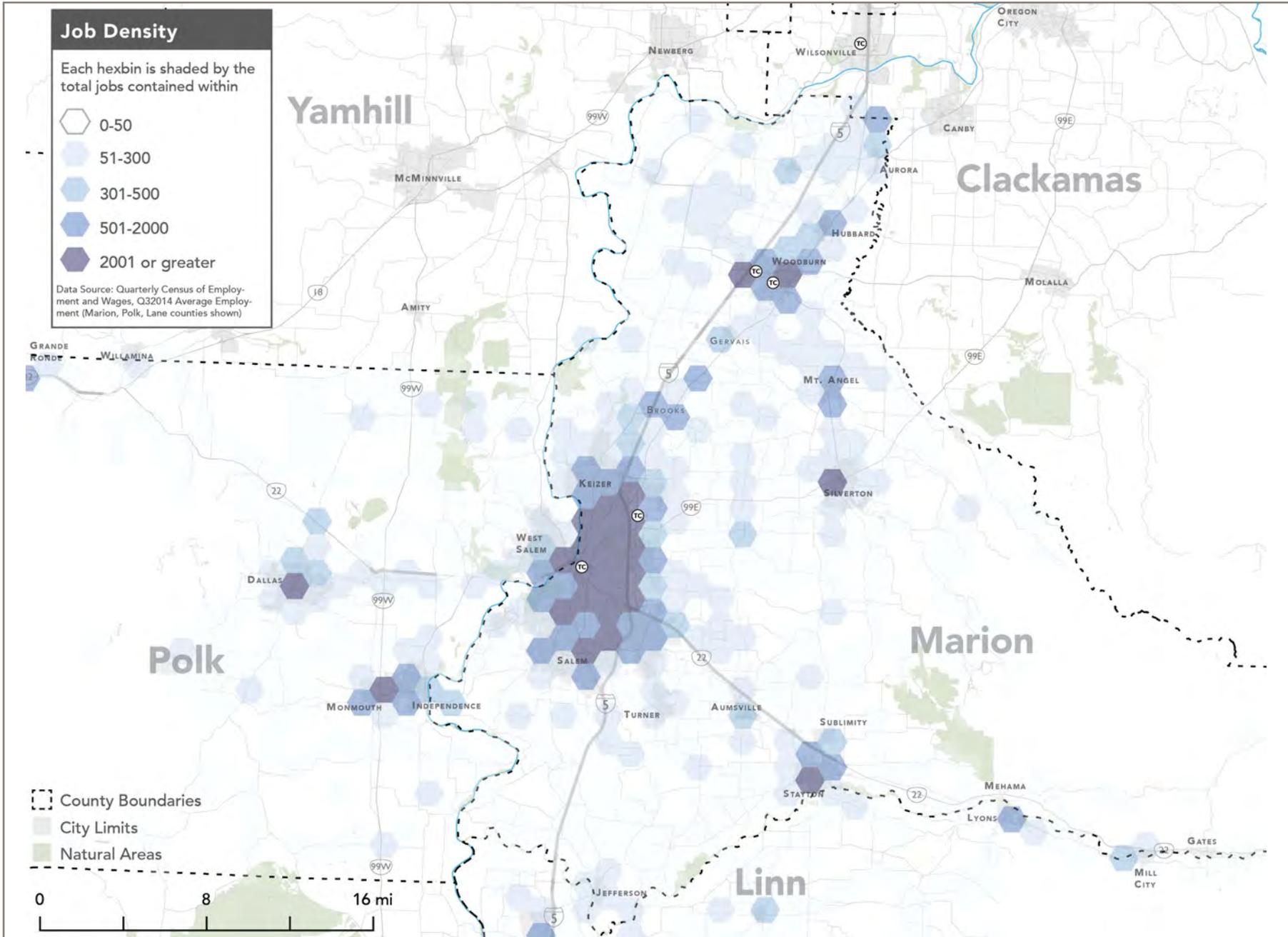


Figure 4: This map shows job concentrations in Marion, Polk and Lane Counties. Employment density reveals not only commute destinations, but also the places that people shop, recreate, visit and access services.

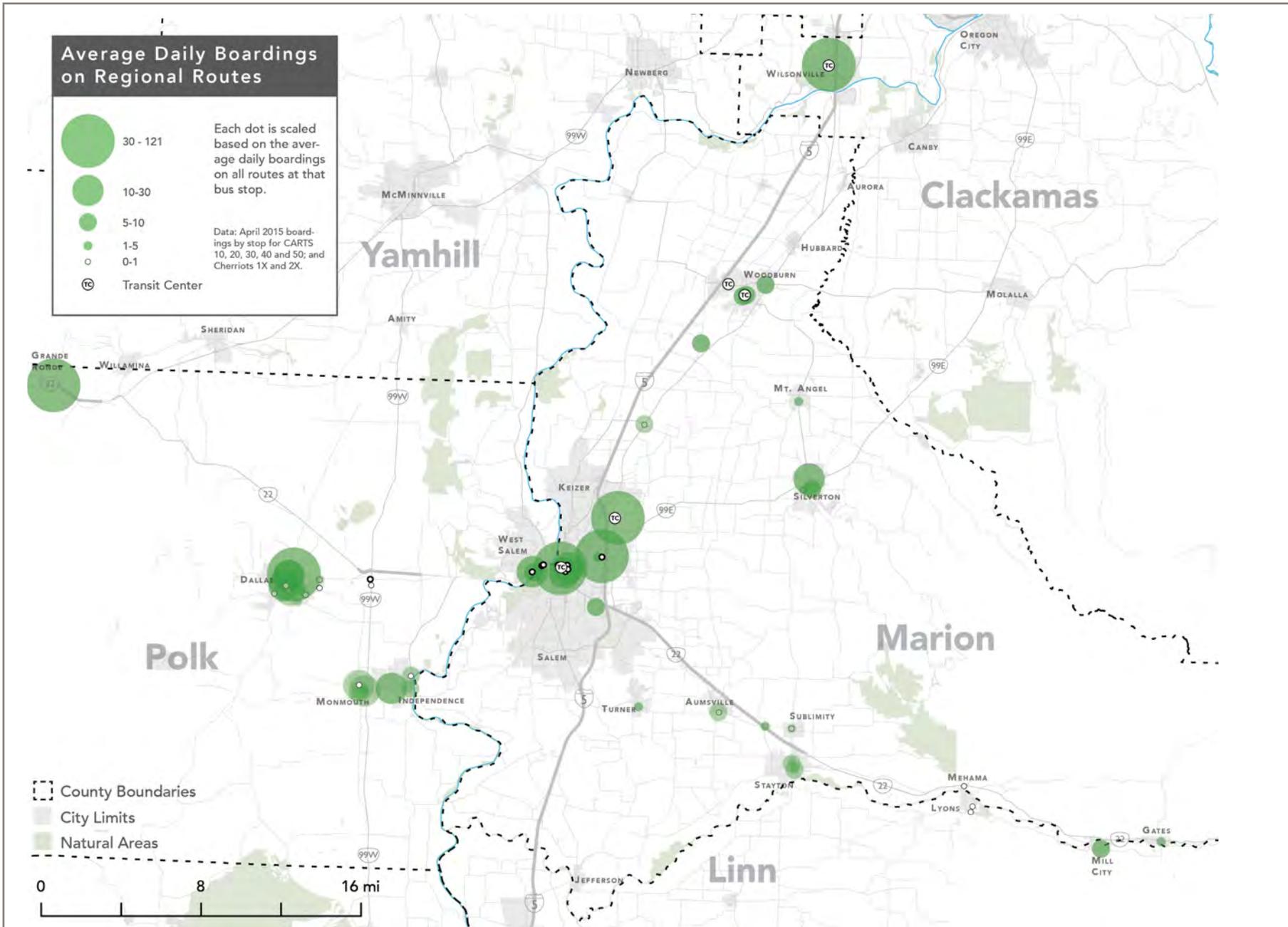


Figure 5: Average daily boardings at each fixed stop on CARTS, 1X and 2X routes, in April 2015. For more maps and analysis of the existing regional transit system, see Volume I of this report.

Stakeholder Involvement

This chapter describes stakeholder involvement in the development of this recommendation, which took place largely at two points in the process:

- first, in an early workshop, at which stakeholders gave high-level input into the goals of any new network
- second, in meetings with the city leaders from each of the three major transit corridors in Marion and Polk county.

Jarrett Walker + Associates developed a draft regional transit network based on the input of stakeholders at the first event. That draft network was shown to city leaders at local meetings, to gather their reactions and feedback.

Stakeholder Workshop

Early in this process, Salem-Keizer Transit and Jarrett Walker + Associates led a stakeholder workshop, whose purpose was to solicit high-level guidance on future transit choices.

About 45 stakeholders attended the workshop. They included representatives from:

- city councils
- businesses and chambers of commerce
- community organizations and social service providers
- colleges
- both counties, and most of the cities in the region
- organizations that serve people with disabilities
- people with and without disabilities
- people who currently ride transit and people who don't ride transit

A list of all the organizations represented at the Stakeholder Workshop is included in "Appendix A" on page 65.

The major outcome of this workshop was an expression, by the people in the room, of how much change they would like to see SKT pursue for the transit system, and towards what overarching goal. It can be summarized as follows:

- 23% of stakeholders at the workshop support SKT redesigning at least CARTS 25 and 35, to achieve higher ridership relative to cost.
- Another 67% of stakeholders support SKT changing more services, to achieve higher ridership network.

- Asked what type of investment they would make first if new funding were to become available for regional transit,
 - 57% would first spend it on weekend service,
 - 29% would first increase the frequency of service in cities that are already served...
 - ...rather than serving *more* cities (with low-frequency service), which only 11% would do first.

Of the eight regional transit networks designed by the stakeholders themselves, the two most stakeholders would want were:

- Network D, the first choice of 41% of stakeholders, and
- Network G, the first choice of 21% of stakeholders.

These two networks shared a high level of investment in Express service among major cities - such as Woodburn, Stayton and Dallas - rather than a heavy reliance on deviated fixed routes. They also both lacked any dial-a-ride service at all. The way these networks have informed this plan is described below.

Designing the networks

The stakeholder workshop began with a presentation on existing conditions in SKT's regional system, and then quickly moved into a network design exercise. This exercise was intended to:

- Help people understand the choices that go into designing a transit network.
- Elicit new service ideas from attendees.
- Create a diverse set of networks that could be used to illustrate choices.

Stakeholders were divided into small groups, and given a large printed map of the Salem-Keizer region. The map showed current transit boardings at all stops on the network, and the density

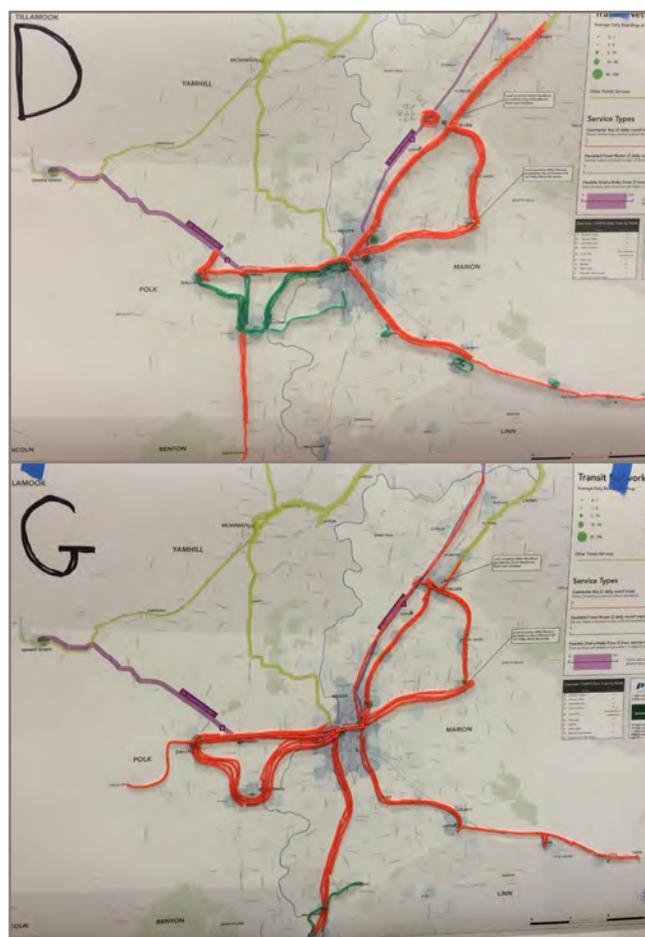


Figure 6: At the workshop, 62% of stakeholders preferred one of these two networks. Orange sticks represent inter-city Express routes, and green sticks represent local routes that deviate upon request. The thicker the lines, the more frequent the service. These networks are described in greater detail in this chapter.

of jobs in the region. (Job density is generally a good predictor of transit demand.)

To draw their networks, the groups were all given the same “operating budget.” This budget was represented by a bundle of sticky strings, in three different colors representing three different types of service.

Service types

Just as in a real transit system, in this exercise different types of service cost different amounts

of money to operate. Some of them go faster, and can therefore go a longer distance for the same cost.

Each group was allowed to trade in one colored string for another, if they wanted to use a different service type. Thus their budget could stay the same, but the types of service they decided to run with that budget could change.

The groups were given three types of service to use in designing their networks. These three service types were:

- In bright **orange**, an Express bus route. This was the longest string, because it is the fastest and therefore goes the farthest for any given cost.
- In **green**, a deviated fixed route. This was nearly as long as the orange string, but its deviations make it a little slower and therefore it travels a shorter distance for any given cost.
- In **yellow**, dial-a-ride. Yellow strings were very short, to reflect the fact that making curb-to-curb trips on request takes a great deal of time, so dial-a-ride can't cover much area for any given cost.

Stakeholders were not given string representing

a local fixed route with paratransit, like Cherriots service, because SKT could not possibly afford to provide paratransit at this regional scale within the current budget.

Network design choices

As stakeholders worked together to design a regional network, they wrestled with a number of choices about the purpose of their network. These choices arose because the budget for transit was fixed – the more they spent on one purpose, the less they could spend on another.

TRAVEL BETWEEN CITIES, OR LOCAL CIRCULATION?

An important distinction between Express (orange) service and the other two services was that Express buses would only make a few stops in each city. This makes Express service fast and reliable for travel between cities, but it means that people have to get themselves (by foot, bike, car or local transit) to the bus stop.

In contrast, the deviated fixed route service can make many stops in a city, and can deviate on request to any address within 3/4 mile of the route, but it is slower and less reliable than Expresses. Dial-a-ride service doesn't have a route or fixed stops, and picks up riders at their addresses, but can be slow and requires an advanced reservation.



BROAD APPEAL, OR TARGETED SERVICES FOR PEOPLE WITH SEVERE NEEDS?

Many stakeholders expressed a desire to build their networks around reliable, fast routes that many people would find appealing. Yet stakeholders also wanted to provide transit options for people who couldn't reach a bus stop in the center of a town. As one attendee said, *"I wanted to do both. I was torn."*

Each group struck a different balance.

At one extreme, the group that designed Network G (shown in Figure 2, top) traded in all of their green and yellow strings for orange. They designed a 100% Express network, of inter-city, fast, reliable routes. They decided not to serve anyone who could not walk, bike, drive, get a ride, or take a local transit service to the Express bus stops.

At the other extreme, the group that designed Network H (also in Figure 2, bottom) deployed mostly deviated fixed route and dial-a-ride services. They concentrated their yellow dial-a-ride service in Dallas, Monmouth and Independence, where today CARTS services are in high demand by people with disabilities.

MORE CITIES, OR MORE FREQUENCY

Many of the groups also debated whether they should focus their operating budgets on many trips per day between bigger cities, or spread their budgets around so that each city in the region got just a minimal level of service.

CONNECTIONS TO OTHER REGIONS

A number of groups included in their networks a transit connection to another region, or to cities not generally thought of as part of the Salem-Keizer region. Three networks included a minor route to North Albany; one included a minor route to Jefferson; and two included a major route to Canby.

Analyzing the networks

When the groups finished designing their networks, they posted them up and looked over

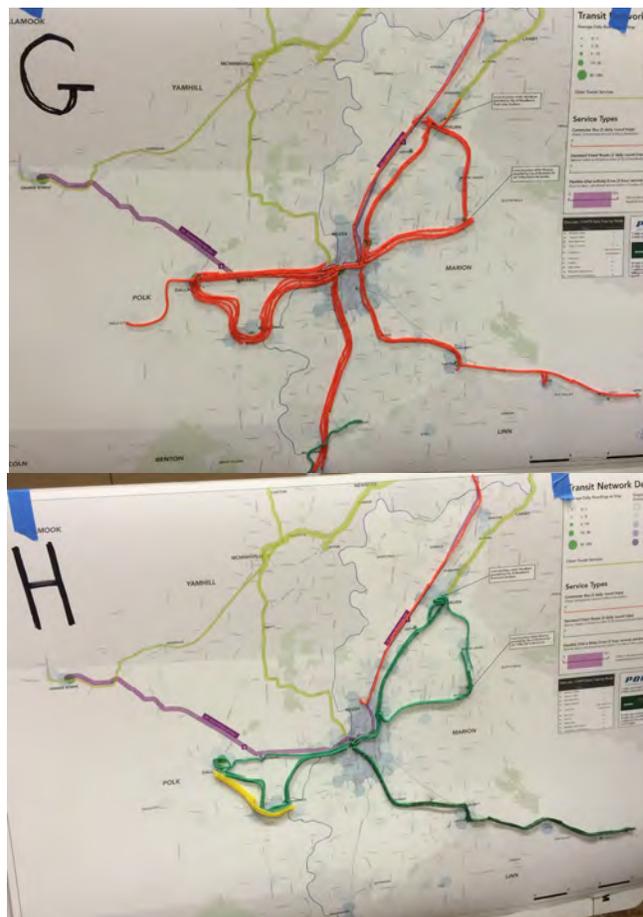
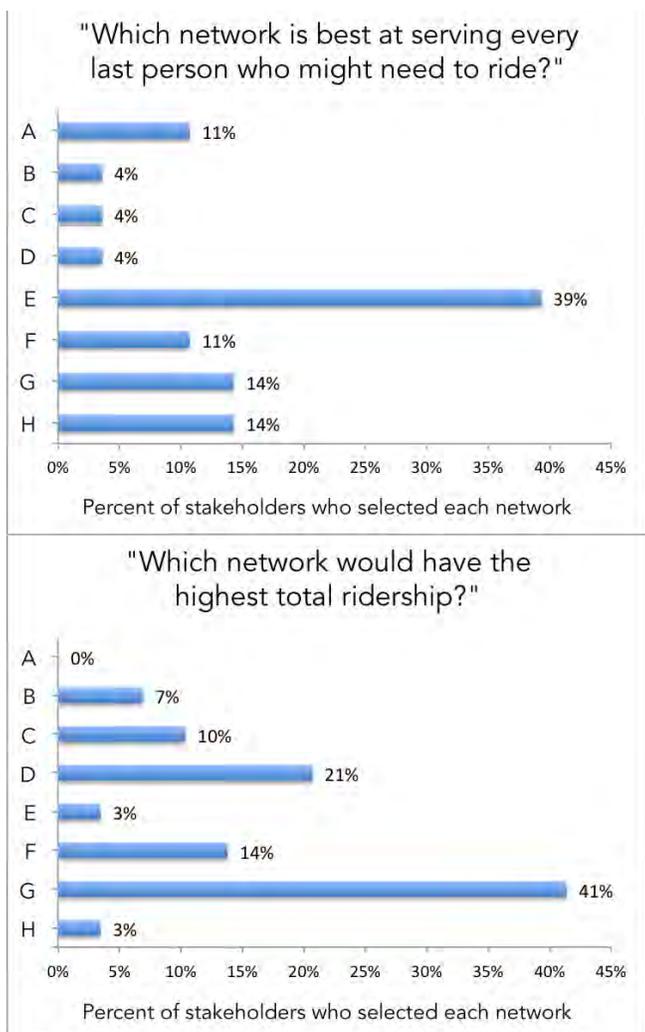


Figure 7: Network G, top, was made of only inter-city Express routes. Network H, bottom, was made almost entirely of dial-a-ride and deviated fixed routes. All of the other networks used a mix of these services.

them thoroughly. The facilitator then asked attendees a series of questions.

Their answers to these questions, as a big group, became a sort of "analysis" of the networks. This analysis was built on their collective knowledge of the region, and their instincts about what people of their communities need, want and would respond to.

The questions weren't about any network being better or worse than the others, but rather about how different groups of people would react to them. The questions were:



- Which network would major employers like most?
- Which network would be best for commuters to Salem-Keizer jobs?
- Which network would be best for college students?
- Which network would be best for people in a hurry?
- Which network would be best at serving every last person who might need to ride?
- Which network would have the highest total ridership?

Two of these questions in particular highlighted the conflict between providing coverage (getting a little bit of service close to everyone) and maximizing ridership. Those networks that the group thought would do best at reaching every last person were not expected to achieve the highest ridership, as shown in the pair of charts in Figure 8.

Figure 8: Different networks excelled at these competing goals: getting a little bit of service close to everyone, and maximizing ridership.



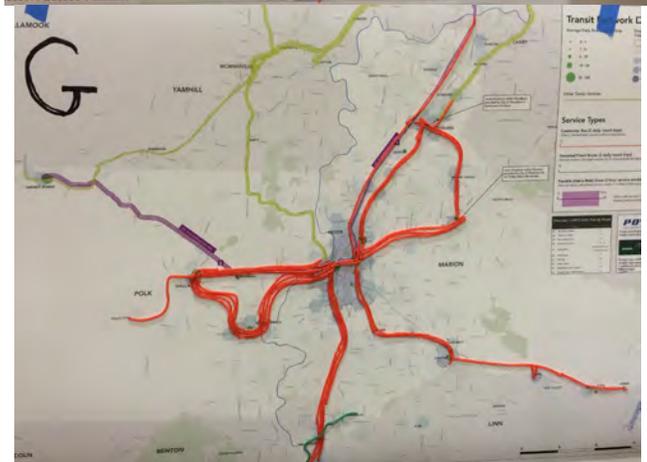
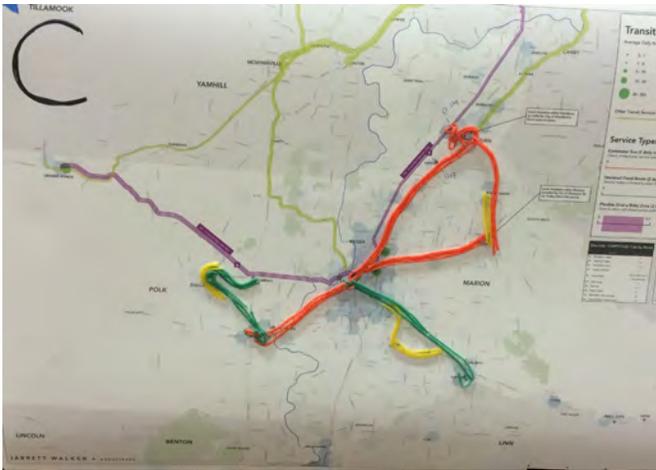
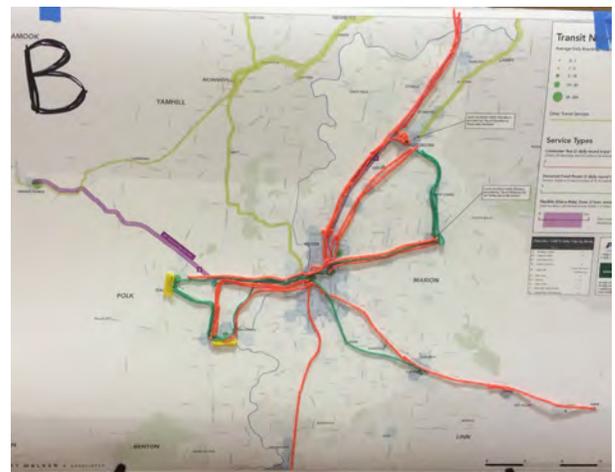
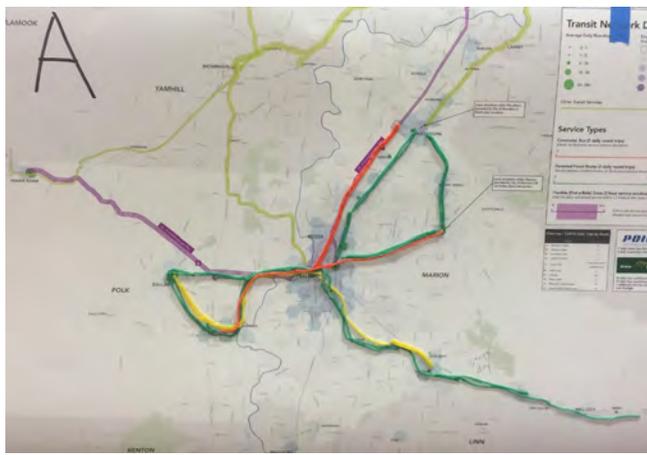


Figure 9: These eight networks were created by stakeholders at the workshop.

Informing Salem-Keizer Transit's choices

PREFERRED NETWORKS

Once the group had thought about who would find these networks useful or valuable, and why, the facilitator then asked a more personal question:

- Which map comes closest to the network YOU would want?

The results of this poll are shown in the chart in Figure 10. While no network satisfied a majority of the stakeholders, the two front-runners – D and G – have a great deal in common, and contrast with the other networks in ways that can inform this planning process.

Networks D and G share a high level of investment in Express service among major cities (such as Woodburn, Stayton and Dallas) with only modest use of deviated fixed routes. (Networks B and C do this as well, to a lesser degree.)

Networks D and G also lack any dial-a-ride service. All of the other networks included at least some yellow strings representing dial-a-ride service.

Finally, Networks D and G both include an Express route to Albany.

SHORT-TERM ACTION

Networks D and G are both radically different from the regional transit network SKT operates today. If SKT were to immediately redesign its services along these lines, it would represent a major change for the region. In order to assess not just which network stakeholders preferred, but also how quickly they thought SKT should implement it, the facilitator asked:

- What should SKT do in the short term? *On a spectrum from:*
 - Shifting all the way to higher regional ridership, to...
 - Redesigning just the lowest-ridership services, to...

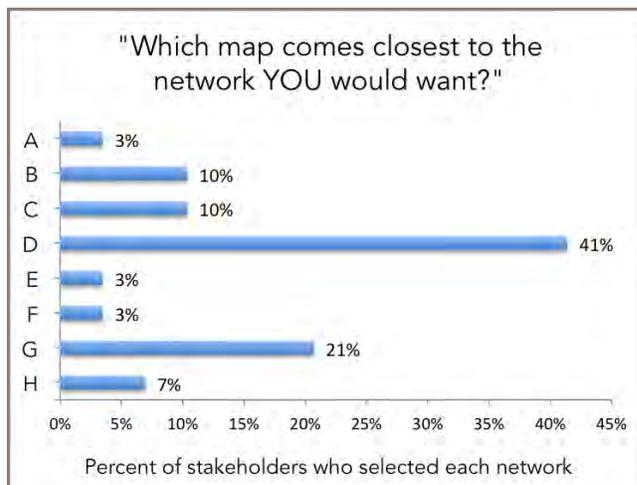
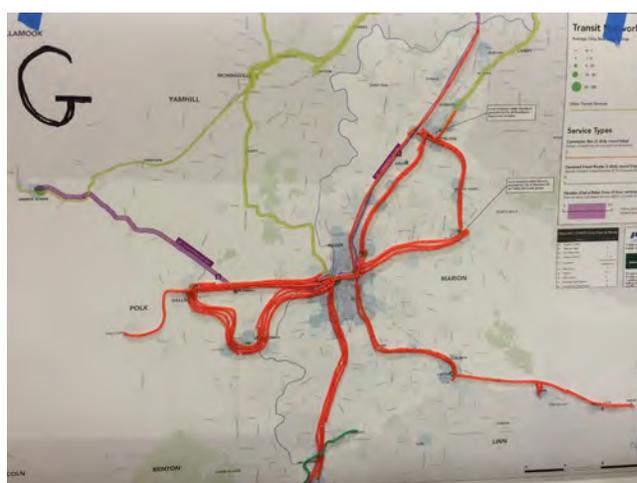
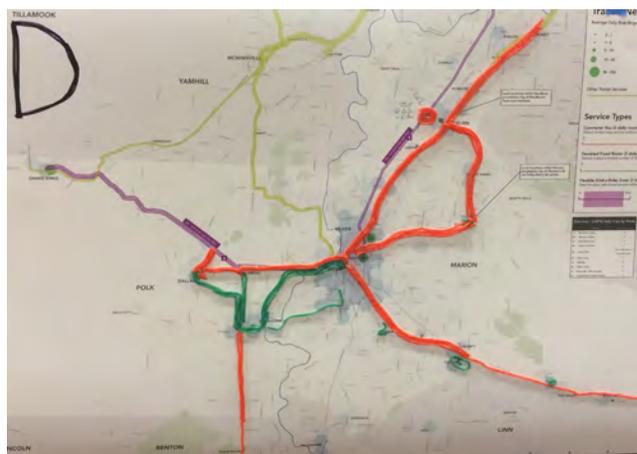


Figure 10: Among the eight different networks they designed, a majority of stakeholders at the workshop preferred D or G (as shown in the polling results above). These two networks (in photos below) share some notable traits.



- Keeping the status quo.

A majority of attendees expressed support for doing *more* than just redesigning the lowest-ridership services (CARTS 25 and 35). This would mean changing some or all of the deviated fixed routes that make up most of the regional network today.

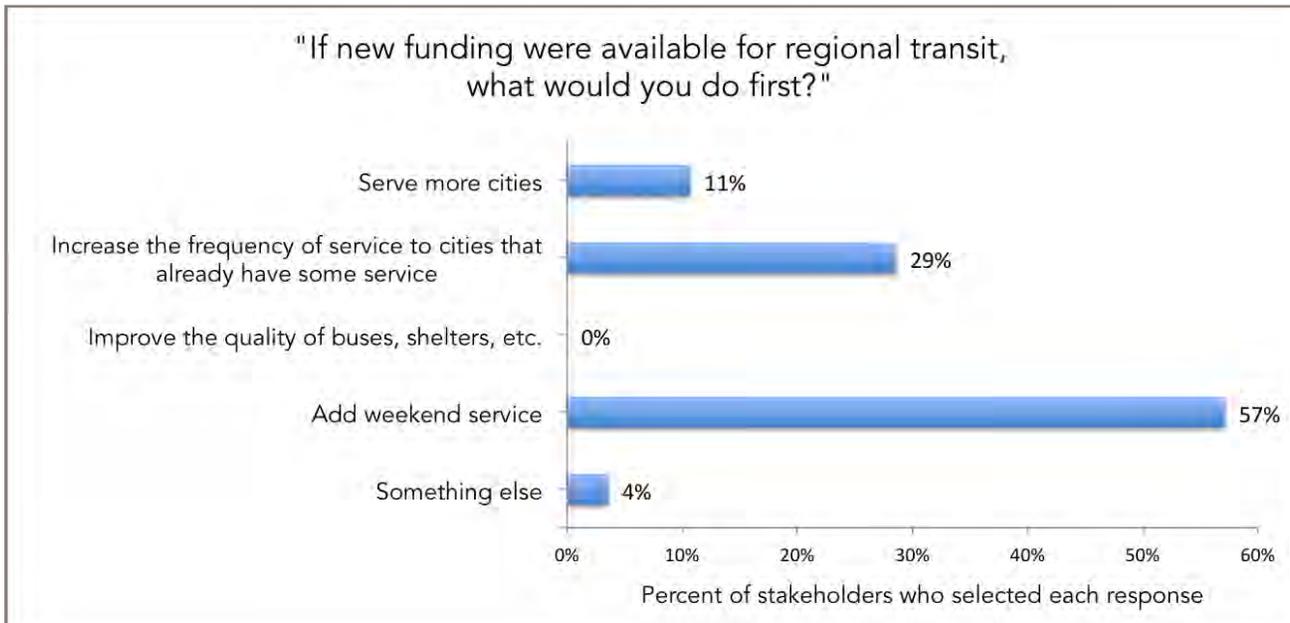
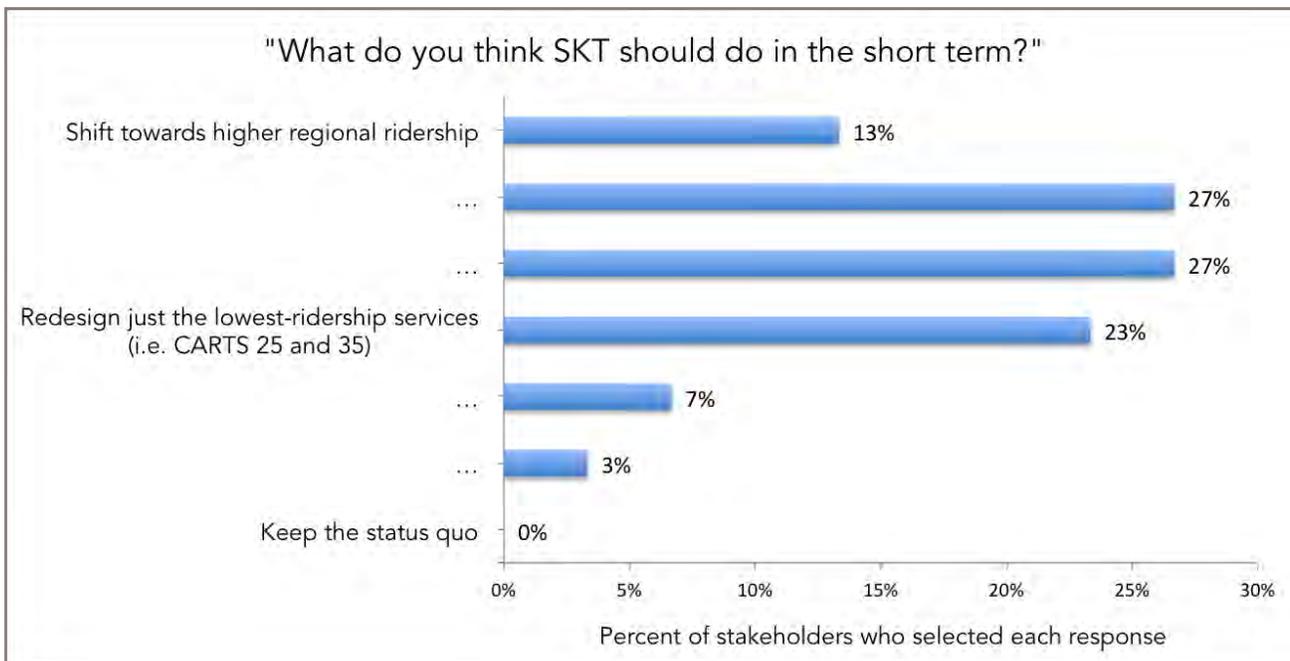
No one in attendance spoke up for the status quo.

PRIORITIES FOR NEW FUNDING

These stakeholders had been constrained by a fixed budget, as they designed their networks. The facilitator asked attendees:

- If new funding were available for regional transit, what would you do first?

Their answers revealed very high support for adding weekend service. This issue was probably front-of-mind for many people, as a tax measure



to pay for Cherriots weekend service was on the ballot just weeks after this workshop.

Nearly three times as many people said they would increase the frequency of existing routes as said they would create new routes, given some additional funding.

Follow-up Meetings with City Leaders

In response to stakeholders' input at the Workshop, and after analyzing where ridership potential is highest in the region, JWA designed a draft regional transit network.

The major changes suggested by this First Draft recommended network were:

- The use of Expresses to connect cities. These routes could only make one or two stops in each town.
- More trips, earlier trips and later trips among the biggest cities (Woodburn, Stayton, Dallas and Monmouth/Independence).
- Reallocation of the CARTS 25 and 35 dial-a-ride resources to higher-ridership services and to more cost effective coverage.
- Reduction in the number of hours of CARTS 45 dial-a-ride service (in Dallas, Monmouth and Independence). Those resources would go to Express routes among those cities instead.
- Elimination of any SKT transit service east of Stayton. Resources spent on that service today would instead be added to routes that travel between Salem and Stayton.

This First Draft recommended network is shown in the map in Figure 11 on page 23.

JWA and SKT staff led three meetings, in Dallas, Stayton and Woodburn, at which they presented this draft network and collected input and reactions to this draft. Local city elected officials and staff were invited to these smaller meetings, as were people from those communities who had attended the Stakeholder Workshop.

Participants' reactions at these meetings, and the way they influenced the final recommendation, are described in the following chapter.

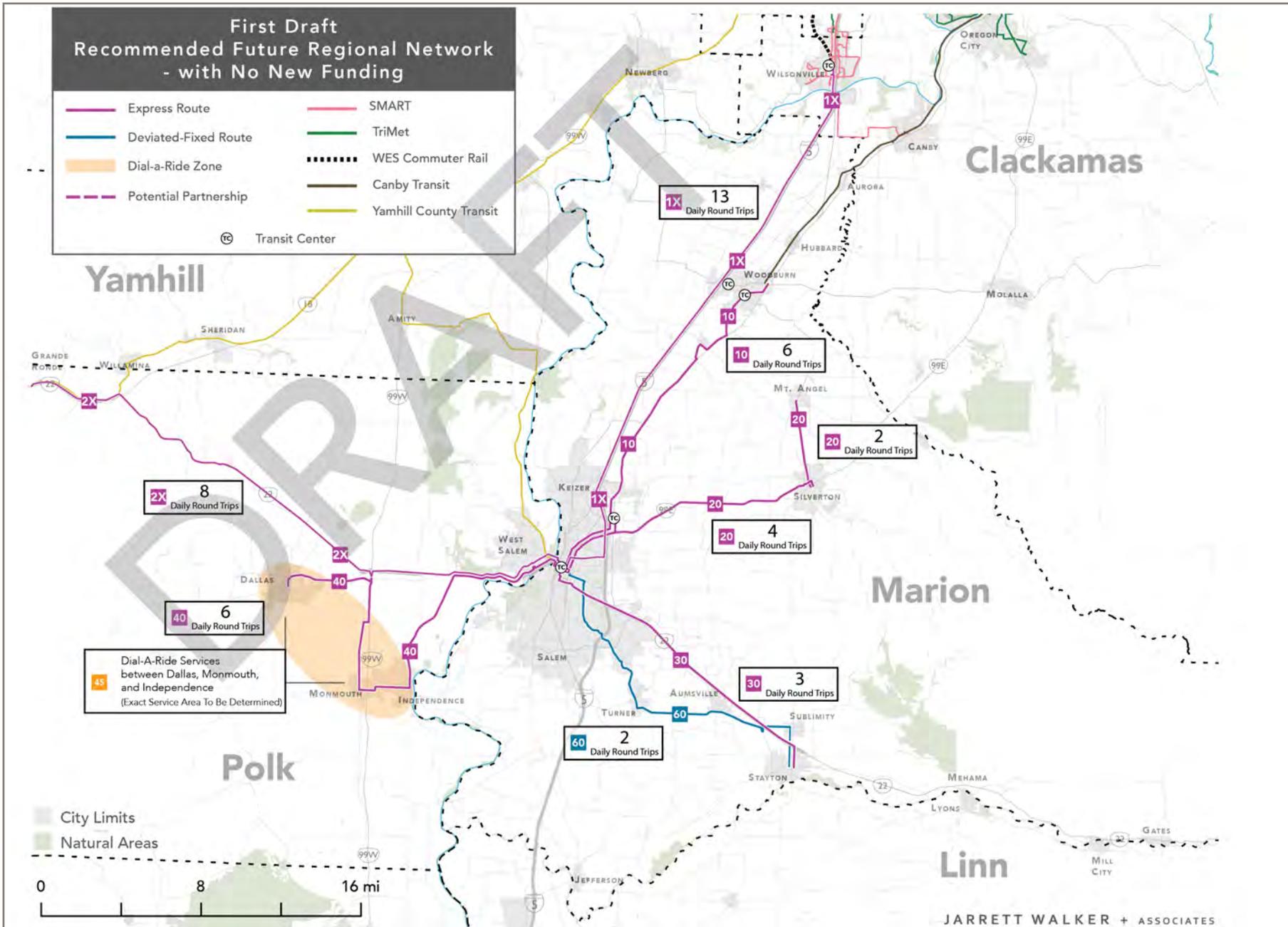


Figure 11: This First Draft regional network was presented to city leaders at meetings in early December, 2015. Their input led to some changes, which are shown in the recommended network in Figure 14 on page 27.

Recommended Networks

This chapter describes two recommended networks - one for existing funding levels, and one that could be achieved with 25% more funding.

These networks are designed based on high-level guidance given by participants in the Stakeholder Workshop and more detailed feedback from meetings with city leaders.

Balancing ridership and coverage

Participants at the Stakeholder Workshop said that they would support a shift to a higher-ridership network, but not shifting all the way to a pure Express-only network.

These two recommended networks strike roughly that balance:

- most of the budget is spent on Express routes among bigger cities, which will achieve relatively high ridership;
- some dial-a-ride (in Polk County) is maintained, as is an option for deviated fixed route service between Salem and Stayton; and
- service to some very small towns (such as the smaller Canyon cities, and Mt. Angel) is funded, in recognition of severe needs in those towns, despite the fact that ridership relative to cost will always be lower there than elsewhere in the region.

Weekends

Neither of these networks could operate on Saturdays or Sundays, within the stated budgets. Weekend service is extraordinarily important for both social outcomes and for attracting high ridership.

Travel to and from Salem-Keizer is today and will likely continue to be the source of most of CARTS ridership. Without Cherriots service that gets people from the Downtown Transit Center to their destination, CARTS can only be useful to a small number of people on weekends.

Once Cherriots service is provided on weekends, then our recommendation would change. Instead of spending a 25% increase in regional transit funding on the increased weekend frequencies shown in Figure 24 on page 45, we would recommend that SKT spend it on limited weekend regional service.

Corridor-by-corridor

Because these networks represent only shifts of resources from one corridor to another, the SKT Board could decide to change only one or two corridors. (By “corridors” we mean Dallas/Monmouth/Independence; the Canyon Cities near Highway 22; Silverton/Mt. Angel; and 99E to Woodburn, and beyond to Canby/Oregon City.) Service quantities are summarized in Figure 12.

However, there are enormous benefits to implementing all of these corridors together, in particular the opportunities to “pulse” routes from different places together in downtown Salem.

A “pulse” happens when multiple bus routes come together, wait so that their passengers can transfer among them, and then head off again. Pulses make low-frequency services more useful by eliminating the long wait to transfer. Pulsing CARTS routes would allow people to make a quick and reliable transfer between, for example, Woodburn and Monmouth, without a long wait.

While the deviated fixed routes that SKT operates today can, theoretically, be pulsed, their

running times are so variable (because of their deviations) that in practice this is unreliable.

Finally, if the SKT Board does *not* permit itself to shift service quantities among corridors, SKT’s ability to grow ridership and make the system more productive will be limited. Not all corridors have the same ridership potential, and SKT’s ability to increase ridership will arise mostly from reallocating some service from places of lower ridership to places with higher ridership.

Ridership and productivity can be increased by shifting from one service *type* to another (e.g. from deviated fixed route to Express), and by improving connections and refining schedules. However, once such changes have been made, any further increases in productivity would have to arise from a shift in service *quantity* towards higher-ridership places.

	Service Allocation Among Corridors, Counties		
	Service hours		
	Existing	No new funding network	Increased funding network
Woodburn, 99E	15.0	18.0	30.3
Silverton/Mt. Angel	8.5	7.0	7.4
Canyon Cities	12.2	8.8	10.4
Polk County Cities	31.4	31.2	34.2
Marion County	35.7	33.8	48.1
Polk County	31.4	31.2	34.2
Total	67.1	65.0	82.2

Figure 12: Service allocation between the two counties, and across the four corridors, would only change slightly were SKT to implement either of these recommended networks.

No New Funding Network

This No New Funding network (shown in Figure 14 on page 27) represents the same amount of service that SKT currently funds, though it is provided using different types of service and it is more concentrated on routes between bigger cities.

The amount of service in this network is 65.1 service hours of service per weekday, just slightly less than what is provided today.

(A “service hour” is an hour during which a bus is out in public, available to passengers, and collecting revenue. In technical discussions, it is often called a “revenue hour.” These hours do not include time when a bus is being driven to the start of its route, or when a driver is on break. SKT currently pays its CARTS contractor, MV Transportation, \$73.71 per hour of service

provided.)

The description of this recommended network as a “No New Funding” scenario assumes that SKT’s costs per service hour will not increase significantly in the future, and existing funding sources will not be cut. If SKT’s operating costs per hour increase, then operating this recommended network could, in fact, require additional revenues. Similarly, if federal or state funding sources are reduced, new revenues would be needed simply to maintain existing levels of service.

Specific changes recommended for each of the three major corridors are described in the following sections.

No New Funding Network - Weekday Frequencies and Costs		
Service	Round trips per weekday	Cost (service hours)
10 Salem-Woodburn	6	18.0
20 Salem-Silverton	4	6.4
20 Silverton-Mt. Angel	2	0.7
30 Salem-Stayton (via Hwy 22)	2	2.3
30 Stayton-Gates*	2	0.6*
60 Salem-Stayton (via Turner, et al, as an Express)	3	5.8
40 Salem-Dallas (via Mon.-Ind.)	6	15.0
50 Salem-Dallas (via Rickreall)	2	3.2
45 Dial-a-ride for Dallas-Mon.-Ind.	--	13.0
SKT total for all services:		65.0
*Because 27% of people living east of Stayton are in Marion County, we recommend that SKT reserve 27% of the 2.8 service hours it would cost to run Route 30 between Stayton and Gates, and pursue a partnership with Linn County to fully fund the service. This recommendation is discussed further starting on page 32.		

Figure 13: Routes, and route segments, included in the No New Funding Network. Note that some cities are served by more than one segment. Stayton would get five round trips per day, from Routes 30 and 60 combined. Dallas would get eight trips per day, from Routes 40 and 50 combined.

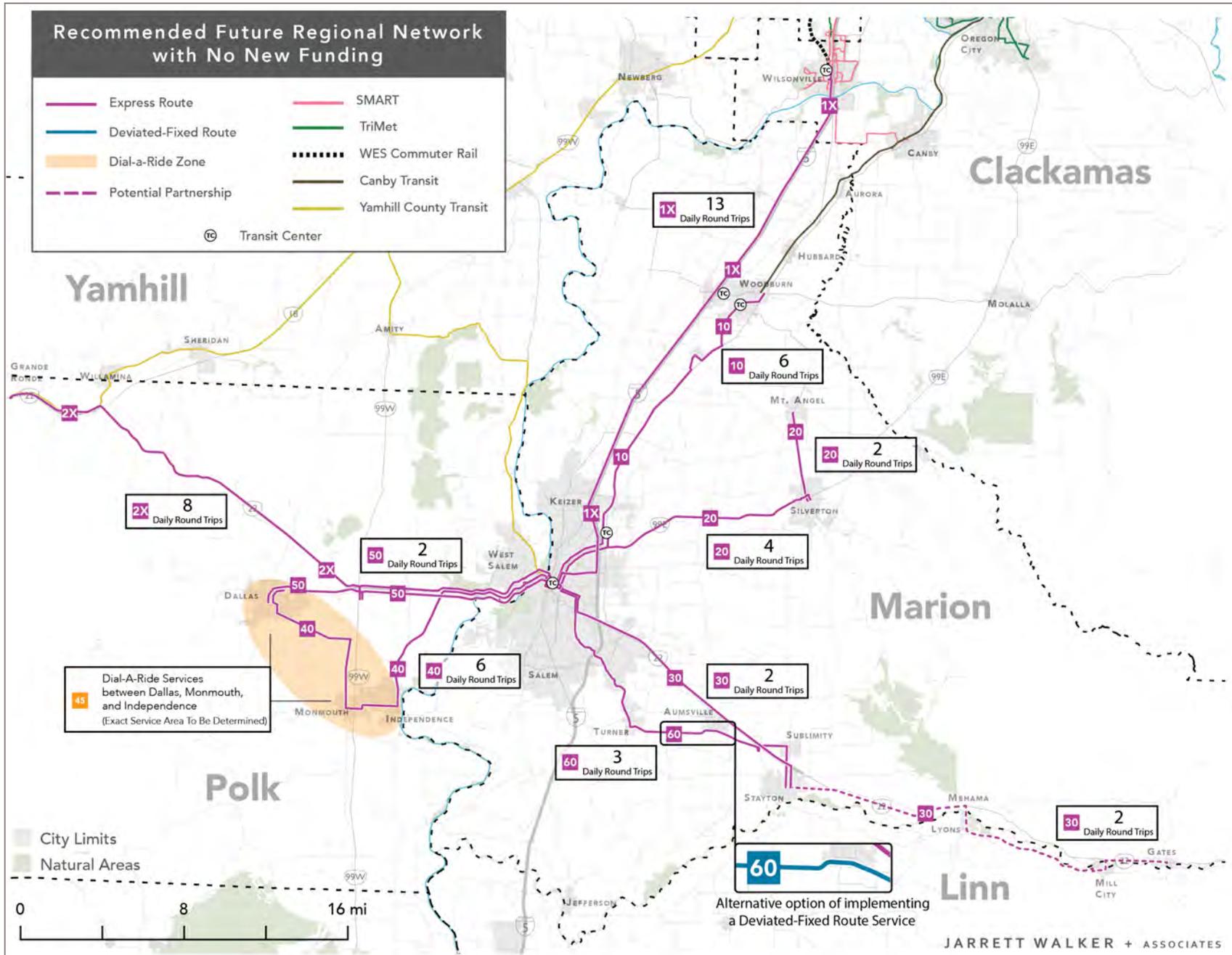


Figure 14: This recommended network would shift SKT's investment away from very low-ridership services and towards more frequent Express routes, connecting cities across long distances. This network would cost no more to operate than the present-day regional system.

Dallas-Monmouth-Independence

Four services would reach Polk County cities and rural areas:

- Route 40 would service Independence, Monmouth and Dallas six times a day (compared to five times a day at present).
- Route 50 would serve Dallas twice a day (as it does today).
- A dial-a-ride zone covering the three cities would allow residents to get a ride from anywhere to anywhere within the zone (including to an Express bus stop) with a reservation.
- Route 2X would continue to serve West Salem and Rickreall, on its trip between Grand Ronde and downtown Salem.

EXPRESS ROUTES

The Polk County cities would be served by Express routes from Salem (instead of deviated fixed routes).

Express routes are faster and more reliable, but come with two major consequences: first, they do not deviate in response to individual requests, and second, they are permitted to make only a small number of stops in a town. We recommend that SKT consider carefully how many stops an Express route should make in towns of various sizes, and set a policy defining those limits, to avoid running afoul of FTA regulations and federal laws. (The FTA requirements are explained in Volume I of this report.)

Many of the city leaders at the Polk County follow-up meeting expressed their concern that eliminating so many stops in their towns would have a negative impact. (There are currently 16 stops in Dallas alone, though some of them are hardly used.) Yet serving many fewer stops would make the service faster and more reliable, and would save enough time to allow SKT to provide another daily round-trip each day on Route 40. City leaders at the small group meeting found these improvements appealing. The trade-off

between ample local fixed route stops, and more reliable and frequent service, went unresolved at the meeting.

The city leaders also discussed potential stop locations for Express routes. JWA and SKT staff recommended that they think about two stops in Dallas and three in Monmouth and Independence together.

For Dallas, the WalMart on Ellendale Road, the center of downtown, and West Valley Hospital were mentioned. West Valley Hospital runs its own reservation-based dial-a-ride service. Whether this service could connect to an Express route (and thus relieve the Express of having to make one of its two stops at the hospital) is not yet known.

For Monmouth-Independence, the group contemplated one stop near the center of Monmouth (and Western Oregon University), another stop in between the two cities, and a stop near the center of Independence.

DIAL-A-RIDE

Today, SKT provides 15.5 service hours of dial-a-ride in Dallas, Monmouth and Independence each weekday. This recommendation includes 13 service hours per day.

Some of these hours would be used by multiple vehicles, deployed simultaneously, when demand is high, so the span of service each day would be less than 13 hours long. For example, dial-a-ride might be available from 7:00 am to 5:00 pm (a 10 hour span), and for three hours service is provided by two vehicles and drivers. This would total 13 service hours of service per day.

How many drivers and vehicles should be deployed to handle peak demand will depend on the expectations (for wait time, availability and trip length) that SKT decides to set for the service, and on the underlying demand patterns of potential customers.

Dial-a-ride, even where it is relatively well-used, nearly always achieves low productivity (low

Regional Commuting Patterns

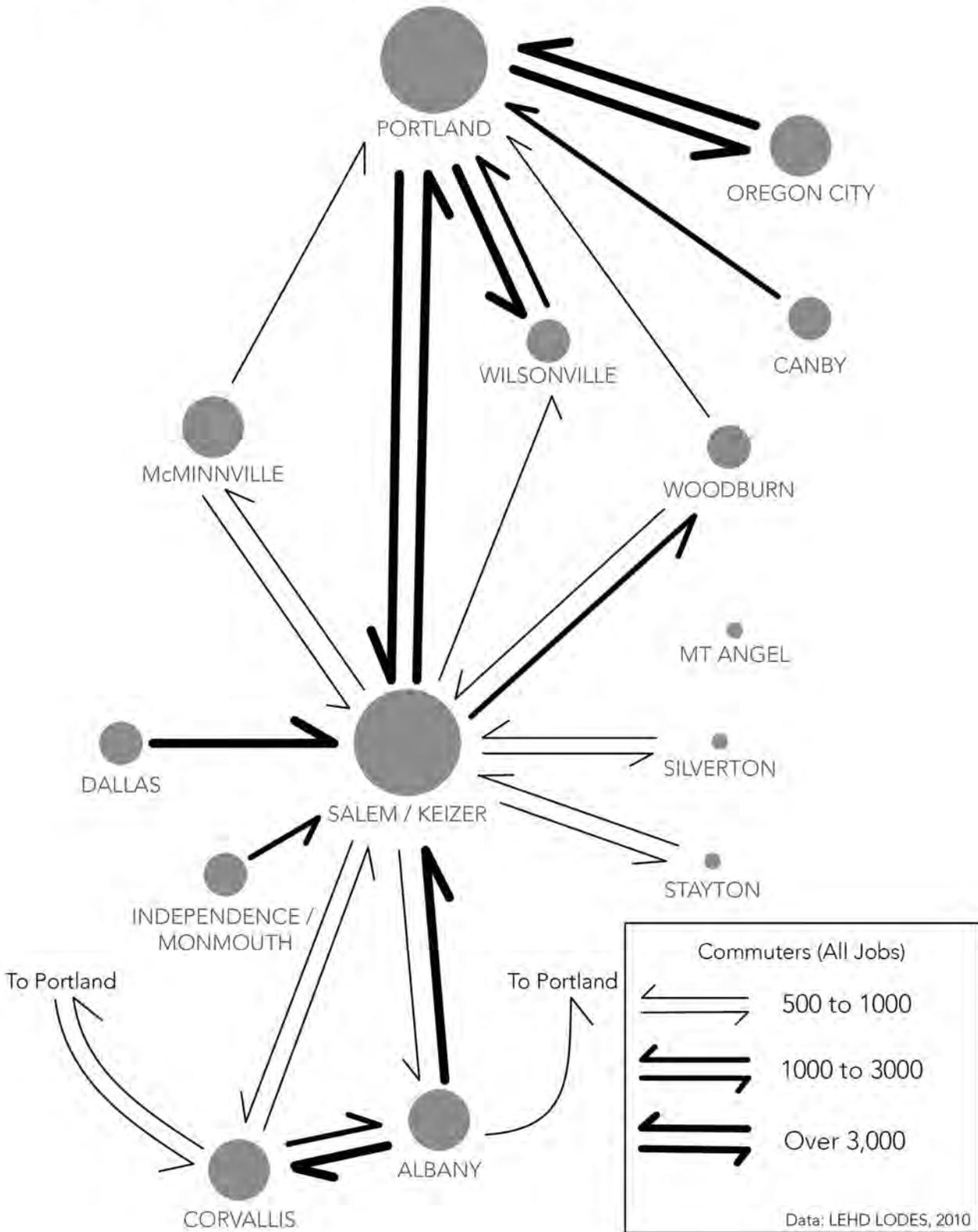


Figure 15: This diagram shows commute travel (at all times of day) among cities in the region, including the Portland Metro area. Some of these trips are routed through other cities, e.g. shown trips from Salem to Portland may pass through Wilsonville or Oregon City. Only commutes made by more than 500 people each day are shown here.

ridership relative to cost), because the limitations of time and space simply prevent a driver from serving more than seven or eight people each hour. Polk County is the only part of the region where we recommend that SKT continue to offer dial-a-ride. We have not recommended dial-a-ride services in the Silverton or Canyon Cities areas, where CARTS 25 and 35 operate today.

This investment in low-ridership service is recommended for Polk County, but not other parts of the SKT service area, because of the high concentration of people with disabilities, and the services and jobs that support them, in Polk County. While all parts of SKT's service area are home to people with severe needs, who could not access fixed route transit, Polk County seems to have a higher density of such people. (For reasons relating to their privacy and security, it is difficult to get fine-grained Census data on where people with disabilities live.)

A related recommendation, detailed starting on page 55, has to do with the relative prices of fixed route fares and demand-responsive fares. Today, SKT charges a customer the same price whether they walk to a bus stop and wait for a fixed route bus, or make a reservation and are picked up and dropped off at locations they select. We recommend that fares for dial-a-ride (and deviations, if SKT decides to continue operating deviated fixed routes) be increased.

2X SERVICE PAST DALLAS

Today, 2X service from Grand Ronde goes past Dallas on Highway 22, eight times each day. The Confederated Tribes of the Grand Ronde (who fund the 2X) have expressed a willingness to consider running it through Dallas, which would bring a very high level of daily service to Dallas (and anyone who can get to Dallas via another route).

However, it is currently not safe for buses to make left turns at the intersection of Highway 22 and Kings Valley Road, north of Dallas. Without some improvement there, the eight trips a day must pass Dallas (and connections to Monmouth

and Independence), rather than going through.

The major travel demand around Dallas is for trips from Dallas to the Salem-Keizer urban area (as shown in Figure 15 on page 29). The most useful transit route in Polk County is the 2X, which doesn't go to Dallas.

In an attempt to make use of the wealth of transit service going by on Highway 22, the draft network shown to city leaders included a Dallas-to-Salem connection six times a day that used the 2X. (Today, there are just two direct trips from Dallas to Salem each day, and another five that go the long way through Monmouth and Independence.) However, these six trips a day would be made possible by a transfer between the 40 and the 2X in Rickreall. (See Figure 16 on page 31.)

One of the representatives from Dallas said that he saw this as a worse scenario for the city than the existing service, because of the transfer. While transfers are inconveniences for riders, they can allow an agency to provide faster travel to many more cities, and more choices about when to travel, than can be provided with a network of infrequent one-seat-ride routes.

However, the consequences of a missed transfer in Rickreall would, under existing conditions, be severe. Thus the final network does not include this type of connection between Dallas and Salem (and did not make use of the existing investment in 2X service).

Unfortunately, this means that Dallas has only two direct trips a day to its biggest destination (Salem-Keizer) and six trips a day to a less-important destination (Monmouth-Independence).

Solving this mismatch between Dallas-to-Salem demand and service would require:

- a big increase in operational funding for more transit trips on the CARTS 50; or
- a fix to Highway 22 that allows the 2X to go to Dallas; or

- improvements in Rickreall that make transferring there more comfortable, and system-wide operational improvements (such as locational devices on all buses that allow operators to know if the bus they are supposed to meet is late) that make transfers more reliable.

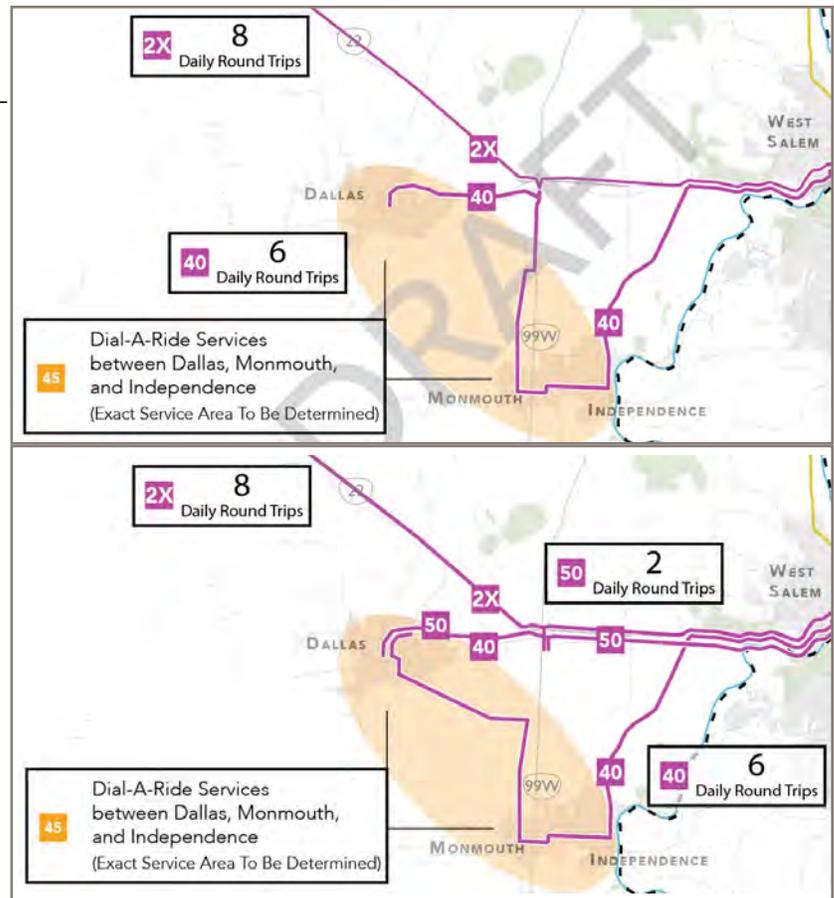


Figure 16: The first draft recommendation is at top, and the final recommendation at bottom. In the first draft, service between Dallas and Salem would have taken advantage of existing spending on the 2X, by asking people to transfer at Rickreall. This idea is not included in the final network. Instead, Dallas is served with two trips each day to Salem, and six trips each day to Monmouth/Independence. However, if someday the transfer at Rickreall can be made comfortable and reliable, or if 2X buses can turn off of Highway 22 safely, Dallas could have much more service to Salem than it does under this recommendation.

Stayton-Sublimity-Aumsville-Turner and the Canyon Cities

Two routes would serve these towns to the southeast of Salem:

- A route running on local roads, through south Salem, Turner, Aumsville and Sublimity, ending in Stayton. This route could be operated as an Express or, at a slightly higher cost and a slower travel speed, as a deviated fixed route.
- An Express route running between downtown Salem and Stayton, via Highway 22. (There is an option for this route to go farther east, in partnership with Linn County.)

CANYON SERVICE

When JWA and SKT presented the draft network to city leaders, at the December meeting in Stayton, representatives from the Canyon Cities (Mill City and Gates) were alarmed to see that there would be no service at all east of Stayton.

Today, all of the towns east of Salem get the same amount of daily transit service, whether they are big (like Stayton) or small (like Mill City). Ridership is predictably lower in smaller towns, and SKT’s costs are higher in farther-away towns (because SKT pays for the minutes and miles it takes to get there).

Shifting transit service towards the bigger towns would increase ridership, but it would have negative consequences for the small numbers of people in the small towns who depend on (or would like to depend on) that transit service. Thus a goal of increasing ridership within this corridor is in direct conflict with a goal of providing coverage service to every town, regardless of its size and ridership.

Today, the productivity of CARTS 30 is much higher on the western segment (between Salem and Stayton) than on the eastern segment. The cost per passenger is much lower on the western segment (see the table in Figure 17), both

Service name		Productivity (boardings per service hour)	Operating cost per boarding
40	Polk County	13.4	\$5.49
30W	Salem to Stayton	11.7	\$6.29
50	Dallas/Salem	11.1	\$6.64
1X	Wilsonville/Salem	22.0	\$7.21
30	Canyon Connector	8.4	\$8.80
10	Woodburn/Salem	8.2	\$8.98
20	Silverton/Salem	7.4	\$9.92
45	Polk County Flex	6.7	\$11.00
30E	Mehama to Gates	4.3	\$17.20
2X	Grand Ronde/Salem	7.1	\$22.20
35	Canyon Flex	1.6	\$47.25
25	North Marion Flex	1.0	\$75.72

Figure 17: This table shows the productivity (ridership relative to cost) of each route, and the average operating cost per rider. Route 30 is split into two segments (“30E” and “30W”). Productivity is much higher, and cost per boarding is much lower, on the western segment than on the eastern part. Ridership from the eastern towns will always be lower relative to cost, simply because the eastern towns are smaller, so there are fewer people available to ride transit.

Note also that the deadhead costs of Route 30 are spread across all routes, because this productivity measure uses service hours (which do not include deadhead) rather than vehicle hours.

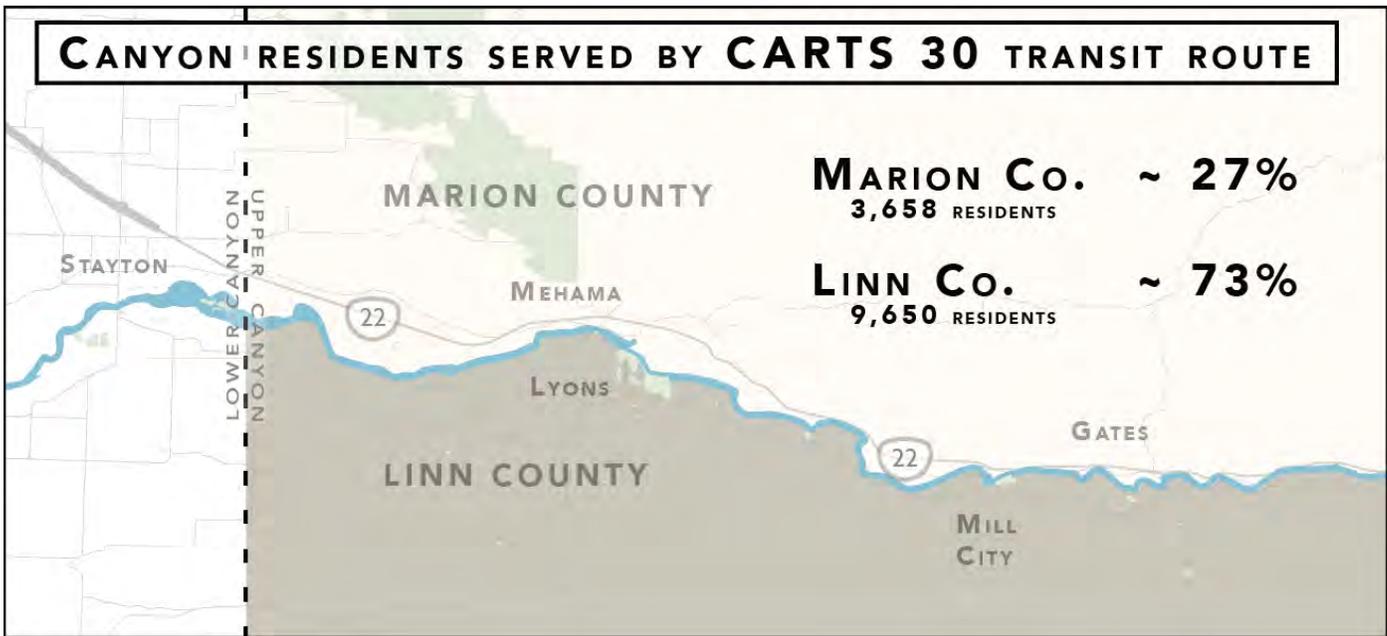


Figure 18: Most Upper Canyon residents live in Linn County, but their highway - and any transit service on the highway - naturally runs into Salem-Keizer. We recommend that SKT seek a partnership with Linn County to fund transit to the Upper Canyon. (The origin of this problem - one county's residents living on another county's transit corridor - is in the drawing of county lines nearly two centuries ago. If only they were drawn at the tops of ridges, instead of at the bottoms of rivers, this would not be a problem.)

because distances are shorter so the service costs less to provide, and because there are more passengers in those towns among whom to divide those costs.

Representatives from Mill City and Gates were alarmed at the potential elimination of any transit service to their communities. Their own communities' plans include hopes for more transit service, not less. In addition, they described how low-income people are often pushed (by social service agencies, or by family and friends, or by market forces) to housing in the Canyon, because it is so inexpensive. Yet private transportation to and from this housing is unaffordable to many of these people, and without public transportation they will be stranded there.

Rather than a cut, Mill City and Gates representatives suggested an increase in daily Express trips up the canyon. This might increase ridership from those towns on a per-day basis. However, it is unlikely to increase ridership on a *per-trip*

basis, and therefore would not reduce the cost per rider. Further, increasing service in bigger towns, instead of the smallest Canyon towns, would certainly garner *bigger* increases in ridership. Thus adding more trips per day up the Canyon would reduce ridership on the entire regional network, as service was pulled out of bigger towns like Dallas or Woodburn in order to reach the smaller Canyon towns.)

The upper Canyon Cities are not destinations for people living in the rest of the Salem-Keizer area, so there is very little travel demand to get there from somewhere else in SKT's service area. However, there is clearly a need for lifeline transit service among a small number of people living in Gates, Mill City, Mehama and Lyons. Most of those people do not live in SKT's service area - census data shows that 27% of Upper Canyon residents live in Marion County, while 73% live in Linn County (see Figure 18).

However, these Linn County residents all live

along Highway 22, which leads into Salem, not into Albany (the center of Linn County and of its transit network). For this reason, any fixed route transit service to these parts of Linn County is much better delivered through the SKT regional network rather than through Albany or Linn County networks.

In order to take advantage of the SKT network to provide lifeline service to Canyon residents, while avoiding shifting Marion-Polk transit funds to a predictably low-ridership, high-cost route, we recommend that SKT set aside its fraction of the funds needed to run such lifeline service and approach Linn County with the offer of a partnership. Linn County has access to the same state and federal monies for transit service as does SKT.

Either of Routes 30 or 60 (shown in Figure 19) could be extended up the Canyon, for a total daily operating cost of 2.8 service hours (assuming the Upper Canyon route were an Express - as a deviated fixed route, it would be more costly). If SKT were to fund 27% of the service, that would be 0.6 service hours.

At SKT's current operating cost, with continued service on weekdays only, split in proportion to population, this partnership could result in a cost to SKT of about \$14,000 per year and a cost to Linn County of about \$38,000 per year.

EXPRESS VS. DEVIATED FIXED ROUTE

In the first draft presented to city leaders, Route 60, which serves the smaller towns between Salem and Stayton, was shown as a deviated fixed route. It would deviate to places within 3/4 mile of the fixed route, with an advanced reservation, and so would offer an option to those people who cannot or prefer not to go to a stop in town.

The FTA does not require that Express routes provide paratransit service or deviate for people with disabilities. The choice between running Route 60 as an Express or a deviated fixed route

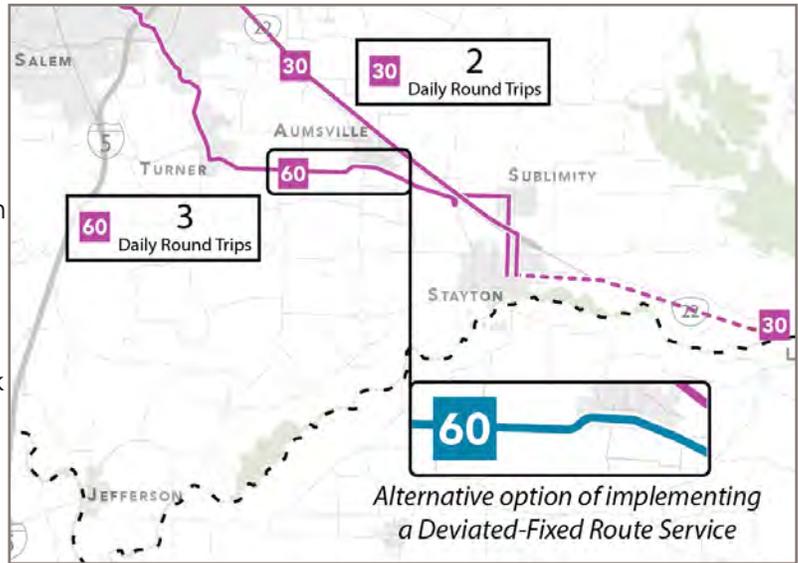


Figure 19: Whether Route 60 should be operated as an Express (in purple) or a deviated fixed route (in blue) should be resolved by local cities and by the SKT Board. The latter costs slightly more, and would likely have lower ridership due to its slower speed and lower reliability. However, it would provide more access for people who could not get to a stop in the center of each town.

is strictly a human services choice between providing more coverage at the expense of higher ridership.

Running this route as deviated fixed rather than Express has impacts on both cost and usefulness. Putting extra time in the schedule to make a deviation costs a little bit more on every round trip the bus and driver make. It would cost SKT about 0.3 more service hours per day to run it as a deviated fixed route than as an Express.

The other impact is usefulness. As a deviated fixed route, it offers access to transit to a group of people who otherwise might have no access, but it also deters a larger group of people who are in a hurry and who will be discouraged by the longer travel time, and the out-of-direction travel, that happens on a deviated fixed route. These people in a hurry aren't just affluent people who could drive their car instead - they are also low-income, working people who cannot afford to be late to work, who hold multiple jobs,

and whose time is extremely valuable.

One of the city representatives at the Stayton meeting asked how many people would be “stranded” if the dial-a-ride and deviated fixed route were replaced by an Express, and they had to walk (or get a ride) to a stop in the center of their town. To evaluate this, we accessed data for passengers who regularly use either CARTS 35 (the dial-a-ride) or deviations off of CARTS 30.

Twenty-five unique people used dial-a-ride or a deviation in October 2015, and two of them used mobility devices. The rest of the passengers weren’t using mobility devices, but that doesn’t necessarily mean they could access a single stop in the center of town. (Nor are people who use mobility devices inherently unable to access a fixed stop.) Most of the trips made by these 25 people are within Stayton, for which an Express route would not be helpful. The average cost (to SKT) of each of these passengers’ trips is \$47.50 (costs per passenger are shown in Figure 17 on page 32).

How to resolve this trade-off, and whether the Route 60 should be a deviated-fixed route or an Express, went unresolved at the meeting of city leaders.

Because the costs are so similar, and the impacts are so local, we have declined to recommend whether the Route 60 should operate as a deviated fixed route or an express, in this No New Funding scenario. The budget impacts of this decision are real but fairly small, while the travel time and reliability impacts on potential future riders are more significant.

This is a policy decision, and a difficult one, and we are not comfortable taking the high-level guidance from regional stakeholders and applying it to such a locally-contained trade-off. We recommend that this decision be made in discussion with local city leaders and stakeholders from Stayton, Sublimity, Aumsville and Turner, before the development of a final service plan.

However, if SKT can someday increase the number of daily round trips between Stayton and Salem (on the 30), thereby providing more frequency for people in a hurry, we would recommend that the Route 60 be operated as a deviated fixed route. For this reason, in the Increased Funding Network we have recommended that the Express on Highway 22 (the Route 30) be increased to three daily round trips, and the local route (Route 60) be operated as a deviated fixed route.

LOCAL ROADS VS. HIGHWAY 22

At the city leaders meeting, local roads vs. highway routing was debated.

In this recommendation, Route 30 would make no stops between Salem and Stayton, and so would be a fast ride for anyone in Stayton, or willing to drive to the Stayton park-and-ride.

Meanwhile, Route 60 would use local roads and hit all of the smaller towns between Salem and Stayton. It would be a slower ride to Salem, but would offer access to people in smaller towns (who don’t all own cars that they could drive to Stayton to catch a bus there).

There was a discussion about whether the Route 30 (on Highway 22) should serve *only* Stayton and the park-and-ride just north of it... or Sublimity as well...or Aumsville as well. These are all possible, though the more stops it makes in local cities near Highway 22, the slower it will get, before it isn’t very different from the local Route 60.

We estimate that someone’s travel time from Stayton to Salem would be 48 minutes on the local Express route (going through local towns), 60 minutes if the local were run as a deviated fixed route, and only 29 minutes on the Highway 22 Express route (Route 30). The bottom line is that the more time spent on local roads and stopping in additional towns, the more any travel time savings between Stayton and Salem will be eaten away.

One concern brought up by city leaders is the reliability of local roads in the spring and summer. Slow-moving farm equipment can cause serious delays. These roads are the only way to access these towns, but this means that the Route 30 (on Highway 22) would likely be even more attractive (for its speed and reliability) than Route 60, for the people who can access it.

Woodburn-Silverton-Mt. Angel

The recommended No New Funding Network would offer the following changes in the north-east part of SKT’s service area:

- A shift to Express services, rather than deviated fixed routes.
- Conversion of the resources used for the CARTS 25 dial-a-ride into more frequent service to Woodburn, Mt. Angel and Silverton.
- More opportunities for reliable, timed connections between SKT and Canby Area Transit in Woodburn.

City staff and elected officials from Woodburn, Silverton, Gervais and Mt. Angel, as well as one major employer (BrucePac), gathered for a meeting at the Woodburn Library in December to review and discuss a first draft network. Some of them had also been at the Stakeholder Workshop.

MORE EXPRESSES, LESS DIAL-A-RIDE

As in the rest of the network, this part of the network would be made up of Express services, making just one or two stops in each town, and not deviating in response to requests.

Generally, these city representatives supported a shift to Express services, because of the faster running time, lower cost and higher reliability they would offer to all riders.

They had concerns, however, about the loss of lifeline transportation for people who currently ride CARTS 25, in particular the small number

of people in Mt. Angel who do not currently have any other transit service. (Silverton residents are able to use the Silver Trolley dial-a-ride within the city limits, and Woodburn is thoroughly covered by an hourly circulator.) Silverton Health patients can use that organization’s CareVan, from Woodburn, Mt. Angel or Silverton. However, this serves only medical trips.

INCREASED FREQUENCY, LESS COVERAGE

Implementing this recommended network would increase the frequency of services to most of the towns in this part of Marion County:

- Six daily round trips between Woodburn and Salem (serving Gervais, Brooks and Chemeketa Community College), instead of the four round trips offered today,
- Four daily round trips between Salem and Silverton (via Chemeketa Community College) which are already offered today, and

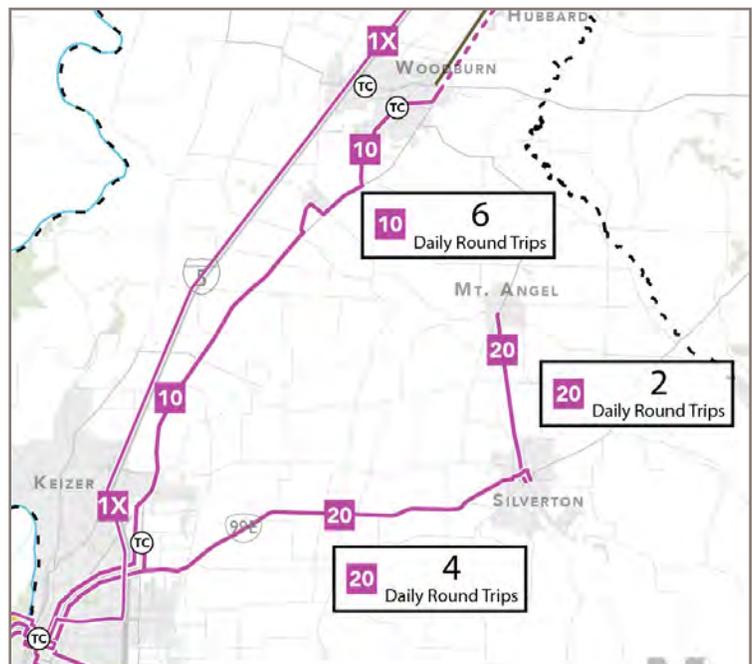


Figure 20: In the recommended network, service along 99E, and between Silverton and Mt. Angel, would increase. This would be paid for by the elimination of the CARTS 25 dial-a-ride.

- Two daily round trips from Salem to Mt. Angel, instead of the 1 round trip offered today.

However, much of this increase in frequency would be paid for by converting deviated fixed routes to Expresses, and by eliminating CARTS 25.

CARTS 25 is the least-productive and highest cost per passenger service in SKT's system. (See Figure 17 on page 32 for a summary of productivities and costs on all services.) Each hour that it is operating, CARTS 25 serves on average just one person for a one-way trip, at an average cost of \$75.70.

Twelve unique people used CARTS 25 during the month of October 2015, most of them for regular trips multiple times during the month. Many of their trips were within Silverton, which would not be accommodated by an Express route (but could be accommodated by the Silver Trolley). Some of their trips were between Mt. Angel and Woodburn, which would also not be accommodated by this network (as service from Mt. Angel goes to Salem via Silverton, not via Woodburn). Many of their trips were between Mt. Angel and Silverton; depending on their mobility, these riders might be able to use the recommended (more frequent) fixed route service between these two cities.

In the month of October 2015, none of these passengers were recorded as using a wheelchair.

The numbers of people who today use deviations on CARTS 10 or 20, or who use CARTS 25 is very low. Some of them may be able and willing to go to a stop in town and use an Express route. Those who are not, however, would be negatively impacted by this change.

CONNECTIONS WITH CANBY, OREGON CITY

Woodburn is an important transit destination because it is a big city, but also because it is where people can make a connection with Canby Area Transit (CAT). CAT's Route 99 gets them

to Hubbard, Aurora, Canby, and Oregon City eight times every weekday (and in Oregon City, a TriMet bus to downtown Portland comes every 15 minutes).

A great many people want to go from Salem to the Portland Metro area (as shown in the diagram on page 29). Today, ODOT provides all-day service between the two downtowns. SKT (and Wilsonville SMART) provide peak-only service between Salem and Wilsonville, which helps people access the west side of the Portland Metro area. We recommend that SKT (and CAT) work together to provide a connection to the east side of the Portland Metro area, through Oregon City.

Thanks to CAT's existing Route 99, there are eight opportunities each day for people in the Salem-Keizer area to make a low-cost connection between this region and the Portland region, through Woodburn. Increasing the frequency and the reliability of CARTS service to Woodburn is a necessary prerequisite to making a great SKT/CAT connection, and ideally (someday) running a service across the county line, in partnership, much as SKT and SMART do with the 1X to Wilsonville.

EXPRESS STOP LOCATIONS

CAT service currently stops at the Bi-Mart north of downtown Woodburn, at the intersection of Highways 99E and 214. Thus when city leaders discussed which locations in Woodburn would be strong candidates for Express stops, the Bi-Mart and the downtown transit center (near Chemeketa Community College) were top candidates. (There was a lower level of interest in having CARTS service to the transit center near I-5, where parking is ample but the density of residents and activities is much lower.)

In the future, if SKT and CAT enter into a funding partnership, there may be an opportunity to pay CAT to run its 99E service further into the center of Woodburn (rather than stopping it at the Bi-Mart). Or, if the two agencies were to simply share a long route that goes from Salem

to Oregon City, no transfer would be needed in Woodburn and this would become a moot point.

The other area of Woodburn where a CARTS stop would be desirable, but is not possible for Express routes, is along 99E. There are industrial jobs along 99E that are a long walk from both downtown and the Bi-Mart. BrucePac, located to the southeast of Woodburn, would particularly value a CARTS stop nearby. (BrucePac also has a location in Silverton, closer to a potential Express stop.) Unfortunately, federal regulations do not allow an Express route to make very many stops within cities. We do not recommend that SKT make more than two stops in Woodburn, without guidance to the contrary from federal regulators.

The locations of stops in other towns were also discussed. In Mt. Angel, Brooks and Gervais it is fairly obvious where a single stop would be best located, at the center of each town. In Silverton, however, there are three potential stop locations (at the hospital, downtown, and at the Roth's), but an Express could only make two. Today, more passengers use the downtown and Roth's stops than the hospital stop.

MT. ANGEL CONNECTION

The draft network shown at this meeting included a route connecting Mt. Angel to Salem via Silverton. However, it would also be possible to connect Mt. Angel directly to Woodburn, instead of Silverton, by extending CARTS 10 from Woodburn south. When asked whether this was an appealing idea, the representative from Mt. Angel said that she thought given a choice between the two, a connection to Silverton (and a more direct connection to Salem) was preferable. Census data shows that nearly the same number of people travel for work from Mt. Angel to Woodburn as from Mt. Angel to Silverton.

Many of the networks designed at the Stakeholder Workshop included a two-way loop connecting Woodburn, Mt. Angel, Silverton and the Salem-Keizer urban area. This would be a great service for people living in Mt. Angel and Silverton in particular (because people in



those communities could then access either of their big neighboring cities, without a transfer). However, we have not included it in either of our recommended networks because the additional cost of running service between Mt. Angel and Woodburn is large enough that frequency between Salem and Woodburn (or some other pair of large cities) would have to be cut to make it possible. There are simply too few people in Mt. Angel and Silverton to make such a loop a higher-ridership service than more frequent service between Salem and Woodburn (and, by extension, Canby and Oregon City).

This recommended No New Funding network includes two daily round trips between Mt. Angel and Salem (via Silverton and Chemeketa Community College), twice as round trips as are offered today. Today, transit only serves a peak commute from Mt. Angel to Salem, and back, each day. Adding a second round trip means that people who don't live in Mt. Angel could get there in the morning and return in the afternoon.

Wilsonville

The recommended networks do not include any changes to the amount of service SKT currently provides to Wilsonville on the 1X.

However, some stakeholders at the Workshop expressed their desires for a 1X deviation to Woodburn, on some or all trips per day, and for some additional frequency on the 1X.

The 1X is currently funded out of the Cherriots

budget, not the regional CARTS budget. For that reason, we did not include it in this recommended regional network. However, given its current high productivity, additional round trips each weekday (and on weekends) would likely increase its productivity further.

If SKT adds service to the 1X in future years, and as SKT continues to evaluate the 1X's performance, we recommend that staff be careful not to cut or add trips to the daily schedule based on the productivity of each individual trip alone.

Once a peak-only route has achieved such high ridership, and has many trips in each peak, additional off-peak trips can increase the *daily* productivity of the route even as those individual trips themselves appear unproductive in isolation. As described earlier in this report, mid-day and late-evening trips are valuable even to peak commuters, because they support flexibility and spontaneity. They are also valuable for all of the other kinds of work and non-work trips that potential riders make.

It is common for an agency to notice that the last evening trip on a commuter express route is unproductive, and to then cut that trip and reallocate it to the peak. Over time, however, what was the *next-latest trip* (and is now the last trip of the day) will drop in productivity, until it too looks as though it should be cut. Few responsible adults will plan their day - or their work life - around the last bus of the day, but the fact that it is there if they need it allows them to rely on transit for their commute. The same dynamic occurs with low-ridership midday trips.

WOODBURN-TO-WILSONVILLE

Woodburn representatives noted that most of their residents who travel outside the city for work head for the southwest part of the Portland metro area, not the southeast part (where CAT's Route 99 goes). For this reason, they expressed an interest in either having the 1X get off the freeway on its route between Salem and Wilsonville, or having an additional express route connecting Woodburn and Wilsonville.

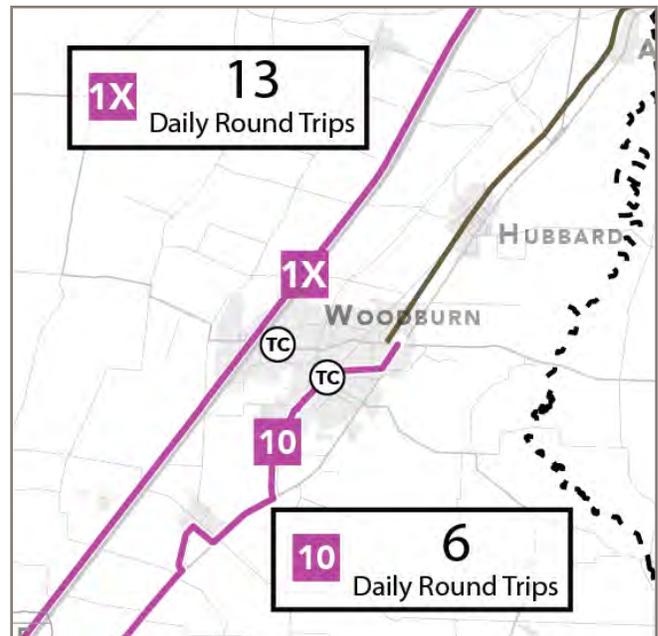


Figure 21: This recommendation does not include deviating the 1X to Woodburn. Such a deviation might actually decrease the productivity of the 1X, because the added travel time might drive away more riders than the added stop attracts.

The 1X is very productive today, and at first glance it might seem that another express route, between Woodburn and Wilsonville, would also be productive. However, it would be different from the 1X in two ways that would reduce its ridership potential.

First, the ride would be much shorter, which reduces the incentive for people to use it. If it is a low-frequency peak service - likely just two round trips per day - riders would be accepting a great deal of rigidity in their daily travel in exchange for a small benefit. The 1X, by contrast, offers people a very long ride, which means that there is a big payoff for organizing one's daily schedule around the transit schedule.

Second, the number of commuters traveling between Woodburn and Wilsonville, and between Woodburn and the Portland Metro area north of Wilsonville, is lower than it is for Salem. (Commuter trips around the region are summarized in the diagram on page 29.) While

commuting is not the only reason people travel, it is a major component of daily transit ridership.

These factors would also affect the 1X should SKT decide to deviate off of I-5 to serve Woodburn, in between Salem and Wilsonville. The number of riders gained by the stop, on an average round trip, would likely be fewer than the riders lost due to the increased travel time on the route.

In a much higher-funding scenario, in the future, it may be appropriate to add a Woodburn-to-Wilsonville Express service. In the short-term, however, such a service would not be consistent with the input we have heard from stakeholders, that they prefer that SKT increase ridership within the existing budget.

Peaks

One of the questions that arose in conversations with stakeholders and city leaders is how much SKT's Express service should be scheduled for peak commuting, rather than midday or evening travel.

Those of us who plan transit, and who have the time and energy to participate in public planning processes, tend to commute on the peaks. As of 2010, 29% of U.S. workers did not work a standard 8-to-5 schedule.

Transit decision-makers sometimes have a "blind-spot" to these facts and as a result, many transit systems are "over-peaked." Routes run only on the peaks, or more frequently on the peaks, when in fact demand may be highest at other times of day. (On many routes in the Salem-Keizer urban area, demand is consistent all day long, with a small peak in early afternoon, when service workers are changing shifts and students are leaving school.)

People who commute on the peaks also have a reason to value midday and late trips. All people, regardless of their income, value flexibility and spontaneity. If a transit service does not support

a midday trip home to pick up a sick child, or a late night at the office finishing a report, more affluent people can easily respond by using a private car. Even very low-income people who need to travel at uncertain times will find another option (such as a ride from a family member, or a very inexpensive car) if the transit network does not offer them needed flexibility.

That said, if a small town is connected to Salem-Keizer by just a few round trips per day, it will make sense for most or all of them to be early and late enough that people could use them to reach an 8-to-5 job. This means that they also work for people who need to make a medical appointment or run errands, though those people will likely have a very long wait sometime during the day.

For example, the two daily round trips to Mt. Angel should be timed so that someone could use them to commute to an office job. On the other hand, in cities like Stayton, Woodburn or Monmouth, where there are 4-6 round trips each day, SKT should make an effort to offer trips both on and off the peaks.

Pulses

Besides peaks, another scheduling consideration for these recommended networks will be pulsing. Pulses make low-frequency services (like the ones in SKT's regional network) more useful to a wider range of people by eliminating the long wait to transfer. If two bi-hourly routes were to connect at random, a person transferring between them would wait, on average, one hour. If they are scheduled to pulse, however, the wait could be very short.

Pulses must be carefully scheduled and maintained over time, because if one bus is just a few minutes late, the consequences can be dire. In the example of two bi-hourly routes, the average un-pulsed wait would be one hour; with a pulse it could be just five minutes; but with a *missed* pulse it would be one hour and 55 minutes! And that person might lose their job as a result.

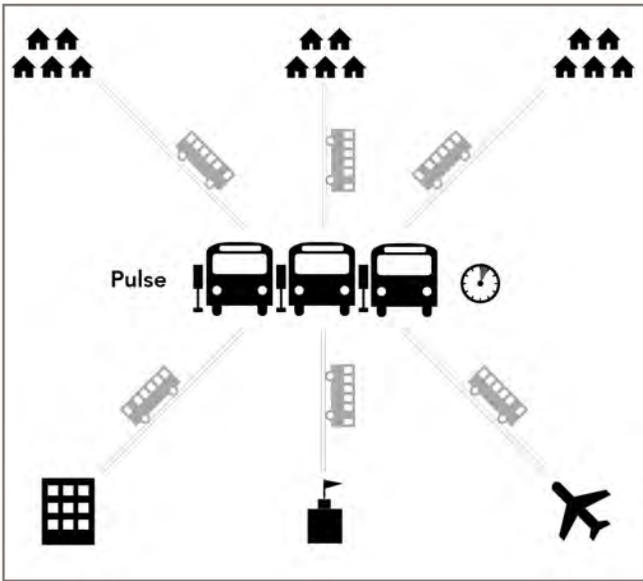


Figure 22: In a pulse, multiple bus routes come together, dwell for a few minutes so that their passengers can transfer among them, and then head off again.

While Cherriots routes pulse for just a few minutes at the DTC, these CARTS routes would require longer pulses. For the purposes of estimating costs, we have assumed that Routes 10 and 40 would pulse together for 10 minutes at the DTC (and Route 10 would pulse with CAT’s Route 99 for 10 minutes in Woodburn).

SKT already owns an asset that makes pulsing regional routes more appealing, and that is the Salem Downtown Transit Center. The DTC is an excellent place to ask people to wait, and it gives riders some recourse - rest rooms, shelter, schedules, customer service staff - if they miss their connection or need to change their plans. There is also enough physical space to bring multiple CARTS buses together at stops at the DTC.

Scheduling Service

There are many different ways that these regional routes could be scheduled to come together at the Downtown Transit Center. A few considerations include:

- Routes 10 and 40 have similar “cycle times” (the amount of time it takes them to make a

round trip, reliably), and could be “pulsed” together every three hours.

- Certain pairs of routes may serve more important cross-regional travel patterns, such as Polk County to Woodburn. Data on work travel among the cities on the regional network is available to SKT planners, and can be used to prioritize certain pulse combinations.
- A pulse between Route 10 and Canby’s Route 99, in Woodburn (or, in the future, in Canby) could govern the timing of Route 10’s pulse at the DTC.
- Routes that service Chemeketa Community College and Western Oregon University should be scheduled so that they go out-bound early enough for students to reach morning classes on time.
- Routes coming from small towns that have little employment should be scheduled so that they come inbound (towards higher-employment towns) in the morning. However, this comes with a cost, if vehicles can’t be stored overnight in those towns, and must be driven out first thing in the morning (as described starting on page 63).
- Balancing desires for more frequent trips at peak-commute times with trips that allow non-peak commuters to reach their jobs, and allow people the flexibility to travel early, late, or in the midday.

Potential Inter-agency Partnerships

In explaining this recommended No New Funding Network, we have alluded to a number of opportunities for SKT to partner with other agencies. They are explained more fully in this section.

CANBY AREA TRANSIT

Today Canby Area Transit operates a single fixed route, the “99.” It runs from Woodburn

to Oregon City eight times each weekday (and more frequently than that, within Canby) as described starting on page 37.

There are a number of reasons we believe an improved 99E connection with Canby and Oregon City would result in higher ridership:

- There is two-way travel demand all along the 99E corridor, from Salem to Portland, among many different towns. Buses running on this corridor would attract riders in both directions, on all segments of the route, at most times of the day. This offers great potential for high productivity, because the transit agency isn't paying for empty buses in one direction.
- There is all-day travel demand along 99E. This relates to the mix of industry, service and office jobs; social and public services; and educational facilities, located walking distance from 99E. All-day demand makes transit more productive, compared to peak-only demand.
- All of the towns along 99E developed before the interstate freeways and are thus fairly transit-oriented. The cores of the towns are mostly walking distance from the highway, or on a nearby parallel road. This means that a route along 99E can get passengers close to a lot of destinations while still feeling fairly direct for long trips.

Canby Area Transit recognizes that Canby residents want to travel to Oregon City, and to Woodburn, and to the many towns in between. For that reason, CAT's Route 99 goes far beyond the Canby service boundaries. SKT could certainly do the same, and send Route 10 to Canby, but a more substantial collaboration with CAT could be very fruitful.

We recommend that SKT begin a conversation with CAT about planning and funding service to the 99E corridor, together. A partnership that accomplishes this could be phased in this way:

1. First, CARTS 10 and CAT 99 are scheduled so that they reliably make a pulse at the Woodburn Bi-Mart.
2. As in #1, but with the exchange of some funding (to pay for the extension of CAT 99), the two routes pulse at the Woodburn Transit Center, which would be a better location for a pulse.
3. SKT runs the CARTS 10 to Canby, and CAT runs its Route 99 to Woodburn - the two routes overlap, sharing stops and shelters. Anyone traveling between Canby and Woodburn can wait at a single stop for either agency's bus, and on many trips each day the routes may offer them a one-seat ride.
4. SKT and CAT run the 10 and the 99 all the way from downtown Salem to Oregon City. Each agency uses its own buses and its own drivers, but the routes are the same. It would probably make sense for SKT to rename the CARTS 10 to the CARTS 99, in this case. It would also make sense for the two routes to charge the same fare. This is the current arrangement between Wilsonville SMART and SKT, for operation of the 1X, today.
5. As in #5, but one agency or the other runs the new Route 99, from Salem to Oregon City. The agency that does not run the route itself compensates the other partner.

LINN COUNTY

As described earlier (starting on page 31) 73% of people living along Highway 22 east of Stayton live in Linn County.

Yet SKT's authority as a transit provider was granted by Marion and Polk Counties, and it is due to that relationship that SKT accesses federal and state grants for transit.

Linn County and Albany Transit have access to similar funding. Unfortunately, Linn County residents in the Canyon are very isolated from the rest of their county, and from the Albany Transit network. They are much better connected to the

Salem-Keizer local and regional networks.

We recommend that SKT approach Linn County and start a conversation about pooling state and federal funds, in order to provide lifeline service up the Canyon. At SKT's current operating cost, with continued service on weekdays only, split in proportion to population, this partnership could result in a cost to SKT of about \$14,000 per year and a cost to Linn County of about \$38,000 per year. The cost sharing arrangement could be updated every decade, when new Census data allows an update of which county the residents served by the route live in.

While we imagine that Linn County is already struggling to meet transit needs elsewhere, it will be hard for SKT to justify spending funding meant for Marion and Polk residents on service to a very rural part of Linn County. Canby Area Transit sends its service across county boundaries because large numbers of Canby residents and businesses have travel desires that cross those boundaries. The same cannot be said for this rural part of the Canyon, where transit service will primarily benefit local (Linn County) residents.

CONFEDERATED TRIBES OF THE GRAND RONDE

As described starting on page 30, the 2X Express funded by the Tribes could not pass through Dallas without improvements to the intersection of Highway 22 and Kings Valley Highway. A staff representative of the tribes indicated some openness to the idea of the 2X serving Dallas, though its impacts on travel time and cost would need to be discussed.

We recommend that SKT, the City of Dallas, Polk County and the Tribes jointly ask ODOT to look at this intersection, and to think about how to make improvements that would allow greater gains from the considerable transit investment already made in the 2X.

ALBANY TRANSIT

Another omission from this map is the addition of service to Albany. Many stakeholders

expressed an interest in such service, either via I-5 or local roads, and there is a great deal of demand for travel between Albany and Salem (as shown in Figure 15 on page 29).

We have not designed this idea into either recommended network because there is already intercity service between Salem and Albany – six times each day (including on weekends) the Oregon POINT bus goes between the two. (In contrast, the POINT connects Salem with Woodburn only twice daily, and with Oregon City only once daily.)

However, the POINT bus departs from Salem's Amtrak station, which is a 15 minute walk from the Downtown Transit Center (though it is closer to major state employment buildings). Also, Mission Street ramps in front of the Amtrak station preclude Cherriots bus stops near the station, which contributes to the lack of frequent service between the station and the DTC.

Further, the POINT bus is more expensive (at \$11, one-way) than a CARTS Salem-to-Albany route would likely be.

Any SKT service between Salem-Keizer and Albany would be competing with POINT service (which is not true of either the 1X or the recommended connection to Canby and Oregon City). While connections on local roads between North Albany and Salem might generate modest ridership, they do not rise to the level of inclusion in this 125% funding recommendation.

Increased Funding Network

Today SKT’s regional services are paid for by federal funds; by state funds; by fares; by Salem-Keizer property taxes and Wilsonville payroll taxes (for the 1X); and by one partnership (funding of the 2X by the Tribes).

This package of funding represents the bare-bones level that is available in Oregon, and it is particularly low for a pair of counties with such a large urban area at their center. It is possible that in future years the state, counties or cities will decide to raise more money for transit service. The network shown in Figure 24 on page 45 would implement the stakeholder guidance received in this planning process, but would require 25% more funding for regional transit operations than is available today, for 84 service hours per weekday.

Weekends

Were SKT to begin operating Cherriots service on the weekends, we would recommend that

instead of making any of the changes reflected in this Increased Funding Network, SKT simply pay for weekend service on the No New Funding Network.

When people at the Stakeholder Workshop were asked what they would do first, if they had more budget for regional transit, the most popular response was “Add weekend service.” However, once they realized that CARTS weekend service could go forward without Cherriots, a few people said that they would change their answer. Without the strong urban network to provide mobility within Salem-Keizer, weekend service from smaller towns to the heart of the urban area didn’t make as much sense to them.

To the No New Funding weekday network, SKT could add weekend and holiday services at lower frequencies, at half of the cost of weekdays. This would cost about one-quarter of the weekday-only network, coming close to the 125% budget for this Increased Funding Network.

(However, the cost of this 125% network is

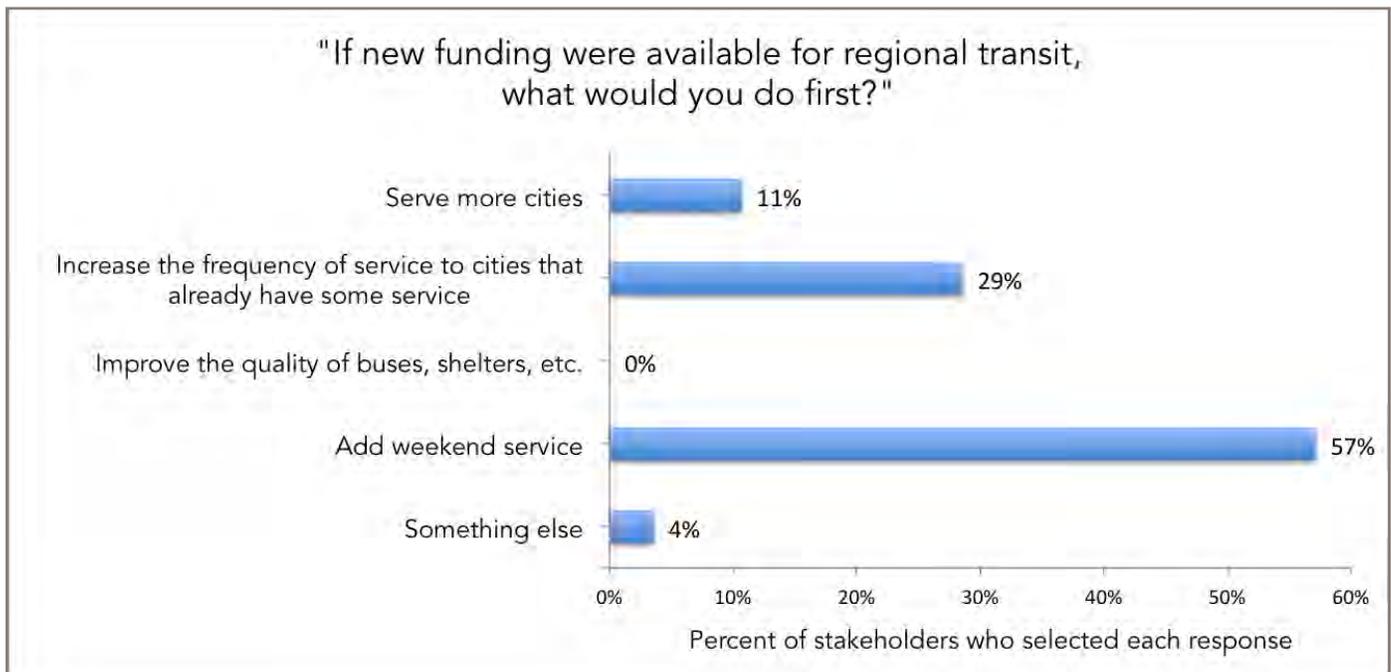


Figure 23: Adding weekend service was the most popular choice, at the Stakeholder Workshop, for how to spend any additional regional transit funding. However, without the urban network (Cherriots) also running on weekends, regional weekend service is unlikely to attract much ridership.

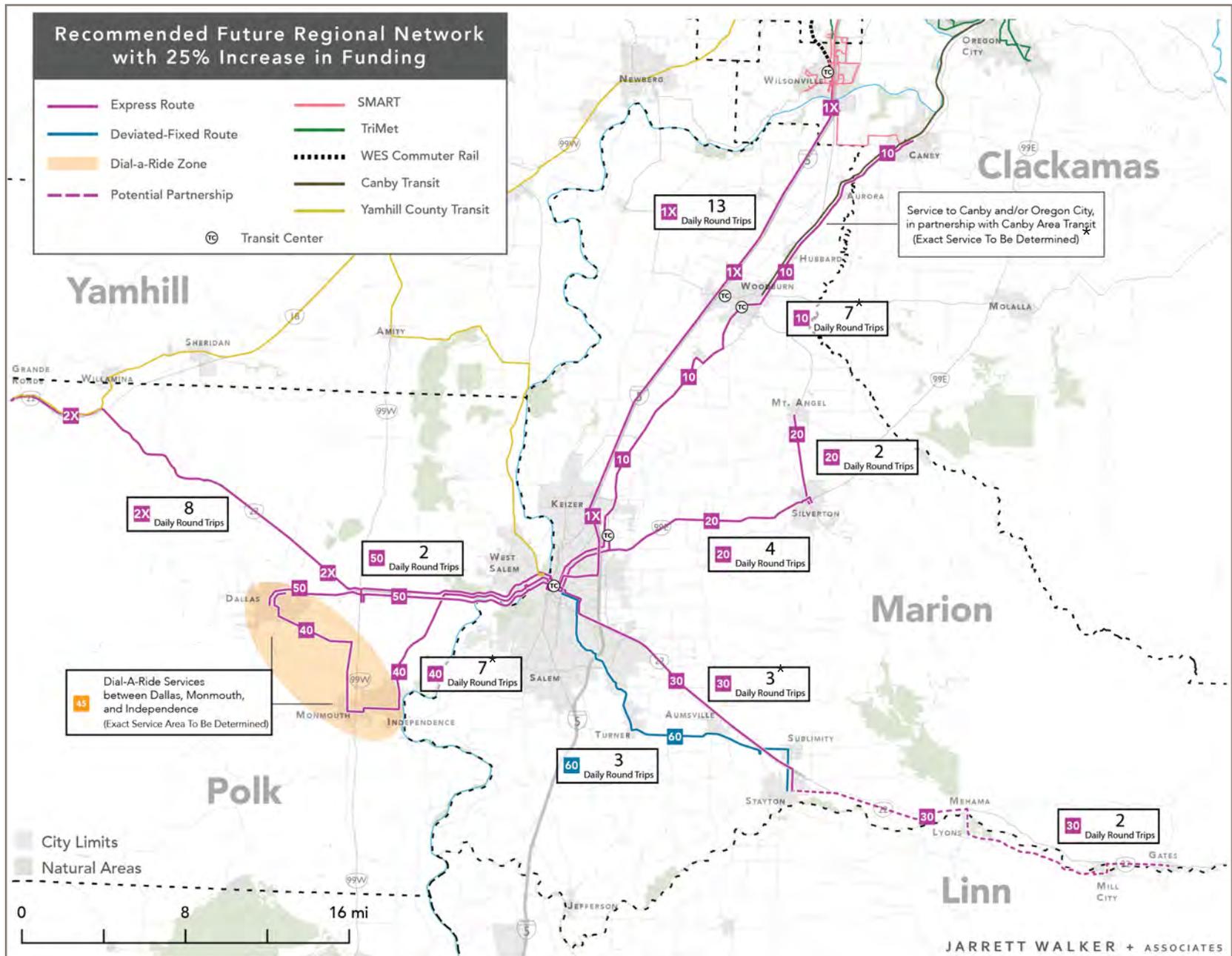


Figure 24: If funding for transit were increased by 25% in the Salem-Keizer region, we would recommend adding more trips among the biggest cities, so that people have more choices about when to travel each day. *Additional daily round trips over the No New Funding network.

estimated in service hours, not in dollars. Some costs related to adding weekend staff aren't captured in service hours. Because shifts become more complicated, and staff may need to be paid more to work on weekends and holidays, the cost in dollars of adding weekend service may be a little higher than the service-hours-based estimate suggests.)

Providing weekend service on the regional network would do more to increase total ridership than the small additions of frequency and demand-response described below. However, this would only be the case if Cherriots were also operating on weekends. Thus, for this Increased Funding recommendation, under the assumption that regional funding could increase before Cherriots weekend service is added, additional revenue for CARTS has been spent on weekday-only service.

Increased Frequencies & Spans

The increases we recommend in this network are mostly designed to continue growing regional transit ridership, rather than to expand coverage. This is consistent with stakeholder input that, aside from adding weekend service, increasing service frequency among cities is more important than adding service to cities that currently have none.

The Increased Funding Network differs from the No New Funding Network in the following ways:

- One additional daily round trip between Salem and Woodburn on Route 10 (seven, instead of six).
- Route 10 would continue all the way to Canby three times a day. (By partnering with Canby Area Transit, SKT may be able to

Increased Funding Network - Weekday Frequencies and Costs		
Service	Round trips per weekday	Quantity (service hours)
10 Salem-Woodburn	7	21.0
10 Woodburn-Canby	3	9.3
20 Salem-Silverton	4	6.4
20 Silverton-Mt. Angel	2	1.0
30 Salem-Stayton (via Hwy 22)	3	3.5
30 Stayton-Gates*	2	0.6*
60 Salem-Stayton (as a deviated fixed route)	3	6.3
40 Salem-Dallas (via Mon.-Ind.)	7	18.0
50 Salem-Dallas (via Rickreall)	2	3.2
45 Dial-a-ride for Dallas-Mon.-Ind.	--	13.0
SKT total for all services:		82.2
*Because 27% of people living east of Stayton are in Marion County, we recommend that SKT reserve 27% of the 2.8 service hours it would cost to run Route 30 between Stayton and Gates, and pursue a partnership with Linn County to fully fund the service. This recommendation is discussed further starting on page 32.		

Figure 25: The number of daily round trips on each route, and the quantity of service (which correlates with cost), in the recommended Increased Funding Network.

make this investment go farther, perhaps all the way to Oregon City twice a day.)

- One additional daily round trip between Salem and Stayton via Highway 22 on Route 30 (three, instead of two).
- One additional daily round trip between Salem and Dallas, via Monmouth and Independence on Route 40 (seven, instead of six).

Route 60 between Salem and Stayton, which runs on local roads (rather than Highway 22), could more easily be run as a deviated fixed route in this Increased Funding Network, because a third daily trip would have been added to the Express (Route 30). Running Route 60 as a deviated fixed route would cost slightly more service hours than are shown in the table in Figure 25.

Running Route 60 as a deviated fixed route is the only change that we do not expect would increase ridership. However, city leaders in those towns expressed deep concern over the plight of people with severe needs who could not access an Express, and this increase in access would help address those severe needs. Given that stakeholders at the Workshop did not desire a *totally* ridership-maximizing network, this lower-ridership alternative seems appropriate in an increased funding scenario.

Potential Inter-agency Partnerships

CANBY AREA TRANSIT

In this network, some of the increased funding for regional transit has been spent running CARTS 10 past Woodburn, to Canby. This potential partnership, and how it might be phased, is described starting on page 41.

WILSONVILLE SMART

City representatives from Woodburn expressed a desire for access to 1X service, so that Woodburn commuters could reach Wilsonville and the



southwest Portland Metro area.

We have not recommended this addition, in the Increased Funding Network, for two reasons: we are not confident that it would be a productive service (for reasons described starting on page 29), and are concerned about impacts on the large number of existing 1X riders.

WESTERN OREGON UNIVERSITY

A representative of Western Oregon University (WOU) participated in both the Stakeholder Workshop and the City Leaders meeting. He expressed WOU's interest in greater frequency of service between WOU, Salem-Keizer and Dallas. He also suggested that if a financial partnership between SKT and WOU would help increase the frequency of service, that should be explored in the future.

The No New Funding recommendation shown in the map on page 27 includes one more round trip on Route 40, which connects WOU to Dallas, Independence and Salem, than exists today. Any further additions of frequency, such as the 8th daily round trip shown in the Increased Funding network map on page 45, would require new funding, and that could include funding from partners like WOU.

Implementation

This chapter describes some of the questions and processes that SKT will need to consider if the agency decides to implement part or all of these recommended networks.

Relationship between CARTS and Cherriots

CARTS and Cherriots are currently different services, in many ways:

- Different names
- Traveling different distances
- Different fares and tickets
- Serving different cities (except for Salem)
- Shown on different transit maps (at very different scales), using different colors
- Different vehicles
- Different drivers
- Different customer service centers
- Different sources of funding

And yet they are operated by the same agency, they come together in downtown Salem, and many people use both.

This raises the natural question: *Should they be combined?*

Complete integration of every element listed above would be a big undertaking, but only some of it would have an effect on customers, and not necessarily a positive effect at that.

We recommend that SKT start by thinking about whether certain types of integration would:

- more clearly communicate the usefulness of each service to customers,
- result in a greater quantity of service,
- result in a higher quality of service,

- increase ridership in other ways, or
- achieve other agency goals.

Certain types of potential integration between Cherriots and CARTS – and areas of potentially useful distinction – are described in this section.

Service Branding

Service branding makes the features of a transit network that relate to its *utility* visible to and understood by customers.

Some brands on transit do not relate to utility – such as the name of the operator (“Cherriots”) or the fuel powering the bus (“Hybrid”). These brands have a purpose, but the purpose is not describing a service’s *usefulness*.

In urban transit networks, agencies will sometimes brand certain routes based on their frequency (such as TriMet’s “Frequent Transit Network”) or their speed (“Rapid” buses or trains) or their path across the city (“crosstown”). In a rural network, these distinctions are minor.

There are distinctions relating to service utility that can be made between local, urban services and regional routes, and among the other services SKT operates. Some of these distinctions are inherent:

- Express routes will travel for very long distances between stops, whereas Cherriots routes (and Woodburn’s circulator, the other local fixed route in the area) make closely-spaced stops
- Express routes will make fewer trips per day than Cherriots routes; the latter run at least every hour, and as much as every 15-30 minutes
- Deviated fixed routes will accept requests for deviations, and will be slower than Express routes most of the time
- Dial-a-ride services accept reservations from the general public, for travel from anywhere

to anywhere within a zone. Unlike the other services, they have no fixed route or stops

- Paratransit (CherryLift) is only available to people who have a disability that prevents them from using fixed-route transit. They can make a trip from anywhere to anywhere, within a zone, with a reservation. Paratransit has no fixed stops

We recommend that SKT use these inherent distinctions, all of which relate to utility, to brand its services. This means that we recommend SKT continue to show the public through names, information, colors, maps and other indicators that regional services (like CARTS and the 1X) are not the same as local services (like Cherriots).

It may be that some naming conventions and service brands already being used would work well in the future - for example, if the "X" convention were applied to future regional routes that operate as Expresses. The route to Dallas would be called the 5X and to Stayton the 3X.

(A nice effect of naming routes with single-digit numbers is that they fight the impression that transit is complex and hard to figure out. Big numbers create a subtle, subconscious illusion that there are many, many routes.)

This is not to say that CARTS services – even deviated fixed routes – aren't ready for a re-branding. Nor that some over-arching brand shouldn't be applied to Cherriots, CARTS and the "X"s. However, such an over-arching brand would identify the agency, not the particular features of each type of service that makes it useful to the customer. This suggests that the over-arching branding should be subtle, so that service brands are distinct and visible.

CARTS has a legacy of social service that has been appropriate to its design and role in the community, and that now imbues its brand in peoples' minds. It is primarily a low-ridership service that meets the needs of small numbers of people who have few other choices. People

identify both the name and the vehicle (which resembles CherryLift vehicles) with this social service purpose.

If SKT implements some or all of these recommendations, regional services will attract a wider range of people as passengers. People with severe needs and disabilities should and will continue to ride, but they will be joined by others who have more choices. Any future brand for Express services should convey this broader usefulness and appeal, so that larger numbers of people get the sense that the regional service might be useful to them or someone they know.

Non-Branded Integration

Many other distinctions between CARTS and Cherriots are not inherent, meaning that they could be changed without changing the fundamental distinctions between SKT's urban and rural services. Two such differences are:

- The CARTS fare is higher than the fare for Cherriots; 1X and 2X fares are higher still. Transfers among them are not accepted, though one can purchase a Universal pass that is good on all of them.
- CARTS is operated with smaller, older buses than Cherriots and the 1X and 2X. The wheelchair lifts on CARTS buses are slow and intimidating.

Fares, transfers, and the comfort and reliability provided by a transit vehicle do relate to utility. Yet they needn't differ between SKT's local and regional services, and they are probably acting as barriers to increased ridership on the regional services. Branding regional services based on these differences would be short-sighted.

There are yet more non-inherent differences that are invisible and irrelevant to a customer's understanding of what each transit service does:

- Cherriots, 1X and 2X drivers are employees of SKT. CARTS drivers are employees of a contractor (MV Transportation), and their

compensation is lower than that of Cherriots drivers. This could potentially have an impact on the quality of service that riders receive, but it doesn't necessarily. Contractors can provide excellent service just like agency employees.

- Cherriots, 1X and 2X services are funded by local tax revenues, whereas CARTS service is funded by minimal state and federal grants.

These two factors - staffing and funding - are enormously relevant to how SKT manages these services. There may be benefits to integrating CARTS and Cherriots across some or all of these three areas. (Fleet ownership and maintenance are already integrated: CARTS, Cherriots, 1X and 2X buses are all owned by SKT, maintained by SKT employees, at an SKT maintenance facility.) However, such distinction or integration, being irrelevant to a customer's definition of service utility, doesn't belong in the service brand.

Differences in Unit Costs

There is a large difference in unit costs between CARTS (which is contracted-out to MV Transportation) and Cherriots. CARTS services cost SKT about \$74 per hour, whereas Cherriots services cost about \$159 per hour. Choosing the operator for a service thus has a big effect on how much service can be provided, within a fixed budget.

For example, on the surface, it appears that were SKT to shift the 1X and 2X services from Cherriots operations to MV Transportation (contracted operations), the agency could suddenly afford twice as much service with those dollars.

However, there may be difficulties in shifting Cherriots services to CARTS if the two sets of operators have different training, expectations or follow different operating procedures.

There is likely an inherited (but not inherent) difference in expectations of CARTS and the 1X in particular. CARTS services have, for many years,

been designed for the needs of a small number of people, many of whom are low-income, disabled or have limited choices for other reasons. The 1X, in contrast, was designed for peak-hour commuters, who are much more likely to be professional and affluent, and have more choices about how to travel.

The 1X and CARTS routes are both regional, can both run peak-only or all day, and can both be useful to a broad range of people for many kinds of trips. However, their independent evolutions and their current marketing emphasize their differences. Integrating them into a single regional Express brand would require eliminating some of these non-inherent differences, and would make them both more similar to one another. This could involve changes to the type of vehicles and how they are maintained, to the quality of stops, to the training and compensation of drivers, to the service brands, and to marketing and public information.

Governance

Volume I of this report, on Existing Conditions, described issues of CARTS governance at some length. While the system is regional, and draws on funding derived from its agreements with Marion and Polk Counties, the governing body that ultimately makes value judgements about how to design and run the system is elected from the Salem-Keizer urban area.

There is a very clear relationship between Cherriots service and the SKT Board. The relationship between 1X and 2X service and governance by the SKT Board is a little looser (since 2X service is provided by contract for the Confederated Tribes of the Grand Ronde, and the 1X benefits Salem-Keizer residents and Portland Metro residents alike). The relationship between CARTS services and the elected SKT Board is the least defined.

This mismatch may not cause problems, until it does. If that time comes, a number of potential changes to governance structure, or additions to

the structure that might address the problems, are described in Volume I.

SKT may wish to consider, in the near term, creating a committee to advise the agency on its regional services. This committee would have a broader purpose than the existing STF Committee (whose scope is more narrow, relating to state Special Transportation Funds for seniors and people with disabilities), but might include a delegate from the STF Committee. Such a regional transit advisory committee could be composed of representatives appointed by each County and each City in the region (except for Salem and Keizer), and would thereby help to balance out the urban constituents that the SKT Board naturally hears from most.

Contracting

Today, SKT pays MV Transportation for the hours of service it provides. (“Service” or “revenue” hours are the time that a bus spends in service, available to passengers, collecting revenue. These hours do not include deadhead time, during which the bus is driven to or from the garage or between routes, nor do they include driver breaks during which the transit vehicle is closed to passengers.)

We recommend that, in the future, SKT contract with providers for *vehicle* hours. Vehicle hours include deadhead time, and describe the time between when an operator pulls a transit vehicle away from a garage or an established storage location and when it is returned. Vehicle hours track most closely with the major driver of transit operating cost, which is drivers’ paid time.

It can seem, at first glance, that a transit agency would get more for its money by contracting for service (“revenue”) hours. In the very short term this is true, but in the long term, an agency will pay for deadhead time (which is counted in vehicle hours, but not revenue hours) one way or another.

The number of vehicle hours a given service

requires arises from choices about where buses are stored, where maintenance is performed, and where the buses and drivers start and end service every day. Because SKT controls all of these factors, SKT controls the major cost drivers of regional transit operations, and SKT should pay for vehicle hours.

The reason this is in SKT’s interests (and the interests of SKT customers) is that when deadhead costs are buried in revenue hour costs, they become opaque. It’s hard for SKT to know how choices about where to put a route in service first thing in the morning (e.g. out in Woodburn or in Salem) affect its operating cost. In the short-term, the revenue hours cost is the same; in the long-term, the contractor providing the service will naturally load deadhead costs into the revenue hours cost, raising the revenue hours cost. Similarly, if SKT were to eliminate deadhead time through a service change, the savings associated with that would be hard to see and slow to accrue.

The cost consequences of deadhead time on CARTS routes are currently opaque and delayed, instead of clear and instantly calculable, and the latter condition would better support smart service design decisions by SKT planners. Paying for vehicle hours, rather than revenue hours, would be a step towards greater clarity for SKT.

(Our recommendation would be different if maintenance and storage facilities were placed and provided by the contractor, because then it would be up to the contractor to plan for and manage deadhead costs.)

The other reason agencies do not pay for revenue hours is that doing so gives a contractor a *disincentive to improve travel times*. Every minute faster a route is run is an improvement in travel times for riders, but it is a minute of lost revenue for a contractor. This incentive structure is backwards - at the very least, a contractor should be paid the same whether a route runs slower or faster, and in fact many contracts

provide incentives for contractors to steadily improve travel times.

In order to contract for vehicle hours, SKT will have to think through and specify what type of time counts for compensation - for example, clear definitions of recovery time (which improves reliability), layover time (which provides a short driver break), time spent at pulses at transit centers, deadhead driving time, and time spent midday between peak-only services. The more specific SKT gets about the costs of its services, the more uncertainty is eliminated in contractors' estimations of potential costs, and the less contractors must hedge against future service-design-related cost growth in their bids.

Fare Structure Changes

Fares for SKT services – regional and local, deviated and fixed – have not been comprehensively reviewed or redesigned in many years.

In general, the current fare structure treats each service as a stand-alone product rather than as part of a network. (Only the Universal Month Pass suggests that these services might be used together for a single trip).

The current fare structure also seems to treat the 1X and 2X as “premium” services, and prices them accordingly, while other services are priced lower. Yet the principles behind this distinction are hard to deduce.

Fares are sometimes set in proportion to costs per boarding, so that an agency can recover its operating costs proportionately from riders on each service, and “farebox recovery” is consistent across services within a category or all services in the system, and the transit agency’s subsidy to each rider is roughly equal. Another reason to set fares this way is to send people accurate signals about what each service costs to provide, so that people use different services in proportion to both the cost (to the agency) and the value (to themselves).

Service	Full Fare
Cherriots	
One-way	\$1.60
Day pass	\$3.25
30-day pass	\$45.00
Annual pass	\$540.00
CARTS	
One-way	\$2.25
Day pass	\$4.50
Monthly pass	\$60.00
Universal month pass	\$85.00
Deviations/dial-a-ride	Free with fare
1X	
One-way	\$3.00
Day pass	Not offered
Universal month pass	\$85
2X	
One-way	\$3.00
Day pass	\$6.00
30-day pass	\$85

Figure 26: Current fares on regional and local services. SKT also offers reduced fares for qualified individuals.

SKT’s fare structure for all of these services is complex:

- The universal month pass is good on CARTS, Cherriots and the 1X...but not the 2X.
- A day pass can be purchased for all services...except the 1X.
- The CARTS and 2X day passes are exactly twice the price of a one-way ticket, but the Cherriots day pass is twice the price...plus five cents.
- You can buy a Cherriots pass that is good for 30 days from the purchase date...but a

CARTS monthly pass applies to the calendar month.

These surprising exceptions to patterns, and the lack of obvious and consistent principles underlying the prices, surely confuse and frustrate riders.

We recommend that the agency conduct a detailed fare study in the future, to simplify its offerings, to bring its fares better in line with its goals, and to evaluate any new fare media (such as transfer slips or electronic fare cards) that a simplified, updated fare structure would require. This study might require the SKT Board to adopt some policies relating to farebox recovery and, with it, costs per boarding.

SKT currently offers a reduced fare for seniors, youth and people with disabilities. This is a good practice, and should be continued across all fare types in the future.

TRANSFERS WITHIN THE REGIONAL NETWORK

Today, transfers between CARTS routes are not free for riders – they must purchase another ticket upon boarding the second route. However, a CARTS day pass is available for the price of two single tickets. This means that anyone who is making a transfer between two routes *and expects they will make a round-trip* can buy a day pass, and gets to transfer for free. People who do not expect to make a round-trip, perhaps because they get a ride from a family member or carpool one-way, cannot make a transfer as part of their (one-way) trip without paying twice.

Transfers among CARTS services and either the 1X or 2X are not covered by a CARTS day pass. Thus anyone wishing to use those two (currently distinct) networks must also pay twice.

Charging for transfers would make sense if transferring were a premium service that added to peoples' transit experience. In fact, transferring is slightly inconvenient for riders, but by asking them to transfer we can offer them a more abundant, direct and frequent transit network. The service a transit agency is providing is the

transport of someone from one place to another; it is not the boarding of a single bus. In light of these considerations, it makes little sense to charge for transfers.

SKT's current practice of selling a Day Pass at twice the price of a one-way ticket addresses this problem for people who make a predictable round trip, but many people will occasionally or often wish to make a regional trip by transit one direction, and by car the other.

SKT also sells a Universal Month Pass that allows for unlimited use of (and free transfers among) Cherriots, CARTS and 1X. The up-front price of this pass is \$85, which is out of reach for most low-income people to purchase at once. Even more affluent people are wary of making a big up-front investment in a monthly pass when they aren't sure how much they'll ride in the next month.

While the Day Pass and Universal Month Pass mitigate the impacts of non-free transfers for some customers, a more comprehensive revision of fares, and some degree of integration of fares across services, would address this problem for all riders.

Non-free transfers are a legacy of a time when individual transit routes were run by separate, sometimes competing companies. They are also a legacy of a time when transit agencies were greatly concerned about lost revenue from shared or sold transfers – a person getting off the bus could hand their transfer to a person just getting on the bus, depriving the agency of that revenue.

We advise SKT to not worry too much about this problem. Defending themselves against this minor fraud has caused transit agencies to design networks that avoid transfers as much as possible, become more complex and less frequent, and thereby lose ridership and relevance in their communities. In the end, making transferring as easy as possible threatens a little bit of fare revenue, but offers great returns to the

transit network and the community it serves.

TRANSFERS BETWEEN REGIONAL AND LOCAL SERVICES

SKT should consider reducing the cost of transferring from a regional service to Cherriots. Because the 1X, 2X and any future Express routes cannot make more than a few stops in Salem/Keizer, the Cherriots network is essential to helping many CARTS riders reach their final destinations. Offering free transfers between the two networks would not be unreasonable, though a discounted transfer would also be appropriate.

If SKT shifts to an Express network that makes limited stops in each city, it may also be wise for SKT and local governments to establish

a discounted or free transfer to other local services. For example, the City of Woodburn and SKT could make such an arrangement. As described above, a partnership with Canby Area Transit to provide service along the 99E corridor should eventually include some fare reciprocity.

Finally, SKT should consider how much time fare payment adds to its services' running times. When a bus stops for a passenger, some of this delay (to the other passengers on the bus) is caused by the boarding passenger paying their fare. Free transfers reduce this delay, as do the increased use of day or extended passes.

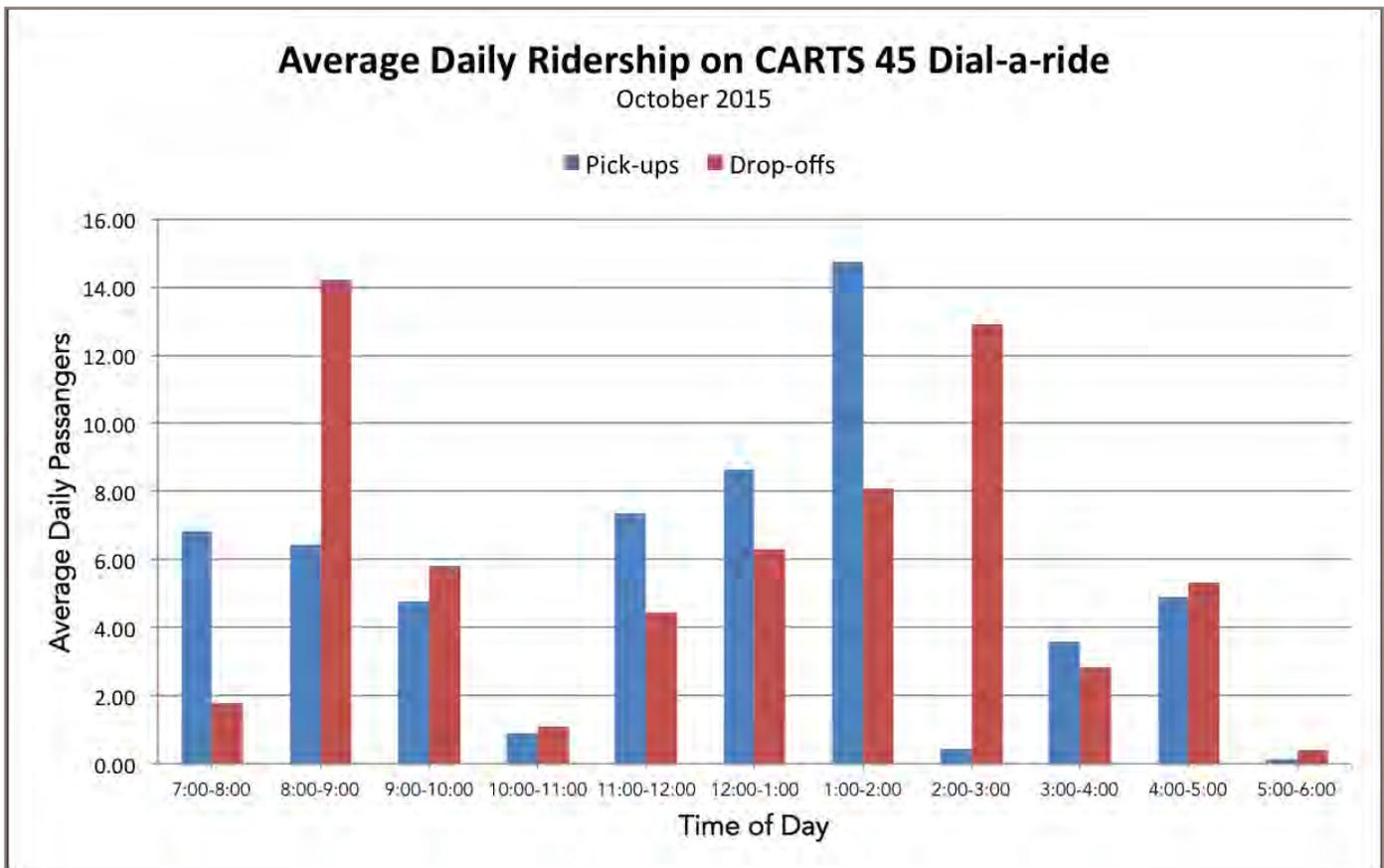


Figure 27: This chart shows hourly ridership on CARTS 45 in Dallas, Monmouth and Independence. The pattern may reflect general demand, or it may reflect how the service is currently scheduled. Multiple factors could affect this daily pattern in the future, including whether SKT schedules the service to connect with Express routes; whether the service is designed and dispatched around work shifts at large employers for people with disabilities; and how the dial-a-ride fare compares to the fare for fixed routes in the area.

PRICING REGIONAL SERVICES

Also problematic, for transfers and for the overall legibility of the regional network, are the differences in price among CARTS, 1X and 2X fares. The 1X and the 2X have the highest price, which would make sense based on the total hourly cost of operating those services. Yet because of its high ridership, the cost per boarding on the 1X is much lower than other regional services (as can be seen in the table on page 32). These high fares likely arises from the 1X's and 2X's identities within the organization and the region as "premium" services marketed to professional commuters.

If certain regional services are to have a higher fare than others, SKT should be clear (internally and externally) about the basis for that difference, whether it relates to operating cost, cost per passenger, distance, the value of the service provided, passengers' abilities to pay, or some other factor.

PRICING DIAL-A-RIDE OR DEVIATIONS

The costs per passenger on dial-a-ride services and fixed routes (summarized in the table in Figure 17 on page 32) is radically different. While a fixed route bus can easily get 20 or 30 people through the door each hour, a dial-a-ride service or a deviated-fixed route service with many deviations simply cannot get to and from so many unique destinations in an hour. Dial-a-rides will always struggle to achieve more than eight passengers per hour.

Yet today these two services are priced the same. People have no financial incentive to use a fixed route – at far lower cost to SKT and to taxpayers – when they can get picked up at their door for the same price.

There are people who *need* a ride from their door, and there are people who *prefer* a ride from their door. To encourage people who just *prefer* dial-a-ride or a deviation to use a fixed route instead, SKT should adjust its fares to more closely communicate the enormous difference in the costs of these two services. Should SKT

continue to operate its deviated fixed-routes, this would mean that passengers who wait at a fixed stop would pay a lower fare than passengers for whom the bus deviates.

FTA allows agencies to charge twice as much for a deviation as for a fixed stop on such routes, and many other Oregon transit providers do so. (See page 7-12 of the 2015 FTA Circular on ADA, "FTA C 4710.1")

SKT currently offers reductions in all fares to qualifying individuals. Were SKT to charge a higher fare to all passengers for deviations or dial-a-ride, it would be reasonable to offer a proportional reduction in that fare to people who qualify. In this way, the price of dial-a-ride and deviation services would more accurately reflect the costs of providing those services, yet people with severe needs who depend on them would not experience that price as a barrier to access.

Dial-a-ride

If SKT acts on these recommendations in their entirety, SKT's only regional dial-a-ride service in the region will be in Dallas, Monmouth and Independence. (SKT operates the RED Line dial-a-ride within the urban area.)

We recommend that SKT then do a more detailed study to design the Polk County dial-a-ride service. (For precise instructions, see TCRP Report 161 and its accompanying spreadsheet.)

This dial-a-ride study should take into account:

- Current CARTS 45 daily ridership patterns (which are shown in Figure 27 on page 54);
- The proportion of current CARTS 45 riders who could use a fixed route – such as the recommended Expresses – for their trip;
- Potential coordination with other transportation providers in the area, such as housing and community organizations;

- Potential increases in the dial-a-ride fare, relative to the fixed route fare;
- Improvements in scheduling and dispatching technology, that could make the dial-a-ride service more useful to a broader group of people.

It will be very important to keep in mind, during such a study, that the current ridership patterns on CARTS 45 are a result of numerous factors that may change in the future. One such factor is the price – if dial-a-ride becomes even slightly more expensive than a fixed route, some riders may shift away from dial-a-ride.

Another factor is scheduling – SKT has historically focused the marketing and scheduling of the 45 around the needs of only people with disabilities, and their employers. That has generated a particular pattern of demand today.

Changes in marketing and scheduling, or changes in the way those employers (chiefly Goodwill and Garten Industries) operate, may affect future demand for dial-a-ride. For example, were the 45 scheduled to make reliable connections with the 40 or 50, for trips into Salem, and marketed with those connections in mind, it might attract a broader group of riders than it does today. But scheduling those connections, and also serving Goodwill and Garten at the times when their employees' shifts change, may be hard or impossible.

Finally, SKT can consider making this dial-a-ride service specifically and exclusively available to seniors and people with disabilities. This would likely reduce ridership on the service, but might better meet the needs of these riders. If SKT were to do this, a qualification system would need to be implemented for riders, like the one that establishes eligibility for CherryLift riders.

Measuring Performance

The performance of transit services can and should be measured in ways that tell the public, stakeholders, the Board and staff how well those services are delivering *on the outcomes for which they were designed*. A key concept here is that transit services are not serving the same goals, and therefore should not be evaluated using the same measures.

Guidance from Stakeholders

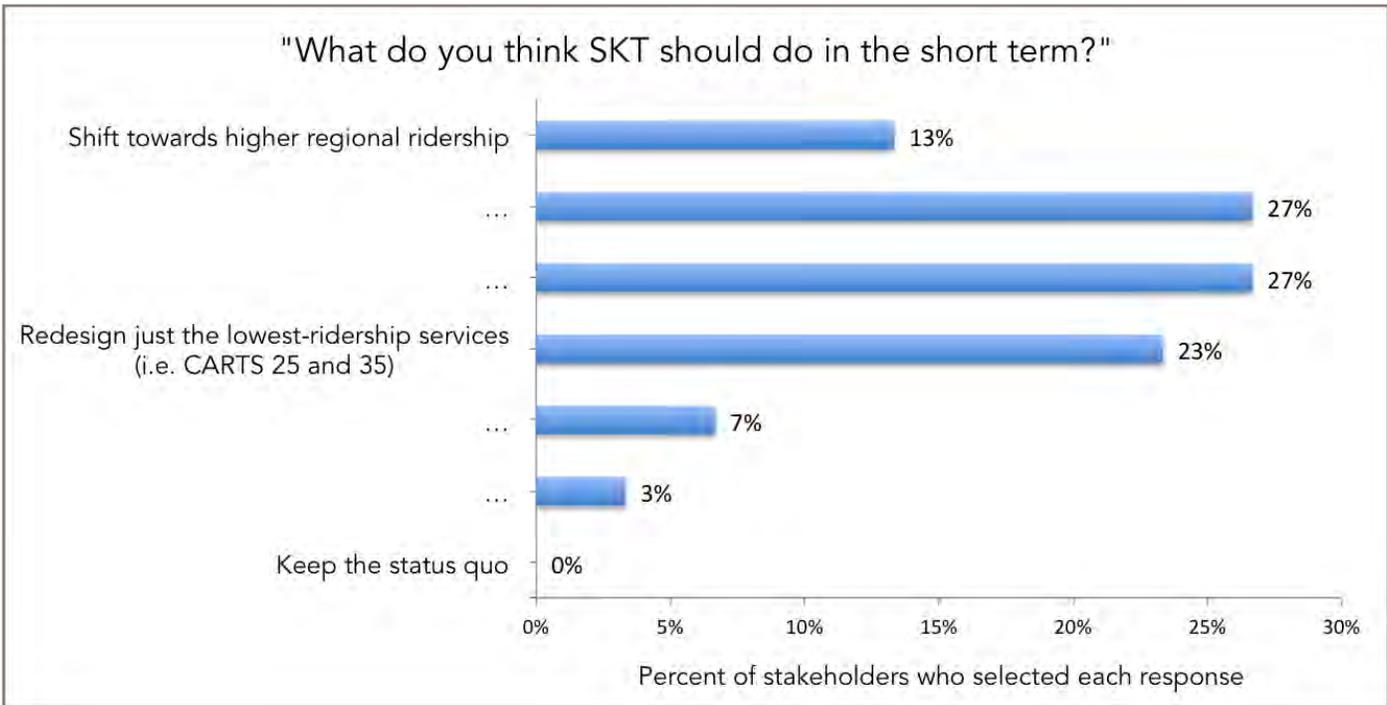
Stakeholders and City Leaders who participated in this process have given SKT some insight into the balance of goals for which the regional transit network should be designed, and therefore the way that the network, and individual services, should be measured. However, additional work and – importantly – decision-making by the SKT Board must be done before a set of clear performance measures can be established.

At the Stakeholder Workshop and at follow-up meetings, most stakeholders' had strong reactions to the performance of current services:

- The high costs per boarding and low productivities of CARTS 25 and 35 (shown in Figure 28 on page 58) were unacceptable to the vast majority of the stakeholders at the workshop.
- Their reactions to the high cost per rider on the 2X are less clear, perhaps because it is funded by the Confederated Tribes of the Grand Ronde rather than by SKT.

Stakeholders at the Workshop also gave general direction to SKT about how to balance competing goals for transit in the region. They said that, in the short-term, SKT should:

- Increase ridership within the existing budget overall, i.e. increase productivity, but also...
- ...Continue to provide *some* deviated- and dial-a-ride services, acknowledging that



these are likely to be the least productive in the system.

While this type of input was enough to inform this short-term planning effort – these stakeholders clearly indicated that they would support a move towards higher ridership but lower coverage – their guidance does not tell SKT how to balance ridership and coverage goals over time.

Board Decisions

The next step could be for the SKT Board to develop policies defining a particular balance between ridership-maximizing service and coverage-providing service (with further input from stakeholders and the public). For example, the Board might specify that 60% of funding (or vehicle hours) should be spent maximizing ridership, while 40% should be reserved for places where ridership is low or types of services on which ridership is inherently limited (such as dial-a-ride).

Alternately, the Board could assign different funding streams different goals, design services accordingly, scale those services up and down based on the availability of their dedicated

funding, and then monitor performance based on those different goals.

There may be a desire, among stakeholders and SKT Board members, to maintain the existing balance of service quantity among different corridors, and between Polk and Marion Counties. This is understandable, but it will conflict with the desire to increase productivity in the future.

There is a potential conflict between these two goals: one goal of increasing the productivity of the regional network, and the other goal of keeping investment levels the same in each corridor or each county.

If the SKT Board does *not* permit itself to shift service quantities among corridors, SKT’s ability to grow ridership and make the system more productive will be limited. Different corridors have different ridership potential and, even more clearly, have different numbers of jobs and people. SKT’s power to increase ridership within a fixed budget comes mostly from its power to shift service from places with lower ridership to places with higher ridership.

Ridership and productivity can certainly be

increased by shifting from one service type to another (e.g. from deviated fixed route to Express), and by improving connections and refining schedules. However, once such changes have been made, any further increases in productivity would have to arise from a shift in service quantity towards higher-ridership places.

Most transit agencies have adopted a ridership and productivity policy that specifies a standard against which they measure the performance of their entire system, such as *“Our system will average at least 13 boardings per vehicle hour.”* In addition, specific standards may be adopted for different service types (as described in the following section.) The SKT Board could certainly adopt such policies and standards, but doing so would imply a willingness to shift service quantities among corridors and counties. This step should therefore not be taken lightly.

Systemwide Productivity

Productivity of the entire system (including dial-a-ride and deviated routes) is very likely to increase if these recommended networks are implemented. Today, SKT is achieving 7.7 boardings per service hour, across all CARTS services. (With the 1X included, it is achieving 9.0 boardings per service hour.)

A systemwide productivity measure would reflect the clearest direction we have from stakeholders: increase the ridership on the entire system, on average, within your current budget.

If the SKT Board decides that service quantities can change among corridors or between counties, then staff should develop a proposed systemwide productivity standard to guide service allocation and design.

Productivity Standards for Different Services

Once SKT resolves the potential conflict between ridership standards and maintenance of existing service quantities across the region, productivity

	Service Name	Productivity (Boardings per Hour)	Operating Cost per Boarding
40	Polk County	13.4	\$5.49
50	Dallas/Salem	11.1	\$6.64
1X	Wilsonville/Salem	22.0	\$7.21
30	Canyon Connector	8.4	\$8.80
10	Woodburn/Salem	8.2	\$8.98
20	Silverton/Salem	7.4	\$9.92
45	Polk County Flex	6.7	\$11.00
2X	Grand Ronde/Salem	7.1	\$22.20
35	Canyon Flex	1.6	\$47.25
25	North Marion Flex	1.0	\$75.72

Figure 28: This table shows the productivity (ridership relative to cost) of each route, and the average operating cost per rider.

standards should be developed for the entire system and for individual service types. Some basic principles that should inform the productivity standards for individual service types include:

- Services intended to attract high ridership (in particular, Expresses) should have a higher productivity standard than those providing coverage (dial-a-ride or deviated fixed route).
- Limitations of geography and time mean that more responsive services (dial-a-ride) have a lower maximum productivity than more fixed services (deviated fixed routes or Expresses).
- In corridors with fewer people, fewer jobs and lower density, productivity will likely be lower, all other things being equal.

These factors will affect productivities and, as a result, costs per boarding.

EXPRESS ROUTES

The productivity standard for Express routes included in these recommended networks should probably be close to the current productivities of CARTS 40 and 50 (and substantially lower than the productivity of the 1X).

The only changes to Route 50 would be a small improvement in its reliability and connections to other regional routes; thus we would not expect its productivity to change very much. All of the changes to the routes that are currently less productive than Route 50 should have the result of increasing their productivities, bringing them closer to or above such a standard.

Note that if people can choose between dial-a-ride (CARTS 45) or deviations (CARTS 60), and an Express route, the difference in fares between those competing services could have an effect on their relative productivities.

DEVIATED FIXED ROUTES

The No New Funding recommendation includes just one potential deviated fixed route – CARTS 60, between Salem and Stayton.

Should SKT decide to implement this change, CARTS 60 should not be held to the same productivity standard as Express routes, but it should be held to a higher standard than dial-a-ride.

CARTS 60 and 30 would be competing with one another. The ridership potential that today shows up in the productivity of the current CARTS 30 would be divided between these two different services.

Thus the productivity of CARTS 60 may be much lower than that of the current and future CARTS 30. On average we expect the productivity of the two routes in combination – the 30 and the 60 – to exceed the productivity of the 30 today, i.e. 8.4 boardings per service hour.

Once it is decided whether CARTS 60 would be an Express or a deviated fixed route, we suggest that SKT staff set a performance standard for it that is greater than that of CARTS 45 but less than that of CARTS 30.

DIAL-A-RIDE

The CARTS 45 is currently quite productive for a dial-a-ride service (6.7 boardings per hour). It operates for 15.5 service hours per day, and in our No New Funding recommendation that is reduced by a small amount, to 13 service hours per day.

Ridership on the 45 today may arise from a high degree of coordination among SKT and MV customer service, housing organizations and employers of people with disabilities in Polk County. As their needs change – in particular, if Goodwill or Garten change their own business models – the amount or pattern of daily demand for the 45 may change.

Given this uncertainty, and the slight reduction in the availability of dial-a-ride in our recommended network, we suggest that an appropriate goal for the CARTS 45 in the No New Funding network would be close to its current performance.

Cost Per Boarding

Cost per boarding adds an additional consideration to productivity: operating cost per hour. Cost per boarding that will reflect any SKT decisions about whether Cherriots staff or MV contractors should operate the 1X or 2X, since the operating cost per hour using Cherriots staff is nearly twice that of MV, at least under the present MV contract.

Stakeholders at the workshop had a very strong reaction to the high costs per boarding on CARTS 25 and 35 (both operated by MV). They did not react strongly to the cost of the 2X, but that may be because the 2X is funded entirely by the Tribes.

We suggest that SKT set a maximum operating cost per boarding standard of \$11, for all

services. The CARTS 45 dial-a-ride is currently meeting this potential standard (at \$11.00 per ride) but were its productivity to drop slightly, without a drop in its costs, it would exceed this limit.

A related measure that may become relevant before or after any future changes to fares is subsidy per boarding, which takes into account the fares that each passenger pays to cover the cost of their boarding.

Passenger Miles vs. Boardings

It is common for the productivity of long-distance Express routes to be measured based not on boardings per hour but on passenger miles per hour. This reflects the greater value that some communities place on longer-distance transit trips.

Using passenger miles instead of boardings means that a smaller number of people making longer trips are a more positive outcome than a larger number of people making shorter trips.

Route	Measures:	Boardings	Passenger miles
A	Four people, three miles each	4 boardings	12 passenger miles
B	Two people, 20 miles each	2 boardings	40 passenger miles

Figure 29: This table shows how boardings and passenger miles would be calculated, for two different routes. Measuring productivity using boardings would make Route A look more productive. Measuring productivity using passenger miles would make Route B look more productive. Neither is correct – the best measure depends on which the community values most, distance travelled or number of people served.

(An example is shown in Figure 29.) A community that values distance travelled more, and the number of people served less, will prefer performance measures that use passenger miles.

On-Time Performance

We recommend that SKT measure on-time performance not only based on actual arrival and departure times relative to the schedule, but also based on whether pulses were made or missed.

For a trip without a pulsed connection, being 7 minutes late means being 7 minutes late. But for a trip with a pulsed connection, being 7 minutes late to the pulse can mean being 3 hours late to one's destination.

If SKT decides to implement any pulsing at the Downtown Transit Center, and in Woodburn (with CAT), then measuring the reliability of those pulses will be important. Many hours of service would be spent making those pulses work, over and above what would be required simply to make the individual routes cycle on their schedules. If the pulses do not work reliably, those service hours are wasted, and the ridership potential of these networks is lower.

Other Principles

We recommend that SKT keep in mind a few other principles about setting and using performance measures. We also recommend that staff review the excellent, detailed guidance published in the Transportation Cooperative Research Program's Report #88, including a "menu" of performance measures that relate to specific goals and outcomes.

LIMITS, NOT RANGES

We recommend that SKT *not* adopt a range for a standard, but simple minima or maxima, depending on whether the measure captures a negative or positive outcome. Sometimes when agencies worry that a standard is too high or too low, they set a range. It is far better to simply note the worry at the time of adoption, monitor performance over time, and then reevaluate the

standard in the future.

WHICH ROUTES?

Another decision that SKT will need to make about its performance standards has to do with how regional services should be grouped into service types.

- There is justification for excluding both the 1X and the 2X from a regional “Express” category – they both have different funding sources from the other regional services.
- There is justification for excluding only the 1X, because the 1X’s corridor is such an outlier in the region. The number of people traveling for work in both directions between Salem and Portland is so much higher than in every other corridor SKT serves that we should not expect to replicate 1X productivity elsewhere in the regional network.
- There is justification for excluding only the 2X – it is the only route not paid for by SKT, and the service level is not determined by SKT.

We recommend that SKT consider only excluding the 2X from the category of regional “Express” services. If the 2X doesn’t meet SKT’s service standards, that is not a concern for SKT unless it is a concern for the Tribes. (Though of course its performance should continue to be measured, so that the Tribes can evaluate it based on their own values, and so that SKT can work with the Tribes to improve its performance if desired.)

VEHICLE HOURS VS. REVENUE HOURS

If SKT shifts to paying for vehicle hours, it will become very clear that deadhead adds to operating costs. (It already does today, but opaquely.) Then SKT should shift any productivity measure from using revenue hours in the denominator to using vehicle hours.

HOW SOON WILL WE SEE RESULTS?

How quickly ridership and productivity react to changes in the regional network will depend on many factors:

- the level of marketing that accompanies the changes
- the quality of implementation
- any changes in fares that happen at the same time
- changes to economic activity or major employers that are outside of SKT’s control.

In general, we recommend that an agency monitor performance quarterly, but not make a final judgment about large-scale network changes like the ones we have recommended here until 2 years after implementation.

Waiting this long gives nearly all current and potential riders time to be exposed to updated information, and to try new services. It also starts to capture the different location decisions (among individuals, businesses and organizations) that are made in response to transit service, which lead to durable growth in transit ridership over the long term.

PEERS’ PERFORMANCE

Looking at the performance of services run by peer agencies can help establish a realistic range. However, the performance of SKT’s services will always depend so much on the geography, built environment, land use and demographics of the Salem-Keizer region that performance should not be evaluated across peer groups. Rather, performance of SKT services should be evaluated relative to other SKT services.

A few peers currently operate Express services similar to those recommended in this report:

- In the Cascades East system (among Bend, Sisters, Redmond, and others), daily frequencies are about five trips per day, and productivities range from 5.6 to 10.4 boardings per service hour.

- Bend dial-a-ride achieves 4.5 boardings per hour, within the city (a much denser place than Polk County).
- Josephine County and Rogue Valley Transit District (RVTD) run an Express route five times each weekday between Grants Pass and Medford, and it achieves 5.8 boardings per service hour. The County's Express to Cave Junction achieves 4.9 boardings per service hour.
- Lane Transit District runs an Express from Cottage Grove to Eugene eight times per day, and less on weekends. Its weekday productivity is 25 boardings per service hour.

Transit Stops

If SKT shifts to a largely Express network, the number of stops that the agency must buy, install and maintain will decrease.

Stop Infrastructure

With so few stops to maintain, there will be an opportunity to really invest in each stop. This will be especially true if the town is excited about the stop. In addition, once SKT is telling people they must get themselves to the stop (rather than be picked up at their home by a deviation or dial-a-ride), the agency will be under greater pressure to provide a good waiting environment.

SKT and many local cities already provide this level of infrastructure at some stops, but the level of comfort across all stops varies greatly. Some cities provide shelters and benches, with solar-powered lights and trash cans, at high-ridership stops. At other stops and in other cities, there is only a sign at the curb. Sometimes the level of infrastructure provided doesn't match the ridership.

The scale of stop infrastructure that would be appropriate to an Express network is:

- A lighted shelter, protected from rain and sun (from above) and wind (on three sides).

- One or more benches.
- Posted schedules, maps, fare information and other transit information.
- Lighting.
- Trash cans.
- Bike parking.
- Car parking (at certain stops).

Car Parking

There will be a natural tension in placing stops, which must be consciously debated and considered: *Should a stop be someplace where there is ample car parking, or should it be near many destinations?*

These two characteristics are only rarely found together. The reason is geometric - where there is lots of empty space to store cars, and no one is anxious about car parking, there is very little besides empty space within walking distance!

Residents of a town who are only thinking about using the service themselves typically advocate for a stop on the edge of town, where they will have an easy time parking their car. Yet people who would ride transit *to that town* would find that stop unsatisfactory, because it is a long walk from anywhere they want to go.

At the same time, downtown merchants consistently underestimate the number of employees and customers who will reach them by transit, and so they will mostly be concerned that a stop inside town will use up car parking.

If a town has only a single stop, on the edge of town, then SKT and that town should not expect anyone to arrive there by transit. (The exception is in cities with dial-a-ride, such as Silverton or Dallas - in those places, someone could conceivably reserve a dial-a-ride trip from the stop on the edge of town into the center of town.) Placing the single stop on the edge of town will depress inbound ridership potential, and

will cater to outbound ridership. This is likely to be an issue in Woodburn, Dallas, Monmouth/Independence, Silverton and Stayton, which are big enough to have potential for both outbound and inbound transit ridership.

The ideal solution, in towns big enough to support it, is to place one stop in the center of town, close to the library, the schools, the hospital, city hall, and other important destinations; and the second stop on the edge of town, where there is lots of empty space for parking cars.

In the smallest towns, this will probably not be necessary, because parking is more available and because the smallest towns can be crossed on foot in a matter of minutes.

Flag Stops

SKT no longer permits flag stops on CARTS routes. (A flag stop is when a person waiting on the side of the road simply waves down the bus as it passes, whether or not a signed stop is nearby.) This practice was officially ended years ago, though customer expectations take a long time to change, so it persists in very small numbers.

The speed and reliability of Express routes depend on them making few and predictable stops. In addition, flag stops are dangerous: passengers wait on the sides of unlit roads, with or without sidewalks, and flag down a driver with little warning. Very determined passengers may even step out in front of the bus to make it stop. For reasons of safety, therefore, as well as speed and reliability, none of SKT's operators - whether they are driving Express or deviated-fixed routes - should tolerate any flag stops in the future.

Transit Vehicle Storage

Today, SKT stores CARTS buses in Mt. Angel and Dallas. This allows service to start in those cities first thing in the morning (for the commute into Salem/Keizer) without the deadhead time and costs that would be required were those vehicles stored in Salem, with the rest of SKT's fleet.

In contrast, the existing Route 30 begins service in Gates early each morning. The bus and driver start their day in Salem, and deadhead all the way out to Gates, before starting the inbound service. Today, SKT does not pay for this time, because it is not included in service ("revenue") hours. However, MV must pay its drivers for this time, and so recovers the cost through a higher per-revenue-hour cost charged to SKT. The costs of long deadheads will be paid by SKT, one way or another. "Parkouts" where vehicles can be safely stored, overnight, closer to the desired start of a route, reduce deadhead costs. A parkout in Stayton or another Canyon city would reduce deadhead costs for routes serving that corridor.

There are downsides to using such "parkouts," however. Doing emergency and preventative maintenance on vehicles is harder to schedule and more expensive, because the mechanic must be transported to the vehicle (and away from his or her garage), or the vehicle must be transported to the garage (by a team of two drivers, or a tow truck). Parkouts also increase the fleet reserve requirement, because each parkout must have its own reserve vehicle.

If all SKT vehicles were stored at one central location, maintenance costs would go down and the required fleet size would go down. Whether the reduction in these costs offsets the increased deadhead costs that arise from central storage has yet to be determined.

Equipment Upgrades

A few upgrades to regional transit equipment should be treated as higher priority than others.

Wheelchair Lifts

The CARTS fleet is adequate, but its wheelchair lifts are terribly slow. This impacts all riders, and by slowing down service it raises the cost of service and reduces the amount of service SKT can provide. It also directly impacts riders who use mobility devices, since the experience of using the lift is reportedly anxiety-inducing.

If SKT shifts to Express routes, and thereby requires all customers to get themselves to just one or two stops, an improvement in wheelchair lifts will make the entire trip more accessible and appealing to wheelchair-using customers; will speed loading at the stop; and will reduce the overall travel time for people using the route.

Stops

As described above, a shift to Express services will modestly or radically reduce the number of stops that SKT provides (from the 58 official stops today, down to about 25). Even if the agency and its contractor were to spend the same amount of time and capital dollars on stop maintenance and amenities, the level of investment available per stop would double.

Automatic Vehicle Location (AVL)

SKT does not currently have AVL systems on any of its buses (neither Cherriots nor CARTS). The major consequence of this is that the agency's supervisors, service planners and long-range planners have a hard time getting data on service speed and reliability. Operators can collect this data by hand, but they must do so while attending to all of their other duties, and even then the data only reflects a limited number of days.

The other great potential that AVL unlocks is real-time arrival information. Once an agency

has reliable AVL, and the software to use it, then the next step is to provide real-time data to customers and third-party app developers. With this data, people can find out not just when the bus is *scheduled* to arrive, but when it is likely to *actually* arrive, based on where it is now.

Real-time arrival information has become standard in the large transit agencies around the world, and soon it will be standard among mid-sized agencies like SKT. Equipping all vehicles with AVL is a necessary (though not sufficient) first step towards offering customers real-time information about their bus.

Appendix A

Stakeholder Workshop

In attendance at the October Stakeholder Workshop were 45 people with the following organizations and affiliations:

- Chemeketa Community College
- Confederated Tribes of the Grand Ronde
- Goodwill Industries
- Kaiser Permanente
- Marion County Commissioner Sam Brentano
- Mid-Willamette Valley Council of Governments
- Monmouth-Independence Chamber of Commerce
- ODOT
- Office of Representative Paul Evans
- Oregon Cascades West Council of Governments
- Partnerships in Community Living
- Polk County Commissioner Jennifer Wheeler
- Salem Chamber of Commerce
- Salem-Keizer School District
- Silverton Health
- State of Oregon
- State Representative Jodi Hack
- Western Oregon University

Elected officials and staff from the Cities of:

- Aumsville
- Canby
- Dallas

- Independence
- Jefferson
- Keizer
- Mt. Angel
- Salem
- Silverton
- Stayton
- Wilsonville
- Woodburn

In addition, members of Salem-Keizer Transit's two advisory committees (the Special Transportation Fund and Citizen's Advisory Committees) participated in the workshop.

Follow-up Meetings with City Leaders

In December, a series of meetings were held to focus on network choices for the three major CARTS corridors. Anyone who attended the Stakeholder Workshop from these communities was invited to join local city officials at these follow-up meetings. The organizations represented at the meetings included:

DALLAS-MONMOUTH-INDEPENDENCE

- City of Dallas
- City of Independence
- City of Monmouth
- Western Oregon University
- Confederated Tribes of the Grand Ronde
- Partnerships in Community Living
- Monmouth-Independence Chamber of Commerce

SOUTH MARION COUNTY

- City of Stayton

- City of Sublimity
- City of Turner
- City of Gates
- City of Aumsville
- City of Mill City

WOODBURN-SILVERTON-MT. ANGEL

- City of Woodburn
- City of Mt. Angel
- City of Silverton
- BrucePac
- City of Gervais

Appendix B

Detailed Service Tables

No New Funding Network			One-way									
			Assumed type	Miles	Minutes	Recovery time	Round-trip cycle time (minutes)	Pulse time (minutes)	DTC pulse interval (if applicable)	Daily round trips	Daily revenue hours	Daily revenue miles
10	Salem-Woodburn	via Chemeketa CC, 99E	Express	19.7	57	10%	132	20	180	6	18.0	236.4
20	Salem-Silverton	via Chemeketa CC	Express	16.2	49	10%	113	3	116	2	3.9	32.4
20	Silverton-Mt. Angel		Express	4.2	40	10%	92	3	95	2	3.2	8.4
30	Salem-Stayton	via Hwy 22	Express	16.7	29	10%	67	3		2	2.3	33.4
30	Stayton-Gates	via Lyons, Mill City	Express	21.7	31	10%	72	0		0.54	0.6	11.718
60	Salem-Stayton	via Turner, Aumsville, Sublimity	Express	19.7	48	10%	111	3	116	3	5.8	59.1
40	Salem-Dallas	via Independence, Monmouth	Express	23.6	53	15%	128	10	180	6	18.0	141.6
50	Salem-Dallas	via Rickreall	Express	16.1	39	10%	90	3	95	2	3.2	32.2
45	Dallas-Ind.-Mon. DAR**		Dial-a-ride								10.0	unknown
*If SKT and Linn County share the cost of two daily round trips on this segment of Route 30, 27%–73%, SKT would be paying for the equivalent 0.54 round trips.										Totals:	65.0	555.2
**3 daily revenue hours of dial-a-ride would also be provided by the Route 40, at the end of its trips to Dallas.												

Increased Funding Network			One-way										
			Assumed type	Miles	Minutes	Recovery time	Deviation time (minutes)	Round-trip cycle time (minutes)	Pulse time (minutes)	DTC pulse interval (if applicable)	Daily round trips	Daily revenue hours	Daily revenue miles
10	Salem-Woodburn	via Chemeketa CC, 99E	Express	19.7	57	10%		132	20	180	7	21.0	275.8
10	Woodburn-Canby	via Hubbard, Aurora	Express	12.1	79	10%		182	0		3	9.3	72.6
20	Salem-Silverton	via Chemeketa CC	Express	16.2	49	10%		113	3	126	2	4.2	32.4
20	Silverton-Mt. Angel		Express	4.2	40	10%		92	3	95	2	3.2	8.4
30	Salem-Stayton	via Hwy 22	Express	16.7	29	10%		67	3		3	3.5	50.1
30	Stayton-Gates	via Lyons, Mill City	Express	21.7	31	10%		72	0		0.54	0.6	11.718
60	Salem-Stayton	via Turner, Aumsville, Sublimity	Deviated-fi	19.7	48	10%	12	123	3	126	3	6.3	59.1
40	Salem-Dallas	via Independence, Monmouth	Express	23.6	53	15%		128	10	180	7	21.0	165.2
50	Salem-Dallas	via Rickreall	Express	16.1	39	10%		90	3	95	2	3.2	32.2
45	Dallas-Ind.-Mon. DAR**		Dial-a-ride									10.0	unknown
*If SKT and Linn County share the cost of two daily round trips on this segment of Route 30, 27%–73%, SKT would be paying for the equivalent 0.54 round trips.										Totals:	82.2	707.5	
**3 daily revenue hours of dial-a-ride would also be provided by the Route 40, at the end of its trips to Dallas.													



City of Aumsville

ATTACHMENTS B - G

595 Main Street • Aumsville, Oregon 97325
website: www.aumsville.us
Phone 503-749-2030 • Fax 503-749-1852

Aumsville Response to Future Regional Transit Network in the Santiam Canyon

Salem-Keizer Transit Board *and*
Special Transportation Fund Advisory Committee
c/o Ted Stonecliffe, Long Range Planning Analyst
555 Court Street, NE, Ste. 5230
Salem, OR 97301

Dear Honorable Salem-Keizer Transit (SKT) Board Members and STF Advisory Committee,

At the CARTS Planning Project Stakeholders exercise that was held in Keizer, the groups overwhelmingly felt the service to the Eastern (Santiam) Canyon, all the way to Gates, was important. The impression the groups communicated was that improved ridership was slightly more important than lifeline services. At both the Keizer meeting and the Stayton meeting, it was communicated to the groups that the SKT Board mandated that budget dollars would not be moved from one corridor, or to another.

According to the consultant's Draft Future Regional Transit Network map provided in Stayton, Route 30 would become a commuter express; which effectively served only Stayton and Salem, with three round trips a day. The Route 35 Dial-a-Ride service would be eliminated and replaced with a deviated fixed route service, with two daily round trips. We do not support loss of one round-trip per day from the West Canyon and request inclusion of Aumsville in the Route 30 commuter express. It shocked the Stayton group that all CARTS Canyon Connector service would be eliminated between Stayton and Gates.

It is Aumsville's opinion this draft regional services change is unacceptable. While this may increase ridership slightly on one of the routes, overall it is a huge reduction of service to Santiam Canyon cities. It will actually severely impact many more Canyon Connector CARTS riders than would be gained. We respectfully request that you consider our alternative proposal ideas instead and provide your comments/feedback to the Canyon Connector cities this is impacting.

History of the CARTS Canyon Connector: The Santiam Regional Agreement (SRA) was formed by the Santiam Canyon cities more than a decade ago to seek state and federal funding to provide regional transportation. It developed the partnerships and secured the grant funding to create the CARTS

Canyon Connector Routes. Route 30 begins connecting the canyon cities at the Gates Park and Ride with stops in Mill City, Lyons, Mehama, Stayton, Sublimity, Stayton DMV (which is a rural stop just off Hwy 22 outside of Stayton), Aumsville, Turner, with a stop at Walmart on Turner Road, and ending at the Salem Downtown Transit Center; where it turns around to head back to Gates' Park and Ride, covering the same stops on the way back. There are many riders that use the Canyon Connector to travel between small Santiam Canyon cities and Salem. We have one disabled lady from Stayton that uses the variety of Canyon Connector daily trips to visit her mother in Aumsville two to three times a week. She has no other transportation and this is her only affordable way to visit her elderly mother and friends and access essential services provided by the route to Salem. A Gates disabled 2014 high school graduate used Route 30 to secure a long awaited job in Salem and now relies on the multiple daily round trips of the Canyon Connector to get her to and from work. This is what the formation of the Canyon Connector was all about when the Santiam Canyon cities joined together, and why federal grant funding was and is secured to develop and continue this CARTS operation. Further, it has been reported for years that the Route 30 Canyon Connector, of all of the CARTS routes, has consistently been the most utilized route. We appreciate and recognize that Salem-Keizer Transit (SKT) has taken over the responsibility of the Canyon Connector routes for many years now eliminating the need for the SRA, and trust they will balance good business sense with regional lifeline needs on their various routes. Please remember that the CARTS Canyon Connector objective is for all Santiam Canyon residents to have access to the job market and lifeline services provided in larger cities that are needed for quality of life. Money and higher ridership must not overshadow services to the Santiam Canyon's needy!

The Draft Future Regional Transit Network presented in Stayton eliminates multiple daily round trips for Aumsville, Turner, and Stayton DMV; and completely eliminates service to six current Canyon Connector cities stops. Our small cities do not have the funds to independently pick up these routes for our constituents, and the SRA disbanded after SKT professionally preserved the CARTS Canyon Connector transit services through the years. The proposed elimination of Eastern Canyon service will adversely affect the very people the federal grant money is supposed to benefit!

Our Proposals: We believe the proposals below will preserve the original intent of the Canyon Connector while cutting some costs, increasing ridership, and will make much more sense when considering impacts on riders that rely on the service provided by the CARTS Route 30.

PROPOSAL #1 - Keep service for the Route 30 generally as it is, and eliminate Route 35 Dial-A-Ride. Replace Route 35 with an express between Salem, Aumsville and Stayton two to three times a day. This keeps Canyon Connector services to Gates. And as we understand it, Route 35 has costs of approximately \$22 to run and only charges \$4 for use (a loss of \$18 to run).

PROPOSAL #2 - Move the stop for the 30 and the 35 from Walmart on Turner Road, to WinCo off South Lancaster/Rickey St SE); or if Walmart becomes a hub, that would work also. A stop at WinCo would interconnect the two bus systems. The 4 runs along State Street. The 7 runs along Mission Street, and has connections to the 6 and the 8 to S. Salem. The 11 runs the length of Lancaster Drive, including Chemeketa College and then on to the Keizer Transit Center. Taking the 30 and 35 to a hub other than downtown would make the Canyon routes more relevant than the current stop at Walmart that has no

connections. This alone should increase ridership. A stop at Corban University should also be considered.

PROPOSAL #3 - Rebrand the 30, calling it the Santiam Canyon Express. With multiple trips serving the Downtown Transit Center to Mill City/Gates with limited stops. This line could follow Highway 22, and not use the secondary roads between Stayton and Mill City/Gates; except for Exit 7 & 9 to include Aumsville. Stops along this route should be Downtown Transit Ctr., WinCo, Aumsville Community Center, Stayton park-and-ride, Mehama, Lyons (Stop would need to be moved from Lyon's Fire Station to Highway 22) and Mill City park-and-ride (if developed) or the current Gates park-and-ride .

PROPOSAL #4 - Rebrand the 35, calling it the West Canyon Connector. Serving from WinCo in Salem to Safeway in Stayton. This could be a deviated fixed route. This line should be routed from WinCo, up Lancaster to Cordon Rd. It would continue on Aumsville Highway to Deer Park Drive. Deer Park Drive connects to Turner Road, and the route would continue to Stayton as it is currently mapped out. Along the Aumsville Highway, a stop at the County Corrections complex might be considered to supplement the 4a. Also, just slightly off of Deer Park Drive is Corban University with over 1000 students. A stop should be included there. This could create a sizable increase in ridership. Consideration of making one of the rebranded Route 30 Santiam Canyon Express trips only between Stayton and the Transit Mall is proposed.

Also critical with these redesign proposals is intersecting Route 30 and the Route 35 at the same time, at the Stayton park-and-ride. Then riders could interconnect without waiting for hours. The north end of the Stayton park-and-ride could be redesigned with a bus only entrance and egress. This would make the bus stop out of the lane of traffic, and there is also an existing shelter.

We understand that mileage alone should not be used to compare routes, however it is the only metric that is readily available. Please consider the following:

Current Route

Route 30

81.2 miles per round trip, 3 round trips daily =243.6 miles per day

Route 35

Dial a Ride (or flex route) - Unknown mileage

243.6 Miles plus Route 35 usage

Draft Future Regional Transit Network:

Route 30, Downtown Transit Ctr., Walmart, Stayton

50 Miles per round trip, 3 round trips daily =150 per day

Route 35 Downtown Transit Ctr., Walmart, Turner, Aumsville, DMV, Sublimity, Stayton,

39 Miles per round trip 2 trips daily =78 per day

228 total miles both routes

Proposal #1

Route 30: As it stands now, Services continued to Gates

81.2 Miles per round trip, 3 round trips daily =243.6 per day

Route 35: Downtown Transit Ctr., WinCo, Aumsville, Stayton,
37.4 per round trip, 3 Round trips daily =112.2
355.8 total miles both routes

Proposal #2

Route 30 Downtown Transit Ctr., WinCo, Aumsville, Stayton, Lyons, Mehama, Mill City, Gates???
72.6 Miles per round trip, 3 round trips daily =217.8 per day
Route 35 WinCo, Corbin University Turner, Aumsville, DMV, Sublimity, Stayton,
33.4 Miles per round trip, 3 round trips daily =100.2 per day
318 total miles both routes

Proposal #3

Re-Branded Route 30 Downtown Transit Ctr., WinCo, Stayton, Lyons, Mehama, Mill City, Gates???
72.6 per round trip, two trips daily =145.2 per day
Re-Branded Route 35 WinCo, Corban University, Turner, Aumsville, DMV, Sublimity, Stayton
33.4 Miles per round trip, 3 round trips daily =100.2 per day
245.4 total miles both routes

Proposal #4

Re-Branded Route 30 Downtown Transit Ctr., WinCo, Stayton, Lyons, Mehama, Mill City, Gates?
72.6 per round trip full route, two trips daily =145.2 per day
33.8 per round trip, once between Transit Mall and Stayton
Re-Branded Route 35 WinCo, Corban University, Turner, Aumsville, DMV, Sublimity, Stayton
33.4 Miles per round trip, 3 round trips daily =100.2 per day
279.2 total miles for three routes

In summary, we again want to reiterate our opposition to the elimination of service to the upper Santiam Canyon; and note that by making the stop at Winco it makes the route more relevant, which will increase ridership along with the new Corban University stop increased ridership. We look forward to hearing the SKT Board's response to our proposal.

Signed,



Aumsville City Council
Mayor Harold L. White



City of Gates

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ctygtes@wbcable.net

Salem-Keizer Transit Board and
Special Transportation Fund Advisory Committee
c/o Ted Stonecliffe, Long Range Planning Analyst
555 Court Street, NE, Ste. 5230
Salem OR 97301

Dear Honorable Salem-Keizer Transit (SKT) Board Members and STF Advisory Committee,

The City of Gates endorses the letter you received from the Aumsville City Council "Aumsville Response to Future Regional Transit Network in the Santiam Canyon", (see attached).

Gates Mayor, Jerry Marr, and City Staff attended the December 2nd Stakeholders meeting in Stayton ready to provide ideas for improvements to CARTS, specifically Route 30 to help better serve our communities. Instead, a Draft Future Regional Transit Network Map was presented by a consultant for SKT eliminating Route 30 from Stayton all the way to Gates. The Canyon Connector is a lifeline service in Gates that needs to continue. There are no resources to services for struggling families, the elderly, and the disabled east of Stayton. Eliminating Route 30 east of Stayton would impact not only Gates but five other small rural cities in the canyon, Mehama, Lyons, Mill City, Detroit, and Idanha. It is uncertain if a replacement stop on Hwy 22, with Park n' Ride facilities, can or will be developed in Mill City, so the Gates Park n' Ride facilities need to remain on the route at this time.

We ask that you consider the proposals the Aumsville City Council has prepared and the lifeline service Route 30 brings to the upper canyon cities.

Thank you,

City of Gates
Mayor Jerry Marr

A handwritten signature in black ink, appearing to read "Jerry Marr". The signature is written in a cursive style with a large, looping initial "J".



CITY OF LYONS

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1/29/2016

Salem-Keizer Transit Board and
Special Transportation Fund Advisory Committee
c/o Ted Stonecliffe, Long Range Planning Analyst
555 Court St NE, Ste 5230
Salem, OR 97301

RE: CARTS Route 30

To Whom It May Concern,

We have been made aware of a study underway which includes CARTS Route 30 with the possibility of elimination or alteration of the current route to Lyons. This route is vital to our residents that use the service.

CARTS service was started by the communities of the Santiam Canyon with the assistance of a federal grant to address the need for reliable regularly scheduled public transportation from Gates to Salem. There is a long history of service, of one sort or another, to transport passengers from Santiam Canyon communities to Salem, starting with train service in the late 1800's, motor coach service with a converted Buick in 1911, and the "mail bus" in the 50's - 60's. There is a long history of accessible transportation from the Santiam Canyon to Salem.

The service provides some independence for our residents who are unable to find other alternatives to commute to Stayton or Salem or other destinations. There are people using the service to go to work or search for work. They use it to reach other services such as doctor's appointments, DMV, other government services, and shopping.

Also, it would be a detriment to our community to "move" the Lyons stops to Mehama, to align with the Highway 22 corridor. That would simply just eliminate service to Lyons altogether.

We are in opposition to any proposal that would eliminate or alter Route 30 service to the city of Lyons. We would be happy to meet and brainstorm to help find a solution that best meets the needs of the affected communities.

Thank you,

Lyons City Council

City of Mill City

444 S. 1st Avenue • Post Office Box 256 • Mill City, Oregon 97360

Phone: 503-897-2302 • FAX: 503-897-3499 • Email: millcity@ci.mill-city.or.us

January 5, 2016

Salem-Keizer Transit Board
President Bob Krebs
555 Court St. NE, Ste 5230
Salem, OR 97301

RE: Canyon Area CARTS Services

President Krebs and SKT Board:

The City of Mill City is highly concerned with the recent notification from your consulting firm, Jarret Walker and Associates that all bus services are being recommended to cease at Stayton. This recommendation was presented during a meeting in December with representatives of Cherriots, SKT and members of canyon area communities. The proposed service area map provided to those in attendance showed a focus on ridership rather than livability which came as a surprise to many who had participated in a prior meeting to discuss changes in service as the majority of those who participated did *not* recommend discontinuance of service beyond Stayton. In fact, of the multiple maps created through the "service vs. budget" exercise, save one, bus service to our area was not considered for removal.

After many attempts to sway our thoughts regarding service beyond Stayton, Jarret Walker and Associates promised a modification to the service area map showing at least two trips to the Mill City stop. This revised service map, which was to be provided to SKT Board along with the full study information, was supposed to be provided to canyon area cities prior to submittal of Jarret Walker and Associates findings to the SKT Board. As yet, we have not received any new information nor any contact from any parties involved in the December meeting. It is only through effort on my part that I have been provided with the mailing address and SKT Board meeting dates/time so that we are able to communicate our concerns regarding this recommendation.

While we fully understand the struggle of managing a budget and providing the best service possible we feel it is imperative to consider that for many in our communities the CARTS bus is their only connection to life services in the Willamette Valley. We believe that rather than discontinuing service to our area we need to find ways to provide additional service which would allow for residents to have an opportunity to seek employment, schooling and life services which will ultimately assist them in

Located in the Scenic North Santiam Canyon

The City of Mill City is an equal opportunity provider.

bettering their situations. This program, funded entirely with Federal and State dollars, was implemented more than 15 years ago to do just that.

The City of Mill City asks that the Salem-Keizer Transit Board takes the time to fully recognize and understand the impact that ceasing service in the upper canyon area would cause for many members of our communities. We believe that providing access to life services to those otherwise unable to reach them weighs more heavily in this decision than ridership.

Enclosed you will find Resolution No. 781, outlining the City of Mill City Council's full support of the continuation of CARTS and urging the SKT Board to ensure continuation of shuttle bus service to Mill City.

Thank you for taking the time to hear our concerns.

Cordially,

A handwritten signature in black ink that reads "Stacie Cook". The signature is written in a cursive, flowing style.

Stacie Cook, MMC
City Recorder

RESOLUTION NO. 781

SANTIAM REGIONAL AGREEMENT ON TRANSPORTATION CARTS CONTINUATION

WHEREAS, City of Mill City, as one of the many communities of the N. Santiam River region of Marion and Linn Counties, does not have an adequate public transportation system to serve its residents and the City Council recognizes that public transportation issues facing the region will increase in complexity and intensity as the population of the area ages and changes; and

WHEREAS, the City Council recognizes that transportation and access to social, cultural, employment and recreational opportunities are interrelated; and

WHEREAS, the City Council further recognizes that it is necessary to work collaborative with other communities within the N. Santiam Canyon and mid-Willamette Valley to address regional transportation issues; and

WHEREAS, the city is authorized under ORS 190.010 to enter into intergovernmental agreements with other local governments to address issues of mutual concern; and

WHEREAS, the Santiam Regional Agreement, an ORS 190 agreement related to transportation services was entered into per Mill City Resolution No. 547 to assist in addressing these issues and concerns; and

WHEREAS, the Santiam Regional Agreement resulted in the creation of CARTS, a shuttle bus service run by Cherriots and the Salem Keizer Regional Transit Board; and

WHEREAS, the CARTS shuttle bus service is financed through State of Oregon and Federal dollars which should be disbursed throughout the full service area; and

WHEREAS, CARTS has for fifteen years provided direct bus service to Mill City; and

WHEREAS, it has recently come to the attention of the City of Mill City that there is a high probability that CARTS service in Mill City will cease; and

WHEREAS, residents of Mill City rely on CARTS for life services including; access to social, cultural, employment and recreational opportunities;

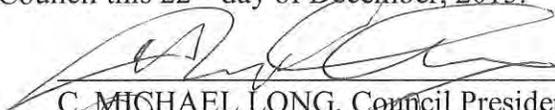
NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Mill City hereby resolves as follows:

1. The City Council hereby supports the Santiam Regional Agreement, an ORS 190 agreement related to transportation services, and the continuation of CARTS bus service to Mill City.

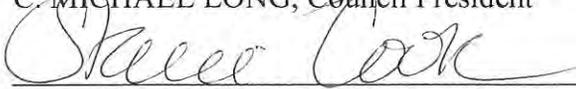
2. The City Council urges the Salem Keizer Regional Transit Board to ensure continuation of shuttle bus service to the City of Mill City and its residents.

APPROVED AND ADOPTED by the Council this 22nd day of December, 2015.

Date: 1-4-16


C. MICHAEL LONG, Council President

Date: 1-4-16

Attest 
STACIE COOK, MMC, City Recorder

----- Forwarded message -----

From: Ted Stonecliffe <ted.stonecliffe@cherriots.org>
Date: Mon, Jan 25, 2016 at 2:42 PM
Subject: Fwd: FW: Salem Keizer Transit
To: Linda Galeazzi <Linda.Galeazzi@cherriots.org>
Cc: Steve Dickey <Steve.Dickey@cherriots.org>, Planning <Planning@cherriots.org>

Hi Linda,

Please see this email from Councilor Czarnik of the City of Aumsville. He is forwarding an email from the Corban University Director of Community Life requesting CARTS bus service near their campus. It is not specifically addressed to the Board, but I think Maryann would like it forwarded to them and the STF Advisory Committee.

Also, I have attached a letter I received that is directed to the STF Advisory Committee. Should this also go to the Board?
-Ted

----- Forwarded message -----

From: Maryann Hills <maryann@aumsville.us>
Date: Tue, Jan 19, 2016 at 9:59 AM
Subject: FW: Salem Keizer Transit
To: Ted Stonecliffe <ted.stonecliffe@cherriots.org>
Cc: Councilor Brian Czarnik <StreetCmsnr@aumsville.us>

Hi Ted,

Will you also pass on the information Councilor Czarnik received below.

Thank you for all your good work,

Maryann Hills
Aumsville City Administrator
(503)749.2030 ext 301 Cell: 559.1389

From: Brian Czarnik [mailto:briancz1960@gmail.com]
Sent: Friday, January 15, 2016 10:48 AM
To: Maryann Hills
Subject: Fwd: Salem Keizer Transit

This will be useful

----- Forwarded message -----

From: "Edwards, Eugene" <EEwards@corban.edu>
Date: Jan 15, 2016 10:09 AM
Subject: Salem Keizer Transit
To: "briancz1960@gmail.com" <briancz1960@gmail.com>
Cc:

Brian,

I am Eugene Edwards, Director of Community Life at Corban University. Dr. Sheldon Nord, our president, has asked that I work with you regarding Carts Regional Transportation Network.

A number of years ago, Salem Keizer Transit, removed a bus stop in front of Corban due to a lack of ridership. Since that time, the international population at Corban University has vastly increased. International students typically do not have cars, making public transportation an important component to their Corban experience. Adding a stop to Corban, would serve our students well. I am interested in supporting your efforts to help accommodate the people in the Santiam Canyon as well as our students in need of public transportation.

Please let me know how I can help with this important service for our communities. I am available to meet and am interested in becoming a member of this discussion.

Eugene Edwards

Director of Community Life

CORBAN UNIVERSITY
5000 Deer Park Dr SE
Salem OR 97317-9392
[503.375.7010](tel:503.375.7010)
eedwards@corban.edu
Web Site: www.corban.edu

January 15, 2016

CARTS

Special Transportation Fund Advisory Committee

Ted Stonecliffe

Long Range Planning Analyst

555 Court St NE - Ste 5230

Salem OR 97301

Mr Stonecliffe

I'm writing to express my sincere hope that CARTS will NOT be sending us a message in dates that the CARTS bus service will no longer be coming to our community.

I have been a board member of the North Santiam Canyon Economic Development Corporation (NSCEDC) continuously since the mid 1990's when we started. When we worked on our strategic plan one important part was TRANSPORTATION. We had many meetings pertaining to transportation - in Salem, locally & in our homes.

We, our NSCEDC Board, staff person Tina Mohr & our community were so pleased our many efforts succeeded

in CARTS coming to Gates. That part of our Strategic Plan was a success!

Years later, a shelter was installed in the Gates Park & Ride. We are grateful to have this shelter for riders to have a place to be inside & out of the weather while waiting for the CARTS bus.

I am the Contractor for the Gates Post Office which is across from the Park & Ride & the CARTS Bus Shelter. I see people coming & going to the shelter & riders getting off & on the bus. Some even with their bicycles.

Many people come in the post office & ask me for a CARTS bus schedule - which I keep stocked up on, in the lobby. I have also made copies of the schedules many times when I've called CARTS & they didn't have any to send out with the bus driver.

I have a schedule posted on the window, so those interested can see the schedule from outside when the post office is closed. People seem so

pleased to get a schedule & that we have bus service in Gates!

Our area has many retired, disabled, low income & homeless people who do not have any other means of transportation. It has been a huge benefit for our area to have CARTS as our bus service.

For over 17 years I served on Gates City Council & the need for transportation was a concern for us as a Council many years before our NSCEDC started our Strategic Plan.

Please consider us out in our rural area & our need to continue to have CARTS as our bus service for those in need of this important transportation option.

Thank you for helping us to keep CARTS in Gates,

Sincerely,

Sandra Rupert

PO Box 223

Gates OR 97346-0223

MEMO TO: BOARD OF DIRECTORS

FROM: TANYA DEHART, CHAIR, SPECIAL TRANSPORTATION FUND (STF) ADVISORY COMMITTEE

THRU: ALLAN POLLOCK, GENERAL MANAGER

SUBJECT: ACCEPTANCE OF RECOMMENDATION FROM THE SPECIAL TRANSPORTATION FUND (STF) ADVISORY COMMITTEE FOR APPROVAL OF APPLICATIONS FOR THE FY2017-2019 STF-DISCRETIONARY GRANT PROGRAM TO THE OREGON DEPARTMENT OF TRANSPORTATION (ODOT)

Issue

Should the Board accept the recommendation of the Special Transportation Fund (STF) Advisory Committee for approval of five applications for STF-Discretionary Grant Program funds as shown in **Attachments A through E**, which will be submitted to the Oregon Department of Transportation (ODOT) for consideration?

Background and Findings

The Oregon Department of Transportation (ODOT) released an application in December 2015 for the STF-Discretionary Grant Program. This is a one-time allocation by the State Legislature, and the funds will be useable for a three-year period (7/1/16-6/30/19). This grant program is competitive, and as the STF Agency, Salem Area Mass Transit District (SAMTD) may submit up to eight applications from Marion and Polk Counties for funding. However, only six applications were received, and five are recommended for funding by the STF Advisory Committee.

One application was received from a private individual, but it was subsequently learned from ODOT that the State is unable to enter into agreements with private individuals and therefore his application could not be considered. This individual's application is provided as **Attachment F** for your information, but is not recommended for funding as stated above.

A total of \$1.9 million is available for projects inside ODOT's Region 2 (Astoria to Eugene minus the Portland metro area), and \$2 million is available for projects of statewide significance. None of the applications presented to the Board qualify for the statewide category. These funds are eligible for projects that are in Marion and/or Polk counties and serve seniors and/or individuals with disabilities. The District published a public notice in the Statesman Journal newspaper advertising the funding availability on December 14, 2015, with a deadline of January 15, 2016. The Districts application was available on the cherriots.org website on December 16, 2015. A notice in Spanish was also posted on the website. Copies of the public notices are found in **Attachment G**.

In accordance with ODOT's recommended grant application process, a Technical Advisory Committee (TAC) was formed to receive applications, deliberate their merits, and recommend a ranking to the STF Advisory Committee. The TAC consisted of four STF Advisory

Committee members, two members of the public, and one representative of the Mid-Willamette Valley Council of Governments. This group met on January 25, 2016 in a meeting open to the public. A recommendation from the TAC was sent to the STF Advisory Committee for consideration at the committee's February 2, 2016 meeting. A motion to accept the TAC's recommendations was passed and is presented here to the SAMTD Board of Directors.

All TAC and STFAC meetings are open to the public, but no public comments were received in regards to these applications. The applications must be sent to ODOT by the March 11, 2016 deadline in order for the funds to be available by July 1, 2016.

The TAC meeting minutes are provided as **Attachment I**. The projects requesting funding are listed in Table 1 below in the order of the TAC's decision for project ranking. The project's total amounts requested as well as a scaled request are also noted. Since this is a competitive grant program, final funding decisions will be made by ODOT's Public Transit Advisory Committee and the Oregon Transportation Commission. It is possible that some projects will have to be scaled to a level suitable in order for funding to be available throughout the region. Those decisions will be made by ODOT.

TABLE 1. Summary of Projects in STF-Discretionary Grant Program Applications

Rank	Recipient	Project	Amount Requested	Scaled Request
1	SAMTD	Replace nine CherryLift vehicles (scaled request reflects only one vehicle)	\$ 683,625	\$ 80,000
2	Silverton Health	Two replacement vehicles for CareVan program (scaled request reduces it to one vehicle)	\$ 104,440	\$ 44,000
3	City of Woodburn	Bus stop improvements at nine locations to bring stops to current ADA standards	\$ 32,000	\$ 32,000
4	City of Silverton	Replace on-board vehicle security cameras (scaled request would only replace hard drives)	\$ 16,500	\$ 3,130
5	Partnerships in Community Living	New Vehicle Purchase for Disability Supports and Services	\$ 52,398	\$ 50,000
TOTAL			\$ 888,963	\$ 209,130

Due to the uncertainty of how much of the \$1.9 million available to ODOT Region 2 would be allocated to Marion and Polk County projects, the recommendation of the TAC is to scale the project applied for by SAMTD in such a way that each of the other four may also be awarded funding. Ted Stonecliffe confirmed with Jamey Dempster at ODOT that this type of recommendation would be considered by including the request in the narrative of Salem-Keizer Transit's STF agency application to ODOT. However, it is important to keep in mind that the final decisions about which projects receive funding are made by ODOT. The recommendation of the TAC is as follows: The Technical Advisory Committee recommends submission of the five eligible applications to ODOT with the following ranking and accompanying narrative: 1) Salem-Keizer Transit, 2) Silverton Health, 3) City of Woodburn, 4) City of Silverton, 5) Partnerships in Community Living. The narrative that is to accompany the application submittal should state that while this is the Committee's ranking, the Committee sees value in all of these projects and the scalability of the Salem-Keizer Transit application should be considered if it would mean providing funding for most, if not all, of the other applications that were submitted.

The STF Advisory Committee passed a motion to submit the recommendation as written by the TAC to the Board of Directors for approval.

Recommendation

The STF Advisory Committee recommends the Board approve the applications to ODOT for the FY2016-2019 STF-Discretionary Grant Program as shown in ***Attachments A through E***, and direct the General Manager to submit the application by March 11, 2016 to the ODOT Rail and Public Transit Division for consideration.

Proposed Motion

I move the Board approve the applications to ODOT for the FY2016-2019 STF-Discretionary Grant Program as shown in *Attachments A through E*, and direct the General Manager to submit the application by March 11, 2016 to the ODOT Rail and Public Transit Division for consideration.

- Attachment A: SAMTD's Application for STF-Discretionary Funds
- Attachment B: Silverton Health's Application for Two CareVan Vehicles
- Attachment C: City of Woodburn's Application for ADA Bus Stop Improvements
- Attachment D: City of Silverton's application for Replacement Camera Systems for the Silver Trolley
- Attachment E: Partnerships in Community Living's Application for a New Vehicle
- Attachment F: Richard Stevenson's Application for Weekend Taxi Vouchers
- Attachment G(1): Public Notice of Availability of Funds for the FY2016-19 STF-Discretionary Grant Program (English)
- Attachment G(2): Public Notice of Availability of Funds for the FY2016-19 STF-Discretionary Grant Program (Spanish)
- Attachment H: Advertisement of Funding Availability on the cherriots.org Website
- Attachment I: Technical Advisory Committee Meeting Minutes of January 25, 2016



Special Transportation Fund Discretionary Program Project Application

Instructions

This STF application is a fillable form that requires Adobe Reader Version 10 or above. If you do not have the required version, download it for free at <http://get.adobe.com/reader>.

Fill out this application onscreen, save it to your computer, and attach your completed PDF form to an email to PTDApplications@odot.state.or.us. Attach any supplemental PDF documents to your email. If you have technical problems using the form, call Liz Rickles at 503-986-3394. For answers to programmatic or process specific questions, call David Schwert at 503-986-4305 or contact your Regional Transit Coordinator. Application due to ODOT RPTD by March 11, 2016.

Complete Sections A thru I by entering information into fields or selecting from drop-down menus where available (indicated by a small arrow to the right of the box). Some "Yes or No" questions, when checked, generate a secondary question(s); please complete these sections when they appear.

Please double check that you have answered every question on this application before submitting. If a question is not applicable to your project, write "n/a".

Review the complete STF Application instructions at www.oregon.gov/ODOT/PT/PROGRAMS/2016STFApplicationInstructions.pdf.

A. Applicant Information

1. STF Agency Name
2. STF Agency ODOT Region
3. Application Contact Person Name
4. Application Contact Person Email
5. Application Contact Person Phone Number

B. Project Information

6. Project Title

Will be used for reviewer reference and in public comment process. Example: Mobility Management for The Klamath Tribes

7. Is project derived from the Coordinated Plan?

- Yes
 No

For Board Meeting of February 25, 2016
Agenda Item No. H.2
Attachment A: SAMTD application for nine CherryLift vehicles

2016 STF Discretionary Program Project Application

What Page?

What date was the Coordinated Plan approved? (m/m/yy)

8. Project Ranking

Complete sentence: Project is ranked out of applications submitted to ODOT for consideration.

To see the number of applications your STF Agency is allowed to submit to ODOT, visit www.oregon.gov/ODOT/PT/PROGRAMS/2016STFDiscretionaryApplications.pdf.

C. Project Quality

Boxes will expand to fit more text if needed.

9. Describe the **need** for this project. How was this need determined or assessed? Do you have data that reflects this need?

The Salem-Keizer Transit STF Advisory Committee (STFAC) reviewed all applications for STF-Discretionary grants and made a recommendation to the SAMTD Board of Directors, as the STF Agency for Marion and Polk Counties. The STFAC recommended that even though this project ranked number one, the project should be scaled down to a smaller number of vehicles (a minimum of one vehicle) in order for the other four projects to be funded first, if funding was determined to be insufficient for all five projects to be funded.

The following describes the need for paratransit vehicles: The purchase of these nine vehicles would contribute to Salem-Keizer Transit's Strategic Plan goal of "Providing an Exceptional Transit Experience" by using vehicles that are safe and comfortable. Complementary paratransit services are mandated by the ADA and once a vehicle reaches the end of its useful life, it becomes more costly to perform maintenance than to replace the vehicle. Replacing buses in a timely manner ensures reduced maintenance costs while increasing reliability and maintaining a high level of safety. Investing in transit enhances the livability of a community by providing safe, timely and reliable transportation for persons commuting to work, medical appointments, and shopping. The CherryLift service provides an average of 600 rides per day.

10. Provide a detailed description of this project. What will be the finished product or service?

This project will replace 9 CherryLift vehicles that are past their useful life. The geographic area to be served is inside the Salem-Keizer Urban Growth Boundary. The ADA/Paratransit service is complementary to the SAMTD fixed route service, so citizens with disabilities can access their community. All trips on the ADA Paratransit service are scheduled through the TripLink Call Center. The ADA Paratransit service is marketed through the website, outreach brochures and through contact with the Call Center.

11. Describe the expected outcomes of this project on seniors, people with disabilities, and other populations. Why is this project the best method to address the previously described need?

SAMTD provides access to public transportation for persons with disabilities. Replacing buses that have exceeded their useful life ensures the ADA service remains safe and reliable.

Page 2 of 8

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D. Total Estimated Project Budgets

12. Enter all estimated costs involved in the **total** cost of the project in the table below. Not all fields will be applicable to every project.

Estimated Total Project Costs	
Type	Dollar Amount
Labor (payroll)	\$7,575.00
Contracted services	\$0.00
Materials and supplies	\$0.00
Operations	\$0.00
Preventative Maintenance	\$0.00
Capital Equipment	\$0.00
Technology	\$0.00
Contingency	\$0.00
Other (bus purchase)	675,000
Other (legal/advertising)	\$1,050.00
Other (type description)	\$0.00
Other (type description)	\$0.00
Other (type description)	\$0.00
Project Grand Total (automatically calculates)	683,625

For Board Meeting of February 25, 2016
 Agenda Item No. H.2
 Attachment A: SAMTD application for nine CherryLift vehicles

2016 STF Discretionary Program Project Application

13. Identify the project's additional sources of funding in the table below.

Estimated Additional Project Resources	
Source of Funds	Dollar Amount
2016 STF Discretionary Program Request <i>(IMPORTANT!)</i>	683,625
Local Resources	\$0.00
Federal Resources	\$0.00
Other (type description)	\$0.00
Project Grand Total (automatically calculates)	683,625

The award of this STF Discretionary Grant will enable Federal Funds to be brought to the project.

E. Vehicle Information

14. Does this application request either match or total cost funding for a vehicle?
Please note that projects that are match for vehicle replacement/rightsizing under the Transit Capital Discretionary Program available in January will have priority over vehicle purchases that are not a match.

- No, application does not involve a vehicle purchase of any kind.
- Yes, application requests match for a vehicle.
- Yes, application requests the total cost of a vehicle.

Details of the Vehicles To Be Purchased

Complete the chart for each vehicle to be purchased:

Vehicle Category	Qty (#)	Cost Each (\$)	Total (\$)	No. Seats w/ADA Deployed	No. of ADA Stations	Total Capacity	Fuel Type	Estimat. Order Date	Estimat. Delivery Date
D	9	75,000	675,000	9	3	14	G	8/1/17	12/1/17
Totals:	9	Grand Total:	\$675,000	9	3	14			

Fuel Type Options: (G) Gas, (D) Diesel, (B) Biodiesel, (HG) Hybrid-gas, (HD) Hybrid-diesel, (CNG) Compressed Natural Gas, (OF) Other alternative Fuel.
Estimated Delivery Date: Minimum 160 days if ADA accessible.
Vehicle Category Descriptions: www.oregon.gov/ODOT/PT/resources/guidance-library/vehicle-descriptions-useful-life-standards.pdf

F. Project Milestones

15. Explain the milestones of the project.

Example milestones: design, public involvement, contract award, capital purchase, service implementation, etc.

	Milestone description	Estimated milestone completion date (m/m/yy)
1	Prepare RFP	2/1/17
2	Issue RFP	3/1/17
3	Award Contract	8/1/17
4	Receive Vehicles	12/1/17
5	Vehicles enter service	2/1/18
6		

G. Project Impact on Four Goals of Transit

Boxes will expand to fit more text if needed.

16. Describe the project's impact on **access**.

Access includes the ability of seniors and people with disabilities to travel to employment opportunities, community services, retail, education, healthcare, etc., and to safely arrive at and depart their transit stop.

The timely replacement of Paratransit vehicles insures safe, on-time and reliable transportation for seniors and people with disabilities. Additionally safe and reliable transportation allows citizens with disabilities to access all their community needs.

17. Describe the project's impact on **availability**.

Availability includes spacial availability (service close to me), time availability (service when I need it), and the size of the service area.

Our CherryLift provides complementary paratransit service under the Americans with Disabilities Act (ADA) within the Salem-Keizer Urban Growth Boundary (UGB). This origin-to-destination, curb-to-curb transportation service is designed for those with disabilities that prevent their use of the fixed route transit system.

18. Describe the project's impact on **connectivity**.

Connectivity includes the integration of services (routes, schedules, fare structures, information systems, modal transfer facilities).

The ADA Paratransit service connects our passengers with fixed route service, regional services and

2016 STF Discretionary Program Project Application

services of other transit agencies at our Downtown Transit Center, Glenn Creek Transit Center and Keizer Transit Center. The ADA Paratransit fare structure is independent of the other fare structures at \$3.20 per boarding.

19. Describe this project's impact on **economic development**.

Economic development includes public transportation's contribution to providing connections for workers to employers, reducing congestion, influencing land use choice and land values, and providing employment opportunities.

The vehicles used in the CherryLift ADA service provide passengers access to jobs, training, and work centers.

H. Statewide Impact

This field is not required - not all projects will have a broad application or be a new pilot. Box will expand to fit additional text.

20. Describe the statewide impact of this project. How will this project transform the mobility options for seniors and people with disabilities in Oregon?

This project should be considered for Statewide Significance funding.

I. Application Attachments

You can attach additional supporting documentation, such as maps, additional budgets, etc. to your submission email. Attachments must be in PDF form. Attachments not listed below may not be received by the review panel.

Attachment File Name	Attachment Document Title	Description
Scaled request memo.pdf	SAMTD Scaled Request Table	Scaled Requests for FY16-19 STF-Discretionary Grant Program Applications for Projects in Marion and Polk Counties

For Board Meeting of February 25, 2016
Agenda Item No. H.2
Attachment A: SAMTD application for nine CherryLift vehicles

2016 STF Discretionary Program Project Application

STF Agency Certification

As an authorized representative of the STF Agency, I acknowledge this application. For each application that could be funded with STF Discretionary Funds I have indicated willingness to enter into an agreement with the applicant to receive and disburse moneys for the project.

I also certify that the governing body of the STF Agency has consulted with the STF Advisory Committee regarding the proposed projects, and that the projects that are recommended for further consideration for funding are consistent with the STF Agency's Coordinated Plan.

I certify the above statement is true.

Name

To Submit Application: Save this form to your computer. Attach the completed PDF form to an email to PTDApplications@odot.state.or.us. Attach any supplemental PDF documents to your email.

**IMPORTANT - Please double check that you have answered every question on this application.
If a question is not applicable to your project, write "n/a".**

Attachment A: SAMTD Scaled Request Table

**Scaled Requests for FY16-19 STF-Discretionary Grant Program
 Applications for Projects in Marion and Polk Counties**

The Salem-Keizer Transit Board of Directors requests that the ODOT review committee considers the following table that shows the level to which projects submitted for consideration could be scaled:

Table 1. Summary of Projects in STF-Discretionary Grant Program Applications

Rank	Recipient	Project	Amount Requested	Scaled Request
1	SAMTD	Replace nine CherryLift vehicles (scaled request reflects only one vehicle)	683,625	80,000
2	Silverton Health	Two replacement vehicles for CareVan program (scaled request reduces it to one vehicle)	104,440	44,000
3	City of Woodburn	Bus stop improvements at nine locations to bring stops to current ADA standards	32,000	32,000
4	City of Silverton	Replace on-board vehicle security cameras (scaled request would only replace hard drives)	16,500	3,130
5	Partnerships in Community Living	New Vehicle Purchase for Disability Supports and Services	52,398	50,000
TOTAL			888,963	209,130



Special Transportation Fund Discretionary Program Project Application

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Complete Sections A thru I by entering information into fields or selecting from drop-down menus where available (indicated by a small arrow to the right of the box). Some "Yes or No" questions, when checked, generate a secondary question(s); please complete these sections when they appear.

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Review the complete STF Application instructions at www.oregon.gov/ODOT/PT/PROGRAMS/2016STFApplicationInstructions.pdf.

A. Applicant Information

1. STF Agency Name
2. STF Agency ODOT Region
3. Application Contact Person Name
4. Application Contact Person Email
5. Application Contact Person Phone Number

B. Project Information

6. Project Title
Will be used for reviewer reference and in public comment process. Example: Mobility Management for The Klamath Tribes

7. Is project derived from the Coordinated Plan?

- Yes
 No

For Board Meeting of February 25, 2016
Agenda Item No. H.2
Attachment B: Silverton Health application for two CareVan vehicles

2016 STF Discretionary Program Project Application

What Page?

What date was the Coordinated Plan approved? (m/m/yy)

8. Project Ranking

Complete sentence: Project is ranked out of applications submitted to ODOT for consideration.

To see the number of applications your STF Agency is allowed to submit to ODOT, visit www.oregon.gov/ODOT/PT/PROGRAMS/2016STFDiscretionaryApplications.pdf.

C. Project Quality

Boxes will expand to fit more text if needed.

9. Describe the **need** for this project. How was this need determined or assessed? Do you have data that reflects this need?

Over the past 25 years, the CareVan program at Silverton Health has become integral to the delivery of healthcare to the aged and disabled patients in our service area, particularly to those who are economically challenged. Silverton Hospital serves a higher percentage of Medicaid patients than any other hospital in the state of Oregon. Many of the seniors and disabled riders in our area have no family support system to help them with their medical appointments. Scheduling can be a challenge and transportation is an even greater one.

Our CareVan program provides these patients with a team of volunteer dispatchers who work with them to schedule appointments and coordinate rides. Further, our committed team of primarily, volunteer drivers provide reliable, timely and safe transportation for these patients.

We are in the midst of a major transformative period for healthcare in our country. Maintaining a healthier community through greater, more frequent and more timely access is a cornerstone of today's model for community health. Our CareVan program plays an important role in helping us to achieve these access goals. Given the long term plans we see for healthcare in our country, state and region, we believe the CareVan program will only become a more important component of our healthcare delivery system in the future.

Sound, reliable vehicles are essential to the operation of our successful program. Of the six vehicles we currently have in our CareVan "fleet", two have over 150,000 miles on them and are, at best, occasionally reliable and used only when absolutely necessary, two of our 2005 models are somewhat more reliable, but have equipment deficiencies which make them less than optimal and two, one from 2010 and one from 2013, serve our purposes well and are crucial to our program.

Our goal is to add two more fully reliable and appropriately equipped vehicles, which will satisfy our perceived needs for some time to come. It is these two vehicles that we are seeking through this grant application.

10. Provide a detailed description of this project. What will be the finished product or service?

Silverton Health is a healthcare service organization with facilities located throughout the mid-Willamette Valley. The primary facility is a 48 bed hospital located in Silverton, Oregon. Additionally, clinic services are provided in Silverton, Woodburn, Mt. Angel and Keizer, with another large healthcare center, providing a variety of both family and specialist care, in Woodburn.

The Silverton Health CareVan program, which is entering its 25th year of operation, provides door to door healthcare transportation services for patients who are transportation compromised for any number of

2016 STF Discretionary Program Project Application

reasons, but primarily due to age and/or infirmity. The large majority of our patient clients, approximately 90%, are seniors or disabled.

The program, which typically provides approximately 5,000 patient trips annually, serves a significant geographic portion of Marion County. In addition to the aforementioned communities, the CareVan program also serves patients residing in Salem, Scotts Mills, Hubbard, Gervais, Molalla and rural areas in between communities. The intent is to provide service within a 25 mile radius of Silverton Hospital. Though we have employed two professional drivers to serve the Woodburn area, the majority of our service is provided by a committed team of volunteers, currently including 15 volunteer drivers and 11 volunteer dispatchers. Rides are scheduled in advance with a reminder call placed to the patients 24 hours in advance of the trip. Typically, transportation service is provided to patients, in two shifts, from 8:30 to 4:30 Monday through Friday. Rides are free, though donations are accepted and frequently received. We have two central call lines, manned throughout the business day, (by volunteers in Silverton and by paid staff in Woodburn) Monday through Friday. Patients and physicians' offices call these numbers, request rides and are scheduled. Volunteer drivers and vans are dispatched from a central location across the street from the hospital in Silverton. In Woodburn paid drivers are dispatched from the Woodburn Health Center. Drivers only use CareVan equipment, so there is no need for mileage reimbursement. Professional administrative funding for the program is provided by Silverton Health operational funds. Because the CareVan program has been in operation since 1991, it is quite well known in the communities we serve. Additionally, we have printed information available at all the various Silverton Health locations (hospital, health center and clinics), as well as at senior centers and care facilities. The service is promoted on the Silverton Health website.

11. Describe the expected outcomes of this project on seniors, people with disabilities, and other populations. Why is this project the best method to address the previously described need?

Because the CareVan program has operated successfully for 25 years, it is difficult to assess what healthcare transportation would be like in our service area without it. Our evidence based assumption is that it would be sorely lacking. While we do not routinely survey our patient riders, anecdotally, we hear daily what a "life saver" the program is for so many of the hundreds of patients served annually by the CareVans. There clearly is a need and, just as clearly, the CareVan program has been serving it. The expected, and, frankly, hoped for, outcomes would be the same as they are today. That is that the transportation needs for the aged and disabled patients who utilize the healthcare services of Silverton Health are met in a caring, timely, efficient and comfortable manner.

D. Total Estimated Project Budgets

12. Enter all estimated costs involved in the **total** cost of the project in the table below. Not all fields will be applicable to every project.

Estimated Total Project Costs	
Type	Dollar Amount
Labor (payroll)	49,000
Contracted services	\$9,360.00
Materials and supplies	\$1,600.00
Operations	24,200
Preventative Maintenance	\$0.00
Capital Equipment	\$0.00
Technology	\$1,500.00
Contingency	\$0.00
Other (volunteer training & expenses)	\$5,800.00
Other (fuel)	\$6,480.00
Other (vehicle maintenance & repairs)	\$5,500.00
Other (marketing & advertising)	\$1,000.00
Other (type description)	
Project Grand Total (automatically calculates)	104,440

2016 STF Discretionary Program Project Application

13. Identify the project's additional sources of funding in the table below.

Estimated Additional Project Resources	
Source of Funds	Dollar Amount
2016 STF Discretionary Program Request <i>(IMPORTANT!)</i>	88,000
Local Resources	\$0.00
Federal Resources	\$0.00
Other (type description)	\$0.00
Project Grand Total (automatically calculates)	88,000

The award of this STF Discretionary Grant will enable Federal Funds to be brought to the project.

E. Vehicle Information

14. Does this application request either match or total cost funding for a vehicle?
Please note that projects that are match for vehicle replacement/rightsizing under the Transit Capital Discretionary Program available in January will have priority over vehicle purchases that are not a match.

- No, application does not involve a vehicle purchase of any kind.
- Yes, application requests match for a vehicle.
- Yes, application requests the total cost of a vehicle.

Details of the Vehicles To Be Purchased

Complete the chart for each vehicle to be purchased:

Vehicle Category	Qty (#)	Cost Each (\$)	Total (\$)	No. Seats w/ADA Deployed	No. of ADA Stations	Total Capacity	Fuel Type	Estimat. Order Date	Estimat. Delivery Date
E-2	2	44,000	88,000	4	2	6	G	8/1/16	2/1/17
Totals:	2	Grand Total:	\$88,000	4	2	6			

Fuel Type Options: (G) Gas, (D) Diesel, (B) Biodiesel, (HG) Hybrid-gas, (HD) Hybrid-diesel, (CNG) Compressed Natural Gas, (OF) Other alternative Fuel.
 Estimated Delivery Date: Minimum 160 days if ADA accessible.
 Vehicle Category Descriptions: www.oregon.gov/ODOT/PT/resources/guidance-library/vehicle-descriptions-useful-life-standards.pdf

F. Project Milestones

15. Explain the milestones of the project.

Example milestones: design, public involvement, contract award, capital purchase, service implementation, etc.

	Milestone description	Estimated milestone completion date (m/m/yy)
1	Purchase vans	7/31/16
2	Vehicle disposal at vehicle end of service life	7/31/22
3		
4		
5		
6		

G. Project Impact on Four Goals of Transit

Boxes will expand to fit more text if needed.

16. Describe the project's impact on **access**.

Access includes the ability of seniors and people with disabilities to travel to employment opportunities, community services, retail, education, healthcare, etc., and to safely arrive at and depart their transit stop.

The CareVan intentionally addresses only the healthcare area of access for seniors and people with disabilities and the impact on that area is substantial for patients in our service area.

17. Describe the project's impact on **availability**.

Availability includes spacial availability (service close to me), time availability (service when I need it), and the size of the service area.

The CareVan is a "door to door" service and we do everything we can to accommodate the needs of those who are aged, infirm, or who use a wheelchair. The program operates during the normal business hours that our healthcare facilities are open and available for patients and is not intended to be an "emergency" provider. Our service area encompasses a significant portion of Marion County, from Salem/Keizer on the west, to Woodburn/Hubbard on the north, to Aumsville/Sublimity on the south, to Scotts Mills on the east. Service is intended to be provided within an approximate 25 mile radius of Silverton Hospital

18. Describe the project's impact on **connectivity**.

Connectivity includes the integration of services (routes, schedules, fare structures, information systems, modal transfer facilities).

2016 STF Discretionary Program Project Application

We strive to provide the most comprehensive services we can. When we cannot accommodate the needs of a particular patient, we work cooperatively with other providers, for example, Silver Trolley or TripLink, to attempt to meet those needs.

19. Describe this project's impact on economic development.

Economic development includes public transportation's contribution to providing connections for workers to employers, reducing congestion, influencing land use choice and land values, and providing employment opportunities.

It is difficult to measure a direct "economic development" benefit for the CareVan program, in that we do not provide employment related transportation. Clearly, the delivery of caring, efficient healthcare transportation is of considerable economic benefit to the patients utilizing the service.

H. Statewide Impact

This field is not required - not all projects will have a broad application or be a new pilot. Box will expand to fit additional text.

20. Describe the statewide impact of this project. How will this project transform the mobility options for seniors and people with disabilities in Oregon?

This project should be considered for Statewide Significance funding.

I. Application Attachments

You can attach additional supporting documentation, such as maps, additional budgets, etc. to your submission email. Attachments must be in PDF form. Attachments not listed below may not be received by the review panel.

Attachment File Name	Attachment Document Title	Description

STF Agency Certification

As an authorized representative of the STF Agency, I acknowledge this application. For each application that could be funded with STF Discretionary Funds I have indicated willingness to enter into an agreement with the applicant to receive and disburse moneys for the project.

I also certify that the governing body of the STF Agency has consulted with the STF Advisory Committee regarding the proposed projects, and that the projects that are recommended for further consideration for funding are consistent with the STF Agency's Coordinated Plan.

I certify the above statement is true.

Name

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**IMPORTANT - Please double check that you have answered every question on this application.
If a question is not applicable to your project, write "n/a".**



Special Transportation Fund Discretionary Program Project Application

Instructions

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Fill out this application onscreen, save it to your computer, and attach your completed PDF form to an email to PTDApplications@odot.state.or.us. Attach any supplemental PDF documents to your email. If you have technical problems using the form, call Liz Rickles at 503-986-3394. For answers to programmatic or process specific questions, call David Schwert at 503-986-4305 or contact your Regional Transit Coordinator. Application due to ODOT RPTD by March 11, 2016.

Complete Sections A thru I by entering information into fields or selecting from drop-down menus where available (indicated by a small arrow to the right of the box). Some "Yes or No" questions, when checked, generate a secondary question(s); please complete these sections when they appear.

Please double check that you have answered every question on this application before submitting. If a question is not applicable to your project, write "n/a".

Review the complete STF Application instructions at www.oregon.gov/ODOT/PT/PROGRAMS/2016STFApplicationInstructions.pdf.

A. Applicant Information

1. STF Agency Name
2. STF Agency ODOT Region
3. Application Contact Person Name
4. Application Contact Person Email
5. Application Contact Person Phone Number

B. Project Information

6. Project Title
Will be used for reviewer reference and in public comment process. Example: Mobility Management for The Klamath Tribes

7. Is project derived from the Coordinated Plan?

- Yes
 No

Attachment C: City of Woodburn application for ADA bus stop improvements

2016 STF Discretionary Program Project Application

What Page?

What date was the Coordinated Plan approved? (m/m/yy)

8. Project Ranking

Complete sentence: Project is ranked out of applications submitted to ODOT for consideration.

To see the number of applications your STF Agency is allowed to submit to ODOT, visit www.oregon.gov/ODOT/PT/PROGRAMS/2016STFDiscretionaryApplications.pdf.

C. Project Quality

Boxes will expand to fit more text if needed.

9. Describe the **need** for this project. How was this need determined or assessed? Do you have data that reflects this need?

In July of 2015, the City commissioned BCB Consulting to conduct an accessibility field study. The study identified that significant accessibility deficiencies exist with nine bus stops that are utilized by Woodburn's fixed route transit service. The study determined that this project is a high need for seniors and people with disabilities who utilize public transportation in Woodburn. This project will reduce the time it takes when boarding or debarking a senior or a person with a disability and will support their ability to maintain their independence.

10. Provide a detailed description of this project. What will be the finished product or service?

The Bus Stop ADA Improvement Project will complete paved accessibility improvements to nine fixed route bus stops that are currently located in inaccessible grassy, muddy or uneven surfaces. The current condition of these stops makes it very difficult for individuals using canes, walkers, or mobility devices to board and disembark the transit bus. This project will provide significant service improvements for local residents, in particular, the elderly and people with disabilities, and will also bring the City into conformance with current ADA requirements. No volunteers will be used for this project and the subject stops are all located within the Woodburn city limits. This project will be communicated to the public through the City's website and weekly email newsletter.

11. Describe the expected outcomes of this project on seniors, people with disabilities, and other populations. Why is this project the best method to address the previously described need?

This project will allow for improved and safer access to public transportation for seniors and people with disabilities who use canes, walkers, or wheelchairs. The nine stops that are the subject of this project are currently located in grassy, muddy, or uneven areas and can be unsafe for use, especially during periods of inclement weather. By paving and connecting these stops with sidewalks, this project will support seniors and people with disabilities to maintain their independence, and may even assist some in being able to remain in their own homes. It is anticipated that this project will enhance the ability of residents to access healthcare and shopping services.

Attachment C: City of Woodburn application for ADA bus stop improvements

2016 STF Discretionary Program Project Application

D. Total Estimated Project Budgets

12. Enter all estimated costs involved in the **total** cost of the project in the table below. Not all fields will be applicable to every project.

Estimated Total Project Costs	
Type	Dollar Amount
Labor (payroll)	12,000
Contracted services	20,000
Materials and supplies	\$0.00
Operations	\$0.00
Preventative Maintenance	\$0.00
Capital Equipment	\$0.00
Technology	\$0.00
Contingency	\$0.00
Other (type description)	\$0.00
Project Grand Total (automatically calculates)	32,000

13. Identify the project's additional sources of funding in the table below.

Estimated Additional Project Resources	
Source of Funds	Dollar Amount
2016 STF Discretionary Program Request <i>(IMPORTANT!)</i>	32,000
Local Resources	\$0.00
Federal Resources	\$0.00
Other (type description)	\$0.00
Project Grand Total (automatically calculates)	32,000

The award of this STF Discretionary Grant will enable Federal Funds to be brought to the project.

E. Vehicle Information

14. Does this application request either match or total cost funding for a vehicle?

Please note that projects that are match for vehicle replacement/rightsizing under the Transit Capital Discretionary Program available in January will have priority over vehicle purchases that are not a match.

- No, application does not involve a vehicle purchase of any kind.
- Yes, application requests match for a vehicle.
- Yes, application requests the total cost of a vehicle.

F. Project Milestones

15. Explain the milestones of the project.

Example milestones: design, public involvement, contract award, capital purchase, service implementation, etc.

	Milestone description	Estimated milestone completion date (m/m/yy)
1	Design	8/31/16
2	Procurement	10/15/16
3	Construction	11/30/16
4		
5		

Attachment C: City of Woodburn application for ADA bus stop improvements

2016 STF Discretionary Program Project Application

6		
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G. Project Impact on Four Goals of Transit

Boxes will expand to fit more text if needed.

16. Describe the project's impact on **access**.

Access includes the ability of seniors and people with disabilities to travel to employment opportunities, community services, retail, education, healthcare, etc., and to safely arrive at and depart their transit stop.

By improving their ability to utilize public transportation, this project will enhance the ability of seniors and persons with disabilities to access healthcare services, employment and educational opportunities, and other social and community services.

17. Describe the project's impact on **availability**.

Availability includes spacial availability (service close to me), time availability (service when I need it), and the size of the service area.

Woodburn's fixed route transit services utilize 20 main stops within the five square miles of the city limits. The services provide connections to many frequently utilized providers, including Goodwill, Safeway, Silverton Health, Salud Medical Center, DaVita Dialysis Center, Woodburn Premium Outlets, Walmart, and Bi-Mart. The route takes one hour to complete each loop and operates Monday - Friday from 7:00 AM - 7:00 PM.

18. Describe the project's impact on **connectivity**.

Connectivity includes the integration of services (routes, schedules, fare structures, information systems, modal transfer facilities).

This project will enhance the ability of riders to access public transportation and establish connections between the services offered by Woodburn, Canby (CAT), Salem-Keizer (CARTS), and ODOT (Cascades Point). Woodburn's fixed route fares are \$1.25 for a single ride, \$3.00 for an all-day pass, \$18.75 for a 20 ride pass. Schedules are available on the buses, the City's website, and upon request. They are available in English, Spanish and in other languages by request. Service information can be obtained by calling the dispatch center at (503) 982-5233 or on the website at www.woodburntransit.org. Woodburn currently has three transfer facilities (Bi-Mar, Downtown Transit Center, and the Woodburn Memorial Transit Facility).

19. Describe this project's impact on **economic development**.

Economic development includes public transportation's contribution to providing connections for workers to employers, reducing congestion, influencing land use choice and land values, and providing employment opportunities.

Woodburn Transit operates during the primary employment, shopping, and medical service hours of 7:00 AM - 7:00 PM, Monday - Friday. Effective public transportation services contribute greatly to the economic vitality of a community.

Attachment C: City of Woodburn application for ADA bus stop improvements

2016 STF Discretionary Program Project Application

H. Statewide Impact

This field is not required - not all projects will have a broad application or be a new pilot. Box will expand to fit additional text.

20. Describe the statewide impact of this project. How will this project transform the mobility options for seniors and people with disabilities in Oregon?

This project should be considered for Statewide Significance funding.

I. Application Attachments

You can attach additional supporting documentation, such as maps, additional budgets, etc. to your submission email. Attachments must be in PDF form. Attachments not listed below may not be received by the review panel.

Attachment File Name	Attachment Document Title	Description

STF Agency Certification

As an authorized representative of the STF Agency, I acknowledge this application. For each application that could be funded with STF Discretionary Funds I have indicated willingness to enter into an agreement with the applicant to receive and disburse moneys for the project.

I also certify that the governing body of the STF Agency has consulted with the STF Advisory Committee regarding the proposed projects, and that the projects that are recommended for further consideration for funding are consistent with the STF Agency's Coordinated Plan.

I certify the above statement is true.

Name

For Board Meeting of February 25, 2016
Agenda Item No. H.2
Attachment C: City of Woodburn application for ADA bus stop improvements

2016 STF Discretionary Program Project Application

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**IMPORTANT - Please double check that you have answered every question on this application.
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2016 STF Discretionary Program Project Application



Special Transportation Fund Discretionary Program Project Application

Instructions

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Complete Sections A thru I by entering information into fields or selecting from drop-down menus where available (indicated by a small arrow to the right of the box). Some "Yes or No" questions, when checked, generate a secondary question(s); please complete these sections when they appear.

Please double check that you have answered every question on this application before submitting. If a question is not applicable to your project, write "n/a".

Review the complete STF Application instructions at www.oregon.gov/ODOT/PT/PROGRAMS/2016STFApplicationInstructions.pdf.

A. Applicant Information

1. STF Agency Name
2. STF Agency ODOT Region
3. Application Contact Person Name
4. Application Contact Person Email
5. Application Contact Person Phone Number

B. Project Information

6. Project Title
Will be used for reviewer reference and in public comment process. Example: Mobility Management for The Klamath Tribes

7. Is project derived from the Coordinated Plan?

- Yes
 No

Attachment D: City of Silverton application for replacement camera systems for Silver Trolley

2016 STF Discretionary Program Project Application

What Page?

What date was the Coordinated Plan approved? (m/m/yy)

8. Project Ranking

Complete sentence: Project is ranked out of applications submitted to ODOT for consideration.

To see the number of applications your STF Agency is allowed to submit to ODOT, visit www.oregon.gov/ODOT/PT/PROGRAMS/2016STFDiscretionaryApplications.pdf.

C. Project Quality

Boxes will expand to fit more text if needed.

9. Describe the **need** for this project. How was this need determined or assessed? Do you have data that reflects this need?

The need was determined when the City received a complaint regarding a near miss accident involving one of the Trolleys and a blind pedestrian in a crosswalk. When the video was pulled from the 5+ year old equipment, the video cut out prior to incident. The complaint and driver had different accounts and the City could not verify what actually happened. The equipment supplier recommends the hard drives be replaced every 3 years to avoid these situations. In addition, the cameras are old technology that have poor resolution compared to what is available today and an upgrade would provide a much clearer picture of events. Upgrading to current technology will be much more reliable and useful than the aging unreliable system the City currently operates.

10. Provide a detailed description of this project. What will be the finished product or service?

The project is to replace the failing hard drives and the aging cameras in the three Silver Trolley vehicles. Existing service will continue. The project will replace the hard drives that are past their useful life and are now unreliable. When the City receives accusations of unsafe behavior or investigates incidents or accidents we need to be able to ascertain what actually happened. There have been instances when the City has received a complaint and has not been able to verify what actually happened due to malfunctioning hardware. This puts the City at risk.

11. Describe the expected outcomes of this project on seniors, people with disabilities, and other populations. Why is this project the best method to address the previously described need?

The outcome is to better serve the public by being able to ascertain the specific facts of any event that occurs on any of the trolley vehicles. This includes incidents that could involve slips, falls or a wheelchair tipping over. The City needs to be able to determine if driver was at fault of if they followed all appropriate policies and procedures.

Attachment D: City of Silverton application for replacement camera systems for Silver Trolley

2016 STF Discretionary Program Project Application

D. Total Estimated Project Budgets

12. Enter all estimated costs involved in the **total** cost of the project in the table below. Not all fields will be applicable to every project.

Estimated Total Project Costs	
Type	Dollar Amount
Labor (payroll)	\$0.00
Contracted services	\$2,500.00
Materials and supplies	\$0.00
Operations	\$0.00
Preventative Maintenance	\$0.00
Capital Equipment	14,000
Technology	\$0.00
Contingency	\$0.00
Other (type description)	\$0.00
Project Grand Total (automatically calculates)	16,500

Attachment D: City of Silverton application for replacement camera systems for Silver Trolley

2016 STF Discretionary Program Project Application

13. Identify the project's additional sources of funding in the table below.

Estimated Additional Project Resources	
Source of Funds	Dollar Amount
2016 STF Discretionary Program Request <i>(IMPORTANT!)</i>	16,500
Local Resources	\$0.00
Federal Resources	\$0.00
Other (type description)	\$0.00
Project Grand Total (automatically calculates)	16,500

The award of this STF Discretionary Grant will enable Federal Funds to be brought to the project.

E. Vehicle Information

14. Does this application request either match or total cost funding for a vehicle?

Please note that projects that are match for vehicle replacement/rightsizing under the Transit Capital Discretionary Program available in January will have priority over vehicle purchases that are not a match.

- No, application does not involve a vehicle purchase of any kind.
- Yes, application requests match for a vehicle.
- Yes, application requests the total cost of a vehicle.

F. Project Milestones

15. Explain the milestones of the project.

Example milestones: design, public involvement, contract award, capital purchase, service implementation, etc.

	Milestone description	Estimated milestone completion date (m/m/yy)
1	Order equipment	8/31/16
2	Install and train staff on equipment	8/31/16
3		
4		
5		

Attachment D: City of Silverton application for replacement camera systems for Silver Trolley

2016 STF Discretionary Program Project Application

6		
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G. Project Impact on Four Goals of Transit

Boxes will expand to fit more text if needed.

16. Describe the project's impact on access.

Access includes the ability of seniors and people with disabilities to travel to employment opportunities, community services, retail, education, healthcare, etc., and to safely arrive at and depart their transit stop.

The project will better ensure safety by being increasing accountability during incidents and accidents.

17. Describe the project's impact on availability.

Availability includes spacial availability (service close to me), time availability (service when I need it), and the size of the service area.

The project could be utilized to follow up on complaints regarding the trolley being late to appointments by allowing office staff to watch the vide that includes gps information and speed information.

18. Describe the project's impact on connectivity.

Connectivity includes the integration of services (routes, schedules, fare structures, information systems, modal transfer facilities.

The project is not expected to impact connectivity.

19. Describe this project's impact on economic development.

Economic development includes public transportation's contribution to providing connections for workers to employers, reducing congestion, influencing land use choice and land values, and providing employment opportunities.

This project is not expected to have an impact on economic development.

Attachment D: City of Silverton application for replacement camera systems for Silver Trolley

2016 STF Discretionary Program Project Application

H. Statewide Impact

This field is not required - not all projects will have a broad application or be a new pilot. Box will expand to fit additional text.

20. Describe the statewide impact of this project. How will this project transform the mobility options for seniors and people with disabilities in Oregon?

This project should be considered for Statewide Significance funding.

I. Application Attachments

You can attach additional supporting documentation, such as maps, additional budgets, etc. to your submission email. Attachments must be in PDF form. Attachments not listed below may not be received by the review panel.

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STF Agency Certification

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I also certify that the governing body of the STF Agency has consulted with the STF Advisory Committee regarding the proposed projects, and that the projects that are recommended for further consideration for funding are consistent with the STF Agency's Coordinated Plan.

I certify the above statement is true.

Name

Attachment D: City of Silverton application for replacement camera systems for Silver Trolley

2016 STF Discretionary Program Project Application

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Special Transportation Fund Discretionary Program Project Application

Instructions

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A. Applicant Information

1. STF Agency Name
2. STF Agency ODOT Region
3. Application Contact Person Name
4. Application Contact Person Email
5. Application Contact Person Phone Number

B. Project Information

6. Project Title
Will be used for reviewer reference and in public comment process. Example: Mobility Management for The Klamath Tribes

7. Is project derived from the Coordinated Plan?

- Yes
 No

Attachment E: Partnerships in Community Living application for new vehicle

2016 STF Discretionary Program Project Application

What Page?

What date was the Coordinated Plan approved? (m/m/yy)

8. Project Ranking

Complete sentence: Project is ranked out of applications submitted to ODOT for consideration.

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C. Project Quality

Boxes will expand to fit more text if needed.

9. Describe the need for this project. How was this need determined or assessed? Do you have data that reflects this need?

This project is needed to increase the reliability, safety and security of PCL's vehicle fleet that consists of over 100 vehicles. The constant operating and maintenance costs of each vehicle increases as it ages and is a financial obligation that can, and has, exceeded projected budgets for fleet costs. Each vehicle sees much more usage and exceeds their typical life expectancy much sooner than privately owned vehicles due to the number of people that utilize them on a daily basis. PCL makes a specific effort to maintain and repair every vehicle in order to reduce costs through monthly car care maintenance schedules and is facilitated by PCL's own Fleet Manager. However, these efforts can only prevent the loss of a vehicle to a certain extent before it must be replaced. This project to acquire a new vehicle will help to reduce costs not only for the immediate future, but also over time as it will require less repair and maintenance for some time as compared to many of the older vehicles currently in use. Ultimately, this will allow PCL to provide safer and more reliable transportation for all of the activities, both internal and community based, that require use of vehicles in PCL's fleet.

10. Provide a detailed description of this project. What will be the finished product or service?

- Partnerships in Community Living, Inc. (PCL) provides support services for people with developmental and intellectual disabilities. PCL utilizes its vehicles to provide safe and reliable transportation for the people supported for a myriad of appointments, necessities including recreational outings and trips.
- PCL currently serves seven counties (Polk, Marion, Josephine, Jackson, Linn, Benton and Lane) in Oregon. Activities are sometimes outside of this geographical region, however, all services and activities focus on people living within this area. However, the majority of services provided are located in Polk and Marion Counties.
- The primary service provided will be transportation for people supported by PCL to and from activities that range from everyday necessities such as medical appointments and grocery shopping to social outings and trips to community events. With certain events or outings, people with disabilities from other local organizations are invited to attend and will be utilizing the vehicle as well.
- Activities that allow for other agencies to have people attend are directly contacted and invited by PCL team members involved with each particular outing or event.
- Volunteers are welcome and gladly utilized for events. However, volunteers are not typically reimbursed for mileage costs even with the unlikely event that personal vehicles are being used. If volunteers are involved with any event they participate in a support role to help with the logistics of the event.
- PCL operates a program within the organization called Day Trippers that schedules outings to events, etc for people supported to attend. Other local agencies are then contacted and invited to attend. This will, of

Attachment E: Partnerships in Community Living application for new vehicle

2016 STF Discretionary Program Project Application

course, continue and to be expanded as we continue to grow.

11. Describe the expected outcomes of this project on seniors, people with disabilities, and other populations. Why is this project the best method to address the previously described need?

PCL expects to see a decrease in vehicle costs which will directly translate to more funding to fulfill PCL's mission of enhancing the quality of life for those we support. This includes people with disabilities in the community outside of PCL's services. An opportunity to provide better services, due to the lessening need of committed funds to an aging vehicle fleet, and creating the opportunity for more people to benefit from PCL's programs within the local communities would be a direct result of receiving the requested grant funding. Due to certain levels of disabilities the use of public transportation can be limited. Public transportation schedules do not always meet the need of the person supported due to appointments that do not coincide with public transportation schedules. The use of private transportation allows for experienced assistance to better serve the person with a disability. Finally, in order for this population to be contributing members of their community they need to have access to transportation that will allow this goal to be realized.

Attachment E: Partnerships in Community Living application for new vehicle

2016 STF Discretionary Program Project Application

D. Total Estimated Project Budgets

12. Enter all estimated costs involved in the **total** cost of the project in the table below. Not all fields will be applicable to every project.

Estimated Total Project Costs	
Type	Dollar Amount
Labor (payroll)	\$0.00
Contracted services	\$0.00
Materials and supplies	\$0.00
Operations	\$0.00
Preventative Maintenance	\$0.00
Capital Equipment	39,510
Technology	\$0.00
Contingency	\$0.00
Other (conversion price)	16,500
Other (additional equipment)	\$1,075.00
Other (shipping)	\$750.00
Other (fees)	\$363.00
Other (Oregon GPC Discount)	\$-5,800.00
Project Grand Total (automatically calculates)	52,398

Attachment E: Partnerships in Community Living application for new vehicle

2016 STF Discretionary Program Project Application

13. Identify the project's additional sources of funding in the table below.

Estimated Additional Project Resources	
Source of Funds	Dollar Amount
2016 STF Discretionary Program Request <i>(IMPORTANT!)</i>	52,398
Local Resources	
Federal Resources	
Other (type description)	
Project Grand Total (automatically calculates)	52,398

The award of this STF Discretionary Grant will enable Federal Funds to be brought to the project.

Attachment E: Partnerships in Community Living application for new vehicle

2016 STF Discretionary Program Project Application

E. Vehicle Information

14. Does this application request either match or total cost funding for a vehicle?

Please note that projects that are match for vehicle replacement/rightsizing under the Transit Capital Discretionary Program available in January will have priority over vehicle purchases that are not a match.

- No, application does not involve a vehicle purchase of any kind.
- Yes, application requests match for a vehicle.
- Yes, application requests the total cost of a vehicle.

Details of the Vehicles To Be Purchased

Complete the chart for each vehicle to be purchased:

Vehicle Category	Qty (#)	Cost Each (\$)	Total (\$)	No. Seats w/ADA Deployed	No. of ADA Stations	Total Capacity	Fuel Type	Estimat. Order Date	Estimat. Delivery Date
E-2	1	52,398	52,398	3	3	7	G	7/1/16	10/1/16
Totals:	1	Grand Total:	\$52,398	3	3	7			

Fuel Type Options: (G) Gas, (D) Diesel, (B) Biodiesel, (HG) Hybrid-gas, (HD) Hybrid-diesel, (CNG) Compressed Natural Gas, (OF) Other alternative Fuel.
 Estimated Delivery Date: Minimum 160 days if ADA accessible.
 Vehicle Category Descriptions: www.oregon.gov/ODOT/PT/resources/guidance-library/vehicle-descriptions-useful-life-standards.pdf

F. Project Milestones

15. Explain the milestones of the project.

Example milestones: design, public involvement, contract award, capital purchase, service implementation, etc.

	Milestone description	Estimated milestone completion date (m/m/yy)
1	Order Vehicle	7/31/16
2	Conversion Process Completed	8/31/16
3	Take Possession of Vehicle	10/31/16
4	Internal PCL Vehicle Preparation	10/31/16
5	Operational Training	10/31/16
6	Placement of Vehicle	10/31/16

G. Project Impact on Four Goals of Transit

Boxes will expand to fit more text if needed.

16. Describe the project's impact on **access**.

Access includes the ability of seniors and people with disabilities to travel to employment opportunities, community services, retail, education, healthcare, etc., and to safely arrive at and depart their transit stop.

PCL uses its fleet of vehicles for a variety of travel needs for the people supported that may have. The ability to utilize a new vehicle for these purposes would allow for consistent responses to the needs of the people receiving supports (i.e. if the vehicle is in need of repair and is out of service, it cannot be used to meet these needs). It would give more capabilities and options for the various programs/residences within PCL to be able to accomplish professional, personal goals and necessary travel needs more easily.

17. Describe the project's impact on **availability**.

Availability includes spacial availability (service close to me), time availability (service when I need it), and the size of the service area.

The impact from being able to replace a vehicle would only improve the ability to increase both spatial and time availabilities by way of allowing more appointments, outings, various meetings, etc to be scheduled and completed. The area in which PCL provides services would not be increased on this factor alone. However, the successful granting of this project would allow for more opportunities for people to attend more functions, go on longer trips and increase the amount of trips able to be taken thus increasing the amount of people that would benefit from the new vehicle.

18. Describe the project's impact on **connectivity**.

Connectivity includes the integration of services (routes, schedules, fare structures, information systems, modal transfer facilities).

The impact this project would have is to help grow the relationship between PCL and other local

Attachment E: Partnerships in Community Living application for new vehicle

2016 STF Discretionary Program Project Application

organizations that provides services to people with developmental and intellectual disabilities and, of course, the people themselves. PCL would continue to include other people with activities and opportunities to be involved with their local communities. Due to the nature of the operations of the PCL fleet there are no routes, fees or systems that would be impacted by the granting of funds to purchase a new vehicle.

19. Describe this project's impact on **economic development**.

Economic development includes public transportation's contribution to providing connections for workers to employers, reducing congestion, influencing land use choice and land values, and providing employment opportunities.

Because this would not be considered part of any public transportation system the only real legitimate impact to economic development would be in the area of employment opportunities. The vehicle, in some cases, would be used as a shuttle to provide transportation for the people PCL directly supports by transporting to and from jobs, meetings with local and state agencies that PCL works with to realize success around efforts to find employment and transportation to meet with potential employers.

H. Statewide Impact

This field is not required - not all projects will have a broad application or be a new pilot. Box will expand to fit additional text.

20. Describe the statewide impact of this project. How will this project transform the mobility options for seniors and people with disabilities in Oregon?

This project should be considered for Statewide Significance funding.

I. Application Attachments

You can attach additional supporting documentation, such as maps, additional budgets, etc. to your submission email. Attachments must be in PDF form. Attachments not listed below may not be received by the review panel.

Attachment File Name	Attachment Document Title	Description

STF Agency Certification

As an authorized representative of the STF Agency, I acknowledge this application. For each application that could be funded with STF Discretionary Funds I have indicated willingness to enter into an agreement with the applicant to receive and disburse moneys for the project.

I also certify that the governing body of the STF Agency has consulted with the STF Advisory Committee regarding the proposed projects, and that the projects that are recommended for further consideration for funding are consistent with the STF Agency's Coordinated Plan.

I certify the above statement is true.

Name

To Submit Application: Save this form to your computer. Attach the completed PDF form to an email to PTDApplications@odot.state.or.us. Attach any supplemental PDF documents to your email.

**IMPORTANT - Please double check that you have answered every question on this application.
If a question is not applicable to your project, write "n/a".**

INTRODUCTION

- Read the 2016 *STF Discretionary Program Application Instructions* prior to completing this application.
- Use the instructions as a reference while filling out the application form.
- Each project submitted for funding consideration must have its own application.
- Selection criteria are detailed in Section 5 of the *Application Instructions*.
- This form must be filled out using Microsoft Word and submitted as a Word or Adobe .pdf document. Paper applications will NOT be accepted.
- Signature pages should be scanned and attached as separate pages to each application.

Submittal Checklist

Make sure

- ✓ Application is complete, signed, and dated

Submit

- ✓ Proof of agency status (template included in application packet)
- ✓ Ethnic and Racial Impact Statement
- ✓ Maintenance Plan (if submitting an application for preventive maintenance)

A. ORGANIZATION INFORMATION

Name of Organization: Richard Stevenson

Contact Person: Private Citizen

Address: 6649 Hidden Creek Loop NE, Keizer, Oregon 97303

Telephone: 503-339-7053

Email: rsteve97303@gmail.com

Type of Organization (check one)

Government Agency	<input type="checkbox"/>
Private Not-for-Profit	<input type="checkbox"/>
Other	<input checked="" type="checkbox"/>

Area of service (check one)

Inside Marion and Polk Counties	<input checked="" type="checkbox"/>
Outside Marion and Polk Counties	<input type="checkbox"/>
Both inside and outside Marion and Polk Counties	<input type="checkbox"/>

Organization Days and Hours of Operation

Day	Hours
Sunday	24
Monday	
Tuesday	
Wednesday	
Thursday	
Friday	
Saturday	24
Please list any planned periods of service closure greater than 3 days (i.e., closed the week between Christmas Day and New Year's Day)	Application is for transportation needed outside hours and days not available through Cherry Lift.

Total transportation program costs by year

FY15 (historical data, if applicable)	FY16 (projected, if applicable)	FY17 (projected)	FY18 (projected)	FY19 (projected)
\$	\$10,400.00	\$10,400.00	\$10,400.00	\$10,400.00

B. PROJECT INFORMATION

Project Title *(will be used for reviewer reference and in public comment process. Example: Mobility Management for The Klamath Tribes) Alternate ADA Transportation for Unavailable CherryLift trips.*

Project service area to be served *(indicate the geographic features that define your service area such as streets, rivers, or jurisdictional boundaries)*

North boundary	
West boundary	
South boundary	
East boundary	
Other general geographic area (i.e., within the City of Woodburn)	Urban growth boundry for Cities of Salem and Keizer, Marion County, Oregon.

For Board Meeting of February 25, 2016
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Attachment F: Richard Stevenson application for weekend taxi vouchers

Optional: please provide a map of your service area as a separate single page 8.5"x11" attachment.

Total STF funds requested
\$ 41,600.00 for FY 16,17,18,19

Start date

Proposed project scope (check one)

Regional project	<input checked="" type="checkbox"/>
Project with Statewide Significance	<input type="checkbox"/>

Funding request type (check one)

Continuation of existing service at same level of service	<input type="checkbox"/>
Expansion of existing service	<input checked="" type="checkbox"/>
New service	<input type="checkbox"/>
Capital request	<input type="checkbox"/>
Other	<input type="checkbox"/>

Total Grant fund needs by year

(Circle below)	FY17	FY18	FY19
Regional project	\$10,400.00	\$10,400.00	\$10,400.00
Project of Statewide Significance	\$0.00	\$0.00	\$0.00

Scalable STF Grant Request by Year

You are strongly encouraged to request the full amount of funding that is needed for each project, including funding for new projects; however, funding is limited. Describe the scalability of your STF funding request, how you scaled down your request and what aspects of the program would not be funded under this funding scenario below. Then enter your scaled down request amounts.

	FY17	FY18	FY19	Total
Scaled request:	\$10,000.00	\$10,000.00	\$10,000.00	\$30,000.00

Identify the project's additional sources of funding in the table below

Estimated Additional Project Resources	
Source of Funds	Dollar Amount
2016 STF Discretionary Program Request (<i>Important!!</i>)	\$10,400.00
Local Resources	\$0.00
Federal Resources	\$0.00
Other (provide description):	\$0.00
Project Grand Total	\$10,4000.00

The award of this STF Discretionary Grant will enable federal funds to be brought to the project.

Coordinated Plan

Is project derived from the *Marion and Polk Counties Coordinated Public Transit – Human Services Transportation Plan* dated June, 2009? Yes No If yes, what page?

If no, explain why the project is not part of the Coordinated Plan.
To my knowledge, this is currently addressed in any plan.

1. Project Description

a.) **Describe services or capital investment to be provided by STF funding.** Include a description of the following:

- This project is to serve a currently disabled individual who does not have access to transportation on weekends, evenings or holidays.

b.) **Will your project activities preserve existing service and/or provide new service? It will provide service where non exists.**

c.) **Will you coordinate between providers to avoid duplication? I will personally ensure that these funds be used only when Salem Area Transit cannot provide this service.**

d.) Is your project cost- effective?

The cost is \$100.00 per round trip subcontracted on a per trip basis to the local cab company.

e.) Project Quality

This would allow me to leave my home on weekends , holidays and other times when paratransit is not available.

f.) Expected Outcomes

This will alleviate me being a prisoner in my own home outside of transit operating hours,

2. Project impact on four goals of transit

a.) Describe the project's impact on access

This will provide access to service that currently does not exist

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Contracted services	\$10,400.00
Materials and supplies	\$0.00
Operations	\$0.00
Preventive maintenance	\$0.00
Capital equipment	\$0.00
Technology	\$0.00
Other (describe)	\$
Amount requested in this grant	\$41,600.00

5. Provide the timeline of the project in the following table

	Step Description	Completion Date
1		12/31/16
2		12/31/17
3		12/31/18
		12/31/19
5		
6		

6. **Is your application for a replacement vehicle?**

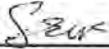
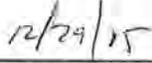
Yes (continue to #7) No (continue to page 10)

7. **If yes to question 6, please indicate whether this application is for matching funds for the Transit Capital Discretionary Program through ODOT, or for the total cost of the vehicle. Please note: projects that are match for vehicle replacement and/or rightsizing under the Transit Capital Discretionary Program available in January will have priority over vehicle purchases that are not a match.**

c. ORGANIZATIONAL CERTIFICATION

By submitting this document via email to Salem-Keizer Transit, I certify that the submitted materials and data included are complete, true and correct. Also, I certify that my organization is:

- Eligible to enter into agreements with Salem-Keizer Transit;
- Has the legal, managerial and operational capacity to do the work to be paid for by the STF;
- Not debarred or suspended from federal grants;
- In compliance with federal, state and local laws and regulations including, and not limited to, those pertaining to passenger transportation, civil rights, labor, insurance, safety and health, as applicable;
- Complies with the laws or rules of the STF Program;
- Properly uses and accounts for the STF; and
- Will operate the project or service in a safe, prudent and timely manner.

		
_____ Signature of Authorized Organization Officer	_____ Title	_____ Date

This form is used for informational purposes only and must be included with the grant application.

Chapter 600 of the 2013 Oregon Laws require applicants to include with each grant application a racial and ethnic impact statement. The statement provides information as to the disproportionate or unique impact the proposed policies or programs may have on minority persons in the State of Oregon if the grant is awarded to a corporation or other legal entity other than natural persons.

1. The proposed grant project policies or programs could have a disproportionate or unique positive impact on the following minority persons:

Indicate all that apply:

- Women
- Persons with Disabilities
- African-Americans
- Hispanics
- Asians or Pacific Islanders
- American Indians
- Alaskan Natives

2. The proposed grant project policies or programs could have a disproportionate or unique negative impact on the following minority persons:

Indicate all that apply:

- Women
- Persons with Disabilities
- African-Americans
- Hispanics
- Asians or Pacific Islanders
- American Indians
- Alaskan Natives

3. The proposed grant project policies or programs will have no disproportionate or unique impact on minority persons.

If you checked numbers 1 or 2 above, on a separate sheet of paper, provide the rationale for the existence of policies or programs having a disproportionate or unique impact on minority persons in this state. Further provide evidence of consultation with representative(s) of the affected minority persons.

I HEREBY CERTIFY on this 29 day of Dec, 2015, the information contained on this form and any attachment is complete and accurate to the best of my knowledge.

Signature: Richard Stevenson
Printed Name: RICHARD STEVENSON Title: _____

1 "Minority persons" are defined in SB 463 (2013 Regular Session) as women, persons with disabilities (as defined in ORS 174.107), African-Americans, Hispanics, Asians or Pacific Islanders, American Indians, and Alaskan Natives.

PUBLIC NOTICE

FUNDS AVAILABLE FOR TRANSPORTATION PROJECTS OPEN TO THE PUBLIC SERVING SENIORS AND INDIVIDUALS WITH DISABILITIES

The Oregon Department of Transportation's (ODOT) Rail and Public Transit Division (RPTD) has announced the availability of 2016 Public Transit Funding for the Special Transportation Fund (STF) Discretionary Grant Program for projects located within Marion and Polk Counties. This program funds transportation services benefiting seniors and individuals with disabilities.

SAMTD, as the state-designated STF agency for Marion and Polk Counties, coordinates the grant process for these funds, selects the projects that will be submitted for application to ODOT, prepares the applications, and submits them with their priority ranking of applications to ODOT RPTD. During a public meeting the Special Transportation Fund Advisory Committee (STFAC) will review grant proposals and make a project priority ranking recommendation to the SAMTD Board. There will be time for public testimony at the STFAC meetings.

ODOT RPTD will select projects on a competitive basis for the STF Discretionary funds projects. Grant awards for these projects are eligible for reimbursement through June 30, 2019. Eligible applicants are public and private non-profit organizations with managerial and financial capability that provide transportation services for seniors and individuals with disabilities.

Full details and applications for the STF Discretionary funds are available online beginning December 16, 2015 at cherriots.org/grantapplication. Any organization interested in submitting a proposal should contact Ted Stonecliffe, SAMTD, 555 Court St NE, Suite 5230, Salem, OR 97301, phone 503-588-2424, e-mail ted.stonecliffe@cherriots.org for details. Applications must be received by 12:00 noon, January 15, 2016.

Si desea una copia de este aviso público en español, por favor visite el sitio web a partir del 16 de diciembre 2015 (<http://cherriots.org/grantapplication>) o por teléfono: 503-588-2424.

Statesman Journal: Monday, December 14, 2015

AVISO PÚBLICO

FONDOS DISPONIBLES PARA PROYECTOS DE TRANSPORTE ABIERTAS AL PÚBLICO SIRVIENDO A LA TERCERA EDAD Y PERSONAS CON DISCAPACIDADES

El Departamento de Ferrocarril de Transporte y la División de Transporte Público (RPTD) de OREGON (ODOT) ha anunciado la disponibilidad de Financiación del Transporte Público (STF) para el Fondo Especial del Programa de Subvención Discrecional de Transporte para proyectos localizados dentro de los Condados de Marion y Polk.

SAMTD, como la agencia STF estatal designada para Marion y Polk, coordina el proceso de concesión de estos fondos, selecciona los proyectos que se presentarán para su aplicación a ODOT, prepara las aplicaciones, y las presenta con su orden de prioridad de las solicitudes de ODOT RPTD. Durante una reunión pública el Comité Especial de Transportaion de Fondo Consultivo (STFAC) revisará las propuestas de subvención y harán una recomendación prioritaria de proyecto a la Junta SAMTD. Ya habrá tiempo para el testimonio público en las reuniones STFAC.

ODOT RPTD seleccionará los proyectos sobre una base competitiva para los proyectos de los fondos discrecionales STF. La concesión de subvenciones para estos proyectos son elegibles para el reembolso a través del 20 de junio 2019. Los solicitantes elegibles son organizaciones sin fines de lucro públicas y privadas con capacidad de gestión y financiera que prestan servicios de transporte para las personas mayores y personas con discapacidad.

Los detalles completos y aplicaciones para los fondos discrecionales STF están disponibles en línea a partir del 16 de diciembre 2015 en cherriots.org/grantapplication. Cualquier organización interesada en presentar una propuesta deberán contactar a Ted Stonecliffe, SAMTD, 555 Court St NE, Suite 5230, Salem, OR 97301, teléfono 503-588-2424, correo electrónico ted.stonecliffe@cherriots.org para más detalles. Las aplicaciones STF fondos discrecionales deben ser completados antes de las 12:00 del mediodía, 15 de Enero, 2016.

Cherriots.org website: December 16, 2015

The following is a copy of the advertisement that appeared on the cherriots.org website beginning December 16, 2015 through the application deadline of January 15, 2016:



ROUTES FARES SERVICES HOW TO RIDE NEWS & EVENTS



Tweet
Post to Wall
Google +1

Now Accepting Applications to Fund Projects for Older Adults and People with Disabilities

DEC 16, 2015

Salem-Keizer Transit is now accepting applications for **transportation projects that are open to the public, and serve older adults and people with disabilities** within Marion and Polk Counties. Funding comes from the state Special Transportation Fund (STF) Discretionary Grant Program. Salem-Keizer Transit is the designated agency to distribute these funds in Marion and Polk Counties.

Salem-Keizer Transit is offering a training session to explain the grant requirements to new applicants. The training will be held on Thursday, January 7 from 4 to 5 p.m. in the Mill Creek conference room, SKT Administrative Office, 555 Court Street NE, Suite 5230 (fifth floor). All are welcome to attend.

Eligible applicants include:

- Cities within Marion and Polk Counties.
- Marion and Polk Counties.
- Transportation Districts.
- Councils of Government.
- Individuals.
- Public and private nonprofits with managerial and financial capabilities to provide transportation services.
- Any of these joined in cooperative agreements.

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Attachment H: Cherriots.org Website Advertisement

Eligible projects include:

- Projects that will deliver new and innovative ways to improve mobility for seniors and people with disabilities, including rides for wellness and access to travel information.
- Capital purchases, such as vehicles, passenger shelters and equipment.
- Operational and administrative costs.
- Vehicle and facility preventative maintenance.
- Travel information.
- Planning.
- New systems for improving access to transportation (for example, travel training, marketing, centralized call centers).
- Local match for federal public transportation capital, operations or mobility management projects.

Project Selection Criteria:

- Priority is given to projects that match goals and objectives listed in the [Marion and Polk Counties Coordinated Public Transit – Human Services Transportation Plan](#).
- Projects must be cost effective and coordinate services between transportation providers to avoid providing duplicate service.
- Each project submitted to Salem-Keizer Transit will be reviewed for regional value. Projects will be evaluated on the degree to which they advance the Oregon Department of Transportation's (ODOT) four public transportation goals as they relate, in particular, to older adults and people with disabilities (please see the application instructions for further information).

Further Details:

Public testimony about projects will be accepted at Salem-Keizer Transit [STF Advisory Committee](#) meeting held Monday, February 2. Applicants can contact Ted Stonecliffe, Salem-Keizer Transit Planning Analyst, at 503-588-2424 or ted.stonecliffe@cherriots.org for application assistance.

Funds are limited, and no local match is required to qualify for funding. Funding will become available in August, 2016 and can be used through June 30, 2019.

The application deadline is 12 p.m. Friday, January 15, 2016. Applications will be reviewed and ranked by the Salem-Keizer Transit's Technical Advisory Committee on Monday, January 25, 2016. This meeting is open to the public and will be held at:

555 Court St NE, Suite 5230
Mill Creek Conference Room
Salem OR 97301

Recommendations will be forwarded to the Special Transportation Fund Advisory Committee. This committee will provide final recommendations to the Salem-Keizer Transit Board of Directors. The final decision will be made at the Thursday, February 25 board meeting.

Funding for these projects comes from state sources, including the state ODOT Rail and Public Transit Division Special Transportation Fund Discretionary grant program.

[Download Application](#)

[Download Instructions](#)

**Salem-Keizer Transit
Special Transportation Fund Discretionary Grant Program
Technical Advisory Committee Meeting
January 25, 2016, 10:00 a.m. – 2:00 p.m.
Mill Creek Conference Room
555 Court St NE, Suite 5230
Salem, Oregon**

A. CALL TO ORDER AND INTRODUCTIONS:

Committee Chair Tanya DeHart called the meeting to order at 10:00 a.m. with a quorum present. Ted Stonecliffe reviewed the evacuation procedures with the group, in case of an emergency.

MEMBERS PRESENT:

Tanya DeHart, Committee Chair; Marja Byers; Jean Sherbeck; Diane Lace; Alinna Ghavami; Brian Varley; Karen Odenthal

MEMBERS ABSENT:

Emily Broussard; Gerald Heffner; Maryann Hills

STAFF:

Steve Dickey, Director of Transportation Development
Ted Stonecliffe, Long Range Planning Analyst
David Trimble, Chief Operating Officer
SueAnn Coffin, Contracted Transportation Manager
Gregg Thompson, Maintenance Manager
Trish Bunsen, Grants Administrator

APPLICANT REPRESENTATIVES:

Randy Stockdale and Kay Seiler– Silverton Health
Shawn McCammon – Partnerships in Community Living
Kathy McClaskey – City of Woodburn
Jason Gottgetreu – City of Silverton
David Trimble – Salem-Keizer Transit

GUESTS:

Arla Miller, Assistant Regional Transit Coordinator, ODOT Rail and Public Transit Division

B. PUBLIC COMMENT:

None

C. REVIEW OF SCHEDULE:

The recommendation formed at today's meeting will be presented to the STF Advisory Committee on February 2, 2016. The STF Advisory Committee will present their recommendation to the Salem-Keizer Transit Board of Directors on February 25, 2016.

Tanya DeHart reviewed the agenda for today's meeting.

D. REVIEW OF APPLICABLE COORDINATED PLAN SECTIONS:

Tanya reviewed section 5-6 through 6-3 of the Coordinated Plan with the group. These pages will be referred to as the Committee goes about ranking the applications. It was noted that in accordance with Oregon statute, projects must be listed in the adopted Coordinated Plan in order for them to be considered for funding.

E. REVIEW OF STF DISCRETIONARY GRANT PURPOSE:

As an amendment to the agenda, Arla Miller and Ted Stonecliffe reviewed the purpose and intent of the STF Discretionary Program as Jamey Dempster was unable to attend. This grant is a Special Transportation Fund set aside by State Legislature for projects that benefit seniors and individuals with disabilities. This is a different funding source than the biennial allocation that Salem-Keizer Transit receives for Marion and Polk counties. There are two pools of funds within the STF Discretionary grant; one pool of \$1.9 million just for ODOT Region 2, which includes Marion and Polk counties; and one of \$2 million for Statewide projects. All recommendations from throughout the state will be ranked by the ODOT Regional Coordinators and a non-conflict of interest panel. These two groups will form a recommendation together to be presented to the Public Transportation Advisory Committee (PTAC). The PTAC will then present a final recommendation to the Oregon Transportation Commission whose members will make the final decision on awarding funds.

F. PRESENTATIONS/QUESTIONS AND ANSWERS:

1. An application was received by an individual named Richard Stevenson. Clarification on whether an individual is eligible to apply for and receive STF Discretionary grant funds was provided by ODOT. ODOT concluded that a submission from an independent individual not tied to a larger organization would not be an appropriate submittal for these funds. That information was shared with Mr. Stevenson and he is not present at this meeting.

2. Salem-Keizer Transit – David Trimble

This application is for the purchase of nine new vehicles for Salem-Keizer Transit's complementary paratransit service called CherryLift. These vehicles would replace nine CherryLift vehicles that have reached the end of their useful lives by ODOT's age and mileage standards. There are a total of 45 CherryLift vehicles in the existing fleet; 34 of which operate each day to provide

approximately 700 rides, the remaining nine vehicles make up the required spare ratio. If awarded, the nine new vehicles would be rotated into the operational fleet while older buses would be rotated into the spare ratio.

3. Silverton Health – Randy Stockdale and Kay Seiler

This application is for the purchase of two vehicles for the Silverton Health CareVan service. The CareVan fleet currently consists of six vehicles. The two vehicles requested in this application would replace two of the vehicles in the CareVan fleet that have become unreliable due to age and mileage. The amount requested includes the cost of conversion for the vehicles. The CareVan service provides approximately 5,000 rides per year at no charge, though donations are occasionally made to the service. The service operates within approximately a 25 mile radius of the City of Silverton and coordinates with other regional services such as the Silver Trolley, CARTS and TripLink and operates with 15 volunteer drivers and two paid drivers.

4. Partnerships in Community Living (PCL) – Shawn McCammon

This application is for the purchase of one vehicle to be used primarily for the PCL Day Tripper program; however, PCL considers all of their vehicles to be interchangeable should a need or emergency arise. The Day Tripper program provides transportation at no charge for all manners of social outings and activities for individuals with disabilities served by PCL. The addition of this vehicle will provide the opportunity to better coordinate these types of trips with other organizations in the community. The drivers of these vehicles are certified PCL paid employees. PCL currently operates a fleet of 100 vehicles that serve 150 individuals across seven counties, though mostly in Marion and Polk counties. The amount requested is based on the cost of a similar vehicle that PCL purchased a year ago; however, PCL is aware of the procurement process requirements associated with these grant funds and is willing and able to comply with those requirements.

5. City of Woodburn – Kathy McClaskey

This application is for a capital project that would bring nine frequently used bus stops in Woodburn into ADA compliance. Field studies conducted by BCB Consulting in summer of 2015 identified these nine bus stops as being outside of ADA compliance and were recommended to be updated accordingly. These non-ADA compliant stops are also causing on-time performance issues for drivers and hampering the ability of seniors and individuals with mobility devices to safely board the buses at these stops. The curbs and sidewalks at these nine locations have been checked and rated to be in good condition by City of Woodburn engineers. Therefore, this project would only entail building the ADA compliant concrete pads between the sidewalks and curbs. Kathy is not currently aware of any other available funding sources for this project, but she will look into it to see if other options may exist.

6. City of Silverton – Jason Gottgetreu

Attachment I: Meeting Minutes of the Jan. 25, 2016 Technical Advisory Committee Meeting

This application is for the purchase of new video cameras and hard drives for the Silver Trolley buses. The Silver Trolley operates within the City of Silverton's urban growth boundary as a dial-a-ride service. It is open to the public, but most riders do happen to be seniors and/or individuals with disabilities. Silver Trolley's current camera and hard drive system has become unreliable with age. It is six years old and the factory recommended replacement cycle is every three years. Because the infrastructure for the system already exists, the City of Silverton is only seeking to purchase replacement equipment. Most transit agencies do operate with video surveillance systems as they provide protection for both the agencies and riders alike. An unreliable system can increase agency liability by inhibiting an agency's ability to produce good resolution video when incidents occur and also if the agency continues to operate while knowing the equipment is unreliable.

G. REVIEW AND RANKING OF APPLICATIONS:

While reviewing the applications the Committee Members considered the following:

- The eligibility requirements as outlined on page three of the Application Instructions.
- Salem-Keizer Transit, as an STF Agency, is allowed to submit up to eight applications to ODOT; there have been five eligible applications submitted.
- The five eligible applications submitted are considered to be Regional Projects.
- The total amount requested by all five applications is roughly \$873,000, which is almost half of the total amount to be allocated for Regional Projects for the entirety of Region 2.
- The Regional Project Selection Criteria as outlined on page four of the Application Instructions and how each project impacts ODOT's four public transportation goals: access, availability, connectivity and economic development.
- The scalability of each proposed project.
- The likelihood of whether these applicants and/or projects could potentially be funded by sources other than the STF Discretionary grant.
- The size of the area, number of communities and the size of the populations that would be impacted by each project.
- The reasonability of the amounts requested for each project as well as a cost to benefit comparison.
- The importance of considering quality of life as well as meeting basic needs for seniors and individuals with disabilities.

In order to rank the applications the Committee Members anonymously filled out ranking sheets, giving each application a ranking of 1 through 5 (1 being highest priority, 5 being lowest priority). The ranking sheets were then tallied and an average ranking for each project was calculated. Tanya DeHart's ranking sheet was held aside to be used in case of a tie, however, a tie breaker was not necessary. The results of the ranking sheet tally are as follows:

Attachment I: Meeting Minutes of the Jan. 25, 2016 Technical Advisory Committee Meeting

- 1: Salem-Keizer Transit (*with a scaled recommendation*)
- 2: Silverton Health
- 3: City of Woodburn
- 4: City of Silverton
- 5: Partnerships in Community Living

This ranking was agreed upon by all Committee Members.

H. RECOMMENDATION TO PRESENT TO STF ADVISORY COMMITTEE:

Brian Varley moved to make a recommendation to the Salem-Keizer Transit Board of Directors for submission of the five eligible applications to ODOT with the following ranking and accompanying narrative: 1) Salem-Keizer Transit, 2) Silverton Health, 3) City of Woodburn, 4) City of Silverton, 5) Partnerships in Community Living. The narrative that is to accompany the application submittal should state that while this is the Committee's ranking, the Committee sees value in all of these projects and the scalability of the Salem-Keizer Transit application should be considered if it would mean providing funding for most, if not all, of the other applications that were submitted. The motion was seconded by Diane Lace. The motion passed unanimously.

I. ADJOURN

The meeting adjourned at 1:25 p.m.

Submitted by: Jolynn Franke, Administrative Assistant, Transportation Development

MEMO TO: BOARD OF DIRECTORS

**FROM: GREGG THOMPSON, MAINTENANCE MANAGER
 DAVID TRIMBLE, CHIEF OPERATING OFFICER**

THRU: ALLAN POLLOCK, GENERAL MANAGER

SUBJECT: FIXED ROUTE VEHICLE ACQUISITION

Issue

Shall the Board authorize the General Manager to enter into a five year contract with New Flyer of America to purchase 21 fixed route buses?

Background and Findings

SAMTD currently operates and maintains a fleet of 64 fixed route buses. Of these 64 buses, 34 are CNG-powered. Currently there are 24 CNG buses that exceed their FTA recommended useful life as of January 2015. The September 2015 service redesign resulted in reducing the fleet needs by three (3) buses. These three buses are being placed into contingency status and are not slated for replacement. Staff is recommending the replacement of the remaining 21 CNG buses.

SAMTD issued RFP #2015-03 on August 3, 2015. A committee comprised of Operations and Maintenance employees convened to review submitted proposals. Submittals were received from Gillig LLC and New Flyer of America Inc. Each proposal was reviewed independently and assessed an initial score. The scoring committee then met, recorded their independent score, discussed both proposals and then submitted their final score. In each scoring step, New Flyer of America ranked higher. Scoring criteria consisted of price, adherence to specifications, warranty, delivery schedule and serviceability.

Evaluation Criteria:	Price per Bus Unit	Adherence to Specifications	Delivery Schedule	Serviceability (completeness & clarity of parts & service manuals)	Quality & Desirable Operating Characteristics	Total Possible Score (x5)
Maximum Score (x5):	33	32	15	10	10	100

NEW FLYER

• Initial Score	155	133	63	44	39	434
• Final Score	155	134	72	41	43	445

GILLIG

• Initial Score	129	149	61	46	44	429
• Final Score	134	149	60	46	42	431

Buses would be ordered according to the table below:

<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
12	0	3	3	3

In the event additional funding is located there is an option for ten (10) additional buses.

Total project cost is approximately \$10,080,000.

The initial order of 12 buses is \$5,760,000. Funding for the initial order comes from three grant sources - the Federal 5339 Fund with a match of 20%; the Federal 5307 Fund with a match of 20%; and STP Fund with a match of 10.27%. The local match will come from the General Fund.

The other nine vehicles in Years 3, 4, and 5 total \$4,320,000.

Grant Source	Local Match Required	Grant Amount	General Fund/ Local Match	Total
Federal 5339	(80/20)	\$ 2,631,689	\$ 657,255	\$ 3,288,944
STP	(89.73/10.27)	\$ 1,902,913	\$ 217,797	\$ 2,120,710
Federal 5307	(80/20)	\$ 280,276	\$ 70,069	\$ 350,346
		\$ 4,814,876	\$ 945,121	\$ 5,760,000

Recommendation

Staff recommends that the Board authorize the General Manager to enter into a five year contract with New Flyer of America to purchase 21 fixed route CNG buses.

Proposed Motion

I move that the Board authorize the General Manager to enter into a five year contract with New Flyer of America to purchase 21 fixed route CNG buses for a contract amount of \$10,080,000.

CONTRACT FOR ROLLING STOCK

Date: _____, 2016

Parties: SALEM AREA MASS TRANSIT DISTRICT (SAMTD) ("District")
555 Court Street NE, Suite 5230
Salem, OR 97301
Tele: (503)361-7527

NEW FLYER OF AMERICA ("Vendor")
711 Kernaghan Ave
Winnipeg, MB R2C 3T4 Canada
Tele: (204) 224-6848

Recitals:

The District issued Request for Proposal (RFP) #2015-03 dated August 3, 2015 to provide CNG Low Floor Transit Buses to the District;

Vendor submitted a Proposal dated September 18, 2015 (the "Proposal") in response to the RFP and the District selected Vendor to provide CNG Buses as described in the RFP.

NOW THEREFORE, the District and the Vendor, for the considerations hereinafter named, agree as follows:

Agreements:

1. The term of this Contract shall commence on the date of this Contract as cited above, or upon final signature, whichever is later, and shall continue through the final post-delivery obligations by the Vendor and final payment by SAMTD for any CNG buses delivered including any optional orders, if exercised. Even if all options are exercised, this contract shall not continue beyond five years, except for receiving any goods and making payment for any order commitments made before December 31, 2020. All orders, including any options, shall commence upon the Vendor receiving a written "Notice to Proceed" signed by SAMTD's General Manager, and this will happen only after SAMTD's General Manager has confirmed the availability of sufficient Federal funding.

2. CNG Bus tentative order schedule is as follows:

Firm order (subject to funding):

Calendar Year	Buses, quantity and size
2016	Six (6) 35 foot CNG Buses and Six (6) 40 foot CNG Buses
2018	Three (3) 35 foot CNG Buses
2019	One (1) 35 foot CNG Bus and Two (2) 40 foot CNG Buses
2020	Three (3) 40 foot CNG Buses

Option(s):

Expires on 12/31/2020, order(s) not to exceed Five (5) 35 foot CNG Buses & Not to exceed Five (5) 40 foot CNG Buses, placed at any time up to this expiration date.

3. Contract amount is based upon the quote document, Exhibit C, Pricing Schedule, included herein by reference. Subject to approved funding, the contract amount for firm orders is Nine Million, Nine Hundred Sixty-five Thousand, Eight Hundred Eighty-seven U.S. Dollars (\$9,965,887) plus a relevant Producers Price Index (to be defined before the contract is signed) increase for years 2018 through 2020. The contract amount for all options, if all are funded and exercised is Four Million, Seven Hundred Forty-four Thousand, Four Hundred Seventy U.S. Dollars (\$4,744,470) plus any applicable and relevant Producers Price Index increases relating to the year in which the options are exercised. Therefore, the grand total of this contract cannot exceed Fourteen Million, Seven Hundred Ten Thousand, Three Hundred Fifty-seven U.S. Dollars (\$14,710,357) plus any applicable and relevant Producer Price Index increases relating to the years in which the busses were ordered, without mutually signed amendment.

4. Vendor agrees to provide the goods and services as described in this Contract on the terms and conditions contained in this Contract, and to fully and faithfully perform its obligations under this agreement. The detailed Statement of Work is contained in Exhibit A, attached hereto and incorporated by reference herein. Also considered part of Exhibit A will be all documented as approved, "Approved as Equals" submissions. General terms and conditions are contained in Exhibit B, attached hereto and incorporated by reference herein. Vendor agrees to meet the highest standards prevalent in the industry or business most closely involved in providing the Goods that the District is purchasing.

5. The terms and conditions of the RFP are incorporated into this contract by reference herein. In the event of conflict, this Contract and its terms and conditions set forth herein, including Exhibits, shall prevail over any conflicting or inconsistent provision of the RFP.

6. Vendor agrees that all orders for CNG buses placed or anticipated within this contract, whether listed as firm orders or optional orders are contingent upon SAMTD's confirming anticipated Federal funding from the following sources; Federal Transportation Administration (FTA) 5307 {CFDA 20.507}, FTA 5339 {CFDA 20.526}, and Federal Surface Transportation Program (STP) {CFDA 20.507} programs.

Vendor agrees to work diligently and proactively to assist the District in meeting all Federal Transportation Administration (FTA) rolling stock procurement requirements, including but not limited to working cooperatively with any on or off-site inspector/auditors from the District, and/or on or off-site third party inspectors/auditors working on behalf of the District for the purpose of independently verifying information and documentation, from the planning stages of manufacture through delivery and post-delivery reviews, audits and documentation.

7. Provided that Vendor fully and faithfully performs its obligations under this Contract, District agrees to compensate Vendor in accordance with the terms of this Contract. The District agrees to pay, and Vendor agrees to accept, the amounts set forth in the Price Schedule, attached hereto as Exhibit C and incorporated by reference herein, as full payment for each unit of the goods and services ordered by District including without limitation labor, equipment, and material required, overhead, expenses, storage, shipping, risks and obligations, taxes, fees and profit and any unforeseen costs. Payment shall be due and payable in full 30 days after invoicing of each delivered CNG Bus or 30 days after all final Federal Transportation Administration (FTA) post-delivery requirements are met and the District accepts buses as meeting the specifications of the RFP, whichever is later.

8. Vendor shall indemnify and hold the District and its directors, officers, representatives,

agents and employees harmless from all claims, liability, losses, and causes of action that may arise out of the Vendor's performance of the contract. The Vendor shall pay all claims and losses of any nature whatsoever, in connection therewith, and shall defend all suits, in the name of the District, when applicable, and shall pay all costs and judgments that may issue thereon.

9. Vendor shall comply with all applicable Federal, State, and local laws, rules and regulations.

10. In performing its obligations under this Contract, Vendor agrees to comply with all applicable Federal and state laws, including, without limitation, ORS 279B.020, 279B.200 – 279B.240, 279C.520 and 279C.540, each of which is incorporated herein by reference.

11. Vendor hereby certifies, under penalty of perjury, that Vendor is, to the best of its knowledge, not in violation of any tax laws described in ORS 305.380(4).

12. Vendor agrees: (1) that no person performing work under this Agreement may be employed for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires it, and in such cases, except in cases of contracts for personal services as defined in ORS 279C.100, the employee shall be paid at least time and a half pay:

(a)(A) For all overtime in excess of eight hours in any one day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or

(B) For all overtime in excess of 10 hours in any one day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and

(b) For all work performed on Saturday and on any legal holiday specified in ORS 279C.540.

and (2) Vendor must give notice in writing to employees who work on a public contract, either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.

13. This Contract, including all Exhibits, is the complete and exclusive statement of the agreement between the Parties relevant to the purpose described and supersedes all prior agreements, oral or written, and all other communication between the Parties relating to the subject matter of the Contract. Any modification or changes to this Contract must be made in writing and agreed upon by both Parties.

SALEM AREA
MASS TRANSIT DISTRICT

VENDOR

By: _____
Allan Pollock, General Manager

By: _____
Signature

Date: _____

Printed Name and Title

Date: _____

APPROVED AS TO LEGAL FORM:

District Legal Counsel

DRAFT

Exhibit "C"

ATTACHMENT I

PROPOSAL FORM - PRICING SCHEDULE

SAMTD intends to purchase heavy duty, low floor, clean CNG powered transit buses within the following calendar years in accordance with the order schedule below. Proposer must complete the following pricing schedule information listing the price per unit, as follows:

<u>2015</u>	ITEM	PRICE PER UNIT
	Six (6) 35' Heavy Duty, Low Floor, CNG transit buses.....	\$ <u>471,947</u>
	Six (6) 40' Heavy Duty, Low Floor, CNG transit buses.....	\$ <u>476,947</u>
<u>2016</u>		
	Three (3) 35' Heavy Duty, Low Floor, CNG transit buses.....	\$ <u>471,947 + PPI</u>
<u>2017</u>		
	One (1) 35' Heavy Duty, Low Floor, CNG transit bus.....	\$ <u>471,947 + PPI</u>
	Two (2) 40' Heavy Duty, Low Floor, CNG transit buses	\$ <u>476,947 + PPI</u>
<u>2018</u>		
	Three (3) 40' Heavy Duty, Low Floor, CNG transit buses.....	\$ <u>476,947 + PPI</u>

OPTIONAL ORDERS – Proposers must provide pricing for an optional ten (10) clean CNG powered heavy duty, low floor, transit buses in to be ordered, if exercised, by December 31, 2019, as follows:

Option(s) Expires on December 31, 2019

Not to exceed Five (5) 35' Heavy Duty, Low Floor, CNG transit buses.....	\$ <u>471,947 + PPI</u>
and	
Not to exceed Five (5) 40' Heavy Duty, Low Floor, CNG transit buses.....	\$ <u>476,947 + PPI</u>

TO: BOARD OF DIRECTORS

FROM: MATT BERGGREN, PLANNING TECHNICIAN
STEPHEN DICKEY, DIRECTOR OF TRANSPORTATION DEVELOPMENT

THRU: ALLAN POLLOCK, GENERAL MANAGER

SUBJECT: WEST SALEM CONNECTOR PILOT PROJECT UPDATE

Issue

Shall the Board receive an update on the West Salem Connector Pilot Project?

Background and Findings

On June 1, 2015, Cherrits began operation of the West Salem Connector, a flexible, on-demand service which serves West Salem and connects people with regular Cherrits buses.

This memo includes updated ridership figures from the two months following the implementation of a fare, other performance measures, information on the January 4th ice event, and an overview of the upcoming driver interface redesign.

Ridership and Fare Implementation

Since the fare implementation on December 1, 2015, there has been a notable drop in ridership on the West Salem Connector. In the two months leading up to the introduction of the fare, there was an average of 3.7 boardings per revenue hour. In the two months following the start of the fare, the average boardings per revenue hour dropped to 2.5. This puts it below our target of three to five boardings per revenue hour.

Other Performance Measures

- In December and January, there was 111 unique riders
- The Connector is most utilized from 1:00-5:00 p.m.
- There has been a 35% increase of riders using online booking to book their trip
- The most popular stops are the Glen Creek Transit Center, Doaks Ferry @ Ptarmigan, Edgewater @ Rosemont (Safeway), Titan @ Orchard Heights (West Salem High School), and Burley Hill @ Whitetail Deer
- 84% of trips start or end at Glen Creek Transit Center
- 93% of trips are on-time; 7% are late; and less than 1% are early

January 4 Ice Event

On January 4, 2016, the Snow Plan for the West Salem Connector went into effect for the first time. All trips in the morning were cancelled due to the icy conditions in the West Salem hills. Every rider who booked a trip in this time period was notified through an automatic notification system of the cancellation. The cancellation message was sent via automated phone call, text message, or email, depending on the rider's notification preferences.

Driver Interface Redesign

The District has been working with its software vendor over the past few months to redesign the Connector driver interface—the application used by drivers on the tablets in the vehicles. The new interface promises to make it easier for drivers to understand the order in which to pick up and drop off riders, and will give better driving directions for getting to those locations.

The goals of the redesign are to:

1. Reduce the amount of time it takes to train drivers on the West Salem Connector software.
2. Eliminate inconsistencies in behavior between drivers by given them clear direction.
3. Ensure the driver, software, and rider are all on the same page about when the bus will arrive at the Connector point.
4. Move toward real-time booking, eliminating the need for the 30-minute advance booking requirement. (This will be a goal for future renditions of the software.)

Currently, staff is in the process of testing the new interface, with a target date to set it live by early March 2016.

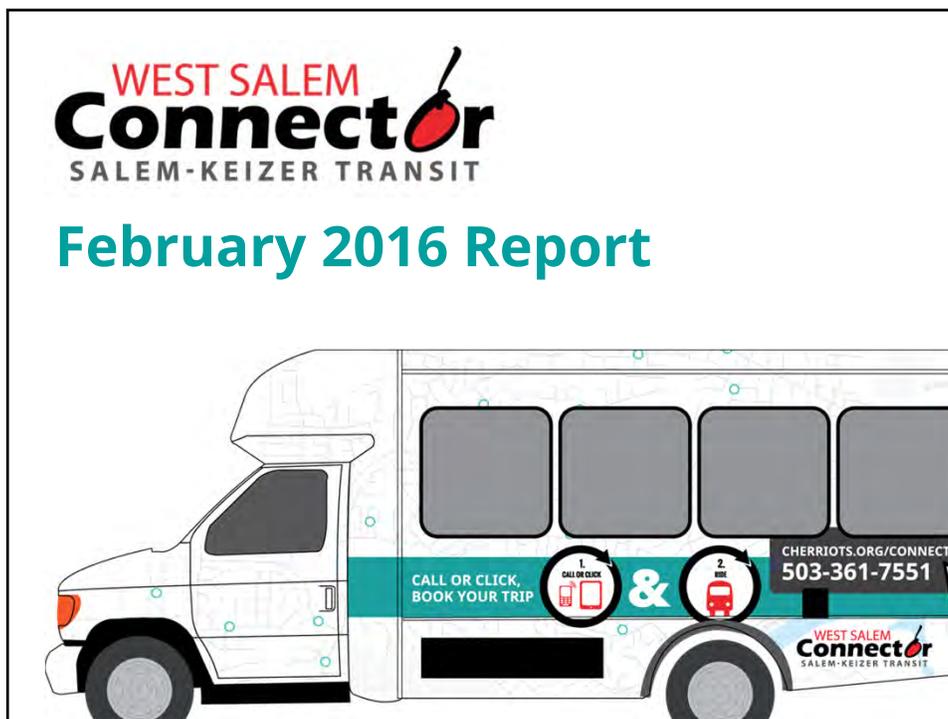
The pilot project will be completed at the end of April. Staff will evaluate the project and provide a recommendation to the Board this summer.

Recommendation

None

Proposed Motion

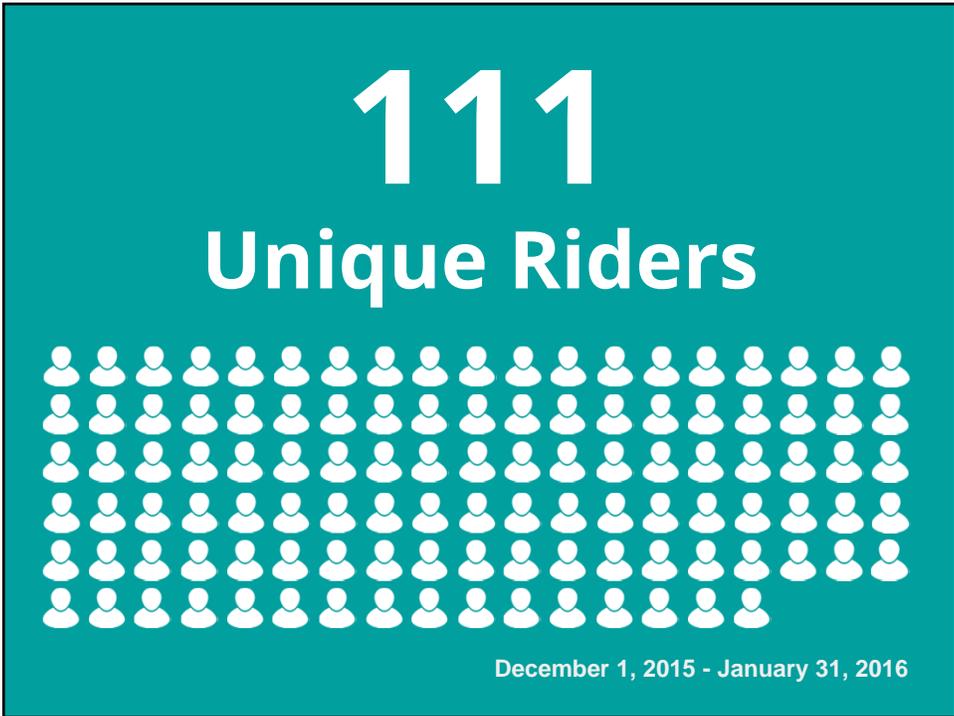
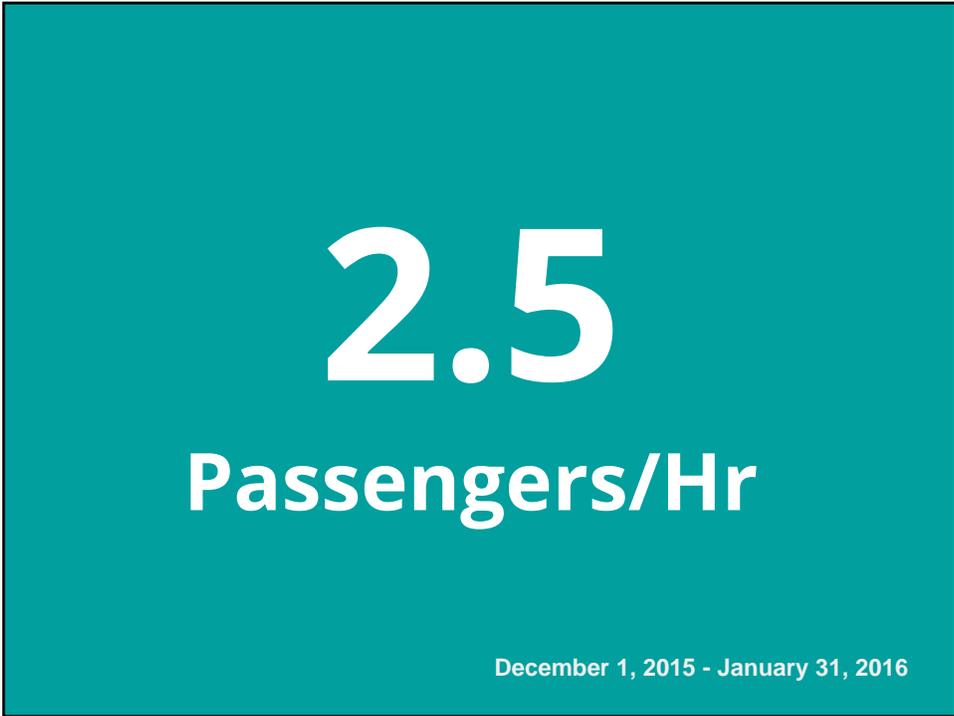
None



Ridership



Average Boardings Per Day by Week

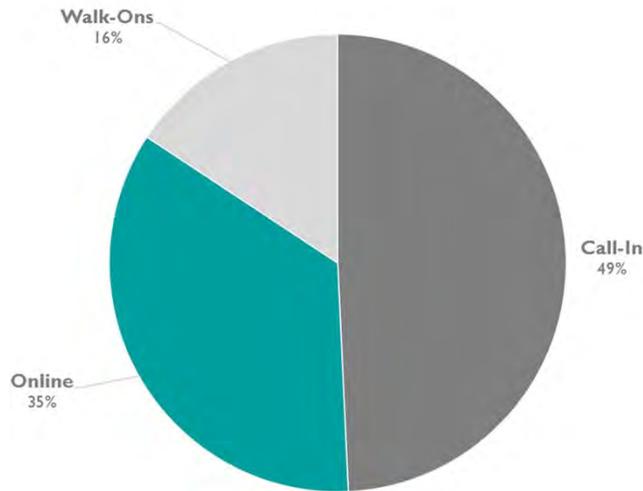


Trips By Hour

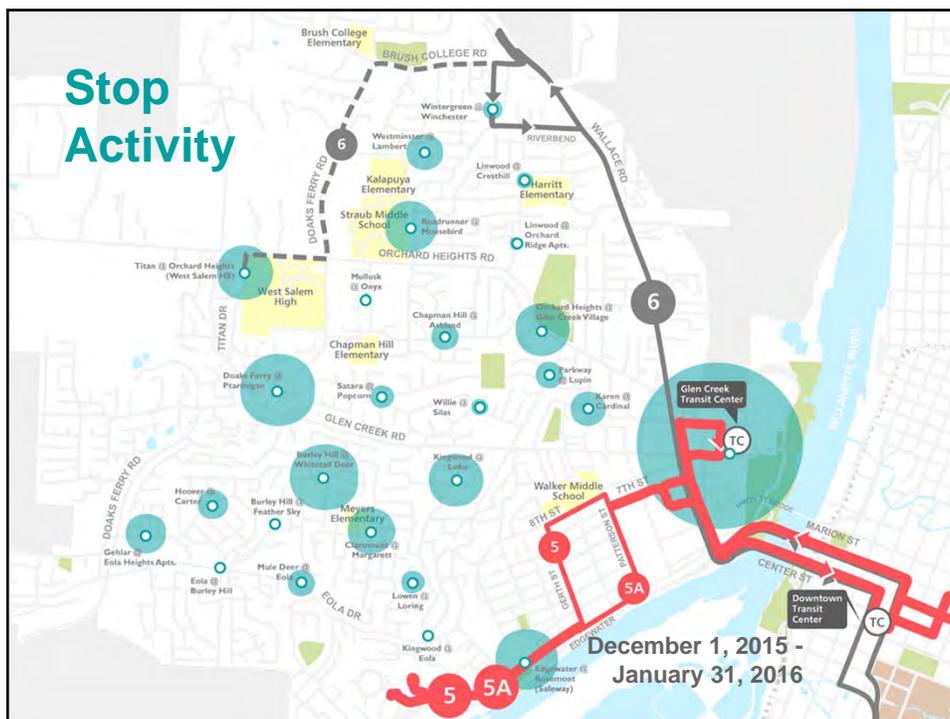


December 1, 2015 - January 31, 2016

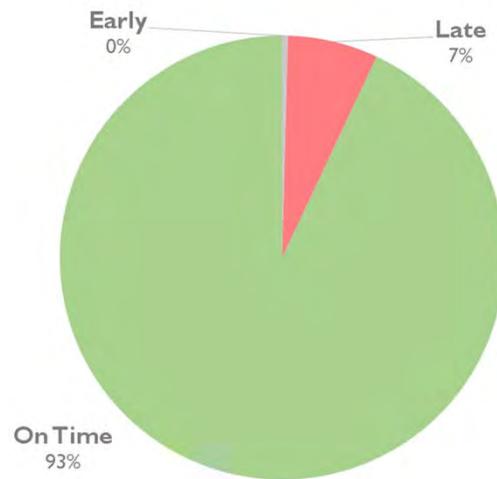
Booking Method



December 1, 2015 - January 31, 2016

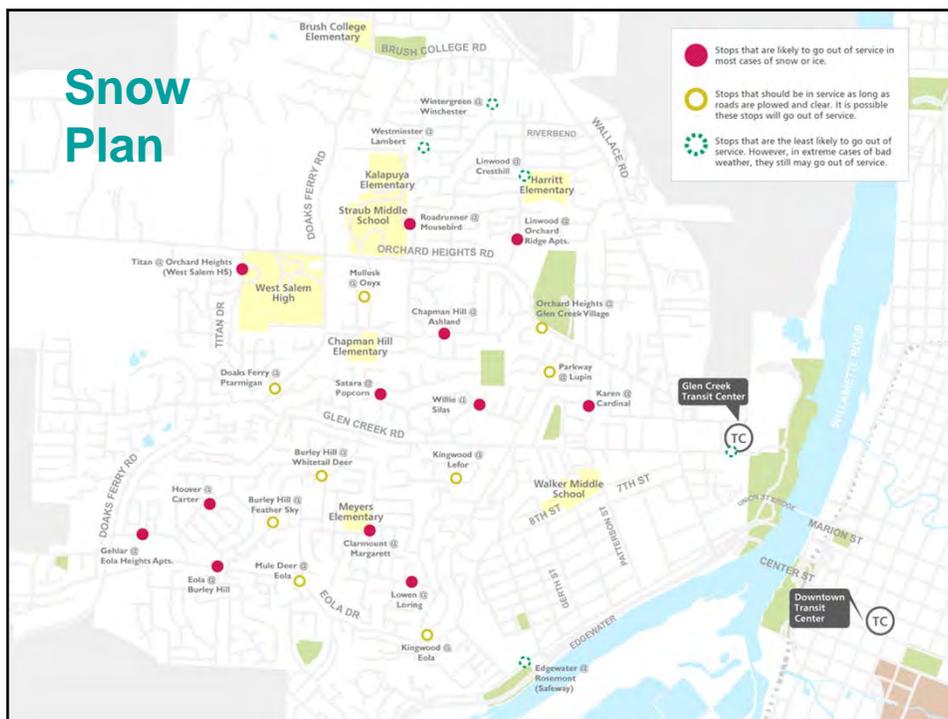


On-Time Performance



December 1, 2015 - January 31, 2016

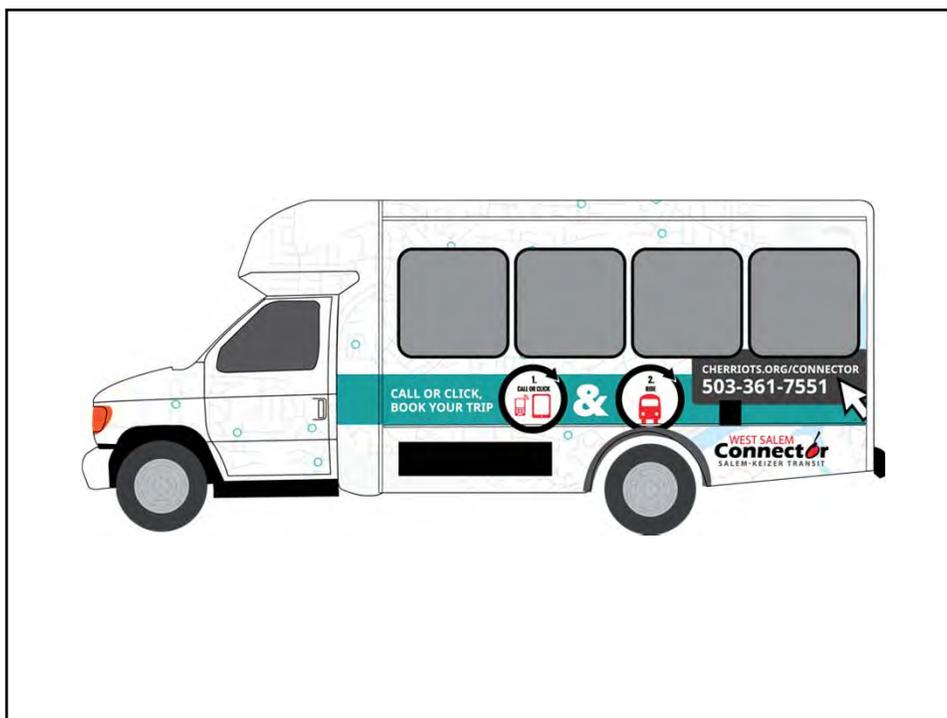
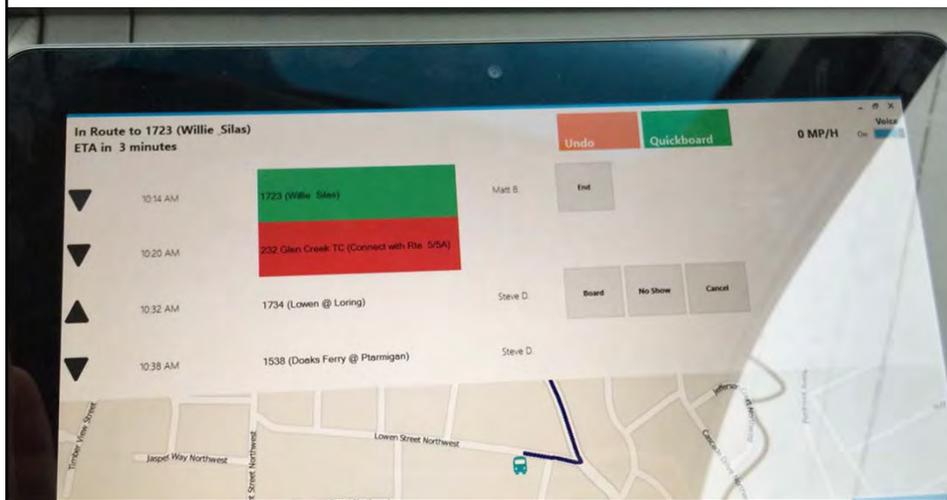
What's New?



What's Next?

New Driver Interface

March 2016



MEMO TO: BOARD OF DIRECTORS
FROM: MATT BERGGREN, PLANNING TECHNICIAN
STEPHEN DICKEY, DIRECTOR OF TRANSPORTATION DEVELOPMENT
THRU: ALLAN POLLOCK, GENERAL MANAGER
SUBJECT: SECOND QUARTER PERFORMANCE REPORT – FY2016

Issue

Shall the Board receive the FY2016 Second Quarter Performance Report?

Background and Findings

Performance measures for the second quarter of Fiscal Year 2016 (FY16 Q2) are included in Attachment A. The data for these measures is derived from adjusted Trapeze schedules, vehicle fareboxes, passenger counting systems, and reservation software (RouteMatch and Mobility DR).

Revenue Hours and Miles

Second quarter revenue hours and revenue miles for Cherriots were up compared with fiscal year 2015. Average daily revenue hours were 639.1; a 4.9% increase. However, this includes 15 revenue hours for the West Salem Connector, which is run by MV Transportation. Excluding the Connector, revenue hours are up 2.4%—a result of the September 8, 2015 major service change and the November 2, 2015 fix for Route 1 along Commercial Street. Average daily revenue miles were 8,740.6; a 7.6% increase over FY15. Most of this was a result of implementing the September 8, 2015 major service change. Part of the increase is due to the mileage from the West Salem Connector.

Boardings (Unlinked Trips)

Cherriots average daily boardings at 11,502 showed a 14.1% decrease for the same time frame compared to FY15. This appears to be a trend since the September 8, 2015 major service change. Part of this is likely a result of the removal of stops and route segments. It is also likely a result of a decrease in transfers required to get around the system. A trip from Edgewater in West Salem to Lancaster Mall used to take six unlinked trip to get there and back (Rt. 12 > 25 > 5 > 5 > 25 > 12). Since September 8, that trip only requires two unlinked trips (Rt. 5 > 5).

For most Cherriots routes, comparing boardings, revenue hours, and revenue miles from this year to last is not possible because of the major service change last September.

Paratransit (CherryLift) saw a decrease in boardings per day of 4.6% from FY15; Rural (CARTS) saw a significant decrease. Average boardings on the deviated-fixed routes (10-50) were down 18.4%, zone routes (25/45) were down 14.6%, and the dial-a-ride (35) was down 34.6%. RED Line saw a decrease of 9.5%. The decrease on RED Line is likely related to the fare change in January 2015, when the fare for dial-a-ride trips on RED Line was increased so that it was the same as the fares for CherryLift.

Recommendation

None

Proposed Motion

None

ATTACHMENT A

FY16 Q2 Performance Measures

October-December 2015

- Table 1.** Total Revenue Hours
- Table 2.** Average Revenue Hours / Day
- Table 3.** Total Revenue Miles
- Table 4.** Average Revenue Miles / Day
- Table 5.** Total Boardings
- Table 6.** Average Boardings / Day
- Table 7.** Average Boardings / Hour

Table 1. Total Revenue Hours

Route	Type	FY15 Q2				FY16 Q2			
		Oct 2014	Nov 2014	Dec 2014	Total	Oct 2015	Nov 2015	Dec 2015	Total
(Service Days)		23	18	22	63	22	19	22	63
CHERRIOTS LOCAL FIXED-ROUTE									
1 - N River Rd / S Commercial	F	N/A	N/A	N/A	N/A	2,163	2,015	2,332	6,510
2 - Market / Brown	F	N/A	N/A	N/A	N/A	1,192	1,029	1,186	3,406
3 - Portland Road	S	N/A	N/A	N/A	N/A	664	576	665	1,905
4/4A State / Lancaster	S	N/A	N/A	N/A	N/A	673	581	673	1,927
4 - State / Lancaster	S	N/A	N/A	N/A	N/A	337	291	337	965
4A - State / Lancaster	S	N/A	N/A	N/A	N/A	336	290	336	962
5/5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	2,026	1,750	2,026	5,802
5 - Edgewater / Center	F	N/A	N/A	N/A	N/A	1,038	897	1,038	2,973
5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	988	853	988	2,829
6 - Wallace / Fairview Industrial	B	N/A	N/A	N/A	N/A	717	619	717	2,053
7 - Mission / State	B	N/A	N/A	N/A	N/A	344	296	343	983
8/8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	1,013	876	1,012	2,901
8 - 12th / Liberty	S	N/A	N/A	N/A	N/A	509	440	508	1,457
8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	504	436	504	1,444
9/9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	676	584	678	1,937
9 - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	338	292	338	967
9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	338	292	340	970
10 - Lansing / Hawthorne	B	N/A	N/A	N/A	N/A	330	285	332	947
11 - Lancaster / Keizer	F	N/A	N/A	N/A	N/A	1,941	1,676	1,937	5,554
12 - Haysville Drive	B	N/A	N/A	N/A	N/A	339	293	339	971
13 - Silverton Road	S	N/A	N/A	N/A	N/A	663	575	662	1,900
14 - Windsor Island	S	N/A	N/A	N/A	N/A	338	290	336	964
Total		13,403	10,488	12,920	36,811	13,078	11,445	13,236	37,759
CHERRIOTS EXPRESS ROUTES									
1X - Willsonville / Salem Express	C	195	153	187	535	187	161	187	535
2X - Grand Ronde / Salem Express	C	353	276	328	957	334	289	334	957
Total		548	429	515	1,492	521	450	521	1,492
CHERRIOTS ON-DEMAND									
West Salem Connector	F	N/A	N/A	N/A	N/A	330	285	323	938
CHERRIOTS QUALIFIED HUMAN SERVICE ORGANIZATION ROUTES									
91 - Garten Foundation	T	14	11	11	36	10	9	11	30
92 - Rockwest	T	12	9	18	39	15	13	15	43
Total		26	20	29	75	25	22	26	73
Cherriots Total		13,977	10,937	13,464	38,378	13,954	12,202	14,106	40,261
CARTS DEVIATED-FIXED ROUTE									
10 - Woodburn / Salem	DFR	262	228	188	678	187	161	186	534
20 - Silverton / Salem	DFR	201	321	200	722	191	163	191	545
30 - Canyon Connector / Salem	DFR	206	148	202	556	196	171	198	565
40 - Polk County / Salem	DFR	199	153	193	545	200	174	202	576
50 - Dallas / Salem Express	DFR	162	137	140	439	160	138	159	457
Total		1,030	987	923	2,940	934	807	936	2,677
CARTS ZONE ROUTE									
25 - North Marion Flex	ZR	169	121	228	518	163	140	158	461
45 - Canyon Flex	ZR	342	227	308	877	330	284	331	945
Total		511	348	536	1,395	493	424	489	1,406
CARTS DIAL-A-RIDE									
35 - Polk Flex	DAR	101	70	74	245	130	96	82	308
SHOPPER SHUTTLE & DIAL-A-RIDE									
RED Line	DAR	382	311	378	1,071	356	284	350	990
PARATRANSIT									
CherryLift	DAR	5,694	4,295	5,321	15,310	5,420	4,610	5,230	15,260

Table 2. Average Revenue Hours / Day

Route	Type	FY15 Q2				FY16 Q2				Percent Change	
		Oct 2014	Nov 2014	Dec 2014	Total	Oct 2015	Nov 2015	Dec 2015	Total		
CHERRIOTS LOCAL FIXED-ROUTE											
1 - N River Rd / S Commercial	F	N/A	N/A	N/A	N/A	98.3	106.1	106.0	103.3	N/A	
2 - Market / Brown	F	N/A	N/A	N/A	N/A	54.2	54.2	53.9	54.1	N/A	
3 - Portland Road	S	N/A	N/A	N/A	N/A	30.2	30.3	30.2	30.2	N/A	
4/4A State / Lancaster	S	N/A	N/A	N/A	N/A	30.6	30.6	30.6	30.6	N/A	
4 - State / Lancaster	S	N/A	N/A	N/A	N/A	15.3	15.3	15.3	15.3	N/A	
4A - State / Lancaster	S	N/A	N/A	N/A	N/A	15.3	15.3	15.3	15.3	N/A	
5/5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	92.1	92.1	92.1	92.1	N/A	
5 - Edgewater / Center	F	N/A	N/A	N/A	N/A	47.2	47.2	47.2	47.2	N/A	
5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	44.9	44.9	44.9	44.9	N/A	
6 - Wallace / Fairview Industrial	B	N/A	N/A	N/A	N/A	32.6	32.6	32.6	32.6	N/A	
7 - Mission / State	B	N/A	N/A	N/A	N/A	15.6	15.6	15.6	15.6	N/A	
8/8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	46.0	46.1	46.0	46.0	N/A	
8 - 12th / Liberty	S	N/A	N/A	N/A	N/A	23.1	23.2	23.1	23.1	N/A	
8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	22.9	22.9	22.9	22.9	N/A	
9/9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	30.7	30.7	30.8	30.8	N/A	
9 - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	15.4	15.4	15.3	15.4	N/A	
9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	15.4	15.4	15.5	15.4	N/A	
10 - Lansing / Hawthorne	B	N/A	N/A	N/A	N/A	15.0	15.0	15.1	15.0	N/A	
11 - Lancaster / Keizer	F	N/A	N/A	N/A	N/A	88.2	88.2	88.0	88.2	N/A	
12 - Haysville Drive	B	N/A	N/A	N/A	N/A	15.4	15.4	15.4	15.4	N/A	
13 - Silverton Road	S	N/A	N/A	N/A	N/A	30.1	30.3	30.1	30.2	N/A	
14 - Windsor Island	S	N/A	N/A	N/A	N/A	15.4	15.3	15.3	15.3	N/A	
Total			582.7	582.7	587.3	584.3	594.4	602.4	601.6	599.3	2.58%
CHERRIOTS EXPRESS ROUTES											
1X - Willsonville / Salem Express	C	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	0.00%
2X - Grand Ronde / Salem Express	C	15.3	15.3	14.9	15.2	15.2	15.2	15.2	15.2	15.2	0.00%
Total		23.8	23.8	23.4	23.7	23.7	23.7	23.7	23.7	23.7	0.00%
CHERRIOTS ON-DEMAND											
West Salem Connector	DR	N/A	N/A	N/A	N/A	15.0	15.0	14.7	14.9	N/A	
CHERRIOTS QUALIFIED HUMAN SERVICE ORGANIZATION ROUTES											
91 - Garten Foundation	T	0.6	0.6	0.5	0.6	0.5	0.5	0.5	0.5	-16.67%	
92 - Rockwest	T	0.5	0.5	0.8	0.6	0.7	0.7	0.7	0.7	10.26%	
Total		1.1	1.1	1.3	1.2	1.1	1.2	1.2	1.2	-2.67%	
Cherriots Total		N/A	N/A	N/A	609.2	634.3	642.2	641.2	639.1	4.91%	
CARTS DEVIATED-FIXED ROUTE											
10 - Woodburn / Salem	DFR	11.4	12.7	8.5	10.8	8.5	8.5	8.5	8.5	-21.24%	
20 - Silverton / Salem	DFR	8.7	17.8	9.1	11.5	8.7	8.6	8.7	8.7	-24.52%	
30 - Canyon Connector / Salem	DFR	9.0	8.2	9.2	8.8	8.9	9.0	9.0	9.0	1.62%	
40 - Polk County / Salem	DFR	8.7	8.5	8.8	8.7	9.1	9.2	9.2	9.1	5.69%	
50 - Dallas / Salem Express	DFR	7.0	7.6	6.4	7.0	7.3	7.3	7.2	7.3	4.10%	
Total		44.8	54.8	42.0	46.7	42.5	42.5	42.5	42.5	-8.95%	
CARTS ZONE ROUTE											
25 - North Marion Flex	ZR	7.3	6.7	10.4	8.2	7.4	7.4	7.2	7.3	-11.00%	
45 - Canyon Flex	ZR	14.9	12.6	14.0	13.9	15.0	14.9	15.0	15.0	7.75%	
Total		22.2	19.3	24.4	22.1	22.4	22.3	22.2	22.3	0.79%	
CARTS DIAL-A-RIDE											
35 - Polk Flex	DAR	4.4	3.9	3.4	3.9	5.9	5.1	3.7	4.9	25.71%	
SHOPPER SHUTTLE & DIAL-A-RIDE											
RED Line	DAR	16.6	17.3	17.2	17.0	16.2	14.9	15.9	15.7	-7.56%	
PARATRANSIT											
CherryLift	DAR	247.6	238.6	241.9	243.0	246.4	242.6	237.7	242.2	-0.33%	

Table 3. Total Revenue Miles

Route	Type	FY15 Q2				FY16 Q2			
		Oct 2014	Nov 2014	Dec 2014	Total	Oct 2015	Nov 2015	Dec 2015	Total
(Service Days)		23	18	22	63	22	19	22	63
CHERRIOTS LOCAL FIXED-ROUTE									
1 - N River Rd / S Commercial	F	N/A	N/A	N/A	N/A	31,289	27,342	31,653	90,284
2 - Market / Brown	F	N/A	N/A	N/A	N/A	15,051	13,001	15,043	43,095
3 - Portland Road	S	N/A	N/A	N/A	N/A	7,968	6,882	7,965	22,815
4/4A State / Lancaster	S	N/A	N/A	N/A	N/A	7,771	6,712	7,765	22,248
4 - State / Lancaster	S	N/A	N/A	N/A	N/A	3,864	3,338	3,858	11,060
4A - State / Lancaster	S	N/A	N/A	N/A	N/A	3,907	3,374	3,907	11,188
5/5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	23,909	20,649	23,910	68,468
5 - Edgewater / Center	F	N/A	N/A	N/A	N/A	12,252	10,582	12,253	35,087
5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	11,657	10,067	11,657	33,381
6 - Wallace / Fairview Industrial	B	N/A	N/A	N/A	N/A	9,974	8,618	9,943	28,535
7 - Mission / State	B	N/A	N/A	N/A	N/A	4,509	3,894	4,509	12,912
8/8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	13,690	11,824	13,683	39,197
8 - 12th / Liberty	S	N/A	N/A	N/A	N/A	6,790	5,865	6,783	19,438
8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	6,900	5,959	6,900	19,759
9/9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	10,011	8,641	10,002	28,654
9 - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	4,999	4,312	4,990	14,301
9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	5,012	4,329	5,012	14,353
10 - Lansing / Hawthorne	B	N/A	N/A	N/A	N/A	4,245	3,666	4,245	12,156
11 - Lancaster / Keizer	F	N/A	N/A	N/A	N/A	25,938	22,400	25,866	74,204
12 - Haysville Drive	B	N/A	N/A	N/A	N/A	4,089	3,532	4,089	11,710
13 - Silverton Road	S	N/A	N/A	N/A	N/A	8,017	6,957	8,053	23,027
14 - Windsor Island	S	N/A	N/A	N/A	N/A	4,986	4,307	4,986	14,279
<i>Total</i>		168,651	131,980	161,331	461,962	171,447	148,425	171,712	491,584
CHERRIOTS EXPRESS ROUTES									
1X - Willsonville / Salem Express	C	5,899	4,617	5,642	16,158	5,652	4,881	5,652	16,185
2X - Grand Ronde / Salem Express	C	11,993	9,386	11,471	32,850	11,533	9,960	11,533	33,026
<i>Total</i>		17,892	14,003	17,113	49,008	17,185	14,841	17,185	49,211
CHERRIOTS ON-DEMAND									
West Salem Connector	F	N/A	N/A	N/A	N/A	3,190	2,937	2,762	8,889
CHERRIOTS QUALIFIED HUMAN SERVICE ORGANIZATION ROUTES									
91 - Garten Foundation	T	135	105	129	369	128	111	128	367
92 - Rockwest	T	221	173	211	605	212	183	212	607
<i>Total</i>		356	278	340	974	340	294	340	974
<i>Cherriots Total</i>		186,899	146,261	178,784	511,944	192,162	166,497	191,999	550,658
CARTS DEVIATED-FIXED ROUTE									
10 - Woodburn / Salem	DFR	3,371	2,632	3,441	9,444	3,707	3,186	3,692	10,585
20 - Silverton / Salem	DFR	3,935	2,594	3,941	10,470	3,746	3,234	3,726	10,706
30 - Canyon Connector / Salem	DFR	5,719	3,975	5,538	15,232	5,576	4,756	5,615	15,947
40 - Polk County / Salem	DFR	4,421	3,462	4,168	12,051	4,500	3,837	4,487	12,824
50 - Dallas / Salem Express	DFR	2,978	2,318	2,662	7,958	3,038	2,636	3,022	8,696
<i>Total</i>		20,424	14,981	19,750	55,155	20,567	17,649	20,542	58,758
CARTS ZONE ROUTE									
25 - North Marion Flex	ZR	2,160	1,528	1,859	5,547	2,197	1,777	1,900	5,874
45 - Canyon Flex	ZR	5,018	3,285	4,292	12,595	4,385	3,695	4,326	12,406
<i>Total</i>		7,178	4,813	6,151	18,142	6,582	5,472	6,226	18,280
CARTS DIAL-A-RIDE									
35 - Polk Flex	DAR	788	613	629	2,030	849	566	337	1,752
SHOPPER SHUTTLE & DIAL-A-RIDE									
RED Line	DAR	4,111	3,210	3,674	10,995	3,658	2,865	3,861	10,384
PARATRANSIT									
CherryLift	DAR	71,423	53,949	65,619	190,991	79,408	55,458	62,442	197,308

Table 4. Average Revenue Miles / Day

Route	Type	FY15 Q2				FY16 Q2				Percent Change
		Oct 2014	Nov 2014	Dec 2014	Total	Oct 2015	Nov 2015	Dec 2015	Total	
CHERRIOTS LOCAL FIXED-ROUTE										
1 - N River Rd / S Commercial	F	N/A	N/A	N/A	N/A	1,422.2	1,439.1	1,438.8	1,433.1	N/A
2 - Market / Brown	F	N/A	N/A	N/A	N/A	684.1	684.3	683.8	684.0	N/A
3 - Portland Road	S	N/A	N/A	N/A	N/A	362.2	362.2	362.0	362.1	N/A
4/4A State / Lancaster	S	N/A	N/A	N/A	N/A	353.2	353.3	352.9	353.1	N/A
4 - State / Lancaster	S	N/A	N/A	N/A	N/A	175.6	175.7	175.3	175.5	N/A
4A - State / Lancaster	S	N/A	N/A	N/A	N/A	177.6	177.6	177.6	177.6	N/A
5/5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	1,086.8	1,086.8	1,086.8	1,086.8	N/A
5 - Edgewater / Center	F	N/A	N/A	N/A	N/A	556.9	556.9	557.0	556.9	N/A
5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	529.9	529.8	529.9	529.9	N/A
6 - Wallace / Fairview Industrial	B	N/A	N/A	N/A	N/A	453.4	453.6	452.0	452.9	N/A
7 - Mission / State	B	N/A	N/A	N/A	N/A	205.0	204.9	205.0	205.0	N/A
8/8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	622.3	622.3	622.0	622.2	N/A
8 - 12th / Liberty	S	N/A	N/A	N/A	N/A	308.6	308.7	308.3	308.5	N/A
8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	313.6	313.6	313.6	313.6	N/A
9/9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	455.1	454.8	454.6	454.8	N/A
9 - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	227.2	226.9	226.8	227.0	N/A
9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	227.8	227.8	227.8	227.8	N/A
10 - Lansing / Hawthorne	B	N/A	N/A	N/A	N/A	193.0	192.9	193.0	193.0	N/A
11 - Lancaster / Keizer	F	N/A	N/A	N/A	N/A	1,179.0	1,178.9	1,175.7	1,177.8	N/A
12 - Haysville Drive	B	N/A	N/A	N/A	N/A	185.9	185.9	185.9	185.9	N/A
13 - Silverton Road	S	N/A	N/A	N/A	N/A	364.4	366.2	366.0	365.5	N/A
14 - Windsor Island	S	N/A	N/A	N/A	N/A	226.6	226.7	226.6	226.7	N/A
Total		7,332.7	7,332.2	7,333.2	7,332.7	7,793.0	7,811.8	7,805.1	7,802.9	6.41%
CHERRIOTS EXPRESS ROUTES										
1X - Willsonville / Salem Express	C	256.5	256.5	256.5	256.5	256.9	256.9	256.9	256.9	0.17%
2X - Grand Ronde / Salem Express	C	521.4	521.4	521.4	521.4	524.2	524.2	524.2	524.2	0.54%
Total		777.9	777.9	777.9	777.9	781.1	781.1	781.1	781.1	0.41%
CHERRIOTS ON-DEMAND										
West Salem Connector	F	N/A	N/A	N/A	N/A	145.0	154.6	125.5	141.1	N/A
CHERRIOTS QUALIFIED HUMAN SERVICE ORGANIZATION ROUTES										
91 - Garten Foundation	T	5.9	5.8	5.9	5.9	5.8	5.8	5.8	5.8	-0.54%
92 - Rockwest	T	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	0.33%
Total		15.5	15.4	15.5	15.5	15.5	15.5	15.5	15.5	0.00%
Cherriots Total		N/A	N/A	N/A	8,126.1	8,734.6	8,763.0	8,727.2	8,740.6	7.56%
CARTS DEVIATED-FIXED ROUTE										
10 - Woodburn / Salem	DFR	146.6	146.2	156.4	149.9	168.5	167.7	167.8	168.0	12.08%
20 - Silverton / Salem	DFR	171.1	144.1	179.1	166.2	170.3	170.2	169.4	169.9	2.25%
30 - Canyon Connector / Salem	DFR	248.7	220.8	251.7	241.8	253.5	250.3	255.2	253.1	4.69%
40 - Polk County / Salem	DFR	192.2	192.3	189.5	191.3	204.5	201.9	204.0	203.6	6.41%
50 - Dallas / Salem Express	DFR	129.5	128.8	121.0	126.3	138.1	138.7	137.4	138.0	9.27%
Total		888.0	832.3	897.7	875.5	934.9	928.9	933.7	932.7	6.53%
CARTS ZONE ROUTE										
25 - North Marion Flex	ZR	93.9	84.9	84.5	88.0	99.9	93.5	86.4	93.2	5.90%
45 - Canyon Flex	ZR	218.2	182.5	195.1	199.9	199.3	194.5	196.6	196.9	-1.50%
Total		312.1	267.4	279.6	288.0	299.2	288.0	283.0	290.2	0.76%
CARTS DIAL-A-RIDE										
35 - Polk Flex	DAR	34.3	34.1	28.6	32.2	38.6	29.8	15.3	27.8	-13.69%
SHOPPER SHUTTLE & DIAL-A-RIDE										
RED Line	DAR	178.7	178.3	167.0	174.5	166.3	150.8	175.5	164.8	-5.56%
PARATRANSIT										
CherryLift	DAR	3,105.3	2,997.2	2,982.7	3,031.6	3,609.5	2,918.8	2,838.3	3,131.9	3.31%

Table 5. Total Boardings

Route	Type	FY15 Q2				FY16 Q2			
		Oct 2014	Nov 2014	Dec 2014	Total	Oct 2015	Nov 2015	Dec 2015	Total
(Service Days)		23	18	22	63	22	19	22	63
CHERRIOTS LOCAL FIXED-ROUTE									
1 - N River Rd / S Commercial	F	N/A	N/A	N/A	N/A	54,248	44,728	48,273	147,249
2 - Market / Brown	F	N/A	N/A	N/A	N/A	27,204	21,920	21,153	70,277
3 - Portland Road	S	N/A	N/A	N/A	N/A	19,371	13,163	13,300	45,834
4/4A State / Lancaster	S	N/A	N/A	N/A	N/A	16,729	13,275	14,257	44,261
4 - State / Lancaster	S	N/A	N/A	N/A	N/A	8,721	7,000	7,252	22,973
4A - State / Lancaster	S	N/A	N/A	N/A	N/A	8,008	6,275	7,005	21,288
5/5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	35,045	29,014	30,862	94,921
5 - Edgewater / Center	F	N/A	N/A	N/A	N/A	17,632	15,553	17,194	50,379
5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	17,413	13,461	13,668	44,542
6 - Wallace / Fairview Industrial	B	N/A	N/A	N/A	N/A	9,463	9,155	9,237	27,855
7 - Mission / State	B	N/A	N/A	N/A	N/A	6,055	5,179	5,364	16,598
8/8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	18,622	14,988	15,323	48,933
8 - 12th / Liberty	S	N/A	N/A	N/A	N/A	9,087	6,198	7,696	22,981
8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	9,535	8,790	7,627	25,952
9/9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	10,388	8,425	8,272	27,085
9 - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	5,483	4,534	4,404	14,421
9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	4,905	3,891	3,868	12,664
10 - Lansing / Hawthorne	B	N/A	N/A	N/A	N/A	2,886	2,570	2,533	7,989
11 - Lancaster / Keizer	F	N/A	N/A	N/A	N/A	49,635	39,006	39,653	128,294
12 - Haysville Drive	B	N/A	N/A	N/A	N/A	2,872	2,611	2,501	7,984
13 - Silverton Road	S	N/A	N/A	N/A	N/A	11,642	9,504	9,129	30,275
14 - Windsor Island	S	N/A	N/A	N/A	N/A	2,783	2,095	1,859	6,737
<i>Total</i>		327,159	242,176	255,805	825,140	266,943	215,633	221,716	704,292
CHERRIOTS EXPRESS ROUTES									
1X - Willsonville / Salem Express	C	4,017	2,903	3,469	10,389	3,228	2,476	2,797	8,501
2X - Grand Ronde / Salem Express	C	2,221	1,632	1,896	5,749	1,812	1,555	1,829	5,196
<i>Total</i>		6,238	4,535	5,365	16,138	5,040	4,031	4,626	13,697
CHERRIOTS ON-DEMAND									
West Salem Connector	DR	N/A	N/A	N/A	N/A	1309	947	768	3024
CHERRIOTS QUALIFIED HUMAN SERVICE ORGANIZATION ROUTES									
91 - Garten Foundation	T	351	298	330	979	337	825	723	1,885
92 - Rockwest	T	748	513	491	1,752	558	396	776	1,730
<i>Total</i>		1,099	811	821	2,731	895	1,221	1,499	3,615
<i>Cherriots Total</i>		334,496	247,522	261,991	844,009	274,187	221,832	228,609	724,628
CARTS DEVIATED-FIXED ROUTE									
10 - Woodburn / Salem	DFR	1442	1021	1060	3,523	1,120	902	760	2,782
20 - Silverton / Salem	DFR	1654	1154	1072	3,880	1,179	1,023	800	3,002
30 - Canyon Connector / Salem	DFR	1912	1582	1697	5,191	1,489	1,343	1,311	4,143
40 - Polk County / Salem	DFR	2878	1929	2069	6,876	2,272	1,811	1,667	5,750
50 - Dallas / Salem Express	DFR	2002	1428	1679	5,109	1,627	1,379	1,362	4,368
<i>Total</i>		9888	7114	7577	24,579	7,687	6,458	5,900	20,045
CARTS ZONE ROUTE									
25 - North Marion Flex	ZR	131	127	100	358	126	111	91	328
45 - Canyon Flex	ZR	2631	1925	2131	6,687	2,271	1,603	1,817	5,691
<i>Total</i>		2762	2052	2231	7,045	2,397	1,714	1,908	6,019
CARTS DIAL-A-RIDE									
35 - Polk Flex	DAR	85	105	174	364	94	103	41	238
SHOPPER SHUTTLE & DIAL-A-RIDE									
RED Line	DAR	753	628	708	2,089	677	538	675	1,890
PARATRANSIT									
CherryLift	DAR	14579	10967	13332	38,878	13,372	11,152	12,574	37,098

Table 6. Average Boardings / Day

Route	Type	FY15 Q2				FY16 Q2				Percent Change
		Oct 2014	Nov 2014	Dec 2014	Total	Oct 2015	Nov 2015	Dec 2015	Total	
CHERRIOTS LOCAL FIXED-ROUTE										
1 - N River Rd / S Commercial	F	N/A	N/A	N/A	N/A	2,465.8	2,354.1	2,194.2	2,337.3	N/A
2 - Market / Brown	F	N/A	N/A	N/A	N/A	1,236.5	1,153.7	961.5	1,115.5	N/A
3 - Portland Road	S	N/A	N/A	N/A	N/A	880.5	692.8	604.5	727.5	N/A
4/4A State / Lancaster	S	N/A	N/A	N/A	N/A	760.4	698.7	648.0	702.6	N/A
4 - State / Lancaster	S	N/A	N/A	N/A	N/A	396.4	368.4	329.6	364.7	N/A
4A - State / Lancaster	S	N/A	N/A	N/A	N/A	364.0	330.3	318.4	337.9	N/A
5/5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	1,593.0	1,527.1	1,402.8	1,506.7	N/A
5 - Edgewater / Center	F	N/A	N/A	N/A	N/A	801.5	818.6	781.5	799.7	N/A
5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	791.5	708.5	621.3	707.0	N/A
6 - Wallace / Fairview Industrial	B	N/A	N/A	N/A	N/A	430.1	481.8	419.9	442.1	N/A
7 - Mission / State	B	N/A	N/A	N/A	N/A	275.2	272.6	243.8	263.5	N/A
8/8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	846.5	788.8	696.5	776.7	N/A
8 - 12th / Liberty	S	N/A	N/A	N/A	N/A	413.0	326.2	349.8	364.8	N/A
8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	433.4	462.6	346.7	411.9	N/A
9/9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	472.2	443.4	376.0	429.9	N/A
9 - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	249.2	238.6	200.2	228.9	N/A
9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	223.0	204.8	175.8	201.0	N/A
10 - Lansing / Hawthorne	B	N/A	N/A	N/A	N/A	131.2	135.3	115.1	126.8	N/A
11 - Lancaster / Keizer	F	N/A	N/A	N/A	N/A	2,256.1	2,052.9	1,802.4	2,036.4	N/A
12 - Haysville Drive	B	N/A	N/A	N/A	N/A	130.5	137.4	113.7	126.7	N/A
13 - Silverton Road	S	N/A	N/A	N/A	N/A	529.2	500.2	415.0	480.6	N/A
14 - Windsor Island	S	N/A	N/A	N/A	N/A	126.5	110.3	84.5	106.9	N/A
Total		14,224.3	13,454.2	11,627.5	13,097.5	12,133.8	11,349.1	10,078.0	11,179.2	-14.6%
CHERRIOTS EXPRESS ROUTES										
1X - Willsonville / Salem Express	C	174.7	161.3	157.7	164.9	146.7	130.3	127.1	134.9	-18.2%
2X - Grand Ronde / Salem Express	C	96.6	90.7	86.2	91.3	82.4	81.8	83.1	82.5	-9.6%
Total		271.2	251.9	243.9	256.2	229.1	212.2	210.3	217.4	-15.1%
CHERRIOTS ON-DEMAND										
West Salem Connector	DR	N/A	N/A	N/A	N/A	59.5	49.8	34.9	48.0	N/A
CHERRIOTS QUALIFIED HUMAN SERVICE ORGANIZATION ROUTES										
91 - Garten Foundation	T	15.3	16.6	15.0	15.5	15.3	43.4	32.9	29.9	92.5%
92 - Rockwest	T	32.5	28.5	22.3	27.8	25.4	20.8	35.3	27.5	-1.3%
Total		47.8	45.1	37.3	43.3	40.7	64.3	68.1	57.4	32.4%
Cherriots Total		14,543.3	13,751.2	11,908.7	13,397.0	12,463.0	11,675.4	10,391.3	11,502.0	-14.1%
CARTS DEVIATED-FIXED ROUTE										
10 - Woodburn / Salem	DFR	62.7	56.7	48.2	55.9	50.9	47.5	34.5	44.2	-21.0%
20 - Silverton / Salem	DFR	71.9	64.1	48.7	61.6	53.6	53.8	36.4	47.7	-22.6%
30 - Canyon Connector / Salem	DFR	83.1	87.9	77.1	82.4	67.7	70.7	59.6	65.8	-20.2%
40 - Polk County / Salem	DFR	125.1	107.2	94.0	109.1	103.3	95.3	75.8	91.3	-16.4%
50 - Dallas / Salem Express	DFR	87.0	79.3	76.3	81.1	74.0	72.6	61.9	69.3	-14.5%
Total		429.9	395.2	344.4	390.1	349.4	339.9	268.2	318.2	-18.4%
CARTS ZONE ROUTE										
25 - North Marion Flex	ZR	5.7	7.1	4.5	5.7	5.7	5.8	4.1	5.2	-8.4%
45 - Canyon Flex	ZR	114.4	106.9	96.9	106.1	103.2	84.4	82.6	90.3	-14.9%
Total		120.1	114.0	101.4	111.8	109.0	90.2	86.7	95.5	-14.6%
CARTS DIAL-A-RIDE										
35 - Polk Flex	DAR	3.7	5.8	7.9	5.8	4.3	5.4	1.9	3.8	-34.6%
SHOPPER SHUTTLE & DIAL-A-RIDE										
RED Line	DAR	32.7	34.9	32.2	33.2	30.8	28.3	30.7	30.0	-9.5%
PARATRANSIT										
CherryLift	DAR	633.9	609.3	606.0	617.1	607.8	586.9	571.5	588.9	-4.6%

Table 7. Average Boardings / Hour

Route	Type	FY15 Q2				FY16 Q2				Percent Change	
		Oct 2014	Nov 2014	Dec 2014	Total	Oct 2015	Nov 2015	Dec 2015	Total		
CHERRIOTS LOCAL FIXED-ROUTE											
1 - N River Rd / S Commercial	F	N/A	N/A	N/A	N/A	25.1	22.2	20.7	22.6	N/A	
2 - Market / Brown	F	N/A	N/A	N/A	N/A	22.8	21.3	17.8	20.6	N/A	
3 - Portland Road	S	N/A	N/A	N/A	N/A	29.2	22.9	20.0	24.1	N/A	
4/4A State / Lancaster	S	N/A	N/A	N/A	N/A	24.9	22.8	21.2	23.0	N/A	
4 - State / Lancaster	S	N/A	N/A	N/A	N/A	25.9	24.1	21.5	23.8	N/A	
4A - State / Lancaster	S	N/A	N/A	N/A	N/A	23.8	21.6	20.8	22.1	N/A	
5/5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	17.3	16.6	15.2	16.4	N/A	
5 - Edgewater / Center	F	N/A	N/A	N/A	N/A	17.0	17.3	16.6	16.9	N/A	
5A - Edgewater / Center	F	N/A	N/A	N/A	N/A	17.6	15.8	13.8	15.7	N/A	
6 - Wallace / Fairview Industrial	B	N/A	N/A	N/A	N/A	13.2	14.8	12.9	13.6	N/A	
7 - Mission / State	B	N/A	N/A	N/A	N/A	17.6	17.5	15.6	16.9	N/A	
8/8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	18.4	17.1	15.1	16.9	N/A	
8 - 12th / Liberty	S	N/A	N/A	N/A	N/A	17.9	14.1	15.1	15.8	N/A	
8A - 12th / Liberty	S	N/A	N/A	N/A	N/A	18.9	20.2	15.1	18.0	N/A	
9/9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	15.4	14.4	12.2	14.0	N/A	
9 - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	16.2	15.5	13.0	14.9	N/A	
9A - Cherry / Parkmeadow	S	N/A	N/A	N/A	N/A	14.5	13.3	11.4	13.1	N/A	
10 - Lansing / Hawthorne	B	N/A	N/A	N/A	N/A	8.7	9.0	7.6	8.4	N/A	
11 - Lancaster / Keizer	F	N/A	N/A	N/A	N/A	25.6	23.3	20.5	23.1	N/A	
12 - Haysville Drive	B	N/A	N/A	N/A	N/A	8.5	8.9	7.4	8.2	N/A	
13 - Silverton Road	S	N/A	N/A	N/A	N/A	17.6	16.5	13.8	15.9	N/A	
14 - Windsor Island	S	N/A	N/A	N/A	N/A	8.2	7.2	5.5	7.0	N/A	
<i>Total</i>			24.4	23.1	19.8	22.4	20.4	18.8	16.8	18.7	-16.79%
CHERRIOTS EXPRESS ROUTES											
1X - Willsonville / Salem Express	C	20.6	19.0	18.6	19.4	17.3	15.4	15.0	15.9	-18.17%	
2X - Grand Ronde / Salem Express	C	6.3	5.9	5.8	6.0	5.4	5.4	5.5	5.4	-9.62%	
<i>Total</i>		11.4	10.6	10.4	10.8	9.7	9.0	8.9	9.2	-15.13%	
CHERRIOTS ON-DEMAND											
West Salem Connector	DR	N/A	N/A	N/A	N/A	4.0	3.3	2.4	3.2	N/A	
CHERRIOTS QUALIFIED HUMAN SERVICE ORGANIZATION ROUTES											
91 - Garten Foundation	T	25.1	27.1	30.0	27.2	33.7	91.7	65.7	62.8	131.05%	
92 - Rockwest	T	62.3	57.0	27.3	44.9	37.2	30.5	51.7	40.2	-10.44%	
<i>Total</i>		42.3	40.6	28.3	36.4	35.8	55.5	57.7	49.5	120.61%	
<i>Cherriots Total</i>		23.9	22.6	19.5	22.0	19.6	18.2	16.2	18.0	-18.16%	
CARTS DEVIATED-FIXED ROUTE											
10 - Woodburn / Salem	DFR	5.5	4.5	5.6	5.2	6.0	5.6	4.1	5.2	0.26%	
20 - Silverton / Salem	DFR	8.2	3.6	5.4	5.4	6.2	6.3	4.2	5.5	2.50%	
30 - Canyon Connector / Salem	DFR	9.3	10.7	8.4	9.3	7.6	7.9	6.6	7.3	-21.46%	
40 - Polk County / Salem	DFR	14.5	12.6	10.7	12.6	11.4	10.4	8.3	10.0	-20.88%	
50 - Dallas / Salem Express	DFR	12.4	10.4	12.0	11.6	10.2	10.0	8.6	9.6	-17.87%	
<i>Total</i>		9.6	7.2	8.2	8.4	8.2	8.0	6.3	7.5	-10.43%	
CARTS ZONE ROUTE											
25 - North Marion Flex	ZR	0.8	1.0	0.4	0.7	0.8	0.8	0.6	0.7	2.95%	
45 - Canyon Flex	ZR	7.7	8.5	6.9	7.6	6.9	5.6	5.5	6.0	-21.02%	
<i>Total</i>		5.4	5.9	4.2	5.1	4.9	4.0	3.9	4.3	-15.23%	
CARTS DIAL-A-RIDE											
35 - Polk Flex	DAR	0.8	1.5	2.4	1.5	0.7	1.1	0.5	0.8	-47.99%	
SHOPPER SHUTTLE & DIAL-A-RIDE											
RED Line	DAR	2.0	2.0	1.9	2.0	1.9	1.9	1.9	1.9	-2.12%	
PARATRANSIT											
CherryLift	DAR	2.6	2.6	2.5	2.5	2.5	2.4	2.4	2.4	-4.27%	



Cherriots average daily revenue hours
Up 5.1% compared to same period in FY15



609.2	→	639.1
AVG REV HRS/DAY		AVG REV HRS/DAY
2014		2015
OCT-DEC		OCT-DEC

Cherriots average daily revenue hours

Up 7.8% compared to same period in FY15



8,126.1	→	8,740.6
AVG REV MILES/DAY		AVG REV MILES/DAY
2014 OCT-DEC		2015 OCT-DEC

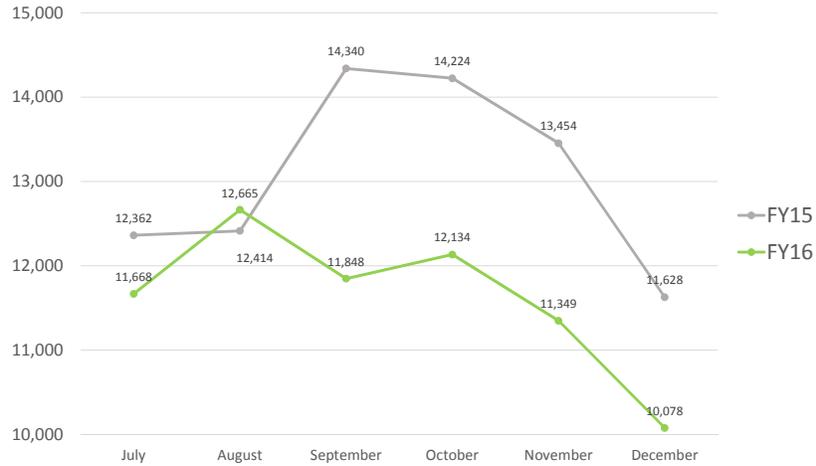
Cherriots average daily boardings (unlinked trips)

Down 14.1% compared to same period in FY15

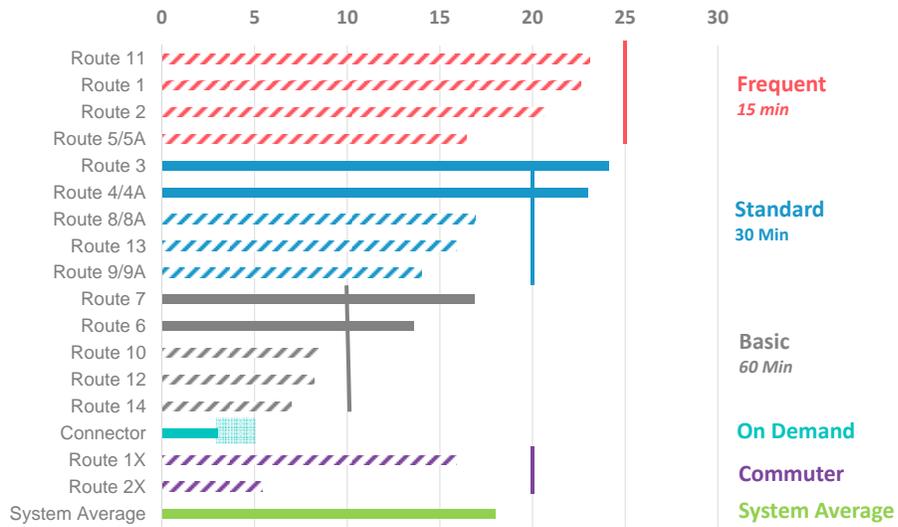


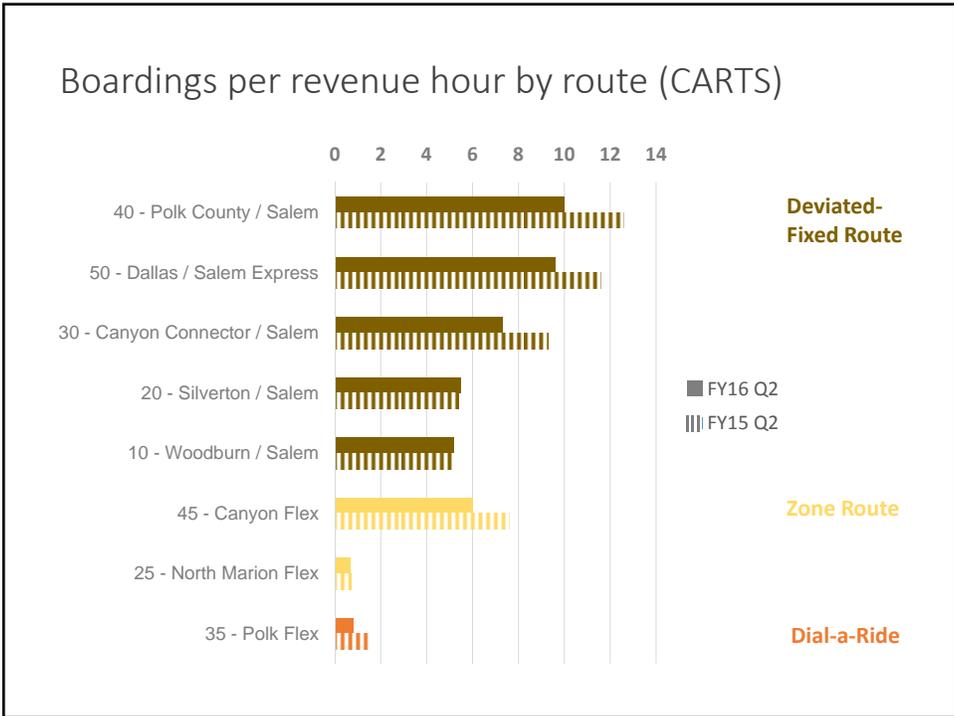
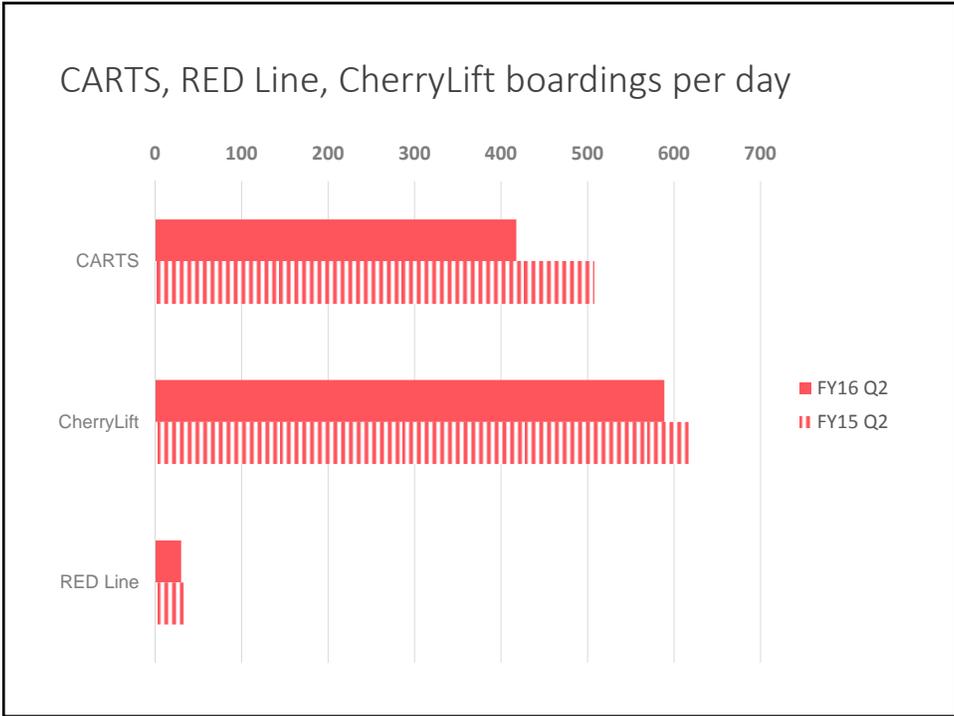
13,397	→	11,502
AVG ONS/DAY		AVG ONS/DAY
2014 OCT-DEC		2015 OCT-DEC

Cherriots average daily boardings 2014 vs 2015, month-by-month



Boardings per revenue hour by route (Cherriots)







MEMO TO: BOARD OF DIRECTORS

**FROM: ROXANNE ROLLS, RIDESHARE AND OUTREACH COORDINATOR
STEPHEN DICKEY, DIRECTOR OF TRANSPORTATION
DEVELOPMENT**

THRU: ALLAN POLLOCK, GENERAL MANAGER

SUBJECT: CHERRIOTS RIDESHARE SECOND QUARTER REPORT

Issue

The FY 2015-2016 Second Quarter Report of the Cherrlots Rideshare Program.

Background and Findings

Cherrlots Rideshare program activities, goals and metrics are structured around the 2015 – 2017 ODOT approved work plan which provides an overview of the activities and expectations associated with the program. Additionally, the 2015 – 2020 Cherrlots Rideshare Strategic Plan which details specific activities and improvements to the regional TDM program is being implemented.

During the second quarter of this fiscal year, the Rideshare staff completed the Drive Less, Save More Individualized Marketing Campaign, The Drive Less Challenge and distributed 500 Wander Walks Maps.

Recommendation

None

Proposed Motion

Information Only

CHERRIOTS RIDESHARE

2nd Quarter Report FY 2015-2016

October ~ November ~ December 2015

During the 2nd Quarter of FY 2015-2016, Cherriots Rideshare continued work in accordance with the recommendations made in the 2015-2020 Strategic Plan. Our tasks and the activities associated with those are detailed in our work plan which can be summarized as, management of the Regional Rideshare Database, providing marketing, outreach and incentives for the use of all transportation options and promotion and expansion of TDM tactics within Polk, Marion and Yamhill Counties.

DRIVE LESS CONNECT

Drive Less Connect is Oregon's secure, easy-to-use online ride-matching tool that matches people who want to share the ride to work, school or play.

Drive Less Connect ~ 2nd Quarter 2015-2016

Total registered users	3157	Did Not Work trips	1990
New users	215	Vanpool trips	2183
Non SOV Miles Logged	393,200	Walk trips	1768
Bike trips	2985	Telework trips	954
Bus trips	2786	Drive Alone trips	1657
Carpool trips	7598		

Ridematching statistics:

Ridematch search performed	8047
Ridematch search with no results ...	1881
Ridematch requests sent	3472

VALLEY VANPOOL

Cherriots Rideshare staff collaborates with other transportation options programs in the region to jointly operate the Valley VanPool program. The total number of active vans in the Valley VanPool program is 51 and we support 28 of those vans.

The partners met and discussed marketing and outreach for the programs, the vanpool focus group that they would all be participating in, in January and what metrics might result from those meetings.

OUTREACH and MEETINGS

Staff attended the following employer meetings, fairs and outreach events:

- **Marion Polk Food Share** – Volunteer Meeting – 20 people
- **Expo Negocio** – Emily Loberg attended and helped with SKT and Rideshare outreach
- **Salem Sunday Street's Planning Meeting**

COMPLETED PROJECTS

Individualized Marketing Project – Cherriots Rideshare completed its work with ODOT and their marketing consultants (Alta Planning and Pac West) on the individualized marketing (IM) campaign as part of ODOT’s “Drive Less, Save More” campaign.

Two Salem neighborhoods (Grant and NEN) were selected as target areas to conduct this campaign. The campaign consisted of direct mail communication with 4,378 households in the target neighborhoods, asking them to complete a pre-survey regarding their travel behavior and mode choice. The survey was followed up by several newsletters with information on how to receive transportation options information and a free gift.

As requests were received, the literature was gathered together into a “go-kit” and delivered by bicycle to the requestors’ homes by a temporary employee hired for this campaign. Emily Loberg, a bicycling advocate, proved invaluable during the campaign, managing much of the survey entry, compilation and delivery of the go-kits by bicycle and organization of local tours on foot and by bicycle. She also arranged for tabling opportunities at the farmers market and several local businesses.

The goals established for the campaign at the onset for ODOT were to reduce drive-alone trips/VMT, build capacity, support DLC, increase partner collaboration and develop best practices.

The goals established for the campaign at the onset for Cherriots were to focus on residents, inform community about new services, develop partnerships and focus on equity.

The final report is available for review on the Salem-Keizer Transit web site.

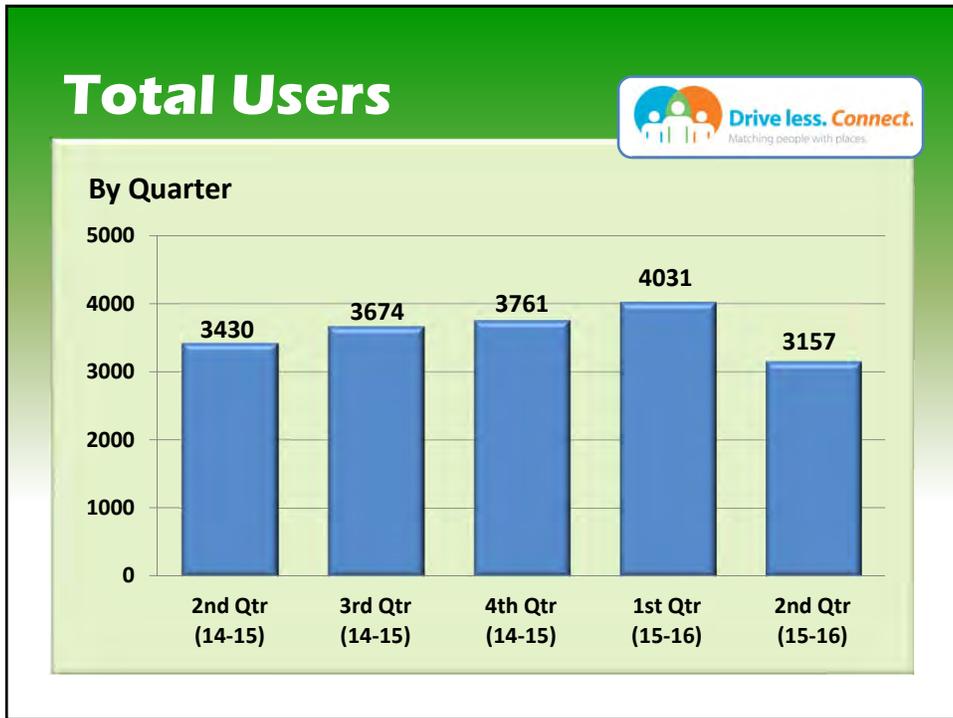
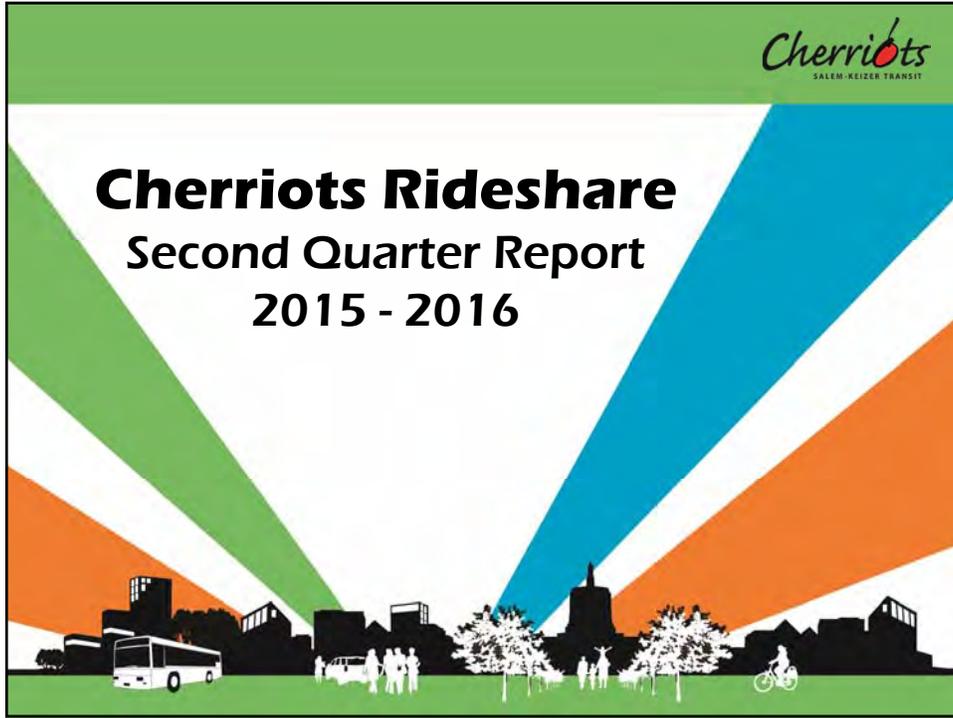
ONGOING & UPCOMING PROJECTS

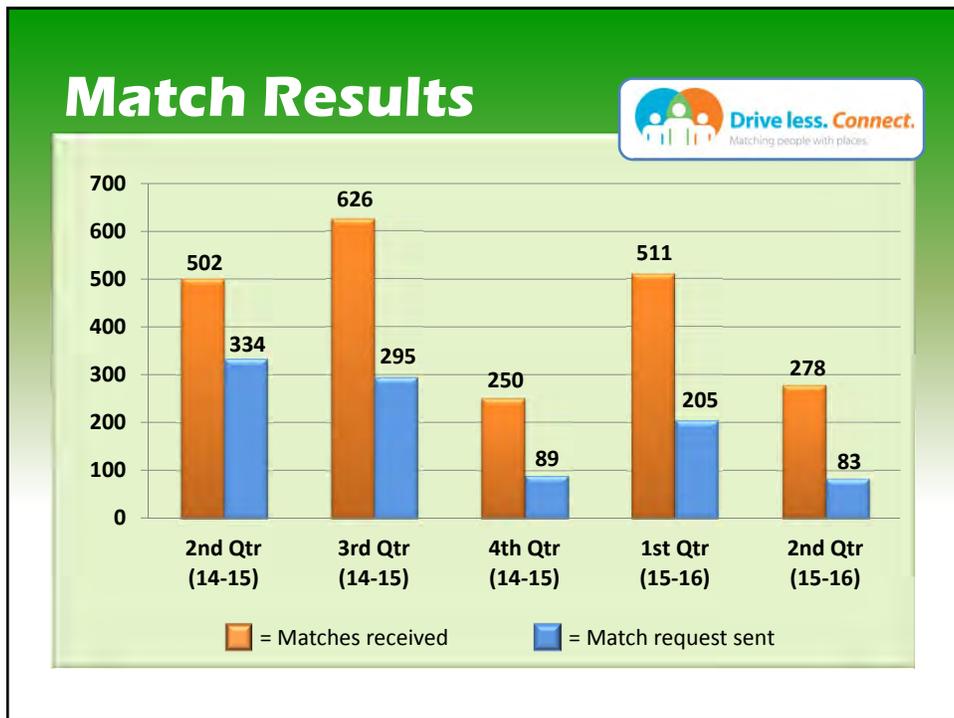
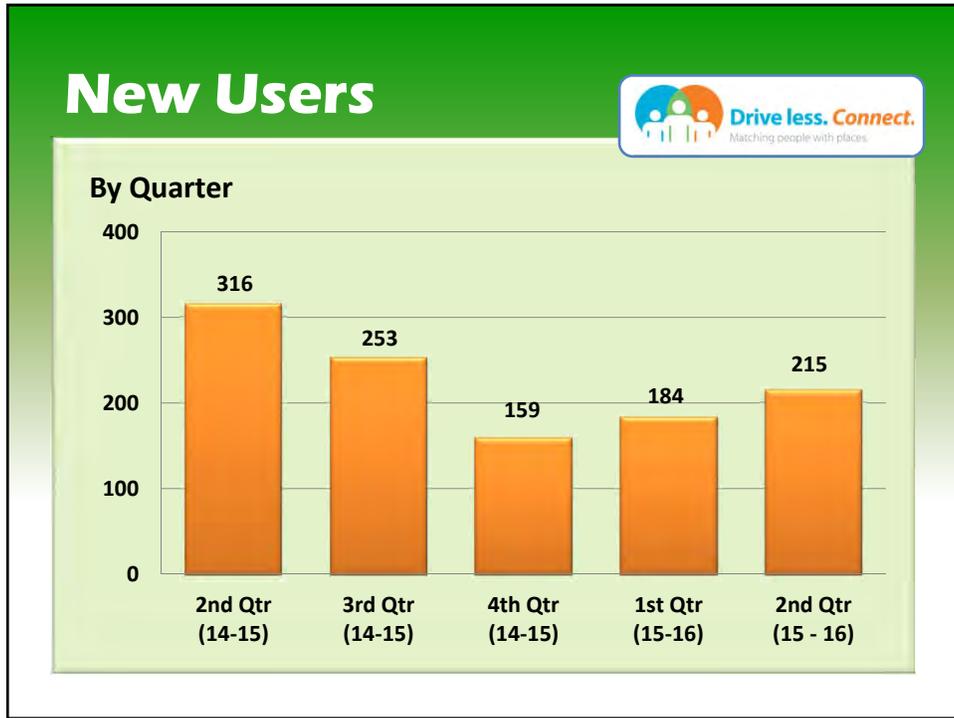
Strategic Plan Recommendations – Cherriots Rideshare has started work on each of the recommendations for year one of the strategic plan.

- ***COMPLETED***: Conduct/complete an Individualized Marketing program; develop a communications plan for the strategic plan.
- ***IN PROCESS***: Refresh the image Build a new “one-stop-shop” web site; conduct an Employee Transportation Coordinator (ETC) survey; reallocate staff responsibilities; evaluate the Transportation Options Advocate position and establish new performance metrics.

Ongoing participation and activities -

- Association for Commuter Transportation (ACT): Kiki is a Board Member of the national association and local Chapter Secretary; both Kiki and Roxanne are part of the 2016 ACT Conference planning team.
- Board members of Transportation Options Group of Oregon
- Statewide TDM and ToGo quarterly meetings
- Quarterly ETC networking and training lunch
- Drive Less Connect Regional Network Administrators meetings
- Cherriots Wellness Committee (Kiki)
- Cherriots Connects Committee (Kiki is United Way Campaign Chair, Roxanne is the Celebratory Committee Chair)
- 2016 Employee Banquet Committee (Kiki)

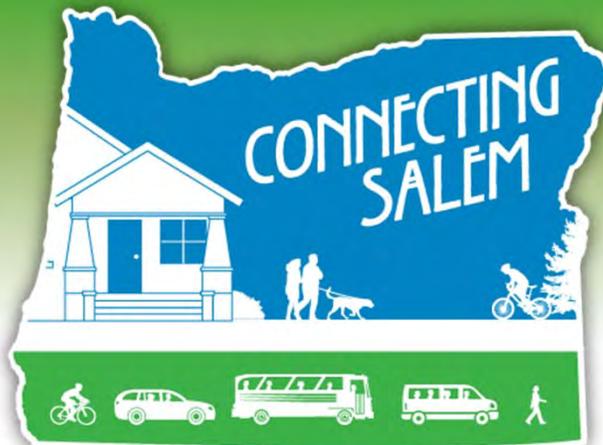




Outreach



Drive Less Save More



Drive less. Save more.

Drive Less Save More



- 4,378 households
- 583 Go Kit orders



Drive Less Save More



- 10 community outreach events
- Three custom events



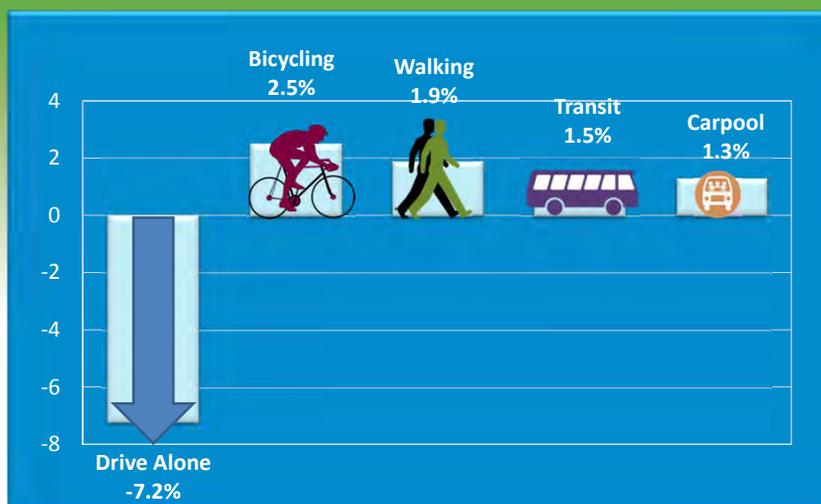
Drive Less Save More

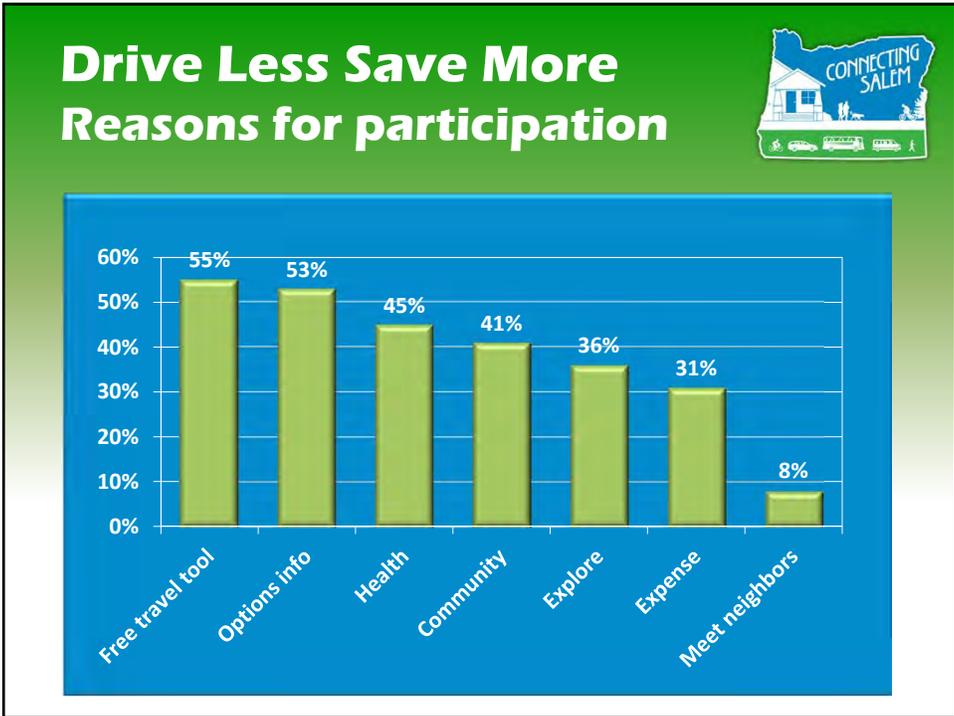
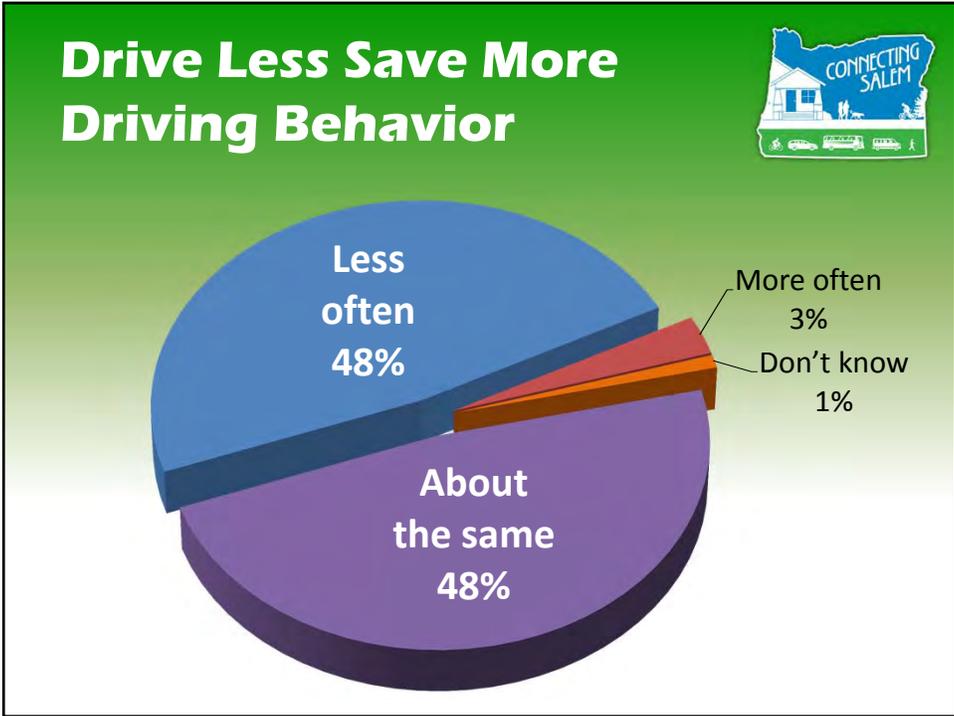


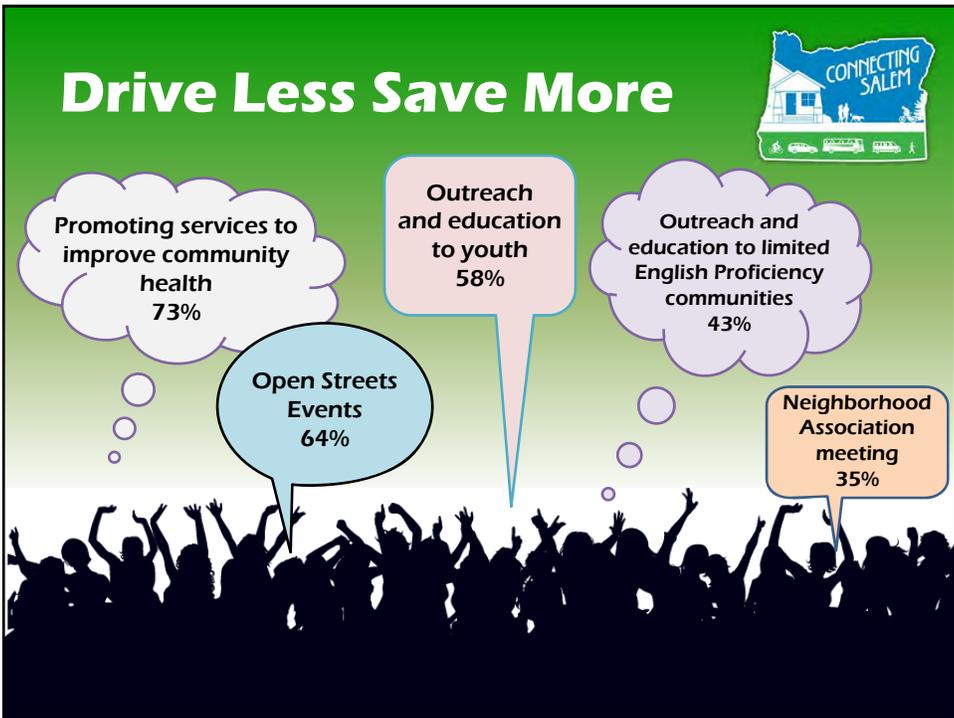
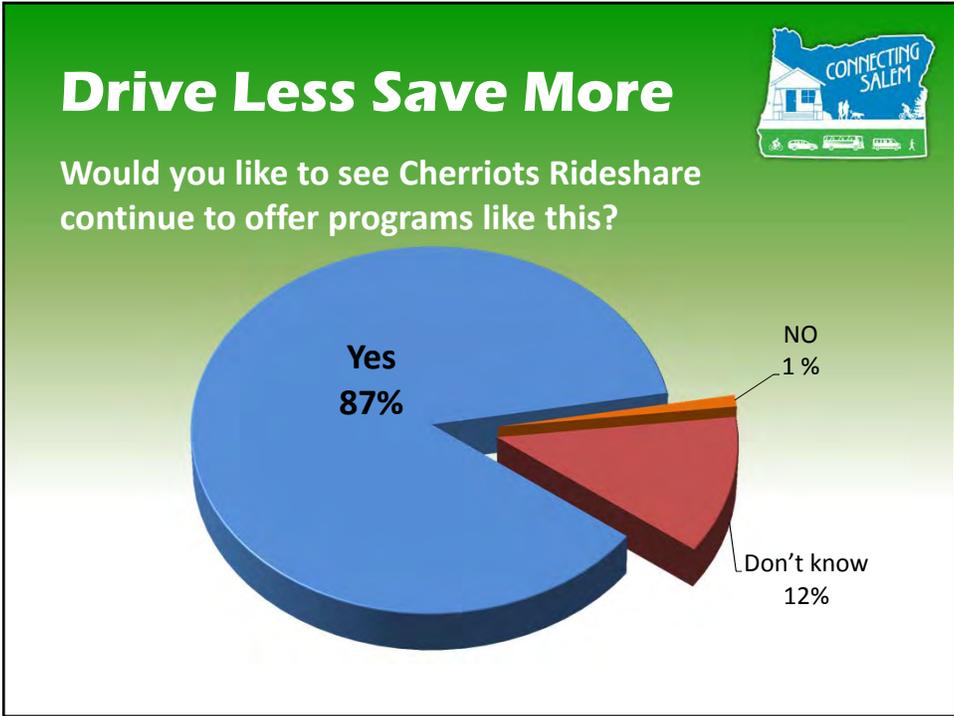
- Informed residents about *Moving Forward* transit route changes
- Partnerships created and strengthened



Drive Less Save More Target Area Results







Participant stories



“The Go Kit really had A LOT of information and stuff I did not previously know about. I do not own a bicycle but am now motivated to save for one. I have been walking to nearby places rather than driving.”

Participant stories



“The program helped me realize that driving less makes me want to walk more and see the neighborhoods I live in more often while walking with my daughter.”

Program Goals



- Focus on residents and equity
- Inform the community
- Develop partnerships

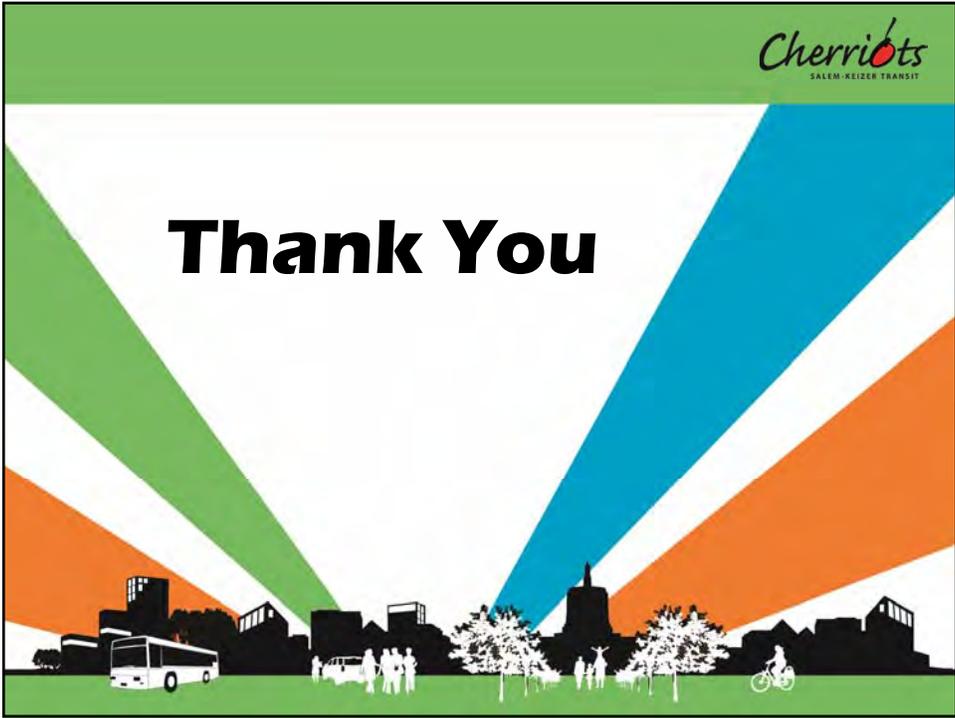


Other activities

- Student poster contest kicked off with #MyRide as the theme.



- Association for Commuter Transportation (ACT) Conference in Portland



MEMO TO: BOARD OF DIRECTORS
FROM: JARED ISAKSEN, FINANCE MANAGER
PAULA DIXON, DIRECTOR OF ADMINISTRATION
THRU: ALLAN POLLOCK, GENERAL MANAGER
SUBJECT: FY2016 SECOND QUARTER FINANCE REPORT

Issue

A Finance Report is prepared for each quarter of the fiscal year and is intended to provide the Board with timely information about the District's financial performance.

Background and Findings

The Board adopts a Budget for the District on an annual basis. The Budget is a plan that contains District resources and requirements.

The quarterly Finance Report provides information about how that plan is being implemented and includes statements for the General Fund, Special Transportation Fund, and Capital Project Fund. The statements compare the budget amounts to actual amounts by the legal appropriations category.

On the revenue side, overall Passenger Fares are just under one half of the amount anticipated that would be received. The District received 99 percent of the projected Property Taxes in the first half of the year which is to be expected as most of the property taxes are received in November when tax payers take advantage of the 3 percent discount. The District received 91 percent of projected miscellaneous revenue from an insurance dividend reimbursement. Also, interest on investments is 100 percent of projected as our LGIP balance is higher than prior years and interest rates are increasing.

The General Fund is under budget in all appropriation levels. Under Operations, the West Salem Connector activities are more expensive than originally anticipated. At the end of the first half of the year, the operation of the Connector has used 68 percent of the budget. Staff will continue to monitor the Connector expenses.

In the Special Transportation Fund all programs except one are in line with spending one half of the annual budgeted amount. Mobility Management is at 67 percent of annual budget due to higher personnel expenses and Garten Services costs. The Garten Services provided to the District are Transit Ambassadors on the transit mall at Courthouse Square.

Overall the Capital Project Fund has spent 14 percent of the approved budget. Most of the capital projects are in the procurement stage. Project expenses will increase as the year progresses.

Recommendation

Receive and file.

Proposed Motion

None

Salem Area Mass Transit District
 Fiscal Year 2015-16 Second Quarter Financial Report

General Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	50% of Adopted Budget	FY2015-16 Adopted Budget	% of Budget
Operating Revenues/Resources				
Passenger Fares	1,147,832	1,204,095	2,408,190	48%
Other Fixed Route Services	112,995	150,000	300,000	38%
Planning Grant	28,038	60,163	120,325	23%
Federal 5307	-	2,494,541	4,989,082	0%
DMAP Reimbursement	27,214	33,000	66,000	41%
Miscellaneous	96,413	53,250	106,500	91% ①
Property Taxes	10,501,616	5,278,820	10,557,639	99% ②
Oregon State In-Lieu	1,773,052	2,625,000	5,250,000	34%
Interest on Investments	40,193	20,000	40,000	100% ③
Energy Tax Credit	-	90,000	180,000	0%
Operating Revenues/Resources Total	13,727,353	12,008,869	24,017,736	57%
Operating Expenses/Requirements				
General Manager/Board of Directors	261,479	320,579	641,157	41%
Administration	1,116,586	1,264,607	2,529,214	44%
Transportation Development	825,304	874,861	1,749,722	47%
Operations	7,937,236	9,136,476	18,272,951	43%
Unallocated General Administration	389,622	531,860	1,063,720	37%
Operating Expenses/Requirements Total	10,530,227	12,128,383	24,256,764	43%

① SAIF Dividend Reimbursement.

② Most of the property taxes are collected in November.

③ Due to larger monthly balance in LGIP and increasing interest rates.

Salem Area Mass Transit District
 Fiscal Year 2015-16 Second Quarter Financial Report

General Fund Department Expenses/Requirements Summary	Actual	50% of Adopted Budget	FY2015-16	
			Adopted Budget	% of Budget
General Manager/Board of Directors				
General Manager	233,738	272,579	545,157	43%
Board of Directors	27,741	48,000	96,000	29%
Total	261,479	320,579	641,157	41%
Administration				
Human Resources	350,627	396,719	793,437	44%
Human Resources Safety	51,780	102,544	205,087	25%
Marketing and Communications	325,376	385,228	770,456	42%
Finance	388,803	380,117	760,234	51%
Total	1,116,586	1,264,608	2,529,214	44%
Transportation Development				
Transportation Development Administration	325,338	327,096	654,190	50%
Information Technology	390,674	422,767	845,532	46%
Vanpool Lease	109,292	62,500	250,000	44%
Total	825,304	812,363	1,749,722	47%
Operations				
Operations Administration	180,565	240,901	481,802	37%
Customer Service	252,775	257,570	515,140	49%
Vehicle Maintenance	1,912,270	2,308,212	4,616,424	41%
Facility Maintenance	349,304	375,540	751,080	47%
Security	200,319	247,187	494,373	41%
Cherriots Fixed Route Service	4,919,734	5,604,156	11,208,312	44%
State Fair Shuttle Service	-	16,775	33,550	0%
West Salem Connector Operations	108,383	79,975	159,950	68% ④
West Salem Connector Vehicle Maintenance	13,886	6,160	12,320	113% ④
Total	7,937,236	9,136,476	18,272,951	43%
Unallocated				
General Administration	389,622	531,860	1,063,720	37%

④ Pilot project expenses higher than anticipated.

Salem Area Mass Transit District
 Fiscal Year 2015-16 Second Quarter Financial Report

Special Transportation Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	50% of Adopted Budget	FY2015-16 Adopted Budget	% of Budget
Operating Revenues/Resources				
Passenger Fares	188,303	191,463	382,925	49%
Federal Direct 5310 Funds	64,579	114,920	229,839	28%
Federal 5311 Funds	81,901	159,525	319,050	26%
Federal 5310 Funds Through State	223,690	355,751	711,501	31%
Federal 5310 Pass Through Funds	-	48,903	97,805	0%
Rideshare Grant	39,775	112,688	225,375	18%
TDM Grant	29,147	56,520	113,039	26%
DD53 Revenues	677,603	1,500,000	3,000,000	23%
Federal 5307	-	744,784	1,489,568	0%
DMAP Revenues	5,078,936	6,136,478	12,272,955	41%
STF Pass Through Funds	147,000	146,939	293,877	50%
State STF Funds	454,552	323,737	647,474	70% ⑤
Operating Revenues/Resources Total	7,006,200	9,891,708	19,783,408	35%
Operating Expenses/Requirements				
Operations	8,019,116	8,973,696	17,947,392	45%
Transportation Development	223,327	389,699	779,398	29%
Operating Expenses/Requirements Total	8,242,443	9,363,395	18,726,790	44%

⑤ STF funds are received in advance of costs.

Salem Area Mass Transit District
 Fiscal Year 2015-16 Second Quarter Financial Report

Special Transportation Fund Program Expenses/Requirements Summary	Actual	50% of Adopted Budget	FY2015-16 Adopted Budget	% of Budget
Operations				
CherryLift	2,329,408	2,615,335	5,230,667	45%
RED Line	123,209	140,848	281,695	44%
CARTS	632,286	724,313	1,448,624	44%
DMAP/WVCH	4,817,557	5,388,974	10,777,948	45%
Trip Link Call Center **	-	-	-	
Mobility Management/Travel Trainer	116,656	104,229	208,458	56% ⑥
Operations Total	8,019,116	8,973,699	17,947,392	45%
Transportation Development				
Special Transportation Coordination	77,404	220,493	440,984	18%
Rideshare	88,357	112,692	225,375	39%
TDM	57,566	56,523	113,039	51%
Transportation Development Total	223,327	389,708	779,398	29%
Special Transportation Fund Total	8,242,443	9,363,407	18,726,790	44%

⑥ Approximately \$9,000 of the amount over one half the annual budget is due to having two Garten Transit Hosts instead of only having one, as was budgeted.

**The Trip Link Call Center is allocated to those programs that utilize the call center services.

Salem Area Mass Transit District
 Fiscal Year 2015-16 Second Quarter Financial Report

Capital Project Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	FY2015-16 Adopted Budget	% of Budget
Capital Revenues/Resources			
Federal STP Funds	-	582,000	0%
Federal New Freedom	1,385	-	
Federal 5310 Funds Through State	-	224,325	0%
Federal Flex Funds	96,181	2,552,373	4%
Federal 5307	2,419	1,426,400	0%
Federal STP Funds	322,876	835,297	39%
Federal 5309 Funds	20,611	2,472,556	1%
Connect Oregon Funds	-	1,000,000	0%
State STF Funds	-	264,555	0%
Capital Revenues/Resources Total	443,472	9,357,506	5%
Capital Expenses/Requirements			
Administration	-	175,000	0%
Transportation Development			
Capital Project Administration	16,214	32,979	49%
Keizer Transit Center	666	2,300,282	0%
South Salem Transit Center	83,257	267,202	31%
Bus Stops & Shelters	886,653	2,350,000	38%
BI Project	49	100,000	0%
Call Center Phones	41,889	-	
Technology Equipment	57,315	85,000	67%
CH2 Improvements	-	75,000	0%
CH2 Lease Space Improvements	23	50,000	0%
Operations			
Del Webb Improvements	6,984	765,000	1%
Shop Equipment	-	250,000	0%
ADA Assessment Center	4,710	-	
Cherriots Revenue Vehicles	7,193	258,553	3%
CherryLift Revenue Vehicles	-	502,464	0%
CARTS Revenue Vehicles	-	488,880	0%
Technology Equipment	-	143,000	0%
Capital Expenses/Requirements Total	1,104,953	7,843,360	14%

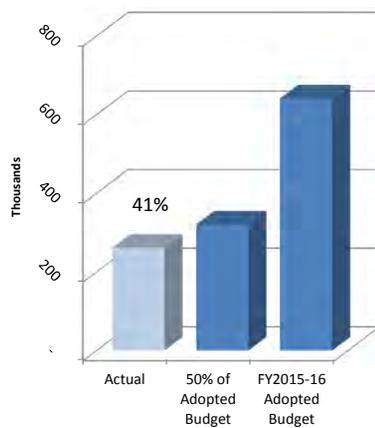
Salem-Keizer Transit

Second Quarter Financial Report October 1, 2015 – December 31, 2015

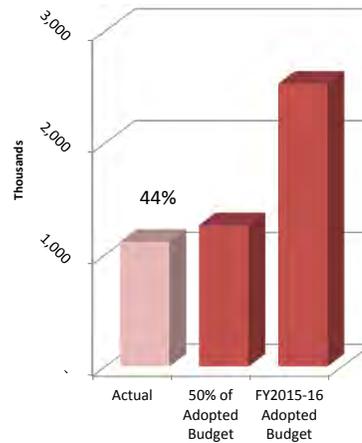


General Fund Budget and Actual on a Non-GAAP Budget Basis (unaudited)

General Manager/Board of Directors

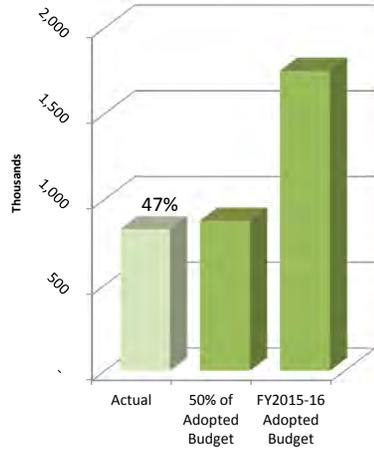


Administration

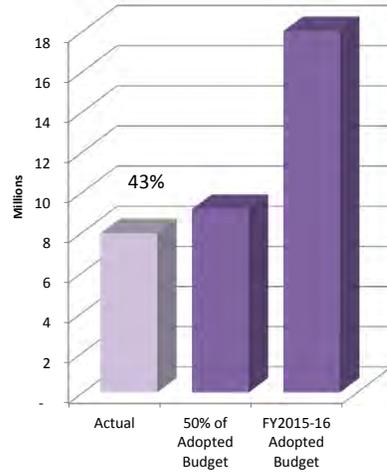


General Fund Budget and Actual on a Non-GAAP Budget Basis (unaudited)

Transportation Development

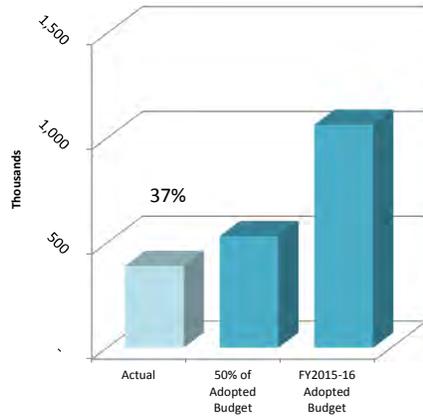


Operations

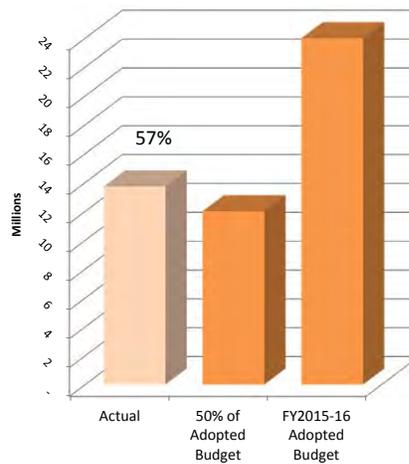


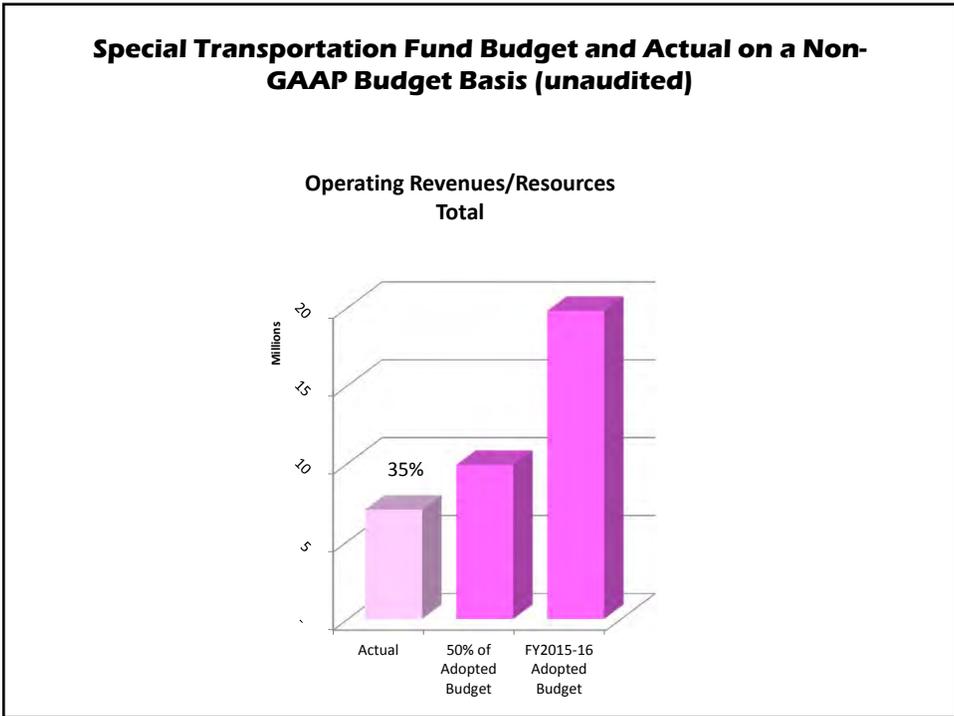
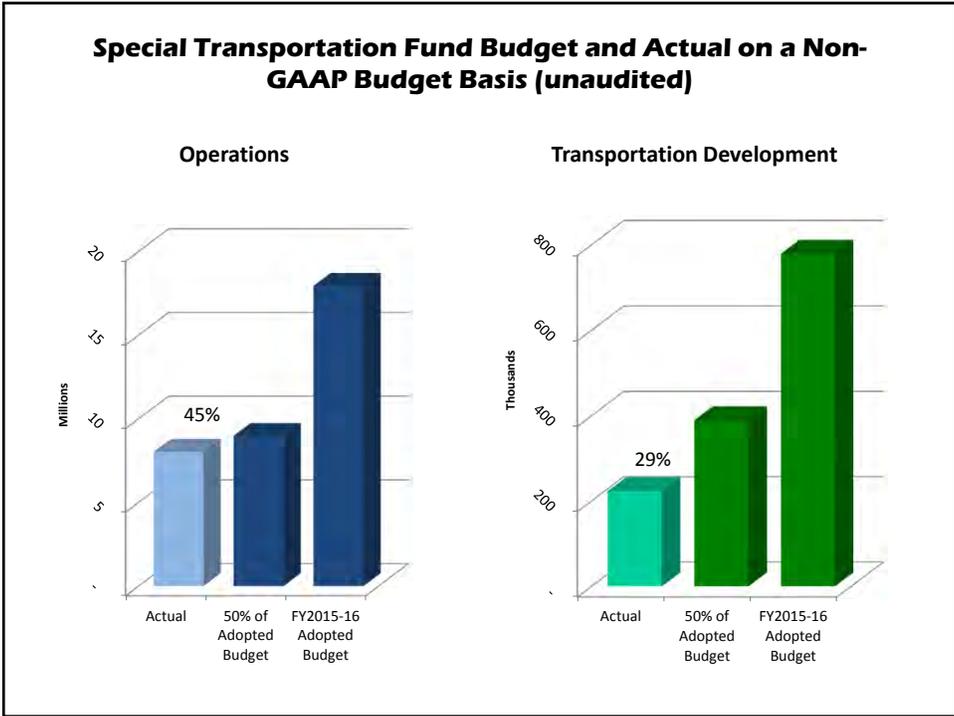
General Fund Budget and Actual on a Non-GAAP Budget Basis (unaudited)

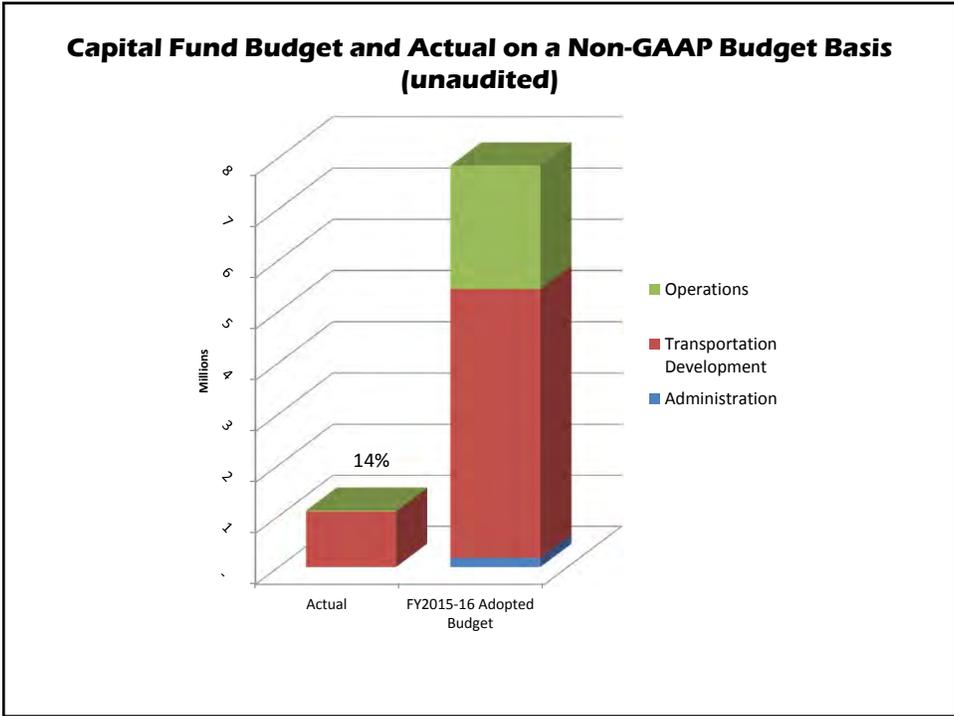
Unallocated General Administration



Revenues/Resources Total







Salem-Keizer Transit

Questions about the Second Quarter Financial Report?

MEMO TO: BOARD OF DIRECTORS
FROM: ALLAN POLLOCK, GENERAL MANAGER
SUBJECT: BOARD MEMBER COMMITTEE REPORT

Issue

Shall the Board report on their committee participation and meetings attended?

Background and Findings

Board members are appointed to local, regional, or national committees. Board members also present testimony at public hearings on specific issues as the need arises. After these meetings, public hearings, or other activities attended by individual members on behalf of SAMTD, time will be scheduled for an oral report/update. The following activities have designated board member representation:

<u>Board/Committee</u>	<u>Director(s)</u>
Citizens Advisory Committee (CAC)	Director Evans Alternate: Director Hammill
Mid-Willamette Area Commission on Transportation (MWACT)	Director Kelley Alternate: Director Lincoln
Mid-Willamette Valley Council of Governments (MWVCOG)	Director Thompson Alternate: President Krebs
Oregon Metropolitan Planning Organization Consortium (OMPOC)	President Krebs Alternate: Director Busch
Salem-Keizer Area Transportation Study Policy Committee (SKATS)	President Krebs Alternate: Director Busch
Salem River Crossing Oversight Committee	President Krebs Alternate: Director Lincoln
Special Transportation Fund Advisory Committee (STFAC)	Director Hammill Alternate: Director Thompson

Recommendation

Receive and File

Proposed Motion

None

Salem Area Mass Transit District
Board of Directors

~ **WORK SESSION** ~

January 11, 2016
Courthouse Square – Senator Hearing Room
555 Court Street NE, Salem, Oregon 97301

MINUTES

PRESENT: President Robert Krebs; Directors Jerry Thompson, John Hammill, Marcia Kelley, Kathy Board Lincoln, and Steve Evans **ABSENT:** Colleen Busch

Staff Allan Pollock, General Manager; David Trimble, Chief Operating Officer; Paula Dixon, Director of Administration; Ted Stonecliffe, Long-Range Planning Analyst; Kristian Sorensen, Technology Support Services Analyst; Linda Galeazzi, Executive Assistant

Guests Dale Penn II, SAMTD Legislative Advocate; CFM Strategic Communications; E.M. Easterly, citizen member. SAMTD Budget Committee

1. CALL TO ORDER / ANNOUNCEMENTS

5:30 PM

President Bob Krebs called the work session to order.

Mr. Pollock introduced David Trimble as Salem-Keizer Transit's newly hired Chief Operating Officer. Mr. Trimble's first day on the job was today.

Mr. Trimble spoke about his background in transportation for the past twenty years in both the public and private sector. He came to the District from TriMet where he was the Director of Transportation Programs. He wanted to come to a smaller community where he can help with the mission. He plans to move to the area.

2. DISCUSSION

a. Update on Process for ODOT Grant Programs

5:31 PM

Staff report: Pages 1-28 of the agenda

Presented by: Ted Stonecliffe, Long-Range Planning Analyst

In December 2015, the Oregon Department of Transportation (ODOT) announced that there was \$18.7 million in grants for public transit in the Special Transportation Fund's (STF) Discretionary Grant Program; the Capital Investment Program; and the Transit Network Discretionary Grant Program (TND).

Mr. Stonecliffe provided an overview of the funding available for each program, the eligible activities, the project selection criteria, the grant award process and the timelines for each. The STF Discretionary Grant Program that is competitive on a regional and statewide basis is only applicable to projects that will improve the transit network for seniors and disabled individuals. ODOT's Region 2 includes Marion and Polk counties; as well as all counties from Clatsop County in the north to Lane County in the south, minus the Portland metro area. There is \$1.956 million available for projects based on the proportion of Oregon's 65+ residents living in each region.

Salem-Keizer Transit, as the state-designated STF agency for Marion and Polk Counties,

coordinates the grant process for these funds. The application and instructions were released to the public via email and a public notice published in the Statesman Journal newspaper on December 14, 2015. The application deadline is 12:00 p.m. on January 15, 2016. Project proposals will be presented before the STF Advisory Committee's Technical Advisory Committee (TAC) on January 25. The TAC will make their recommendations to the STFAC on February 2, 2016. The STFAC will provide their recommendations to the SAMTD Board of Directors for approval at the February 25th Board meeting. The application is due to ODOT by March 11, 2016. The final decision is made by the Public Transit Advisory Committee (PTAC). The Oregon Transportation Commission receives the decision in June 2016; and agreements are executed in July 2016.

b. 2016 Legislative Priorities

5:48 PM

Staff report: Pages 29-40 of the agenda
Presented by: Allan Pollock, General Manager
Dale Penn II, SAMTD Legislative Advocate

The 2016 legislative session begins on February 1, 2016. Staff has been working with CFM Strategic Communications, the District's legislative consultant to identify federal and state priorities and projects for annual appropriations and grant opportunities to bring to the Board at the January 28th Board meeting for adoption for 2016.

Mr. Penn remarked that the Salem Area Chamber of Commerce is facing an uphill battle with their legislative concept LC163 to create a Transit Expansion Fund. Mr. Pollock noted that the Oregon Transit Association would discuss this legislative concept at their meeting scheduled for tomorrow. The concept to use a state match rather than local funds was first developed by Julie Brown from Rogue Valley Transit District.

Other state legislative items being worked on are a fix for the energy incentive tax credits, a letter from the Governor concerning the District being a federal 5339 grant recipient, the state bus pass program and operations funding.

c. Proposed Legislative Initiative

6:12 PM

Staff report: Pages 41-42 of the agenda
Presented by: President Robert Krebs

During the 2015 legislative session there was a proposal for a payroll tax paid by employees and self-employed in the transportation bill. This tax would have generated funds for Tri Met and Lane Transit District. The Oregon Transit Association began looking at a similar tax that would be statewide in scope.

President Krebs asked that the Board consider the idea of developing a statewide payroll tax for transit as a Legislative Concept for the 2017 session. Unlike the 2015 ballot measure, this payroll tax would be paid by employees and the self-employed. The proposed tax rate would be .01% of pay for city, metro and regional transit. Another .007% would be dedicated to intercity services for both operations and infrastructure; and would include Amtrak and multi-county bus services such as Greyhound.

The combined tax rate of .017% would generate \$1.02 for every \$600 of pay. According to Estimates, SKT would receive about \$5.8 million from Marion and Polk Counties to support Cherriots, CARTS and other rural services. All employees and the self-employed including government workers would pay the tax.

In most counties, distribution of funds would be made through the STF Agency. SKT holds

that position in Marion and Polk Counties. In counties with multiple transit operators such as Lane, Clackamas and Washington, the distribution formula might need to be adjusted to make sure all get a fair share.

This will be a topic for the Board retreat when it is re-scheduled. If this proposal is to move forward, the Legislative Concept needs to be submitted by June to get in the "pipeline" to be sure that transit is in the Transportation Bill in 2017.

Director Kelley said, technically speaking, it would be an income tax. Currently, SMART, TriMet and Lane Transit District are being paid from payroll tax.

Mr. Pollock explained the concept is a modified version of what the Governor's visionary panel is looking at. It was introduced to the Oregon Transit Association at last month's meeting. Mr. Penn added that the OTA advised the Governor's Office what would be good for transit. They are looking to the OTA to have that voice at the table.

d. Potential State Employee Bus Pass Program

6:23 PM

Staff report: Pages 43-46 of the agenda

Presented by: Allan Pollock, General Manager

Mr. Pollock reported that he and Dale Penn II have been in meetings with the State Finance Office to discuss a proposed agreement for a state employee bus pass program and Airport Road express shuttle. The discounted fares and hourly rate for the shuttle would include an inflation rate to be negotiated. The offer includes all State employees in the Capitol Mall area.

Mr. Penn said Peter Courtney and his staff are very supportive but want to be solid in their defense of the program.

Director Hammill was glad to hear the program would bring the commuters back.

Director Kelley noted that there were 10,000 State employees working outside of the Capitol Mall area.

e. Update on Process for Selection of Budget Committee Citizen Member

6:37 PM

Staff report: Pages 47-52 of the agenda

Director Busch was unable to attend the work session so there was no verbal update about a recommendation or selection process of a citizen member to the Budget Committee other than what was in the staff report.

f. Reschedule Board Retreat

6:40 PM

Staff report: Pages 53-54 of the agenda

Presented by: President Robert Krebs

Staff will send out a Doodle poll to see what dates work best for Board members to attend an all-day planning retreat beginning with January 30, February 6, February 20 and February 27.

3. GENERAL MANAGER COMMENTS

6:41 PM

Staff report: Pages 55-58 of the agenda

Presented by: Allan Pollock, General Manager

Board members reviewed their calendar of scheduled meetings and other events, a draft agenda of the January 28, 2016 board meeting and a list of upcoming board meeting and work session agenda items. Staff will send out a reminder to all Budget Committee members about the upcoming Basic Local Budget Law Workshop that is offered free by the Oregon

Department of Revenue on Tuesday, February 16 from 9:00 a.m. to 3:30 p.m. at the Linn County Fair and Expo Center in Albany, Oregon.

Director Lincoln asked about the lease sign in the window on the first floor of Courthouse Square. Mr. Pollock explained that there were potential occupiers ready to sign the lease. The District was making tenant improvements that should be complete in 30 days.

4. WORK SESSION ADJOURNED

6:48 PM

Recorded by: Linda Galeazzi, Executive Assistant/Clerk of the Board

**Salem-Keizer Transit
Special Transportation Fund Advisory Committee
Tuesday, February 2, 2016
Courthouse Square - Senator Hearing Room
555 Court St NE, Salem, Oregon 97301**

CALL TO ORDER & NOTE OF ATTENDANCE:

Maryann Hills called the meeting to order at 3:04 p.m. A quorum was present.

MEMBERS PRESENT:

Maryann Hills, Chair; Jean Sherbeck, Emily Broussard, Diane Lace, Tanya DeHart

MEMBERS ABSENT:

Marja Byers and Gerald Heffner

STAFF:

Ted Stonecliffe, Long-Range Planning Analyst; Melissa Kidd, Mobility Coordinator; Steven Dickey, Director of Transportation Development; Allan Pollock, General Manager; SueAnn Coffin, Contracted Transportation Manager; Jolynn Franke, Administrative Assistant, Transportation Development Division

SAMTD BOARD LIAISON:

Jerry Thompson and John Hammill, SAMTD Board of Directors

PROVIDERS:

Diane Lace, Catholic Community Services

GUESTS:

Chelsie Librande, citizen of Gates

PUBLIC COMMENT:

Chelsie Librande, a citizen of Gates, spoke about her experience as a CARTS rider. She rides the earliest CARTS bus from Gates to the Downtown Transit Center in Salem where she transfers to a Cherriots bus to get to and from work. Riding the CARTS bus allows Chelsie to be more independent rather than relying on others. She also feels that the CARTS service is helpful for individuals with disabilities in her community. Chelsie reported that there are usually three or four other riders that board the CARTS bus with her in Gates and then about seven additional riders that board in Mill City each morning. By the time the bus reaches Salem it is full. It takes about an hour and fifteen minutes to an hour and half for the bus to get from Gates to Salem each morning because of the stops it makes after reaching Stayton in Aumsville and Turner.

Maryann Hills suggested that having the option to transfer to an express route in Stayton that would continue directly into Salem could save time.

ANNOUNCEMENTS [Ted Stonecliffe]:

Salem-Keizer Transit's new Chief Operating Officer, David Trimble, started in this position about three weeks ago. His former employment was with TriMet where he was involved with accessible transportation, including TriMet's Lift program, and was also a staff member of their STF Advisory Committee. He will be a good resource for this Committee and Ted will be sure to invite him to future meetings.

The 2016 meeting schedule was reviewed by the Committee. The Committee will continue to meet on the first Tuesday of each month at 3:00 p.m. There are no meetings scheduled for the months of July, August and December.

Ted will make a presentation on the proposed changes to the STF Advisory Committee Bylaws at the February 8 Board of Directors Work Session. The proposed changes will be forwarded to committee members once they have been added to the Work Session packet. The intention is to start the discussion with the Board, then bring their recommendations for the bylaws back to the STF Advisory Committee for their review.

A. APPROVAL OF MEETING MINUTES – November 3, 2015

A motion to approve the November meeting minutes was made by Emily Broussard. The motion passed with one abstention from Tanya DeHart.

B. DISCUSSION ITEMS [Ted Stonecliffe]:

1. Recommendation of the Technical Advisory Committee (TAC) for STF-Discretionary Grant Program Applications –

The Committee reviewed the meeting minutes and the recommendation made by the TAC. There were five eligible applications submitted and ranked. Committee members who were in attendance at the TAC meeting felt that the application presentations were informative enough to understand the needs of the applicants and that the proceedings were fair and democratic.

There is \$1.9 million available for Region 2, which includes STF agencies from Astoria to Eugene, including Salem-Keizer Transit. However, it is uncertain how much of this amount would be allocated to Salem-Keizer Transit as an STF agency for the funding of these projects. Therefore, the recommendation of the TAC is to scale the project applied for by Salem-Keizer Transit in such a way that each of the other four may also be awarded funding. Ted Stonecliffe confirmed with Jamey Dempster at ODOT that this type of recommendation would be considered by including the request in the narrative of Salem-Keizer Transit's STF agency application to ODOT. However, it is important to keep in mind that the final decisions about which projects receive funding are made by ODOT.

2. The Technical Advisory Committee recommends:

Submission of the five eligible applications to ODOT with the following ranking and accompanying narrative: 1) Salem-Keizer Transit, 2) Silverton Health, 3) City of Woodburn, 4) City of Silverton, 5) Partnerships in Community Living. The narrative that is to accompany the application submittal should state that while this is the Committee's ranking, the Committee sees value in all of these projects and the scalability of the

Salem-Keizer Transit application should be considered if it would mean providing funding for most, if not all, of the other applications that were submitted.

3. Review Timeline for Release of the Regional Transit Planning Project Final Report from Jarrett Walker and Associates (JWA)–

Salem-Keizer Transit staff has received the final report from JWA and will allow time for the Board of Directors to review it before it is released to the STF Advisory Committee and the public. Ted Stonecliffe provided a verbal description of the proposed changes for the Santiam Canyon service. The report, along with letters received from the public and city governments regarding service to Gates will be presented to the Board of Directors at the February 25 meeting. JWA will also present the report to this Committee at the meeting scheduled for March 1.

Time allowed for input from the STF Advisory Committee and public comment will extend from March into June. During this time Salem-Keizer Transit will host outreach events in each region of the CARTS service area. Revisions may be made to the report based on feedback gathered throughout this time. A final plan will then be developed and presented to the Board of Directors at their June meeting. Implementation is expected to begin in September.

4. Update on Coordinated Plan Project –

Salem-Keizer Transit staff continues to work with Kittelson and Associates through ODOT on updating the Coordinated Plan. The first technical memo addressing what services are currently available in the area is expected to come in soon. Outreach events will be planned from March through May to gather more information on the types of needs in the area and how to meet them. The STF Advisory Committee will be involved in providing feedback on the Plan as well. The final Plan will be presented to the Board of Directors in May.

5. Calendar for SKT's FTA-Direct 5310 and Carry-Over STF Grant Solicitation –

Salem-Keizer Transit is a direct recipient of Section 5310 funds from the FTA. These funds are similar to STF funds in that they are to be used to benefit seniors and individuals with disabilities; however, they are to be used only within the Urban Growth Boundary of Salem/Keizer. Currently these funds are used to fund the RED Line Shopper Shuttle and dial-a-ride service. The carry-over STF could be used for STF projects that have not yet been funded.

A public announcement will be made and the process for taking in and reviewing applications for both funds will be combined; however, it has not yet been announced how much funding will be available or when.

6. Review of October-December 2015 Ridership Statistics –

Overall, ridership continued to decline in 2015 compared to 2014. This decline is on trend with falling fuel prices that have continued to drop since the summer. Another contributing factor to the decline of ridership on the CARTS service could be the unreliability of the system, which is being addressed in the Regional Planning Project. Ridership on the CherryLift service has also been impacted due to the closure of sheltered workshops within the service area.

7. Provider Updates –

Diane Lace from Catholic Community Services reported that the organization is distributing Resident Service Packets to residents of their rental properties around the area. These packets include flyers and information on the Cherriots, CherryLift, RED Line and TripLink services.

8. Roundtable Topics –

Emily Broussard shared that her experiences with the TripLink call center have greatly improved. There are shorter hold times when calling in and the staff is very helpful and friendly. Director Hammill has also heard of these improvements from other TripLink users as well.

Jean Sherbeck has been delivering Ride Guides to various locations in Polk County. They have been very popular at the Independence Library, the Dallas Chamber of Commerce and the Dallas Library, as well as at the Polk County Mental Health Department.

C. ACTION ITEMS:

1. Election of Committee Chair and Vice-Chair for the 2016 Calendar Year –

Maryann Hills nominated Tanya DeHart for Chair. The election passed unanimously.

Diane Lace nominated Maryann Hills as Vice-Chair. The election passed unanimously.

2. Recommendation to the Salem-Keizer Transit Board of Directors to Approve the Applications for the STF Discretionary Grant Program as Ranked by the STF Advisory Committee –

Diane Lace motioned to submit the recommendation as written by the Technical Advisory Committee to the Board of Directors for approval of the STF Discretionary Grant Program applications. The motion was seconded by Jean Sherbeck and passed unanimously.

D. ADJOURN: The meeting adjourned at 4:07 p.m.

Recorded by: Jolynn Franke, Administrative Assistant, Transportation Development Division

NEXT MEETING:

Tuesday, March 1, 2016 at 3:00 - 4:30 PM
Courthouse Square Building, Senator Hearing Room
555 Court St NE, Salem, OR 97301

**Salem-Keizer Transit
Technical Advisory Committee Meeting
Special Transportation Fund Discretionary Grant Program**

January 25, 2016, 10:00 a.m. – 2:00 p.m.
Salem-Keizer Transit Administration Office - Mill Creek Conference Room
555 Court St NE, Suite 5230, Salem, Oregon 97301

CALL TO ORDER AND INTRODUCTIONS:

Committee Chair Tanya DeHart called the meeting to order at 10:00 a.m. A quorum was present. Ted Stonecliffe reviewed the evacuation procedures with the group, in case of an emergency.

MEMBERS PRESENT:

Tanya DeHart, Committee Chair; Marja Byers; Jean Sherbeck; Diane Lace; Alinna Ghavami; Brian Varley; Karen Odenthal

MEMBERS ABSENT:

Emily Broussard; Gerald Heffner; Maryann Hills

STAFF:

Steve Dickey, Director of Transportation Development; Ted Stonecliffe, Long Range Planning Analyst; David Trimble, Chief Operating Officer; SueAnn Coffin, Contracted Transportation Manager; Gregg Thompson, Maintenance Manager; Trish Bunsen, Grants Administrator

APPLICANT REPRESENTATIVES:

Randy Stockdale and Kay Seiler– Silverton Health; Shawn McCammon – Partnerships in Community Living; Kathy McClaskey – City of Woodburn; Jason Gottgetreu – City of Silverton; David Trimble – Salem-Keizer Transit

GUESTS:

Arla Miller, Assistant Regional Transit Coordinator, ODOT Rail and Public Transit Division

PUBLIC COMMENT: None

REVIEW OF SCHEDULE:

Tanya DeHart reviewed the agenda for today's meeting. The recommendation formed at today's meeting will be presented to the STF Advisory Committee on February 2, 2016. The STF Advisory Committee will present their recommendation to the Salem-Keizer Transit Board of Directors on February 25, 2016.

REVIEW OF APPLICABLE COORDINATED PLAN SECTIONS:

Tanya reviewed *Section 5-6* through *6-3* of the Coordinated Plan with the group. These pages will be referred to as the Committee goes about ranking the applications. It was noted that in accordance with Oregon statute, projects must be listed in the adopted Coordinated Plan in order for them to be considered for funding.

REVIEW OF STF DISCRETIONARY GRANT PURPOSE:

Jamey Dempster from ODOT was unable to attend the meeting, so Arla Miller and Ted Stonecliffe reviewed the purpose and intent of the STF Discretionary Program and explained that the Special Transportation Fund is a grant set aside by State Legislature for projects that benefit seniors and individuals with disabilities. This is a different funding source than the biennial allocation that Salem-Keizer Transit receives for Marion and Polk counties. There are

two pools of funds within the STF Discretionary grant; one pool of \$1.9 million is just for ODOT Region 2, which includes Marion and Polk counties; the second pool of \$2 million is for statewide projects. All recommendations from throughout the state will be ranked by the ODOT Regional Coordinators and a non-conflict of interest panel. These two groups will form a recommendation together to present to the Public Transportation Advisory Committee (PTAC). The PTAC will then present a final recommendation to the Oregon Transportation Commission whose members will make the final decision to award funds.

PRESENTATIONS/QUESTIONS AND ANSWERS:

An application was received by an individual named Richard Stevenson. Clarification on whether an individual is eligible to apply for and receive STF Discretionary grant funds was provided by ODOT. ODOT concluded that a submission from an independent individual not tied to a larger organization would not be an appropriate submittal for these funds. That information was shared with Mr. Stevenson who was not present at this meeting.

- **Salem-Keizer Transit – David Trimble**

This application is for the purchase of nine new vehicles for Salem-Keizer Transit's complementary paratransit service called CherryLift. These vehicles would replace nine CherryLift vehicles that have reached the end of their useful lives by ODOT's age and mileage standards. There are a total of 45 CherryLift vehicles in the existing fleet; 34 of which operate each day to provide approximately 700 rides, the remaining nine vehicles make up the required spare ratio. If awarded, the nine new vehicles would be rotated into the operational fleet while older buses would be rotated into the spare ratio.

- **Silverton Health – Randy Stockdale and Kay Seiler**

This application is for the purchase of two vehicles for the Silverton Health CareVan service. The CareVan fleet currently consists of six vehicles. The two vehicles requested in this application would replace two of the vehicles in the CareVan fleet that have become unreliable due to age and mileage. The amount requested includes the cost of conversion for the vehicles. The CareVan service provides approximately 5,000 rides per year at no charge, though donations are occasionally made to the service. The service operates within approximately a 25 mile radius of the City of Silverton and coordinates with other regional services such as the Silver Trolley, CARTS and TripLink and operates with 15 volunteer drivers and two paid drivers.

- **Partnerships in Community Living (PCL) – Shawn McCammon**

This application is for the purchase of one vehicle to be used primarily for the PCL Day Tripper program; however, PCL considers all of their vehicles to be interchangeable should a need or emergency arise. The Day Tripper program provides transportation at no charge for all manners of social outings and activities for individuals with disabilities served by PCL. The addition of this vehicle will provide the opportunity to better coordinate these types of trips with other organizations in the community. The drivers of these vehicles are certified PCL paid employees. PCL currently operates a fleet of 100 vehicles that serve 150 individuals across seven counties, though mostly in Marion and Polk counties. The amount requested is based on the cost of a similar vehicle that PCL purchased a year ago; however, PCL is aware of the procurement process requirements associated with these grant funds and is willing and able to comply with those requirements.

- **City of Woodburn – Kathy McClaskey**

This application is for a capital project that would bring nine frequently used bus stops in Woodburn into ADA compliance. Field studies conducted by BCB Consulting in summer of

2015 identified these nine bus stops as being outside of ADA compliance and were recommended to be updated accordingly. These non-ADA compliant stops are also causing on-time performance issues for drivers and hampering the ability of seniors and individuals with mobility devices to safely board the buses at these stops. The curbs and sidewalks at these nine locations have been checked and rated to be in good condition by City of Woodburn engineers. Therefore, this project would only entail building the ADA compliant concrete pads between the sidewalks and curbs. Kathy is not currently aware of any other available funding sources for this project, but she will look into it to see if other options may exist.

- **City of Silverton – Jason Gottgetreu**

This application is for the purchase of new video cameras and hard drives for the Silver Trolley buses. The Silver Trolley operates within the City of Silverton's urban growth boundary as a dial-a-ride service. It is open to the public, but most riders do happen to be seniors and/or individuals with disabilities. Silver Trolley's current camera and hard drive system has become unreliable with age. It is six years old and the factory recommended replacement cycle is every three years. Because the infrastructure for the system already exists, the City of Silverton is only seeking to purchase replacement equipment. Most transit agencies do operate with video surveillance systems as they provide protection for both the agencies and riders alike. An unreliable system can increase agency liability by inhibiting an agency's ability to produce good resolution video when incidents occur and also if the agency continues to operate while knowing the equipment is unreliable.

REVIEW AND RANKING OF APPLICATIONS:

While reviewing the applications the Committee Members considered the following:

- The eligibility requirements as outlined on page three of the Application Instructions.
- Salem-Keizer Transit, as an STF Agency, is allowed to submit up to eight applications to ODOT; there have been five eligible applications submitted.
- The five eligible applications submitted are considered to be Regional Projects.
- The total amount requested by all five applications is roughly \$873,000, which is almost half of the total amount to be allocated for Regional Projects for the entirety of Region 2.
- The Regional Project Selection Criteria as outlined on page four of the application's instructions and how each project impacts ODOT's four public transportation goals: access, availability, connectivity and economic development.
- The scalability of each proposed project.
- The likelihood of whether these applicants and/or projects could potentially be funded by sources other than the STF Discretionary grant.
- The size of the area, number of communities and the size of the populations that would be impacted by each project.
- The reasonability of the amounts requested for each project as well as a cost to benefit comparison.
- The importance of considering quality of life as well as meeting basic needs for seniors and individuals with disabilities.

In order to rank the applications, members of the Committee anonymously filled out ranking sheets, giving each application a ranking of 1 through 5 (1 being highest priority; 5 being lowest priority). The ranking sheets were then tallied and an average ranking for each project was calculated. Tanya DeHart's ranking sheet was held aside to be used in case of a tie; however, a tie breaker was not necessary. The results of the ranking sheet tally are as follows:

- 1: Salem-Keizer Transit (*with a scaled recommendation*)
- 2: Silverton Health
- 3: City of Woodburn
- 4: City of Silverton
- 5: Partnerships in Community Living

This ranking was agreed upon by all of the Committee members.

RECOMMENDATION TO PRESENT TO STF ADVISORY COMMITTEE:

Brian Varley moved to make a recommendation to the Salem-Keizer Transit Board of Directors for submission of the five eligible applications to ODOT with the following ranking and accompanying narrative:

- 1) Salem-Keizer Transit,**
- 2) Silverton Health,**
- 3) City of Woodburn,**
- 4) City of Silverton,**
- 5) Partnerships in Community Living.**

The narrative that is to accompany the application submittal should state that while this is the Committee's ranking, the Committee sees value in all of these projects and the scalability of the Salem-Keizer Transit application should be considered if it would mean providing funding for most, if not all, of the other applications that were submitted. The motion was seconded by Diane Lace. The motion passed unanimously.

ADJOURN: The meeting adjourned at 1:25 p.m.

SUBMITTED BY: Jolynn Franke, Administrative Assistant, Transportation Development Division