

Salem Area Mass Transit District
Board of Directors

~ **EXECUTIVE SESSIONS** ~

Thursday, September 28, 2017
5:30 – 6:25 PM

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

A. EXECUTIVE SESSION #1 - ORS 192.660(2)(d)(f)

The SAMTD Board of Directors will meet in Executive Session to conduct deliberations with persons designated by the governing body to carry on labor negotiations; and to consider information and records that are exempt by law from public inspection.

Representatives of the news media shall not be allowed to attend the executive session on labor negotiations pursuant to ORS 192.660(4).

B. ADJOURN EXECUTIVE SESSION #1

C. EXECUTIVE SESSION #2 - ORS 192.660(2)(i)

At the close of the first executive session, the Board of Directors will enter into an executive session to review and evaluate the employment-related performance of the chief executive officer who does not request an open hearing. This executive session will be continued at the end of the regular Board meeting.

Only news media representatives and staff designated by the Board of Directors are permitted to attend the executive session pursuant to ORS 192.660(4). News media representatives, staff and Board members are respectfully directed not to report on any of the discussions that occur during the session, except to state the general subject as previously announced. The Board will return to regular session if there is a need for action. No final action or decision may be taken in executive session. Any materials distributed will be collected by the Director of Administration at the end of the session.

D. RECESS EXECUTIVE SESSION #2 TO THE END OF THE REGULAR MEETING



Salem Area Mass Transit District
BOARD OF DIRECTORS MEETING

Thursday, September 28, 2017 at 6:30 PM
Courthouse Square – Senator Hearing Room
555 Court Street NE, Salem, Oregon 97301

AGENDA

A. CALL TO ORDER & NOTE OF ATTENDANCE	
B. PLEDGE OF ALLEGIANCE – Director Kathy Lincoln (Subdistrict #3)	
C. ANNOUNCEMENTS & CHANGES TO AGENDA	
D. PRESENTATION	
E. PUBLIC COMMENT - Each person’s comments are limited to three (3) minutes.	
F. CONSENT CALENDAR - [Action]	
1. <u>Approval of Minutes</u>	
a. Minutes of the August 24, 2017 Board Meeting	1
b. Minutes of the August 14, 2017 Board Work Session	7
c. Minutes of the September 11, 2017 Board Work Session	11
2. Routine Business	
a. Adopt Resolution No. 2017-11 to Amend the SAMTD Defined Benefit Plan for the Bargaining Unit Employees	15
b. Adopt Resolution No. 2017-12 to Amend the SAMTD Defined Benefit Plan for the Non-Bargaining Unit Employees	23
c. Approval of 2017 SDIS Board Check List	29
G. ITEMS DEFERRED FROM THE CONSENT CALENDAR	
H. ACTION ITEMS	
1. Approval of Connector Service Replacement Plan and Title VI Analysis	33
2. Accept the FY 2017 Annual Security Report	71
3. Approval to Execute a Contract for the Purchase of Fixed-Route Transit Vehicles	83
4. Approval of STFAC Reallocation Recommendation	85
I. INFORMATION ITEMS	
1. Performance Report – 2017 Fiscal Year End	93

2. House Bill 2017 Update 111

J. BOARD & MANAGEMENT REPORTS

1. General Manager
2. Board of Directors 129

K. REGULAR BOARD MEETING RECESS

L. RECONVENE EXECUTIVE SESSION – Salem Conference Room

The Board of Directors will meet in executive session under ORS 192.660(2)(i) to review and evaluate the employment-related performance of the chief executive officer who does not request an open hearing.

Only news media representatives and staff designated by the Board of Directors are permitted to attend the executive session pursuant to ORS 192.660(4). News media representatives, staff and Board members are respectfully directed not to report on any of the discussions that occur during the session, except to state the general subject as previously announced. The Board will return to regular session if there is a need for action. No final action or decision may be taken in executive session. Any materials distributed will be collected by the Director of Administration at the end of the session.

M. ADJOURN EXECUTIVE SESSION

N. RECONVENE TO OPEN SESSION IN THE SENATOR HEARING ROOM

O. ACTION ITEMS / OTHER BUSINESS

1. Potential Action on General Manager’s Performance Evaluation and Compensation

P. ADJOURNMENT

Next Regular Board Meeting Date: Thursday, October 26, 2017

Regular Board meetings are televised live on Channel 21 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. The Board of Directors can be reached by email at Board@cherriots.org.

Regular Board of Directors meetings are open, public meetings at an accessible location. Special accommodations are available for persons with disabilities upon request. To request accommodations, or services for sign language interpretation or languages other than English, please call 503-588-2424 at least two business days prior to the meeting.



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

August 24, 2017

Index of Board Actions

<u>Action</u>	<u>Page</u>
Moved to approve the Consent Calendar: 1. <u>Minutes</u> a. Minutes of the July 27, 2017 Board Meeting	3
Moved to authorize the General Manager to execute a four-month contract extension with G4S Secure Solutions Inc. for the period September 4, 2017, to December 31, 2017 in the amount of \$87,792.25.	4
Moved to authorize the General Manager to negotiate a contract with Mott MacDonald, LLC for the provision of project management services associated with the delivery and completion of capital projects for the Salem Area Mass Transit District, in an amount not to exceed \$550,000, and upon successful completion of negotiations of a final contract, to execute the contract on behalf of the District.	4
Moved to direct the General Manager to prepare a draft plan for Board review in preparation for public outreach this winter regarding the service enhancements associated with the State Transportation Improvement Fund revenue.	4
President Krebs appointed members of the Board to serve on standing and/or special committees as representatives of the District for a term of two years. Committee assignments are listed on pages 90-92 of the agenda.	4

Regular Board meetings are video recorded and are available for viewing on the CCTV website at www.cctvsalem.org.



Salem Area Mass Transit District
BOARD OF DIRECTORS MEETING

August 24, 2017

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

MINUTES

PRESENT Board	President Robert Krebs; Directors Doug Rodgers, Colleen Busch, Marcia Kelley, Jerry Thompson, Kathy Lincoln, and Steve Evans
Staff	Allan Pollock, General Manager; David Trimble, Chief Operating Officer; Paula Dixon, Director of Administration; Steve Dickey, Director of Transportation Development; Chris French, Senior Planner; Matt Berggren, Transit Planner II; Roxanne Beltz, Trip Choice Coordinator; Karen Garcia, Security & Emergency Management Manager; Linda Galeazzi, Executive Assistant; Ben Fetherston, SAMTD Legal Counsel; Michiel Majors, Safety & Loss Control Specialist; Deon Maddox, Human Resources Specialist; Kiki Dohman, Trip Choice Program Specialist; Kristian Sorensen, Technology Services Support Analyst; Stephen Custer, Social Media Specialist; Jeremy Jorstad, Transit Planner I

A. CALL TO ORDER AND NOTE OF ATTENDANCE **6:31 PM**
President Krebs called the meeting to order and a quorum was present.

B. PLEDGE OF ALLEGIANCE led by Director Colleen Busch

C. ANNOUNCEMENTS AND CHANGES TO THE AGENDA - None

D. PRESENTATIONS - **6:33 PM**

1. Healthiest Employers of Oregon Award:

Michiel Majors, Safety and Loss Control Specialist, along with Wellness Committee members – Kiki Dohman, Deon Maddox, Kristian Sorensen and Linda Galeazzi presented the plaque awarded to the Committee at the Portland Business Journal's 2017 HR Summit and Healthiest Employers of Oregon event. Healthiest Employer awards are given to businesses in the Portland Metro region that are dedicated to providing a healthier workplace for employees throughout the year. Winners were assessed by criteria that included foundational components, strategic planning, leadership commitment, reporting and analysis, communication and marketing, programming and interventions.

2. 2017 Legislative Update:



Dale Penn II and Zack Reeves, legislative advocates for Salem Area Mass Transit District (“District”) provided an in depth summary of Oregon’s State Legislative Session and the outcome of the District’s legislative priorities found on pages 1-24 of the agenda. The Board received a briefing on the continuation of the State Employee Bus Pass Program, the transferability of existing and expiring Energy Incentive Tax Credit, and senior/disabled transit investments.

Mr. Penn discussed the historic passage of House Bill 2017 for a major statewide funding package to address Oregon’s aging infrastructure, reduce congestion and improve transit services in the state. He reviewed the Bill’s major components and the Statewide Improvement Fund implementation process for rulemaking from August 2017 through July 2018. The State will begin to collect a one-tenth of one percent payroll tax beginning July 1, 2018. The first grants awarded are estimated to begin January 1, 2019. The estimated impact to the District for the 2018-2019 biennium is \$7.386 million with an average of \$9.4 million a year over a nine year period.

Mr. Penn and the Board conveyed their appreciation to those whose leadership moved the Bill to its passage - Governor Kate Brown, Senate President Peter Courtney, Senators Lee Beyer (D-Springfield), Brian Boquist (R-Dallas) and Jackie Winters (R-Salem), and Representatives Caddy McKeown (D-Coos Bay) and Cliff Bentz (R-Ontario).

E. PUBLIC COMMENT 7:19 PM

Aaron Dusenfeld, student at Willamette University spoke highly of his mentor and former professor, Rollie Wisbrock, who also participated on Governor Brown’s *Transportation Vision Panel*. Mr. Dusenfeld said Mr. Wisbrock recently passed away from terminal cancer. His memorial service is scheduled for October 1.

F. CONSENT CALENDAR 7:20 PM

Motion: Moved to approve the Consent Calendar:
2. Minutes
a. Minutes of the July 27, 2017 Board Meeting

Motion by: Director Jerry Thompson
Second: Director Marcia Kelley
Vote: Motion passed unanimously (7)

G. ITEMS DEFERRED FROM THE CONSENT CALENDAR – None

H. ACTION ITEMS

1. Approval of Contract Extension for Security Services 7:20 PM

Staff report: Pages 33-34 in the agenda
Presenter: Karen Garcia, Security & Emergency Management Manager



Motion: Moved to authorize the General Manager to execute a four-month contract extension with G4S Secure Solutions Inc. for the period September 4, 2017, to December 31, 2017 in the amount of \$87,792.25.

Motion by: Director Colleen Busch

Second: Director Marcia Kelley

Vote: Motion passed unanimously (7)

2. Award Contract for Capital Project Management Services 7:24 PM

Staff report: Pages 35-84 in the agenda

Presenter: Steve Dickey, Director of Transportation Development

Motion: Moved to authorize the General Manager to negotiate a contract with Mott MacDonald, LLC for the provision of project management services associated with the delivery and completion of capital projects for the Salem Area Mass Transit District, in an amount not to exceed \$550,000, and upon successful completion of negotiations of a final contract, to execute the contract on behalf of the District.

Motion by: Director Kathy Lincoln

Second: Director Steve Evans

Vote: Motion passed unanimously (7)

3. Approval of Service Enhancement Public Input Plan 7:36 PM

Staff report: Pages 85-88 in the agenda

Presenter: Chris French, Senior Planner

Motion: Moved to direct the General Manager to prepare a draft plan for Board review in preparation for public outreach this winter regarding the service enhancements associated with the State Transportation Improvement Fund revenue.

Motion by: Director Steve Evans

Second: Director Doug Rodgers

Vote: Motion passed unanimously (7)

4. Appointment of Board Members to Committee Assignments 7:45 PM

Staff report: Pages 89-92 in the agenda

Presenter: President Robert Krebs

President Krebs appointed members of the Board to serve on standing and/or special committees as representatives of the District for a term of two years. Committee assignments are listed on pages 90-92 of the agenda.

I. INFORMATION ITEMS - None



1. September 2017 Service Change Briefing

7:46 PM

Staff report: Pages 93-96 of the agenda

Presenter: Matt Berggren, Transit Planner II

The Board received a list of the service changes to occur beginning September 7, 2017. Routes affected are the 1X/Wilsonville-Salem Express, 2/Market-Brown, 5/Center Street, 7/Mission-Hawthorne, 9/Cherry-River Road, 11/Lancaster-Verda, 12/Hayesville, 14/Windsor Island, 17/Edgewater-Gerth, 19/Broadway-River Road, and 21/South Commercial. The last day of service for Route 15X/Grand Ronde-Salem Express will be September 1, 2017.

J. REPORTS

2. Trip Choice (fka Rideshare) – Fourth Quarter

7:53 PM

Staff report: Pages 103-112 of the agenda

Presenter: Roxanne Beltz, Trip Choice Coordinator

Review of the Fourth Quarter Report highlighted the completion of three program brochures focusing on carpool/vanpool information, bicycling and walking, and employers and employee programs. Work was completed on the 2017 Student Poster Contest. Staff participated in 12 outreach events, in the Open Streets Salem Committee for their event on September 23, and in preparation for the 2017 Drive Less Challenge to be held September 16-30.

3. Performance – Fourth Quarter

8:01 PM

Staff report: **Pages 306-328 of the agenda**

Presenter: **Matt Berggren, Transit Planner II**

The Board reviewed the Fourth Quarter Report for performance from April 1 to June 30, 2017 for Cherrriots' Local, Regional, Shop and Ride, and Lift services; and for the State Bus Pass Program. The Fourth Quarter Report indicated that ridership increased overall. Performance measures used include total and average revenue hours, revenue miles, and boardings.

Board members were interested in seeing what the performance measures indicate using gas prices as a measure, and when schools are not in session.

4. Board Subcommittee Report

8:12 PM

Board members are appointed to local, regional and/or national committees; and may present testimony at public hearings on specific issues on behalf of the District as the need arises. Board members inform the Board of District and/or transit-related issues discussed in the committees listed on pages 97-134 of the agenda.



Minutes of the Board's July 10, 2017 Work Session on pages 99-102 of the agenda were received and filed.

K. BOARD AND MANAGEMENT ISSUES 8:16 PM

1. General Manager

Mr. Trimble provided a review of the Eclipse event as it related to operations. The District prepared for months in advance of the eventuality. Notable traffic delays were along Keizer Station and Volcanoes Stadium, on I-5 North in the afternoon, and on Highway 22. Most riders paid cash fares and many had bicycles, indicating they may have been from out of town. Mr. Trimble thanked the Communication Division for keeping everyone well informed; and Karen Garcia, for her leadership as incident commander of the Districts' emergency operation center. There were no significant customer complaints and one notable compliment from an 80-year old gentleman who said he was more impressed with Cherriots than any bus system he's ever ridden. He said his best experience in Oregon was on the Cherriots bus.

Ms. Feeny provided an update on the District's bus advertising. Stott's Outdoor Advertising secured an office downtown on Commercial Street. They have completed the inventory and provided the District with their promotional ads.

Mr. Pollock spoke about the Districts' Bus Rodeo for employee participation. The District also submitted two applications for 5339 Bus and Bus Facility grants for six CNG buses. The District continues to wait to hear back about the LoNo grant awards.

2. Board President

President Krebs reported on his transit-related Board and community service activities. He attended the ground-breaking ceremony for low cost housing on Portland Road and was interviewed on KMBZ Radio about the Districts' plans for Saturday service.

3. Board of Directors

Board members gave an account of their transit-related Board assignments and spoke about their experiences during the eclipse event.

L. Meeting Adjourned 8:38 PM

Respectfully submitted,

Robert Krebs, President



Salem Area Mass Transit District
Board of Directors

~ **WORK SESSION** ~

August 14, 2017

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

MINUTES

PRESENT: President Robert Krebs; Directors Jerry Thompson, Steve Evans, Marcia Kelley, Kathy Lincoln, and Doug Rodgers; **ABSENT:** Director Colleen Busch

Staff Allan Pollock, General Manager; David Trimble, Chief Operating Officer; Patricia Feeny, Director of Communication; Paula Dixon, Director of Administration; Steve Dickey, Director of Transportation Development; Linda Galeazzi, Executive Assistant; Chris French, Senior Planner; Chip Colby, Information Technology Manager; SueAnn Coffin, Contracted Services Manager; Brian Woodall, Procurement/Contracts Manager; Matt Berggren, Transit Planner II

Guests Citizens, Mark Knecht and Randy Morgan

1. CALL TO ORDER 5:32 PM

President Bob Krebs called the work session to order at 5:32 p.m.

2. DISCUSSION

a. Review of the Service Planning Guidelines

Staff report: Pages 1-6 of the agenda

Presenter: Matt Berggren, Transit Planner II

Board members were apprised of a new comprehensive service guidelines document being prepared by the planning staff, which codifies the District’s annual service planning process from beginning to end. The guidelines will be used to establish new policies and standards to guide the service planning decision-making process.

In response to questions from the Board, staff explained that the guidelines represent the annual service planning process for major changes that occur in September of any given year. The same guidelines will be used for tweaks to the service but the major service changes happen in September.

Follow-up: Staff will ensure that photos represent the diversity of the community in publications. Presentations will reflect diversity and encourage all

potential riders to use the service. The Board will receive a copy of the service guidelines when the final version is complete.

b. Response to President Krebs Memo re: Valley Retriever

Staff report: Pages 7-10 of the agenda.

Presenter: Chris French, Senior Planner

At the Board's work session on June 12, 2017, President Krebs presented a proposal to expand Cherriots service by taking over portions or the entire route of the Valley Retriever Bus Line. The Valley Retriever had gone out of business in May due to the death of the owner Dennis Dick. This resulted in a loss of intercity bus service from Newport to Bend, through Corvallis, Albany, Salem and Sisters.

Planning staff recommended that this potential opportunity would not be a good fit for the District's business model at this time due to the lack of reliable existing data on current or historical demand and actual operating costs. Other factors considered were the lack of buses needed to run the service; the passenger count necessary to make the service revenue neutral; and the fact that service is currently being provided between Newport, Corvallis and Albany. Interest has been expressed to ODOT by multiple for-profit companies that want to provide the service. At the same time, with the passage of House Bill 2017, the District is preparing for the delivery of additional weekend, holiday and later evening service to the District's primary service area.

Follow-up: None

c. Non-Emergent Medical Transportation Update

Staff report: Verbal

Presenter: David Trimble, Chief Operating Officer

As Mr. Trimble reported in March 2017, the District was notified of the Coordinate Care Organization (CCO) Willamette Valley Community Health's (WVCH) intent to release a Request for Proposal (RFP) for Non-Emergent Medical Transportation Brokerage Services. These are services currently provided by Cherriots through the Cherriots Call Center. The RFP for a 'risk' contract was released on July 18th, 2017. The District, as a public entity, is not able to assume any risk and cannot use local funds to subsidize the program. By comparison, national and private companies can assume that risk. The District's business model for NEMT is a "pass through" arrangement where no profit is earned from being a brokerage. The District bills the State of Oregon and WVCH on the actual costs to run the services; and is not allowed to subsidize Medicaid programs with general fund dollars through any shortfalls in Medicaid funding.

As a result, the District will not respond to the RFP which ends Friday, August 18th. A contract will be awarded on September 22. There will be a soft opening on October 30 and the launch date is January 1, 2018.

The Districts' contract with WVCH ends on December 31, 2017. The District will wait for WVCH's choice of a new provider and work on a smooth transition. Working with MTM, staff will provide information to call center employees and to the providers explaining the process. An internal and external communication campaign will be developed to explain the CCO's decision and reassure stakeholders that their services will not change until December 31, 2017.

d. Eclipse Event Update

Staff report: Verbal

Presenter: David Trimble, Chief Operating Officer

Mr. Trimble provided the Board with a packet of information that was passed out to all employees on the District's operations and communication plans for Monday, August 21st ("Eclipse Day"). The packet included copies of local eclipse information, website information, a service advisory, Take Ones, posters and sandwich board signs being used to inform riders of potential system-wide delays; and a copy of "*Oregon Solar Eclipse Safety Tips*" from the State Fire Marshall's Office.

e. Disadvantaged Business Enterprise (DBE) Goal

Staff report: Pages 11-16 of the agenda

Presenter: Brian Woodall, Procurement/Contracts Manager

The District, as a recipient of federal funds, set a disadvantaged business enterprise (DBE) participation goal for FFY 2018-2020 at four percent for DBE participation in federal contracts. The new period begins October 1, 2017. This goal was published on the Cherriots website on August 7, 2017. The DBE officer is accepting comments on the goal calculation and rationale until September 7, 2017. On September 8, 2017, staff will submit the District's goal to the FTA for approval.

Director Lincoln stated that ODOT has a robust DBE program. Mr. Woodall said staff has been in contact with ODOT and Lane Transit District. They have been good to work with.

Follow-up: The District's goal and DBE information will remain on the Cherriots website to promote contract participation with minorities and women-owned businesses. The District has large construction projects coming up that could achieve this goal.

f. Board Committee Assignments

Staff report: Pages 17-20 of the agenda

Presenter: President Robert Krebs

The Board reviewed President Krebs' proposed list of committee assignments to standing local and state committees, and to Board-appointed subcommittees. These are

two-year appointments from July 1, 2017 to June 30, 2019. President Krebs said he would also like to establish better communication with Salem and Keizer city councils. He will finalize the list of appointments for the August 24, 2017 regular meeting.

Follow-up: Board members will let President Krebs know if they have a preference for an activity or an employment conflict that makes it difficult for them to attend meetings during the business day.

g. Review of Neighborhood Association's Point of Contact

Staff report: Pages 21-24 of the agenda

Presenter: President Robert Krebs

With the passing of House Bill 2017 for the State's transportation package, planning for enhanced service has begun, and Board members expect to do more public outreach. The Board reviewed a list of the neighborhood associations within their Subdistricts and assigned primary and alternate board members who will be responsible to attend the meetings to provide information on the service, answer questions and receive feedback.

h. Issue GM Performance Evaluation Packets

Staff report: Page 25-26 of the agenda

Presenter: Paula Dixon, Director of Administration

Board members received their packet of information for the general manager's performance evaluation. Completed evaluations are due by September 14 and will be compiled and reviewed by the Secretary of the Board. The Board will meet in executive session on September 28 to review and discuss the compilation. If any action takes place, the Board will meet in open session.

3. GENERAL MANAGER COMMENTS

6:55 PM

Staff report: Pages 27-30 of the agenda

Presenter: Allan Pollock, General Manager

Board members reviewed the draft agenda for the August 24, 2017 board meeting, the Board's calendar, and upcoming agenda items that will be brought before the Board for action. There was brief discussion about scheduling a Board Planning Retreat to provide staff with guidance for the service enhancement public outreach process.

4. WORK SESSION ADJOURNED

7:02 PM

Submitted and Recorded by: Linda Galeazzi, Executive Assistant/Clerk of the Board



Salem Area Mass Transit District
Board of Directors

~ **WORK SESSION** ~

September 11, 2017

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

MINUTES

PRESENT:	Vice-President Steve Evans; Directors Doug Rodgers, Colleen Busch, Kathy Lincoln, and Jerry Thompson; ABSENT: President Robert Krebs; Director Marcia Kelley
Board	
Staff	Allan Pollock, General Manager; David Trimble, Chief Operating Officer; Patricia Feeny, Director of Communication; Paula Dixon, Director of Administration; Steve Dickey, Director of Transportation Development; Linda Galeazzi, Executive Assistant; Chip Colby, Information Technology Manager; Gregg Thompson, Maintenance Manager; Brian Woodall, Procurement/Contracts Manager
Guests	Clark B. Williams, SAMTD Employee Benefits Legal Counsel; Citizens, Bob Busch and David Beem

1. CALL TO ORDER **5:32 PM**
Vice-President Steve Evans called the work session to order at 5:32 p.m.

2. DISCUSSION

a. Defined Benefit Plan Amendments for Bargaining and Non-Bargaining Employees **5:32 PM**

Staff report: Pages 1-6 of the agenda

Presenter: Paula Dixon, Director of Administration
Clark Williams, SAMTD Employee Benefits Legal Counsel

Mr. Williams reported that the IRS issued a favorable determination letter on June 23, 2017 for the District’s Defined Benefit Plans for bargaining and non-bargaining employees. The letter certified that the Plans were in full compliance with federal pension law and IRS rules and regulations. As a condition of the favorable determination, the IRS required that two technical amendments be made. Under Section 5.4 and 5.5 of each Plan a revision was made to the definition of “Break in Service” from 800 hours to 500 hours. Under Section 8.6, the “minimum distribution requirements” was restated for persons over the age of 70-1/2. The amended Plans will go to the Board for action on September 28, 2017. With approval, the amended Plans will be effective retroactive to July 1, 2010.

Mr. Williams answered questions from the Board about the meaning of “floor offset,” how the money is secured, and whether the Board can amend these plans unilaterally.

Follow-up: The amendments to the Plans will be attached to the staff report for the September 28 board meeting.

b. Fixed Route Vehicles Procurement Update

5:43 PM

Staff report: Pages 7-8 of the agenda.

Presenter: Gregg Thompson, Maintenance Manager

The Board received an update on the proposed contract with Gillig LLC for the purchase of twelve fixed-route transit vehicles for a not to exceed amount of \$6,700,883 to replace vehicles that have exceeded their useful life benchmark. The order consists of six 40-foot and six 35-foot vehicles. Funding for the contract was included in the FY2017 Budget under Capital Projects. Grant funding at \$5,907,472 with a local match at \$1,158,600 totaling \$7,066,071 will be used to pay for the vehicles. The remaining funds will be carried over to the next vehicle purchase.

Responding to questions asked by Board members, Mr. Thompson explained the buses are assembled in Hayward, California and meet *Buy America* guidelines. The District is doing a required FTA *Buy America* audit, and fare boxes from old buses will be moved to the new buses. Orientation will also be provided because the new buses will have more modern features.

Follow-up: Director Lincoln recommended the use of lighter weight bike racks on the front of the bus. She said the current racks are heavy and sometimes hard to maneuver. Mr. Thompson will investigate that option.

c. Discussion of Public Outreach Structure

5:54 PM

Staff report: Pages 9-20 of the agenda

Presenter: Patricia Feeny, Director of Communication

Board members were impressed with the *Community Outreach Structure* provided by Ms. Feeny. She gave an overview of the goals, resources, and guiding tenets; and explained how the *Mobilization Matrix* will work for effective communication. The District is building a bank of human interest stories and will provide Board members with all of the materials they need for their outreach efforts.

Follow-up: Director Rodgers spoke about events that are currently being planned by the neighborhood associations in his subdistrict. He is willing to set up a table with information about Cherriots.

d. Senate Bill 10 Discussion

6:05 PM

Staff report: Pages 21-22 of the agenda

Presenter: Allan Pollock, General Manager

Mr. Pollock briefed the Board on a meeting that he and President Krebs attended with Senators Peter Courtney and Jackie Winters to discuss any progress made on support for Senate Bill 10 since the last meeting in March. Senate Bill 10 is sponsored by Senator Courtney; he intends to reintroduce the Bill at the 2018 Legislative Short Session for action. Mayor Chuck Bennett, the Salem Area Chamber of Commerce CEO Nick Williams, SAMTD legislative advocate Dale Penn II, and Senator Courtney's staff Anna Braun and Betsy Imhoff were also in attendance. In summary, Senate Bill 10 provides that directors of certain mass transit districts are appointed by Governor instead of elected. It will eliminate restrictions on methods of financing for certain mass transit districts; and provides that current directors continue to serve until expiration of their terms, unless earlier discharged by Governor. The Bill will create new provisions; amend ORS 267.090, 267.095, 267.107 and 267.108; and repeal ORS 267.109, 267.112 and 267.302. Both TriMet and Lane Transit District currently have Governor-appointed boards. Senator Courtney initially discussed the legislative concept of Senate Bill 10 with the SAMTD Board at their February 4, 2017 Planning Retreat. Director Rodgers provided written comments to the Board on the proposed bill that were included in the agenda packet.

Follow-up: Anna Braun from Senator Courtney's Office will convene another meeting with the District and the Chamber to discuss the language of the bill, compromises, and other issues of mutual interest to come to an agreement.

3. GENERAL MANAGER COMMENTS

6:55 PM

Staff report: Pages 23-28 of the agenda

Presenter: Allan Pollock, General Manager

Board members reviewed the draft agenda for the September 28, 2017 board meeting and executive sessions, the Board's calendar as of September 20, 2017, and upcoming agenda items that will be brought to the Board for action. A Board Planning Retreat is scheduled for Saturday, October 21, 2017. This meeting will be devoted to the transit-enhancement plan, service scenarios, and potential priorities.

Mr. Pollock advised that he attended the PTAC meeting where they discussed the rule making process related to the state transportation package. A draft of the rules is anticipated to be complete by January 2018.

4. WORK SESSION ADJOURNED

7:02 PM

Submitted and Recorded by: Linda Galeazzi, Executive Assistant/Clerk of the Board



BOARD MEETING MEMO

Agenda Item F.2.a-b

To: Board of Directors

From: Paula Dixon, Director of Administration

Thru: Allan Pollock, General Manager

Date: September 28, 2017

Subject: Amendments to Retirement Plans

ISSUE

Shall the Board adopt Resolutions #2017-11 and #2017-12 amending the Bargaining and Non Bargaining Defined Benefit Retirement Programs?

BACKGROUND AND FINDINGS

The SAMTD Defined Benefit Plan for Bargaining Unit Employees and the SAMTD Defined Benefit Plan for Non-Bargaining Employees (“the Plans”) were most recently wholly restated on January 26, 2016 to meet the requirements of the latest applicable federal pension law changes and IRS rules and regulations. The restated plan documents were then submitted to the IRS with the District’s application for updated favorable determination letters.

On June 23, 2017, the IRS issued favorable determination letters for both Plans. That is good news. The determination letters certify that the Plans are fully compliant with federal pension law and IRS rules and regulations.

However, as a condition for the favorable determination letters, the IRS is requiring that two technical amendments be made. Those amendments are incorporated into the proposed amendment now before the Board.

The first change is to Sections 5.4 and 5.5 of each of the Plans, to revise the threshold in the definition of “Break in Service” from 800 hours to 500 hours. As a practical matter, the “break in service” issue comes up only in a situation where an employee leaves employment having not fully vested (five years) and forfeits his or her benefits, and then comes back to work later. The law now requires that the employee’s prior

forfeited credits are to be reinstated when he or she has completed 500 new hours of service, rather than 800 hours of service, in the new plan year. So this issue has to do with an employee who was not vested when he or she terminated employment earlier and then who returned to work at about one-quarter or one-third time (i.e., over 500 hours/year but less than 800 hours/year). As a practical matter, there may be no one that this applies to. The returning employee still must complete 800 hours in a plan year to get any additional vesting credits. This change is effective retroactive to July 1, 2010.

The second change is simply to restate Section 8.6, having to do with the “minimum distribution requirements” for someone who is over age 70½, to spell out the rules more specifically as required by Internal Revenue Code §401(a) (9). There is no substantive change. Until now, the IRS allowed us to incorporate the rules by reference, so the existing version of Section 8.6 is briefer. But now the IRS requires us to specify the rules in the Plans. The language is pre-approved “model” language from the IRS.

Clark Williams of Hetzel Williams PC provided a briefing on these amendments to the Board at the September 11, 2017 work session.

FINANCIAL IMPACT

None

RECOMMENDATION

Staff recommends that the Board adopt Resolutions #2017-11 and #2017-12 amending the Bargaining and Non Bargaining Defined Benefit Retirement Programs.

PROPOSED MOTION

I move the Board adopt Resolutions #2017-11 and #2017-12 amending the Bargaining and Non Bargaining Defined Benefit Retirement Programs.



RESOLUTION NO. 2017-11

**THE SALEM AREA MASS TRANSIT DISTRICT
BARGAINING UNIT RETIREMENT PLAN**

WHEREAS, by Resolution #01-18, the District established the Salem Area Mass Transit District Bargaining Unit Retirement Plan (“the Plan”), which is a form of floor offset defined benefit retirement plan, for its full-time career service bargaining unit employees, effective January 1, 2002;

WHEREAS, the Plan was most recently amended and restated pursuant to Resolution #2015-08 to comply with the current requirements of the Internal Revenue Code and the Internal Revenue Service as set forth in IRS Notice 2014-77, so as to retain its status as a “qualified” plan.

WHEREAS, the Plan received a favorable determination letter from the IRS dated June 23, 2017 on the condition that certain amendments drafted by legal counsel and provided to the IRS as part of the determination letter process be adopted by the District, in particular to:

- (a) Amend Sections 5.4 and 5.5 to revise the definition of “Break in Service” from 800 hours to 500 hours.
- (b) Amend Section 8.6 - Payment of Retirement Benefits – to conform technical language to recent IRS regulations regarding the timing of benefit payments from the plan.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SALEM AREA MASS TRANSIT DISTRICT;

THAT, Resolution #2017-11 shall be adopted to direct that the Plan shall be amended by adopting the Amendment attached to this Resolution as required by the IRS as a condition for the favorable determination letter received June 23, 2017; and

THAT, the General Manager shall be authorized and directed to execute an appropriate Amendment to the Plan to implement this Resolution, to be effective upon signing of the Amendment.

ADOPTED by the Board of Directors on the 28th day of September, 2017, and effective thereupon.

ATTEST:

Robert Krebs, President
Board of Directors

Colleen Busch, Secretary
SAMTD Board of Directors

**THE SALEM AREA MASS TRANSIT DISTRICT DEFINED BENEFIT PLAN
FOR BARGAINING UNIT EMPLOYEES**

PLAN AMENDMENT

THE SALEM AREA MASS TRANSIT DISTRICT DEFINED BENEFIT PLAN FOR BARGAINING UNIT EMPLOYEES (the “Plan”), was originally adopted effective January 1, 2002 by THE SALEM AREA MASS TRANSIT DISTRICT (the “Employer”).

The Plan was most recently restated on January 26, 2016 in compliance of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, the Moving Ahead for Progress in the 21st Century Act, the American Taxpayer Relief Act of 2012, the Highway and Transportation Funding Act of 2014, the Cooperative and Small Employer Charity Pension Flexibility Act, and the IRS regulations and guidance referenced in IRS Notice 2014-77. The Plan as restated was effective January 1, 2010, except as otherwise provided.

Having reserved the right to do so, the Employer now wishes to amend the Plan to meet the requirements of the Internal Revenue Service. This amendment shall be effective July 1, 2017.

1. Therefore, Sections **5.4** (“Forfeiture of Benefit Credits and Vesting Credits”) and **5.5** (“Reinstatement of Benefit Credits and Vesting Credits”) are amended to read as follows:

5.4 Forfeiture of Benefit Credits and Vesting Credits. In the event a Participant is credited with less than 500 hours of service in a Plan Year, the Participant shall suffer a Break in Service at the end of such Plan Year. If the Participant has no vested interest in the Participant’s Benefit Credits, all Benefit Credits and Vesting Credits shall be forfeited at the time the Break in Service occurs, subject to reinstatement pursuant to Article 5.5 below.

5.5 Reinstatement of Benefit Credits and Vesting Credits. All Benefit Credits and Vesting Credits forfeited because of the Break in Service shall be reinstated if the Participant has at least 500 hours of service during any Plan Year which includes or follows the Participant’s return to employment.”

2. Therefore, Section **8.6** (“Payment of Retirement Benefits”) is amended to read as follows:

“8.6 Payment of Retirement Benefits.

(a) **General Rule.** Payment of retirement benefit payments shall be made monthly, following timely application therefor, commencing as of the date of Normal, Early or Delayed Retirement, as provided by Articles 7.1, 7.2 or 7.3, as the case may be. If payment cannot reasonably commence by such date even though application was timely filed, then payment shall commence as of the first day of the following month or such later month in which payment can reasonably commence, and such first payment shall include payments retroactive to the date that payments were first due to commence under the preceding sentence. If an application is not timely filed, or if the amount of payment required to commence as above is ascertainable on the commencement date, and commencement of retirement benefit payments shall be delayed until the first day of the month following the month in which the application is filed and the amount of such payment is ascertained. Retirement benefit payments to a Participant shall continue for the life of the Participant and shall cease with the last monthly payment prior to the Participant’s death. Retirement payments, if any, to the Participant’s joint annuitant shall commence one month after the last payment due to the deceased Participant and shall terminate with the last payment due prior to the death of such joint annuitant.

(b) **Latest Commencement Date.** The payment of benefits under the Plan to, or with respect to a Participant shall, subject to the provisions of section 8.7, be made or commenced not later than 60 days after the last day of the Plan Year in which the last of the following occurs:

(i) The Participant’s 65th birthday;

(ii) The date on which the employment of the Participant terminates; or

(iii) The tenth anniversary of the commencement of the year in which the Participant commenced participation in the Plan.

(c) **Minimum Distribution Requirements.** Notwithstanding anything to the contrary contained elsewhere in the Plan:

(i) **Required Beginning Date.** The Participant’s entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant’s required beginning date.

(ii) **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

A. If the Participant's surviving spouse is the Participant's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 702, if later.

B. If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

C. If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iii) **Distributions under IRC §401(a)(9).** Notwithstanding any provision in this Plan to the contrary, all distributions from the plan shall be made in accordance with the regulations under IRC §401(a)(9), and specifically including Treasury Regulations §1.401(a)(9)-2 through §1.401(a)(9)-9 of the Final and Temporary 401(a)(9) Regulations published April 17, 2002.

(d) **Definitions.**

(i) **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under section 8.6(c).

(ii) **Life Expectancy.** Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.

(iii) **Required Beginning Date.** The date referred to as the "Required Distribution Date" means April 1 of the calendar year following the later of:

A. the calendar year in which the Participant attains age 70½, and

B. the calendar year in which he leaves the employ of the Employer and all Related Employers unless he is 5% owner (as defined in IRC §416) of the Employer with respect to the Plan Year ending in the calendar year in which the Participant attains age 70½, in which case this paragraph B. shall not apply."

3. In all other respects, the Plan shall remain the same.

This action is being taken pursuant to the authority granted to the General Manager by the Board of Directors of the District in Resolution #17-____.

Dated this _____ day of _____, 2017.

SALEM AREA MASS TRANSIT DISTRICT

By _____
Allan Pollock, General Manager

EMPLOYER

ACCEPTED:

PIONEER TRUST BANK, N.A.

By _____
Its Trust Officer

TRUSTEE

PLAN AMENDMENT - 4

CBW:\s\cherrlots\skt\District Share\BOD Agenda Items\BD2017 09-28\FINAL\09-28-17 2.a Amendment - BU Sections 5.4, 5.5, 8.6 (00261190x9E696).docx / 09-28-17 2.A Amendment - BU Sections 5.4, 5.5, 8.6 (00261190x9e696).Docx



RESOLUTION NO. 2017-12

**THE SALEM AREA MASS TRANSIT DISTRICT
NON BARGAINING UNIT RETIREMENT PLAN**

WHEREAS, by Resolution #01-19, the District established the Salem Area Mass Transit District Non-Bargaining Unit Retirement Plan ("the Plan"), which is a form of floor offset defined benefit retirement plan, for its full-time career service non-bargaining unit employees, effective January 1, 2002;

WHEREAS, the Plan was most recently amended and restated pursuant to Resolution #2015-08 to comply with the current requirements of the Internal Revenue Code and the Internal Revenue Service as set forth in IRS Notice 2014-77, so as to retain its status as a "qualified" plan.

WHEREAS, the Plan received a favorable determination letter from the IRS dated June 23, 2017 on the condition that certain amendments drafted by legal counsel and provided to the IRS as part of the determination letter process be adopted by the District, in particular to:

- (a) Amend Sections 5.4 and 5.5 to revise the definition of "Break in Service" from 800 hours to 500 hours.
- (b) Amend Section 8.6 - Payment of Retirement Benefits – to conform technical language to recent IRS regulations regarding the timing of benefit payments from the plan.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SALEM AREA MASS TRANSIT DISTRICT;

THAT, Resolution #2017-12 shall be adopted to direct that the Plan shall be amended by adopting the Amendment attached to this Resolution as required by the IRS as a condition for the favorable determination letter received June 23, 2017; and

THAT, the General Manager shall be authorized and directed to execute an appropriate Amendment to the Plan to implement this Resolution, to be effective upon signing of the Amendment.

ADOPTED by the Board of Directors on the 28th day of September, 2017, and effective thereupon.

ATTEST:

Robert Krebs, President
SAMTD Board of Directors

Colleen Busch, Secretary
SAMTD Board of Directors

**THE SALEM AREA MASS TRANSIT DISTRICT DEFINED BENEFIT PLAN
FOR NON-BARGAINING UNIT EMPLOYEES**

PLAN AMENDMENT

THE SALEM AREA MASS TRANSIT DISTRICT DEFINED BENEFIT PLAN FOR NON-BARGAINING UNIT EMPLOYEES (the “Plan”), was originally adopted effective January 1, 2002 by THE SALEM AREA MASS TRANSIT DISTRICT (the “Employer”).

The Plan was most recently restated on January 26, 2016 in compliance of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, the Moving Ahead for Progress in the 21st Century Act, the American Taxpayer Relief Act of 2012, the Highway and Transportation Funding Act of 2014, the Cooperative and Small Employer Charity Pension Flexibility Act, and the IRS regulations and guidance referenced in IRS Notice 2014-77. The Plan as restated was effective January 1, 2010, except as otherwise provided.

Having reserved the right to do so, the Employer now wishes to amend the Plan to meet the requirements of the Internal Revenue Service. This amendment shall be effective July 1, 2017.

1. Therefore, Sections **5.4** (“Forfeiture of Benefit Credits and Vesting Credits”) and **5.5** (“Reinstatement of Benefit Credits and Vesting Credits”) are amended to read as follows:

5.4 Forfeiture of Benefit Credits and Vesting Credits. In the event a Participant is credited with less than 500 hours of service in a Plan Year, the Participant shall suffer a Break in Service at the end of such Plan Year. If the Participant has no vested interest in the Participant’s Benefit Credits, all Benefit Credits and Vesting Credits shall be forfeited at the time the Break in Service occurs, subject to reinstatement pursuant to Article 5.5 below.

5.5 Reinstatement of Benefit Credits and Vesting Credits. All Benefit Credits and Vesting Credits forfeited because of the Break in Service shall be reinstated if the Participant has at least 500 hours of service during any Plan Year which includes or follows the Participant’s return to employment.”

2. Therefore, Section **8.6** (“Payment of Retirement Benefits”) is amended to read as follows:

“8.6 Payment of Retirement Benefits.

(a) **General Rule.** Payment of retirement benefit payments shall be made monthly, following timely application therefor, commencing as of the date of Normal, Early or Delayed Retirement, as provided by Articles 7.1, 7.2 or 7.3, as the case may be. If payment cannot reasonably commence by such date even though application was timely filed, then payment shall commence as of the first day of the following month or such later month in which payment can reasonably commence, and such first payment shall include payments retroactive to the date that payments were first due to commence under the preceding sentence. If an application is not timely filed, or if the amount of payment required to commence as above is ascertainable on the commencement date, and commencement of retirement benefit payments shall be delayed until the first day of the month following the month in which the application is filed and the amount of such payment is ascertained. Retirement benefit payments to a Participant shall continue for the life of the Participant and shall cease with the last monthly payment prior to the Participant’s death. Retirement payments, if any, to the Participant’s joint annuitant shall commence one month after the last payment due to the deceased Participant and shall terminate with the last payment due prior to the death of such joint annuitant.

(b) **Latest Commencement Date.** The payment of benefits under the Plan to, or with respect to a Participant shall, subject to the provisions of section 8.7, be made or commenced not later than 60 days after the last day of the Plan Year in which the last of the following occurs:

(i) The Participant’s 65th birthday;

(ii) The date on which the employment of the Participant terminates; or

(iii) The tenth anniversary of the commencement of the year in which the Participant commenced participation in the Plan.

(c) **Minimum Distribution Requirements.** Notwithstanding anything to the contrary contained elsewhere in the Plan:

(i) **Required Beginning Date.** The Participant’s entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant’s required beginning date.

(ii) **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

A. If the Participant's surviving spouse is the Participant's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70², if later.

B. If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

C. If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iii) **Distributions under IRC §401(a)(9).** Notwithstanding any provision in this Plan to the contrary, all distributions from the plan shall be made in accordance with the regulations under IRC §401(a)(9), and specifically including Treasury Regulations §1.401(a)(9)-2 through §1.401(a)(9)-9 of the Final and Temporary 401(a)(9) Regulations published April 17, 2002.

(d) **Definitions.**

(i) **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under section 8.6(c).

(ii) **Life Expectancy.** Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.

(iii) **Required Beginning Date.** The date referred to as the "Required Distribution Date" means April 1 of the calendar year following the later of:

A. the calendar year in which the Participant attains age 70½, and

B. the calendar year in which he leaves the employ of the Employer and all Related Employers unless he is 5% owner (as defined in IRC §416) of the Employer with respect to the Plan Year ending in the calendar year in which the Participant attains age 70½, in which case this paragraph B. shall not apply."

3. In all other respects, the Plan shall remain the same.

This action is being taken pursuant to the authority granted to the General Manager by the Board of Directors of the District in Resolution #17-____.

Dated this _____ day of _____, 2017.

SALEM AREA MASS TRANSIT DISTRICT

By _____
Allan Pollock, General Manager

EMPLOYER

ACCEPTED:

PIONEER TRUST BANK, N.A.

By _____
Its Trust Officer

TRUSTEE

PLAN AMENDMENT - 4



To: Board of Directors

From: Michiel Majors, Safety and Loss Control Specialist
Paula Dixon, Director of Administration

Thru: Allan Pollock, General Manager

Date: September 28, 2017

Subject: Approval of the 2017 SDIS Best Practices Checklist

ISSUE

Shall the Board review and approve the 2017 Special District Insurance Services (SDIS) Best Practices Checklist as submitted on-line by staff to qualify for the total 10% discount?

BACKGROUND AND FINDINGS

The SDIS Best Practices Program is available to all SDIS Property Casualty Program participants. Its purpose is to assist districts with implementing best practices to mitigate risk in areas of high exposure. This year's program offers each district up to a 10% credit on 2018 general liability, auto liability, and property insurance contributions by completing requirements in the following five credit categories:

1. Affiliate Organization Membership – Credit: 2%
2. Checklist (Employment Practices) – Credit: 2%
3. Online Training – Credit: 2%
4. Policy (Discrimination Workplace Harassment) – Credit: 2%
5. SDAO/SDIS Training or Board Practices Assessment – Credit: 2%

A draft copy of the SDIS checklist is included as Attachment A.

FINANCIAL IMPACT

A 10% credit on our 2018 General Liability, Auto Liability, and Property Insurance premiums. A 10% credit is estimated to be approximately \$18,000 - \$19,000.

RECOMMENDATION

Staff recommends the Board approve the Best Practices Checklist as attached.

Proposed Motion

I move the Board approve the Best Practices Checklist as attached.

SDIS

SDIS

Entity Name

Salem Area Mass Transit District

Contact Name

Michiel Majors

Contact Email

michiel.majors@cherriots.org

Contact Phone




503-361-7538

Total Discount %

10

	Check Yes If completed	Yes	Help	More Information
Affiliate Membership - Is your organization a member of:				
1	Oregon Fire District Directors Association (OFDDA)?	<input type="checkbox"/>		(http://www.ofdda.com)
2	Oregon Fire Chiefs Association (OFCA)?	<input type="checkbox"/>	?	(http://www.ofca.org)
3	Oregon Water Resources Congress (OWRC)?	<input type="checkbox"/>		(http://owrc.org)
4	Oregon Mosquito and Vector Control Association?	<input type="checkbox"/>		
5	Oregon Recreation and Park Association (ORPA)?	<input type="checkbox"/>		(http://www.orpa.com)
6	Oregon Public Ports Association (OPPA)?	<input type="checkbox"/>		(http://www.oregonports.com)
7	Oregon Association of Clean Water Agencies (ORACWA)?	<input type="checkbox"/>		(http://www.oracwa.org)
8	Oregon Association of Conservation Districts (OACD)?	<input type="checkbox"/>		(https://oacd.org)
9	Cemetery Association of Oregon?	<input type="checkbox"/>		(http://www.oregoncemeteries.com)
10	Oregon APCO-NENA?	<input type="checkbox"/>		
11	Oregon Transit Association (OTA)?	<input checked="" type="checkbox"/>		(http://www.oregontransit.com)
12	Oregon People's Utility Districts Association (OPUDA)?	<input type="checkbox"/>		(http://www.opuda.org/)
13	Oregon Association of Water Utilities (OAWU)?	<input type="checkbox"/>		(http://www.oawu.net)
14	Oregon Library Association (OLA)?	<input type="checkbox"/>		(http://www.olaweb.org)
15	Oregon Economic Development District Association (OEDD)?	<input type="checkbox"/>		(http://www.oedd.org/)
16	Oregon PRIMA?	<input checked="" type="checkbox"/>	?	(http://orprima.org)
Discriminatory Workplace Harassment Policy				
17	Does your organization have a Discriminatory Harassment Policy on file?	<input checked="" type="checkbox"/>		(http://ref.sdao.com/sample/SampleHarassmentPolicy.pdf)

Employment Practices Checklist

	Check Yes if completed	Yes	Help	More Information
18	Do you have a written hiring process?	<input checked="" type="checkbox"/>		
19	Do you require background checks/drug tests? Are those polices in place?	<input checked="" type="checkbox"/>		
20	Have you reviewed your job application forms/procedure?	<input checked="" type="checkbox"/>		
21	Have you done a semi-annual review of your District Personnel Polices?	<input type="checkbox"/>		
22	Have you updated your job descriptions in the last year?	<input checked="" type="checkbox"/>		
23	Have you done recent (annual) performance evaluations of all employees?	<input checked="" type="checkbox"/>		
24	Have you reviewed employee positions and duties for compliance with wage and hour laws?	<input checked="" type="checkbox"/>		
25	Have you reviewed your discipline/discharge policy?	<input type="checkbox"/>		
26	Are your managers clear on steps when discipline is required?	<input checked="" type="checkbox"/>		
27	Does your District have to comply with OFLA/FMLA? Is your leave policy consistent?	<input checked="" type="checkbox"/>		
28	Do you have a plan for staff trainings/education?	<input checked="" type="checkbox"/>		
29	Do you have a policy regarding on the job injury and claims handling?	<input checked="" type="checkbox"/>		
30	Have you considered/discussed a light duty work policy?	<input checked="" type="checkbox"/>		
31	Do you call Pre-Loss before making any adverse employment decision?	<input checked="" type="checkbox"/>		
Online Training - Employee				
32	Has your organization completed the SafePersonnel "Discrimination: Avoiding Discriminatory Process or Sexual Harassment: Policy and Procedure" Training?	<input checked="" type="checkbox"/>	?	 (http://www.sdao.com/s4/onlinetraining)
SDAO-SDIS Training - Has a representative from your organization attended:				
33	2017 SDAO Annual Conference? (pre-conference sessions are also eligible).	<input type="checkbox"/>	?	 (http://www.sdao.com/ac)
34	SDAO/SDIS spring, summer, or fall regional trainings?	<input checked="" type="checkbox"/>		 (https://www.sdao.com/EventList?InitialText=regional)
35	SDAO/SDIS onsite risk management training conducted by SDAO risk management staff or management consulting staff during the current policy year (2017)?	<input type="checkbox"/>		
36	Board Practices Assessment provided by the SDIS Consulting Services Program?	<input type="checkbox"/>	?	
37	OFDDA - SDIS Fire District Risk Management Training?	<input type="checkbox"/>		



BOARD MEETING MEMO

Agenda Item H.1

To: Board of Directors

From: Matt Berggren, Transit Planner II
Chris French, Senior Planner

Thru: Allan Pollock, General Manager

Date: September 28, 2017

Subject: West Salem Connector Replacement Plan and Title VI Analysis

ISSUE

Shall the Board approve the West Salem Connector Replacement Plan and the associated Title VI equity analysis for implementation on January 2, 2018?

BACKGROUND AND FINDINGS

The West Salem Connector on-demand bus service has operated as a pilot project for the past two years. In April 2017, the Board voted to end the pilot and directed staff to explore fixed-route alternatives.

In this process, staff sought to create new routes that are more useful for more people and give riders more certainty about when they can expect the bus to arrive; while also maintaining coverage so riders don't have to walk too far to get to the bus.

Staff developed proposed routes, stops, and schedules, which were presented to the public for their input in July 2017. Based on input from riders and the greater community, staff modified the proposal to address some of the concerns expressed. The final plan replaces the West Salem Connector with new Routes 26 and 27, a realignment of Route 16, and an additional round trip on Route 17. The full plan can be found in Attachment A.

During the service planning process, staff conducted a Title VI equity analysis to ensure the proposed service plan was equitable. Staff concluded that the context of the change, as well as the processes undertaken that led to this proposal, provide a "substantial legitimate justification" for the District to move forward with the service

change proposal as planned. To review the equity analysis in full, please see Attachment B.

If approved by the Board of Directors, this service plan will be implemented on January 2, 2018.

FINANCIAL IMPACT

Ongoing

An increase in spending of \$210,000 a year for the operations and maintenance of the new routes. This cost increase is largely a result of moving from contracted operators to in-house operators. There are also some slight increases in revenue hours and miles on Routes 16 and 17.

One-time Costs

The removal of Connector points and addition of new bus stops will result in some de minimis upfront costs. Additionally, the bus stops will eventually need to be brought up to ADA standards.

RECOMMENDATION

Staff recommends that the Board approve the West Salem Replacement Plan and the associated Title VI equity analysis.

PROPOSED MOTION

I move the Board approve the West Salem Replacement Plan and the associated Title VI equity analysis.



WEST SALEM CONNECTOR REPLACEMENT PLAN

FOR IMPLEMENTATION JANUARY 2018

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Background

The West Salem Connector on-demand bus service has operated as a pilot project for the past two years. In April 2017, the Cherriots Board of Directors voted to end the pilot and directed staff to explore fixed-route alternatives.

In this process, staff sought to create new routes that are more useful for more people and give riders more certainty about when they can expect the bus to arrive, while also maintaining coverage so riders don't have to walk too far to get to the bus.

Staff developed proposed routes, stops, and schedules using travel pattern data collected throughout the last two years from the West Salem Connector.

If approved by the Board of Directors, these routes go into service on January 2, 2018.

Figure 1. Current West Salem Connector, Route 16, and Route 17



Draft Plan

Below is a map showing the proposed routes staff developed for the Connector replacement. The proposal included full schedules to help riders understand whether the proposed service would work for them.

Figure 2. Draft Connector Replacement Plan



Public Outreach

Staff conducted outreach during June and July 2017 to promote our draft plan for changes to West Salem. The plan included proposed routes, bus stop locations, and draft schedules.

Outreach strategies were developed to reach current Connector riders, current Cherriots bus riders, former Connector riders and the greater West Salem community. Promotional strategies included:

- **Outreach events:**

- Tabling at Glen Creek Transit Center—July 11, 7-11 a.m.
- Tabling at West Salem Starbucks—July 12, 7-11 a.m.
- Tabling at Glen Creek Transit Center—July 13, 12-4 p.m.

- **Presentations:**

- West Salem Neighborhood Association—July 17, 7-9 p.m. (over 100 people present)
- West Salem Business Association—July 27, 12-1 p.m.

- **Flyering and Take-Ones:**

- Flyers posted at businesses around West Salem
- Take-ones on Connector buses and Routes 16 and 17

- **Digital Promotion:**

- Webpage (Cherriots.org/WestSalem)
- Feature on Cherriots.org home page
- Email blast to Connector riders and Cherriots mailing list
- Text message to Connector riders
- Posts on social media (Facebook, Twitter)
- Link on Book.Cherriots.org and Cherriots.org/Connector

Staff created a short survey both online and on a half-sheet of paper. During events and through other promotional materials, staff encouraged riders to fill out a survey to let us know what they thought of the plan and what, if anything they would change.

Additionally, staff reached out to transit operators internally to get their feedback in the following ways:

- **Request for Ideas in Operator Mailboxes**

The full plan was placed in every transit operators mailbox and operators were instructed to submit their suggestions using an Operator Idea and Comment Form.

- **Presentation to Service Excellence Team**

The proposal was presented to the Service Excellence Team, which includes three operators and representatives from operations, planning, customer service, marketing, maintenance, and safety.

● Testing of Routing and Schedules

Planning worked with operations to send operators out on route to test the turns of the routes and to ensure the proposed schedules were realistic.

Survey Results

Altogether, staff received 173 surveys and four suggestions from transit operators. Of those who responded to the survey:

- When asked how respondents felt overall about the proposal, 63% somewhat or strongly liked the proposal, 12% felt neutral, 20% somewhat or strongly disliked the proposal, and 5% were unsure.
- When asked how riders felt about the West Salem Connector, 45% had positive feelings about the Connector, 29% were neutral, 18% had negative feelings about the Connector, and 8% were unsure.
- Of those who responded, 64% had ridden the Connector before and 36% had never ridden the Connector.

There were a number of suggestions made for changes to the proposal. Suggestions below are listed in order for frequency:

1: Run Buses More Frequently (*24 requests*)

This was by far the most requested change to the proposal. Some riders wanted 15-minute service on all routes. Others would have been satisfied with 30-minute service. Although some riders might not have realized Glen Creek and Orchard Heights would have 30-minute corridors, others did realize this but wanted 30-minute service throughout Routes 16, 26, and 27.

Given a fiscally constrained budget, the only way to add more service to these routes would be to reduce coverage. Since maintaining coverage is one of the key goals of this service change, staff decided to keep frequency on the proposed routes as planned.

2: Serve Eola Heights Apts. (*8 requests*)

The pickup and drop-off point in front of Eola Heights Apartments is one of the most popular points on the Connector. Staff did not originally propose providing direct service there because it would require out-of-direction travel. However, given the amount of input received by riders asking for bus service closer to these apartments, staff now believes serving this location is worth the time spent deviating.

CHANGE: Instead of turning left from Burley Hill to Eola, the Route 27 bus will turn right on Eola, right on Doaks Ferry, and right on Gehlar to get to the Eola Heights Apartments. From there the

bus will continue along Gehlar and take a left on Eola. Staff is able to adjust schedules to ensure this does not have any negative effects on on-time performance.

3: Keep Stops Closer to Riders' Homes (8 requests)

Eight respondents asked for either the Connector to remain in addition to the new proposed routes, or for the new routes to weave deeper into the neighborhoods (including on Kingwood Drive, Parkway and Linwood). Most of the concerns centered around riders' ability to walk to a bus stop, or concerns about others being able to walk to a bus stop. It is true that, on average, riders will now have a bit further to walk to these new bus stops. However, staff has made an effort to place bus stops at as many neighborhood entrances as possible in order to reduce walk time. Additionally, those who are not able to walk to the new bus stops still have the option of Cherriots Shop and Ride, our public shopper shuttle and dial-a-ride, and Cherriots LIFT, our paratransit solution.

Running our proposed routes deeper into neighborhoods in most cases would be challenging with a 35-foot bus. Also those living on quiet neighborhood streets often don't appreciate a large bus traveling past their homes. Additionally, it would increase travel time for all the riders who will have to loop through neighborhoods before getting to their ultimate destination. At this time, the cost to run these proposed routes and to keep the West Salem Connector would be cost-prohibitive. Therefore, staff has decided to generally keep the buses on the main streets.

CHANGE: That being said, we were able to make one change to the routing of Route 16 to bring the bus deeper into the neighborhood without having to remove any bus stops. Staff has changed the proposal for Route 16. Instead of taking a left onto Riverbend from Wallace, the bus will take a left on Orchardview, a right on Linwood, and a left on Riverbend. Bus stops will be established at Orchardview @ Woodhill and Linwood @ Orchardview. This will bring the route closer to Harritt Elementary School and will reduce walk distance to bus service for more residents of West Salem.

4: Run Buses to Downtown Transit Center (5 requests)

Many respondents requested Routes 26 and 27 run to the Downtown Transit Center. Staff agrees that running all routes to the Downtown Transit Center would help make for a better rider experience, as most riders ultimately want to go downtown. However, given our fiscal constraints, running service to the Downtown Transit Center would come at the expense of being able to provide coverage and frequency in West Salem. For these reasons, staff have chosen to continue to only run Routes 16 and 17 to downtown.

5: Travel Farther West on Glen Creek Road (5 requests)

Riders have been asking for service farther west on Glen Creek Road for many years. The biggest challenge with providing service this far west is the difficulty of turning around a 35-foot bus. In the future, if Cherriots secures smaller cutaway vehicles to use on these routes, service farther west on Glen

Creek Road could be considered. In the meantime, we are expanding service farther west than what is offered today. With the West Salem Connector, riders on Glen Creek Road have to walk to Doaks Ferry @ Ptarmigan. Now, riders have two new options: Doaks Ferry @ Doaks Ferry and Titan @ Islander.

6: Run Bus Service on Weekends (5 requests)

In the 2017 legislative session, the Oregon State Legislature passed HB 2017, which was recently signed into law by the governor. As a result of this bill, it is likely Cherriots will get weekend bus service in 2019. Staff is beginning to work on a proposal for what service could look like on both Saturdays and Sundays. This proposal will be brought to the public for input in 2018.

7: Expand to Michigan City and Salemtowne (4 requests)

In the past, Cherriots has provided service to these neighborhoods. Although staff would like to bring service back to Michigan City and Salemtowne eventually, given resource constraints expanding coverage here would come at the expense of coverage in places in West Salem that currently have service. Staff's goals of this redesign included maintaining current coverage as much as possible.

8: Directly Serve Wallace Road Park and Ride (3 requests)

A number of respondents requested staff maintain service to Wallace Road Park and Ride. Staff considered bringing Route 16 directly into Wallace Road Park and Ride as is done today. However, service on Riverbend and Wintergreen would have to be removed to make this happen. This would reduce coverage for a large area of West Salem. Although we plan to no longer bring Route 16 directly into the park and ride, riders will still be able to park at the park and ride and walk to the reestablished bus stop at Brush College @ Wintergreen (0.15 miles away).

CHANGE: Staff plans to place a shelter at this location to ensure riders waiting at this stop are comfortable and dry.

9: Provide Two-Way Service Instead of One-Way (3 requests)

Staff prioritizes two-way service over one-way. In the case of the West Salem proposal, staff decided to use one-way loops for two reasons: 1) lack of sidewalks in many places, making two-way service impossible and 2) the goal of prioritizing coverage. If staff decided to provide two-way service given current resources, coverage would have to be reduced significantly.

10: Don't Overlap Routes 17 and 27 (3 requests)

Route 27 is primarily designed to provide service on Glen Creek, Burley Hill, and Eola Drive. Staff's biggest challenge was determining the best way to get the route back to Glen Creek Transit Center. There were three options considered:

1. *From Eola, take a left on Kingwood Drive and a right on Glen Creek.*

This option added coverage on Kingwood Drive. However, it made it more difficult for riders to get to Safeway, Walker Middle School, and other businesses in the Edgewater corridor. Additionally, sidewalks are sparse traveling east on Glen Creek, which would have made it difficult to add any bus stops in this direction.

2. *Travel through the Edgewater corridor, but take Rosemont or Patterson instead of Gerth.*

Both these options would have added coverage to the Edgewater corridor, but only one-way hourly service just two blocks from two-way 15-minute service. Cherrichts would have to incur the cost of building new ADA-accessible bus stops along either of these streets for the benefit of very few people.

3. *Following the path of Route 17 back to Glen Creek Transit Center*

ultimately, staff decided to simply follow the path of Route 17 back to Glen Creek Transit Center. This option might be a bit duplicative, but it gives riders access to Safeway and other businesses in the corridors, and doesn't require Cherrichts to build any additional bus stops.

CHANGE: To alleviate concerns about overlap between Route 17 and 27, staff will adjust the schedules of Route 17 slightly so the two buses are not running at the exact same time. This will also help riders of Route 27 transfer to Route 17 to get downtown.

11: Don't Overlap on Glen Creek and Orchard Hts. (3 requests)

It is true that Routes 16 and 26 both travel down Orchard Heights. However, they are both hourly routes offset by thirty minutes. This effectively creates 30-minute service along this corridor. The same is true on Glen Creek, where Routes 26 and 27 travel together form 30-minute service.

There are two reasons staff chose to run Routes 26 clockwise instead of counterclockwise: 1) Lack of sidewalks on stretches of Orchard Heights and Glen Creek would make it a challenge to serve a route running counterclockwise and 2) running the service in the opposite direction of Routes 16 and 27 would result in uneven service. Buses would not arrive every 30 minutes. Instead, it would be an approximately 15 minute gap in service and then a 45 minute gap in service, which would make the service less useful.

12: Change Route 26 Schedule for West Salem HS (2 requests)

The schedules of Route 26 should get students to West Salem High School on time. Like with the West Salem Connector today, riders will be able to board the bus at 7:00 a.m. from Glen Creek Transit Center and arrive at Titan @ Orchard Heights (WSHS) around 7:10 a.m. School starts at 7:30 a.m.

School gets out at 2:20 p.m. Students wishing to catch the next bus can walk to Orchard Heights @ Doaks Ferry (the bus stop used to service the high school in the past). Route 16 will serve this stop at 2:42 p.m. and bring riders to the Downtown Transit Center.

13: Add Route 17 Morning Trip for Connection (1 request)

One respondent pointed out that riders on the first trip of Route 27 didn't have an easy connection of Route 17.

CHANGE: To address this, staff will add a round trip to Route 17 in the morning to help create an easy connection to get downtown on this trip. This will also result in 15-minute service on Route 17 starting earlier, which will benefit riders along that route.

Final Recommendation

In Figure 3 below, you can find staff's final recommendation for redesigned service 60 in West Salem. If approved by the Board of Directors, this service will go into effect on January 2, 2018.

- Route 16 will be modified to form a once-an-hour one-way loop on Wallace, Riverbend, Wintergreen, Brush College, Doaks Ferry, and Orchard Heights.
- The revenue hours from the West Salem Connector and the discontinued Route 2X will be used to create two new routes: Route 26 and Route 27. Route 26 will form a one-way loop on Glen Creek, Titan, and Orchard Heights. Although this bus will run once an hour, the bus will be offset from Route 16 by 30 minutes to create half-an-hour service on Orchard Heights between Doaks Ferry and Wallace.
- Route 27 will form another once-an-hour one-way loop on Glen Creek, Burley Hill, Eola, Doaks Ferry, Gehlar, and through the Edgewater corridor. This route will be offset from Route 26 in order to provide 30-minute service on Glen Creek between Burley Hill and Wallace.

Figure 3. Final Recommendation for Connector Replacement Plan



In total, Cherriots will remove 26 bus stops and Connector points, add 30 new bus stops, and convert four Connector points to bus stops.

Cost Estimates

In Table 1 below are the cost estimates of the new service, including the removal of the West Salem Connector. Revenue hours will increase by 2.5 and the estimated annual cost of the service will be \$210,000. The cost increase is largely a result of the change from contracted operators on the West Salem Connector to in-house operators on Routes 26 and 27.

Table 1. Cost Estimates of West Salem Connector Replacement

	<i>Route</i>	<i>Change in Daily Rev Hrs</i>	<i>Change in Daily Rev Mi</i>	<i>Estimated Change in Annual Cost</i>
REMOVED	West Salem Connector	-15.00	Varies	-\$246,000
ADDED	Route 16	+0.5	+27.3	+\$25,000
	Route 17	+0.8	+7.8	+\$20,000
	Routes 26 & 27	+16.2	+190.5	+\$411,000
TOTAL		+2.5		+\$210,000

Timetables

Full timetables for the new routes are shown in Tables 1-4 below.

Table 1. Route 16 Timetable

Downtown Transit Center DEPART	Wallace @ Taggart	Brush College @ Wintergreen	Orchard Heights @ Doaks Ferry	Orchard Heights @ Parkway	Wallace @ Bassett	Downtown Transit Center ARRIVE
5:25a	5:30a	5:35a	5:40a	5:43a	5:47a	5:54a
6:25a	6:30a	6:35a	6:40a	6:43a	6:47a	6:54a
7:20a	7:28a	7:33a	7:37a	7:40a	7:48a	7:57a
8:25a	8:31a	8:37a	8:41a	8:43a	8:48a	8:55a
9:25a	9:31a	9:37a	9:41a	9:43a	9:48a	9:55a
10:25a	10:31a	10:37a	10:41a	10:43a	10:48a	10:55a
11:25a	11:31a	11:37a	11:41a	11:43a	11:48a	11:55a
12:25p	12:31p	12:37p	12:41p	12:43p	12:48p	12:55p
1:25p	1:31p	1:37p	1:41p	1:43p	1:48p	1:55p
2:25p	2:32p	2:38p	2:42p	2:44p	2:49p	2:57p
3:25p	3:32p	3:38p	3:42p	3:44p	3:49p	3:57p
4:25p	4:32p	4:38p	4:42p	4:44p	4:49p	4:57p
5:25p	5:32p	5:38p	5:42p	5:44p	5:49p	5:57p
6:25p	6:30p	6:36p	6:40p	6:42p	6:47p	6:54p
7:25p	7:30p	7:36p	7:40p	7:42p	7:47p	7:54p
8:25p	8:30p	8:36p	8:40p	8:42p	8:47p	8:54p
9:25p	9:30p	9:36p	9:40p	9:42p	9:47p	9:54p

Table 2. Route 26 Timetable

Glen Creek Transit Center DEPART	Glen Creek @ Sunburst	Titan @ Orchard Heights (West Salem HS)	Orchard Heights @ Parkway	Glen Creek Transit Center ARRIVE
6:00a	6:04a	6:10a	6:14a	6:20a
7:00a	7:04a	7:10a	7:14a	7:20a
8:00a	8:04a	8:10a	8:14a	8:20a
9:00a	9:04a	9:09a	9:13a	9:19a
10:00a	10:04a	10:09a	10:13a	10:19a
11:00a	11:04a	11:09a	11:13a	11:19a
12:00p	12:04p	12:09p	12:13p	12:19p
1:00p	1:04p	1:09p	1:13p	1:19p
2:00p	2:05p	2:10p	2:14p	2:20p
3:00p	3:05p	3:10p	3:14p	3:20p
4:00p	4:05p	4:10p	4:14p	4:20p
5:00p	5:05p	5:10p	5:14p	5:20p
6:00p	6:05p	6:10p	6:14p	6:20p
7:00p	7:04p	7:09p	7:13p	7:19p
7:45p	7:49p	7:54p	7:58p	8:04p
8:45p	8:49p	8:54p	8:58p	9:04p

Table 3. Route 27 Timetable

Glen Creek Transit Center DEPART	Glen Creek @ Sunburst	Gehlar @ Crouchen	Edgewater @ Rosemont	8th @ McNary	Glen Creek Transit Center ARRIVE
5:30a	5:34a	5:40a	5:44a	5:48a	5:53a
6:30a	6:34a	6:40a	6:44a	6:48a	6:53a
7:30a	7:34a	7:40a	7:44a	7:48a	7:53a
8:30a	8:34a	8:40a	8:44a	8:48a	8:53a
9:30a	9:34a	9:39a	9:43a	9:47a	9:52a
10:30a	10:34a	10:39a	10:43a	10:47a	10:52a
11:30a	11:34a	11:39a	11:43a	11:47a	11:52a
12:30p	12:34p	12:39p	12:43p	12:47p	12:52p
1:30p	1:34p	1:39p	1:43p	1:47p	1:52p
2:30p	2:35p	2:41p	2:45p	2:49p	2:56p
3:30p	3:35p	3:41p	3:45p	3:49p	3:56p
4:30p	4:35p	4:41p	4:45p	4:49p	4:56p
5:30p	5:35p	5:41p	5:45p	5:49p	5:56p
6:30p	6:35p	6:41p	6:45p	6:49p	6:56p
7:15p	7:19p	7:24p	7:28p	7:32p	7:37p
8:15p	8:19p	8:24p	8:28p	8:32p	8:37p
9:15p	9:19p	9:24p	9:28p	9:32p	9:37p

Table 4. Route 17 Timetable

Downtown Transit Center DEPART	Glen Creek Transit Center	8th @ Gerth	Edgewater @ Manorview ARRIVE	Edgewater @ Manorview DEPART	8th @ McNary	Glen Creek Transit Center	Downtown Transit Center ARRIVE
—	—	—	—	5:37a	5:41a	5:46a	5:53a
—	—	—	—	5:52a	5:56a	6:01a	6:08a
—	—	—	—	6:07a	6:11a	6:16a	6:23a
6:00a	6:07a	6:11a	6:17a	6:22a	6:26a	6:31a	6:38a
6:15a	6:22a	6:26a	6:32a	6:37a	6:41a	6:46a	6:53a
6:30a	6:37a	6:41a	6:47a	6:52a	6:56a	7:01a	7:08a
6:45a	6:52a	6:56a	7:02a	7:07a	7:11a	7:16a	7:23a
7:00a	7:07a	7:11a	7:17a	7:22a	7:26a	7:31a	7:38a
7:15a	7:22a	7:26a	7:32a	7:37a	7:41a	7:46a	7:53a
7:30a	7:37a	7:41a	7:47a	7:52a	7:56a	8:01a	8:08a
7:45a	7:52a	7:56a	8:02a	8:07a	8:11a	8:16a	8:23a
8:00a	8:07a	8:11a	8:17a	8:22a	8:26a	8:31a	8:38a
8:15a	8:22a	8:26a	8:32a	8:37a	8:41a	8:46a	8:53a
8:30a	8:37a	8:41a	8:47a	8:52a	8:56a	9:01a	9:08a
8:45a	8:52a	8:56a	9:02a	9:07a	9:11a	9:16a	9:23a
9:00a	9:07a	9:12a	9:18a	9:22a	9:26a	9:31a	9:38a
9:15a	9:22a	9:27a	9:33a	9:37a	9:41a	9:46a	9:53a
9:30a	9:37a	9:42a	9:48a	9:52a	9:56a	10:01a	10:08a
9:45a	9:52a	9:57a	10:03a	10:07a	10:11a	10:16a	10:23a
10:00a	10:07a	10:12a	10:18a	10:22a	10:26a	10:31a	10:38a
10:15a	10:22a	10:27a	10:33a	10:37a	10:41a	10:46a	10:53a
10:30a	10:37a	10:42a	10:48a	10:52a	10:56a	11:01a	11:08a
10:45a	10:52a	10:57a	11:03a	11:07a	11:11a	11:16a	11:23a
11:00a	11:07a	11:12a	11:18a	11:22a	11:26a	11:31a	11:38a
11:15a	11:22a	11:27a	11:33a	11:37a	11:41a	11:46a	11:53a
11:30a	11:37a	11:42a	11:48a	11:52a	11:56a	12:01p	12:08p
11:45a	11:52a	11:57a	12:03p	12:07p	12:11p	12:16p	12:23p
12:00p	12:07p	12:12p	12:18p	12:22p	12:26p	12:31p	12:38p

Downtown Transit Center DEPART	Glen Creek Transit Center	8th @ Gerth	Edgewater @ Manorview ARRIVE	Edgewater @ Manorview DEPART	8th @ McNary	Glen Creek Transit Center	Downtown Transit Center ARRIVE
12:15p	12:22p	12:27p	12:33p	12:37p	12:41p	12:46p	12:53p
12:30p	12:37p	12:42p	12:48p	12:52p	12:56p	1:01p	1:08p
12:45p	12:52p	12:57p	1:03p	1:07p	1:11p	1:16p	1:23p
1:00p	1:07p	1:12p	1:18p	1:22p	1:26p	1:31p	1:38p
1:15p	1:22p	1:27p	1:33p	1:37p	1:41p	1:46p	1:53p
1:30p	1:37p	1:42p	1:48p	1:52p	1:56p	2:01p	2:08p
1:45p	1:52p	1:57p	2:03p	1:59p	2:04p	2:13p	2:23p
2:00p	2:12p	2:17p	2:24p	2:14p	2:19p	2:28p	2:38p
2:15p	2:27p	2:32p	2:39p	2:29p	2:34p	2:43p	2:53p
—	—	—	—	2:44p	2:49p	2:58p	3:08p
2:30p	2:42p	2:47p	2:54p	2:59p	3:04p	3:13p	3:23p
2:45p	2:57p	3:02p	3:09p	3:14p	3:19p	3:28p	3:38p
3:00p	3:12p	3:17p	3:24p	3:29p	3:34p	3:43p	3:53p
3:15p	3:27p	3:32p	3:39p	3:44p	3:49p	3:58p	4:08p
3:30p	3:42p	3:47p	3:54p	3:59p	4:04p	4:13p	4:23p
3:45p	3:57p	4:02p	4:09p	4:14p	4:19p	4:28p	4:38p
4:00p	4:12p	4:17p	4:24p	4:29p	4:34p	4:43p	4:53p
4:15p	4:27p	4:32p	4:39p	4:44p	4:49p	4:58p	5:08p
4:30p	4:42p	4:47p	4:54p	4:59p	5:04p	5:13p	5:23p
4:45p	4:57p	5:02p	5:09p	5:14p	5:19p	5:28p	5:38p
5:00p	5:12p	5:17p	5:24p	5:29p	5:34p	5:43p	5:53p
5:15p	5:27p	5:32p	5:39p	5:44p	5:49p	5:58p	6:08p
5:30p	5:42p	5:47p	5:54p	5:59p	6:04p	6:13p	6:23p
5:45p	5:57p	6:02p	6:09p	6:14p	6:19p	6:28p	6:38p
6:00p	6:12p	6:17p	6:24p	6:29p	6:34p	6:43p	6:53p
6:15p	6:27p	6:32p	6:39p	6:44p	6:49p	6:58p	7:08p
6:30p	6:42p	6:47p	6:54p	6:54p	6:59p	7:08p	7:18p
6:45p	6:57p	7:02p	7:09p	7:09p	7:13p	7:18p	7:25p
7:00p	7:07p	7:11p	7:17p	7:34p	7:38p	7:43p	7:50p

Downtown Transit Center DEPART	Glen Creek Transit Center	8th @ Gerth	Edgewater @ Manorview ARRIVE	Edgewater @ Manorview DEPART	8th @ McNary	Glen Creek Transit Center	Downtown Transit Center ARRIVE
7:30p	7:37p	7:41p	7:47p	8:04p	8:08p	8:13p	8:20p
8:00p	8:07p	8:11p	8:17p	8:34p	8:38p	8:43p	8:50p
8:30p	8:37p	8:41p	8:47p	9:04p	9:08p	9:13p	9:20p
9:00p	9:07p	9:11p	9:17p	—	—	—	—



WEST SALEM CONNECTOR REPLACEMENT EQUITY ANALYSIS

SEPTEMBER 2017

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1. Background

The West Salem Connector is an on-demand bus service Cherriots has run as a pilot project (operated by MV Transportation) since June 2015. The purpose of the Connector is to be a coverage service with the primary goal of providing access to transit for those who need it at the time they need it in order to connect those riders with Cherriots fixed-route buses.

There are 26 Connector points located throughout the neighborhoods where the bus picks up and drops off passengers. Riders must book their trips at least 30-minutes in advance and arrive at their closest Connector point before their scheduled departure time. Almost 90% of Connector riders are to or from Glen Creek Transit Center, where riders can transfer to frequent Cherriots service (every 15 minutes) to get downtown or to the Edgewater Street district. The Connector bus pulses out of Glen Creek TC once an hour in order to allow riders to walk on without a reservation.

There are a number of reasons the Connector was implemented in the hills of West Salem:

1. Pickup and drop-off points are closer to riders' homes
2. The schedules are based on rider demand
3. Buses only run when neighbors request them
4. Service was extended south to Eola Drive
5. Smaller vehicles are more neighborhood-friendly
6. Riders can easily transfer to frequent, 15-minute bus service to downtown Salem

However, during the pilot project, staff found a number of challenges with this service model:

1. Riders find it difficult to book a trip when the schedule is full
2. There's more uncertainty about when riders will get picked up and dropped off

3. Ridership, and therefore efficiency, has an upper limit
4. The cost per boarding is higher than that of comparable fixed routes when using in-house operators
5. There are barriers to booking a trip for those without technology

Because of these reasons, the Cherriots Board of Directors voted to end the Connector pilot in April 2017 and directed staff to explore fixed-route alternatives. Staff's goals were to create new routes that are more useful for more people and give riders more certainty about when they can expect the bus to arrive, while also maintaining coverage so riders don't have to walk far to get to the bus.

2. Plan

Staff plans to modify two current routes (Routes 16 and 17) and create a pair of new routes (Routes 26 and 27) to replace the West Salem Connector. The rerouting of part of Route 16 and the additional trip and shifted schedules on Route 17 both amount to minor service changes. By definition the creation of Routes 26 and 27 amount to a "major service change." However, the frequency of these routes is staying the same (as the Connector pulses every hour at Glen Creek Transit Center) and the change in revenue hours is less than 15% compared to the West Salem Connector.

Staff have developed proposed routes, stops, and schedules using boardings and alightings data collected from the West Salem Connector. The replacement service was taken in this form to the public for comment during the month of July 2017.

Before determining the final service plan, the District's Planning Department conducted public outreach, including:

- Presentations at the West Salem Neighborhood Association (over 100 people in attendance) and the West Salem Business Alliance
- Events at the Glen Creek Transit Center and the nearby Starbucks to ask riders and non-riders alike what their comments were on the proposal

- Online survey for four weeks in July, 2017 where people could take the survey, download the service change proposal, and make comments
- Take-one flyers on the Connector buses and Cherriots Routes 16 and 17 to let West Salem riders know of the upcoming changes

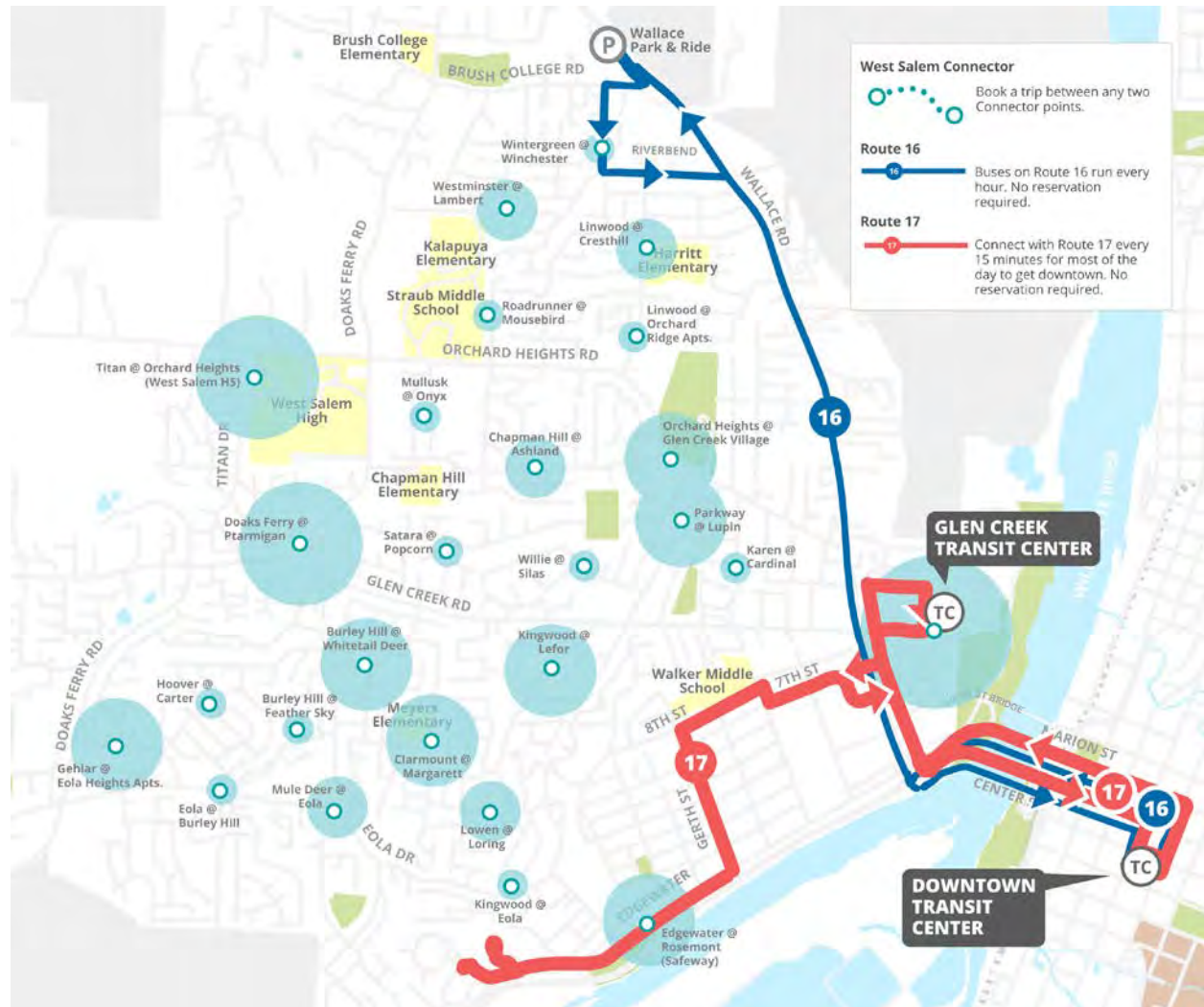
Through the public outreach process, a final plan was developed based on public feedback. A number of modifications were made to the draft plan, including rerouting of Routes 16 and 27 to provide more coverage to places that are serviced by the West Salem Connector today.

The following is a summary of the new service:

- Route 16 will be rerouted to serve Orcharview, Linwood, Riverbend, Wintergreen, Brush College, Doaks Ferry, and Orchard Heights once an hour; it will continue to serve Wallace and travel to the Downtown Transit Center
- Route 26 will be established; it will be based out of Glen Creek Transit Center and make a one-way loop traveling down Glen Creek, Titan, and Orchard Heights once an hour
- Route 27 will also be established; it will be based out of Glen Creek Transit Center and will make a one-way loop traveling down Glen Creek, Burley Hill, Eola, the Gehlar Road loop, and through the Edgewater Street corridor once an hour
- One round-trip will be added to Route 17, which is the frequent service route serving the Edgewater Street corridor of West Salem and the Downtown Transit Center
- Schedules for Routes 16 and 26 will be offset to provide 30-minute service along Orchard Heights from Doaks Ferry to Wallace
- Schedules for Routes 26 and 27 will be offset to provide 30-minute service along Glen Creek from Burley Hill to Wallace

Figure 1 below shows the West Salem Connector service as it operates in September 2017. Figure 2 displays the Cherriots fixed-route configuration which will be implemented on January 2, 2018.

Figure 1. Current West Salem Connector Service Map



In Figure 1 above, the blue circles surrounding each Connector Point are sized based on the ridership at that given stop. Based on this data, it is clear that the proposed routes shown in Figure 2 will provide service to most of the larger circles. Some people will end up having to walk a little further for the service, but their service will be more reliable and will not require an advance reservation.

Figure 2. Proposed service beginning January 2, 2018



3. Title VI Requirements

As a recipient of Federal financial assistance, SAMTD must ensure that service changes – both increases and reductions – comply with Title VI of the Civil Rights Act of 1964, which states: “No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.”

The FTA has provided specific implementing guidelines and regulations for complying with Title VI in Circular 4702.1B (“Circular”). Due to the interrelated nature of race/ethnicity and income, the Circular instructs transit agencies to consider impacts on low-income populations as well as minority populations; the assessment of potential Title VI issues related to service changes is completed through a service equity analysis.

4. SAMTD Title VI Compliance

In the spring of 2014, SAMTD submitted its Title VI program to comply with the latest FTA Circular. A letter of concurrence was received in December 2015 from the FTA stating that the SAMTD Title VI Program complies with the Circular. The program outlines agency policies, definitions, and procedures for complying with Title VI and performing equity analyses. This includes the agency’s Major Service Change, Adverse Effects, Disparate Impact, Disproportionate Burden, and Public Hearing policies. An update to the program was approved by the SAMTD Board of Directors at the May 25, 2017 Board meeting including many changes to the Title VI policies named above. The following summarizes these policies, but if further information is needed, the reader is directed to the full 2017 SAMTD Title VI Program, available on Cherriots.org.

4.1 Major Service Changes Policy

All changes in service meeting the definition of Major Service Change are subject to a Title VI Equity Analysis. A Major Service Change is defined as:

1. Either a reduction or an expansion in service of:
 - a. 15 percent or more of the number of transit route miles based on the miles of an average round-trip of the route (this includes routing changes where route miles are neither increased nor reduced (i.e., re-routes)), or;

- b. 15 percent or more of a route's frequency of the service (defined as the average hourly frequency throughout one service day for local fixed routes and as daily round trips for regional express routes) on a daily basis for the day of the week for which a change is made or;
 - c. 15 percent in the span (hours) of a route's revenue service (defined as the time between the first served stop of the day and the last stop), on a daily basis for the day of the week for which a change is made;
2. A transit route split where either of the new routes meet any of the above thresholds when compared to the corresponding piece of the former route.
3. A new transit route is established.

A Major Service Change occurs whether the above thresholds are met:

1. Within a single service proposal, or;
2. Due to a cumulative effect of routing, frequency, or span changes over the year prior to the analysis.

4.2 Definition of Adverse Effects

Adverse effects of Major Service Changes are defined as:

1. A decrease in the level of transit service (hours, days, and/or frequency) by 15%; and/or
2. Decreased access to comparable transit service, which is defined as an increase of the access distance to beyond:
 - a. One quarter mile for bus stops served by less than four buses per hour during peak times, or;
 - b. One half mile for bus stops served by four or more buses per hours during peak times, as well as for all regional express service.

4.3 Disparate Impact Policy

Testing for Disparate Impact evaluates effects on minority riders or populations as compared to non-minority riders or populations. "Minority" is defined as all persons who identify as being part of a racial/ethnic group besides white, non-Hispanic.

4.3.1 Disparate Impact Analysis

The determination of Disparate Impact associated with service changes is defined separately for impacts of changes on individual route, and for system-level impacts of changes on more than one route, as well as for both service reductions and service improvements:

1. In the event of potential adverse effects resulting from service reductions:
 - a. A Major Service Change to a single route will be considered to have a potential Disparate Impact if the percentage of impacted minority population in the service area of the route exceeds the percentage of minority population of Marion and Polk Counties by at least 5 percentage points (e.g., 36 percent compared to 31 percent).
 - b. To determine the systemwide impacts of Major Service Change reductions on more than one route, the percentage of Marion and Polk Counties' minority population that is impacted is compared to the percentage of Marion and Polk Counties' non-minority population that is impacted. If the percentage of the minority population impacted is at least 20 percent greater than the percentage of the non-minority population impacted (e.g., 12 percent compared to 10 percent), the overall impact of changes will be considered disparate.
2. In the event of service improvements:

- a. A major service change to a single route will be considered to have a potential Disparate Impact if:
 - i. The improvement is linked to other service changes that have disproportionate and adverse effects on minority populations, or;
 - ii. The percentage of impacted minority population in the service area of the route is less than the percentage of minority population of Marion and Polk Counties by at least 5 percentage points (e.g., 26 percent compared to 31 percent).

- b. To determine the systemwide impacts of Major Service Change improvements on more than one route, the percentage of Marion and Polk Counties' minority population that is impacted is compared to the percentage of Marion and Polk Counties' non-minority population that is impacted. If the percentage of the minority population impacted is at least 20 percent less than the percentage of the non-minority population impacted (e.g., 8 percent compared to 10 percent), the overall impact of the changes will be considered disparate.

4.4 Disproportionate Burden Policy

Testing for a Disproportionate Burden evaluates potential effects on low-income riders or populations, defined as riders or populations at or below 150% of the federal poverty level.

4.4.1 Disproportionate Burden Analysis

The determination of Disproportionate Burden associated with service changes is defined separately for impacts of changes on individual route, and for system-level impacts of changes on more than one route, as well as for both service reductions and service improvements:

1. In the event of potential adverse effects resulting from service reductions:
 - a. A Major Service Change to a *single route* will be considered to have a potential Disproportionate Burden if the percentage of impacted low-income population in the service area of the route exceeds the percentage of low-income population of Marion and Polk Counties by at least 5 percentage points (e.g., 36 percent compared to 31 percent).
 - b. To determine the systemwide impacts of Major Service Change reductions on more than one route, the percentage of Marion and Polk Counties' low-income population that is impacted is compared to the percentage of Marion and Polk Counties' non-low-income population that is impacted. If the percentage of the low-income population impacted is at least 20 percent greater than the percentage of the non-low-income population impacted (e.g., 12 percent compared to 10 percent), the overall impact of changes (burden) will be considered disproportionate.
2. In the event of service improvements:
 - a. A major service change to a *single route* will be considered to have a potential Disproportionate Burden if:
 - i. The improvement is linked to other service changes that have disproportionate and adverse effects on low-income populations, or;
 - ii. The percentage of impacted low-income population in the service area of the route is less than the percentage of low-income population of Marion and Polk Counties by at least 5 percentage points (e.g., 26 percent compared to 31 percent).
 - b. To determine the systemwide impacts of major service change improvements on more than one route, the percentage of Marion and Polk Counties' low-income population that is impacted is compared to the percentage of Marion and Polk Counties' non-low-

income population that is impacted. If the percentage of the low-income population impacted is at least 20 percent less than the percentage of the non-low-income population impacted (e.g., 8 percent compared to 10 percent), the overall impact of changes (burdens) will be considered disproportionate.

4.5 Requirement for a Public Hearing

The following paragraph defines when a public hearing is required in the case of service changes:

SAMTD shall hold a public hearing when any Major Service Change proposed that results in a decrease in service. Notice must be published in a general circulation newspaper. In addition, notice will be placed in newspapers, publications, or websites that are oriented to specific groups or neighborhoods that may be affected by the proposed Major Service Change. The notice must be published at least 30 days prior to the hearing. The notice must contain a description of the proposed service reduction, and the date, time, and place of the hearing.

5. Equity Analysis

In order to determine whether these planned service changes have the potential to lead to a Disparate Impact or Disproportionate Burden, District staff used the above definitions to analyze the differences between the current service and the planned service (replacement of the West Salem Connector).

5.1 Major Service Change Test

The changes to Routes 6-16 and 17 do not meet the 15% threshold of changes in route miles, frequency, nor span. Therefore, neither change constitutes a Major Service Change. (*Note:* Routes 6 and 16 are branded as two routes to avoid rider confusion, but are operated and analyzed as one route.)

The establishment of both Routes 26 and 27 constitutes a Major Service Change as each are newly established routes.

5.2 Adverse Effects Test

Based on the adverse effects definition, there are no adverse effects.

5.3 Disparate Impact and Disproportionate Burden Test

To determine if the introduction of Routes 26 and 27 could result in a potential Disparate Impact to minority populations or a potential Disproportionate Burden to low-income populations, staff analyzed the changes at the route level and the system level.

5.3.1 Route-Level Analysis

Table 1 below shows the percentages of minority and low-income populations which live in the service area of each route, which is defined as the U.S. Census block groups that are within a quarter mile walk distance to the proposed routes' stops. These percentages are then compared to the overall averages for Marion and Polk Counties.

Table 1. Impacts to Minority and Low-Income Residents Living Within Walk Distance of the Proposed Individual Bus Routes in West Salem Compared to the Marion and Polk County Averages

Route	Minority Pop. Served	Total Pop. Served	% Minority	Less Than 5%?*	Low-Income Pop. Served	Total Pop. Served	% Low-Income	Less Than 5%?*
Route 26	4,133	20,664	20.0%	Yes	2,582	20,527	12.6%	Yes
Route 27	4,642	18,090	25.7%	No	3,848	18,035	21.3%	Yes
Marion & Polk Co.	122,365	400,523	30.6%		114,555	389,531	29.4%	

*Less than five percentage points compared to Marion and Polk County Averages.

Route 26 has a significantly smaller share of both minority and low-income populations compared to the regional average (less than 5% points). Route 27 also has a significantly smaller share of low-income populations compared to the regional average. Since these routes are new, this means there is the potential for Disparate Impacts and Disproportionate Burdens on the route level.

5.3.2 System-Level Analysis

Staff also evaluated the establishment of Routes 26 and 27 together to determine whether a potential Disparate Impact to minority populations or a potential Disproportionate Burden to low-income populations exists. (See Tables 2 and 3.)

Table 2. Comparison of Impacts to Minority and Non-Minority Residents Living Within the Service Area of Routes 26 and 27

Impacted Minority Pop.	Total Min. Pop.	Percent Minority Impacted	Impacted Non-Minority Pop.	Total Non-Minority Pop.	Percent Non-Minority Impacted	Greater than 20% Difference?
6,247	122,365	5.1%	21,051	278,158	7.6%	Yes

Table 3. Comparison of Impacts to Low-Income and Non-Low-Income Residents Living Within the Service Area of Routes 26 and 27

Impacted Low-Income Pop.	Total Low-Income Pop.	Percent Low-Income Impacted	Impacted Higher Income Pop.	Total Higher Income Pop.	Percent Higher Income Impacted	Greater than 20% Difference ?
5,222	114,555	4.6%	21,892	274,976	8.0%	Yes

The data in Tables 2 and 3 above show that there are potential Disparate Impacts and Disproportionate Burdens to minority and low-income populations with the addition of these bus routes.

5.3.3 Discussion

Ultimately, it is not in the spirit of the SAMTD Title VI Program to evaluate the introduction of Route 26 and 27 as a Major Service Change improvement as the level of service change is well under the 15% threshold.

5.4 Public Hearing Test

A public hearing is not required for this change since this Major Service Change does not also include a decrease in fixed-route bus service.

5.5 Avoidance, Minimization, Mitigation, or Justification of Adverse Effects

By policy, SAMTD must avoid, minimize, mitigate, or justify any adverse effects resulting from any Major Service Change if there's a potential Disparate Impact or Disproportionate Burden identified. This could include:

- Altering the service proposal to avoid, minimize, or mitigate potential Disparate Impacts, or;
- Providing a substantial legitimate justification for keeping the proposal as-is, and showing that there are no alternatives that would have a less Disparate Impact on minority riders or a less Disproportionate Burden on low-income riders, but would still accomplish the project or program goals.

As indicated in Section 5.3 above, this change on its own would mean potential Disparate Impacts and Disproportionate Burdens. However, it's important to take into consideration that the proposed service is replacing an existing service. The goals of the change are:

1. Replace the Connector demand-response system with a fixed-route service
2. The new service would run once an hour, which is about the same frequency as the Connector, which left the Glen Creek Transit Center on the hour.
3. Provide approximately the same amount of coverage (walkable access to transit) as the Connector.
4. Provide a similar span of service as the Connector (a 6% increase)

There are potential Disparate Impacts and Disproportionate Burdens associated with the creation of Routes 26 and 27 using SAMTD's established test. However, these tests assume Route 26 and 27 are new service being added to West Salem. In reality, they are replacements of the existing demand-responsive West Salem Connector Service.

When comparing Routes 26 and 27 to the Connector, service levels are staying relatively the same. Routes 26 and 27 together have a span increase of only 6% over the Connector, and frequency will remain at one hour. Route miles will change as the bus will run even when there is no one riding, but this is a result of the change in the service model, not an increase in service.

In the end, staff believes this is the most equitable way to maintain coverage and levels of service in West Salem with a fixed-route solution.

6. Summary and Conclusions

The West Salem Connector Pilot Project taught the District much about the travel patterns and needs of the transit users living in West Salem. That being said, staff believes our proposed fixed-route solution will provide West Salem residents more reliable and easier-to-use service. The level of service will remain the same, but service will be reoriented to meet the needs of the riders.

This context, as well as the processes undertaken that led to this proposal, provide a "substantial legitimate justification" for the District to move forward with the service change proposal as planned. Thus, given the available data and established methodology, implementing these changes appears to benefit protected

populations equitably. The District therefore finds no Disparate Impact or Disproportionate Burden associated with the West Salem Connector Replacement Plan.



To: Board of Directors

From: Karen Garcia, Security and Emergency Management Manager
David Trimble, Chief Operating Officer

Thru: Allan Pollock, General Manager

Date: September 28, 2017

Subject: FY2017 Annual Security Report

ISSUE

Shall the Board accept the FY2017 Annual Security Report?

BACKGROUND AND FINDINGS

The District is committed to providing a safe and secure environment for customers, employees, and members of the public. To help ensure the comfort and convenience of those who use our services, SAMTD regulates conduct on its vehicles and property.

The intent of this report is to share statistical information related to the key performance indicators, which include customer service contacts, security ride-a-longs, exclusions from service, ordinance violations, security incident reports and law enforcement activity.

A multi-agency team works collaboratively to provide customer service and achieve the security goals for the District. The security and emergency management manager monitors the contracts for police and security services, oversees ordinance enforcement and manages the exclusion program. The District contracts with a private security provider, G4S Secure Solutions Inc., and maintains an Intergovernmental Agreement (IGA) with the City of Salem Police Department.

Customer service contacts remain at an acceptable level, with numbers decreasing this year. This decrease is attributed to the steady fixed-route service being provided, with which our regular customers have become familiar. Security staff periodically rides on Cherriots buses in an effort to increase our system safety presence and discourage

unwanted behavior. In FY17, the number of exclusions from the system and written warnings issued were comparable to the previous year.

Verbal ordinance warnings are regularly issued by security staff to educate riders on transit rules and enhance safety. Warnings issued increased this past year at the Downtown Transit Center. Smoking where prohibited and bicycling are among the most common warnings issued. The number of G4S incident reports that did not involve law enforcement, remain steady; however, calls for police assistance increased. The most common *non-police* incidents included medical emergencies, graffiti and loitering.

As in FY16, police were contacted for trespassing violations more than any other crime committed against the District. There continues to be a number of calls for service at the Downtown Transit Center initiated by citizens that are not related to the transit service. The number of disorderly conduct incidents requiring police intervention increased slightly this year. Although the overall number of disorderly conduct incidents decreased, we did have four assaults during FY17, one of which involved an employee.

The District continues to work with internal and external partners to enhance our emergency planning and preparedness efforts. In the coming year, we will continue our work to educate riders and employees on safety and security principles.

In summary, the District remains committed to providing a safe and secure environment for all Cherriot's stakeholders. It is evident that the resources devoted to safety and security are necessary and worthwhile. At times, there are events which require a security or law enforcement response, which validates the continued relationships with our partners. The District is dedicated to maintaining an IGA with the Salem Police Department and contracting with a private security provider to ensure the necessary resources are in place to meet our future needs. Furthermore, our impending work on internal safety and disaster planning will enhance the District's readiness to respond to unforeseen emergencies.

FINANCIAL IMPACT

N/A

RECOMMENDATION

Staff recommends the Board accept the FY2017 Annual Security Report as presented.

PROPOSED MOTION

I move that the Board accept the FY2017 Annual Security Report as presented.

Security Report FY 2016-17

Board Meeting – September 28, 2017

Karen Garcia
Security and Emergency Management Manager



Multi-Agency Security Team

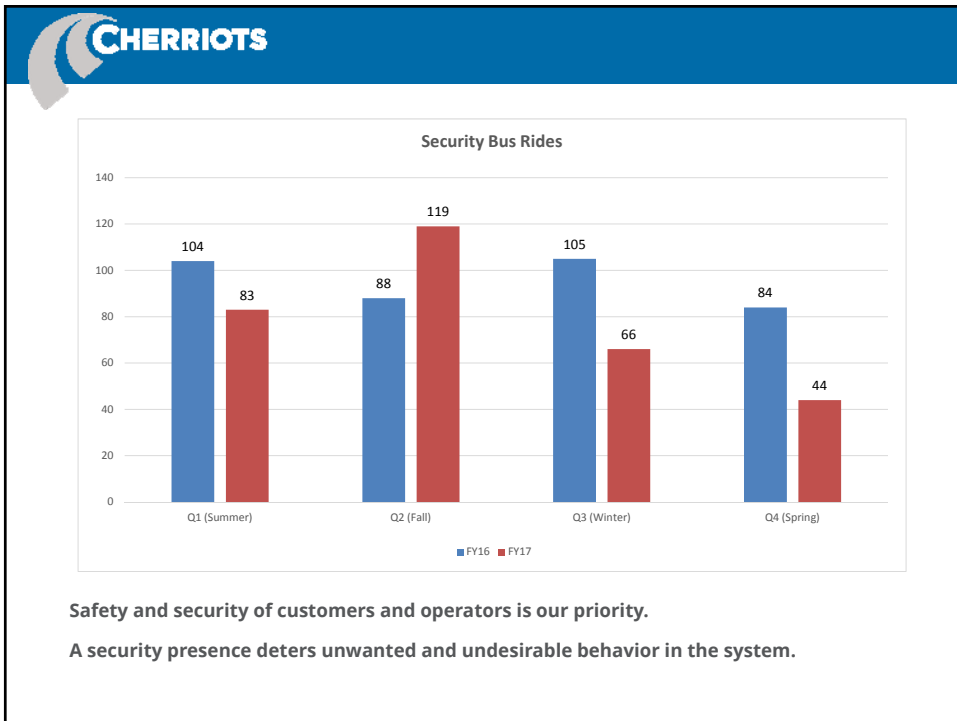
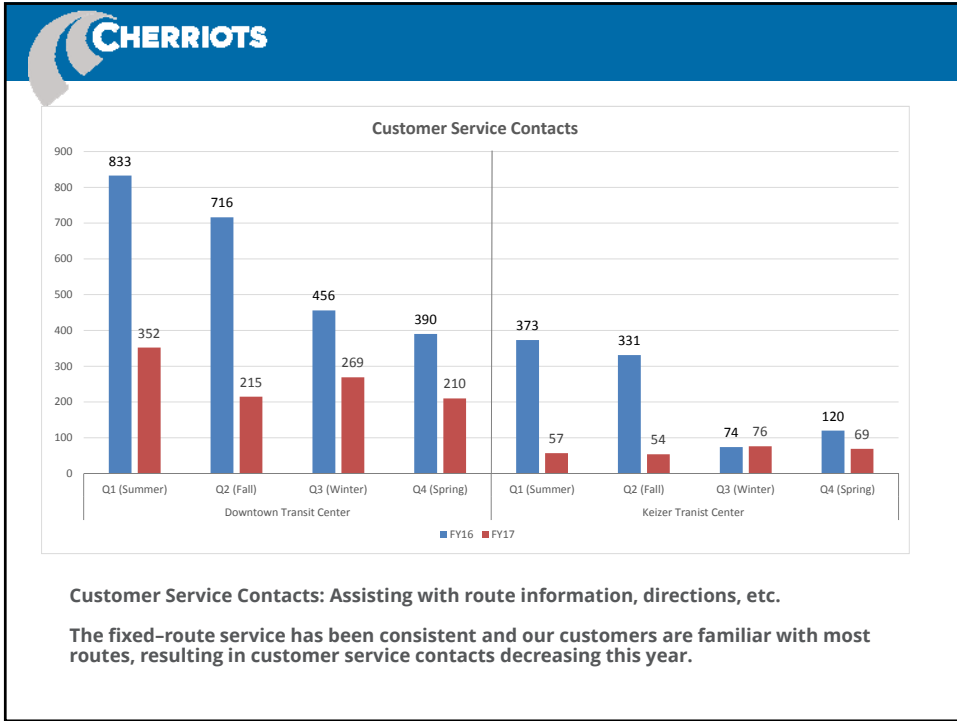


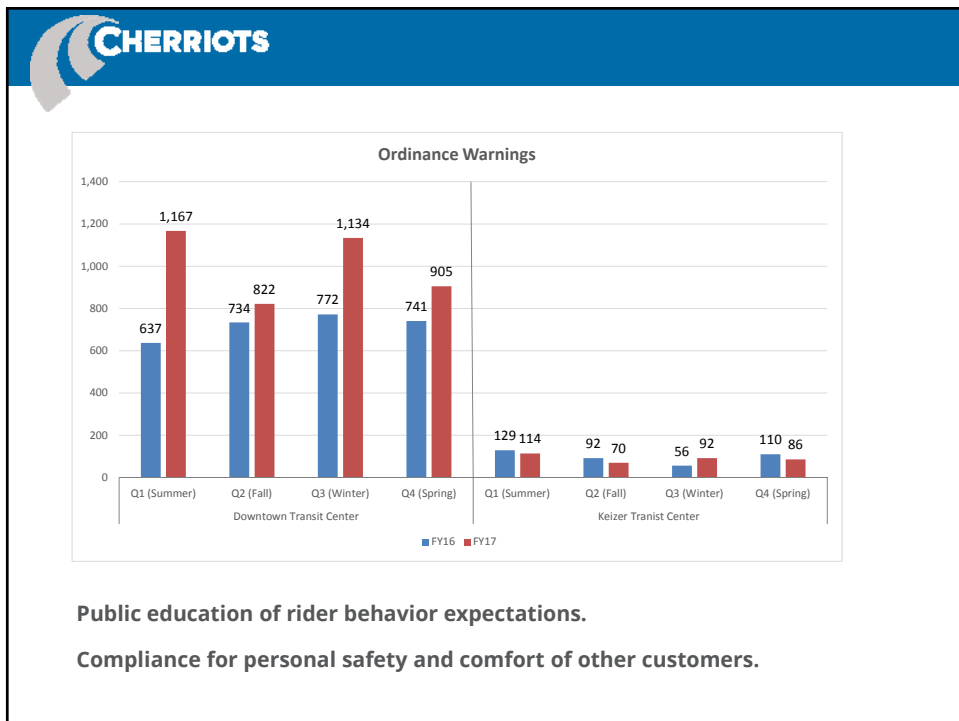
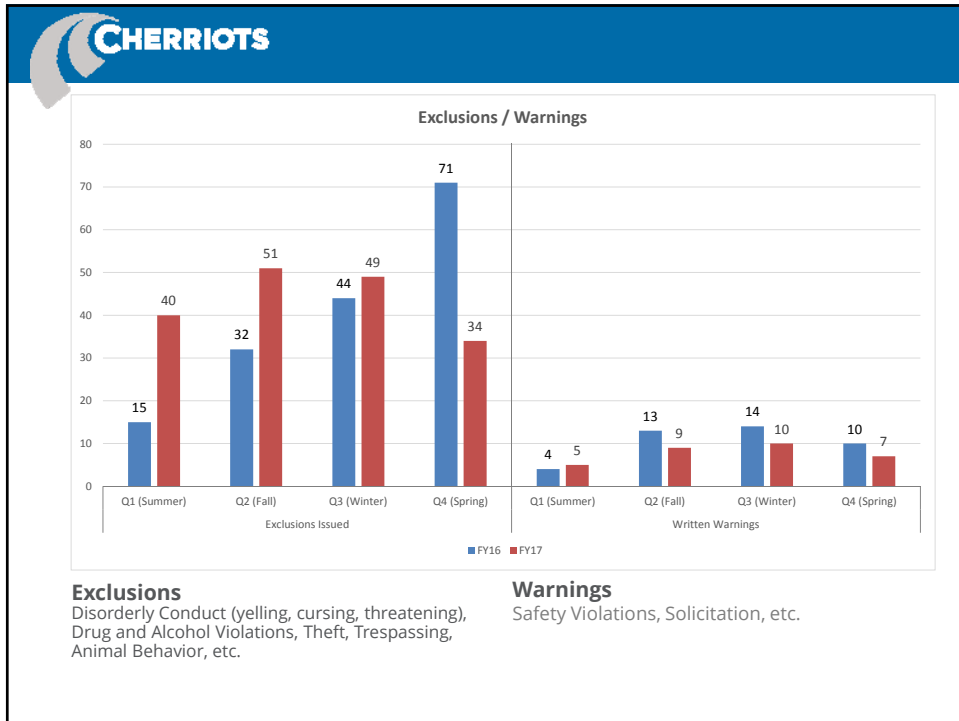


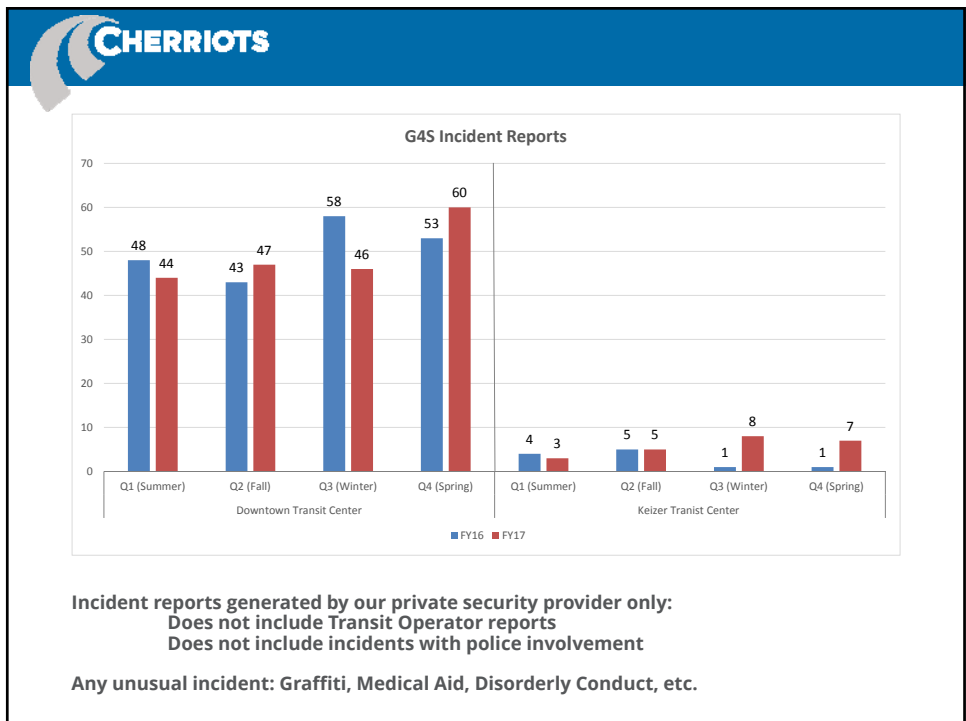
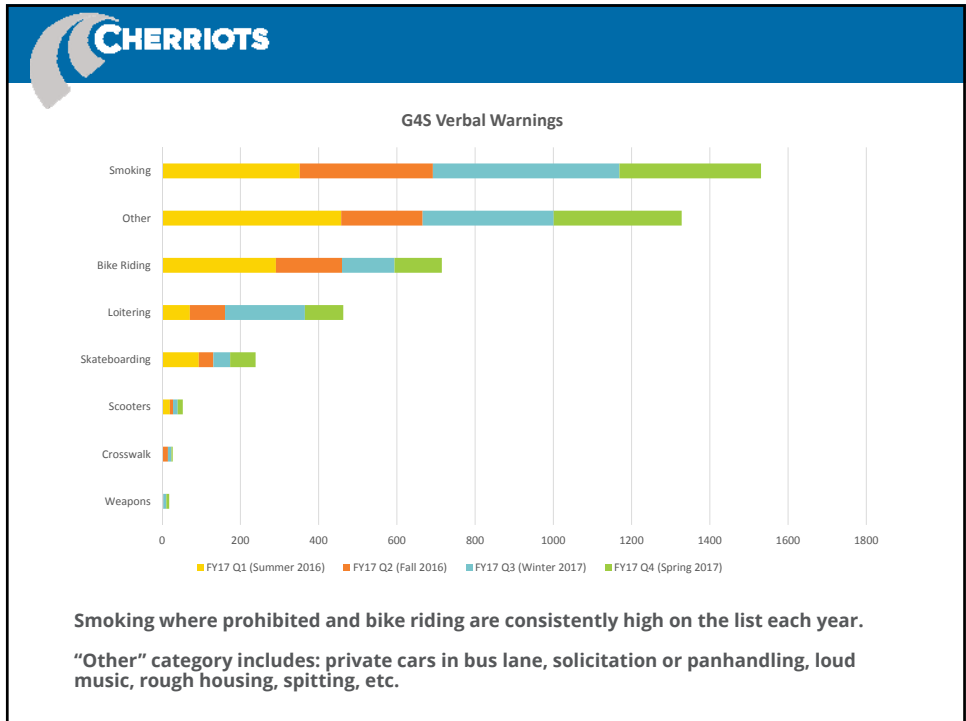
CHERRIOTS

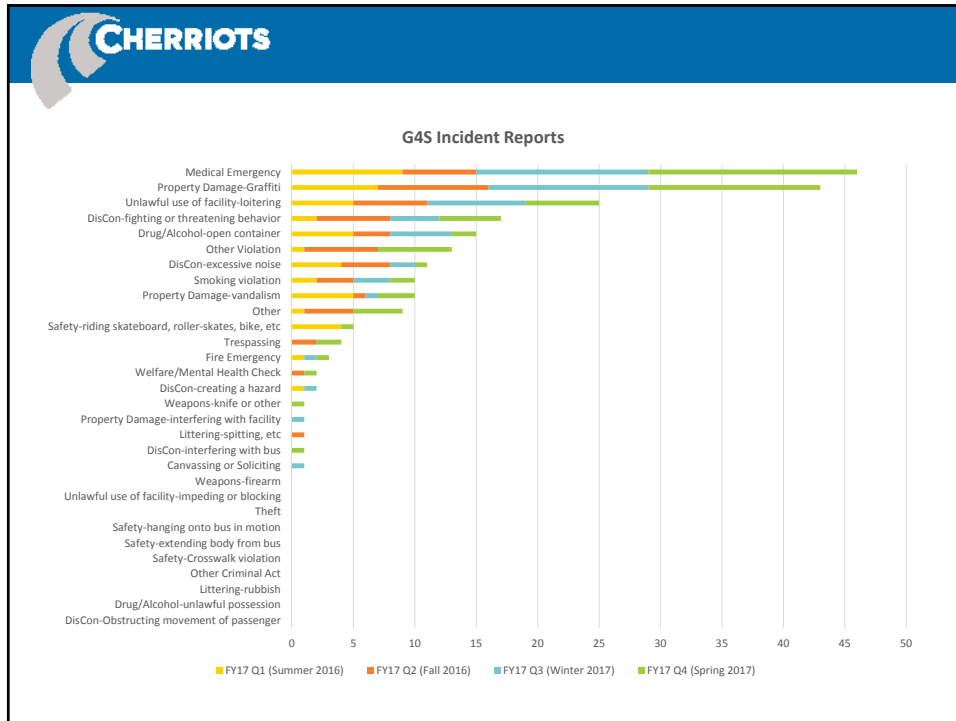
Security Team Responsibilities

- Provide information about Cherrlots services
- Respond to safety and security concerns
- Analyze security statistics and enhance public safety efforts
- Ensure a strong presence to discourage unwanted activities
- Develop policies and procedures which help to ensure the safety and security of people, facilities, and other assets
- Enforce codes and ordinances on all District properties
- Maintain a safe environment for all stakeholders



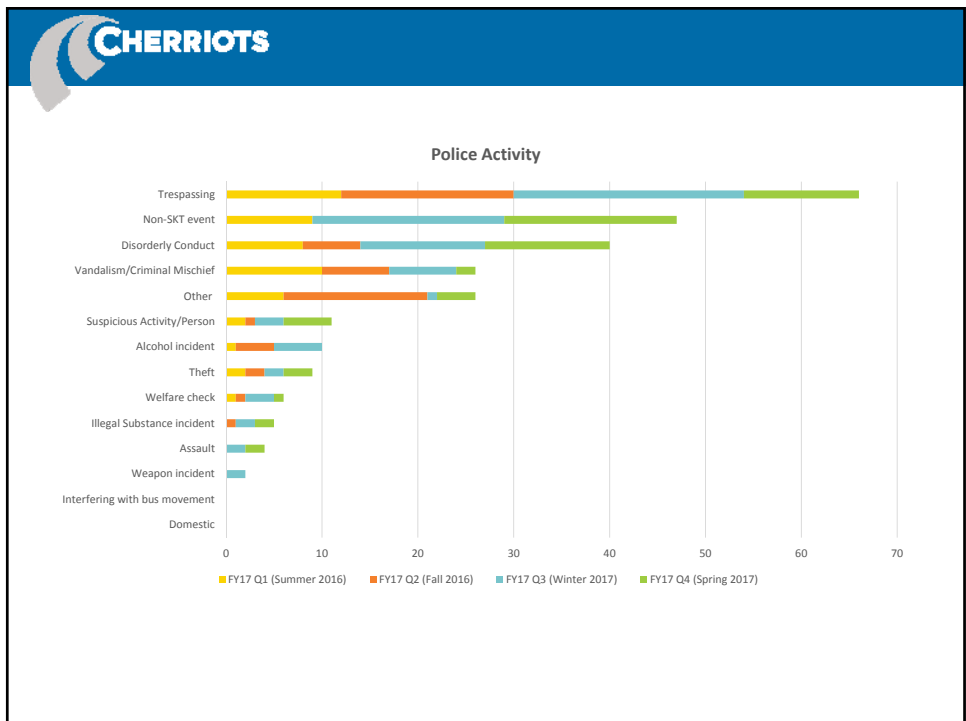
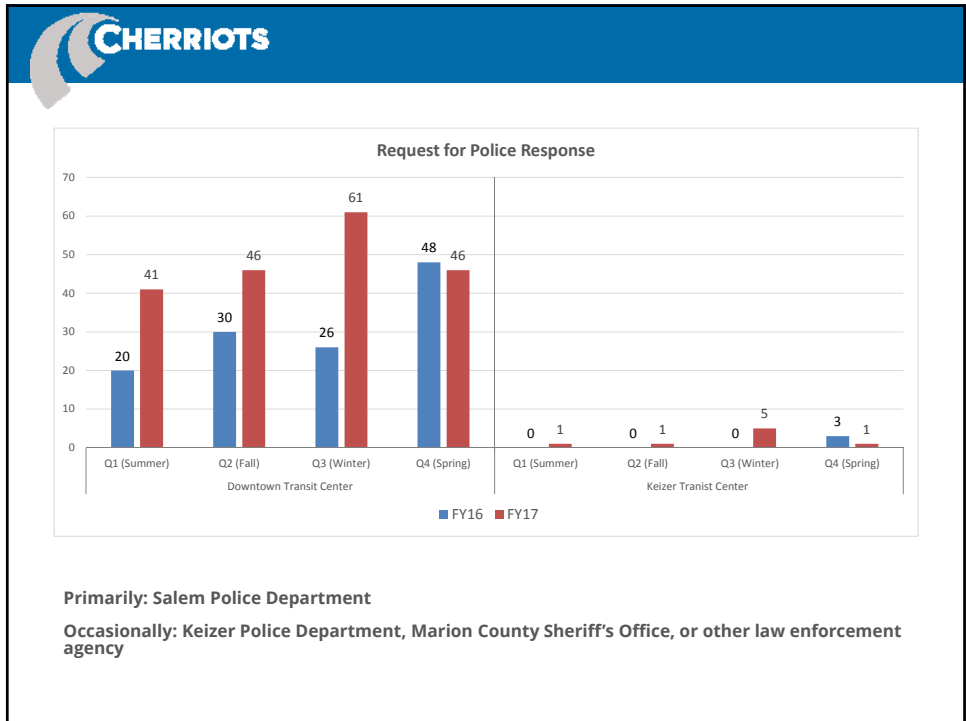






MOST COMMON INCIDENTS

- The top three types of incidents in FY2015-16 were graffiti, disorderly conduct and medical emergency
- In FY2016-17, the most common incidents were as follows:
 - Medical Emergency – up from 31 to 46
 - Graffiti – down from 48 to 43
 - Loitering – up from 9 to 25
- There was a significant increase in loitering. The extremely cold winter weather contributed to this violation





POLICE ACTIVITY

- For the past two fiscal years, the top three types of activities have remained the same:
 - Trespassing – up from 63 to 66
 - Non-Cherriots – 47 both years
 - Disorderly Conduct – up from 33 to 40



DISORDERLY CONDUCT – UNRULY OR UNWANTED BEHAVIOR

Unruly and threatening behavior: decreased this year from 73 total incidents to 57

Assaults: increased from 0 in FY2015-16 to 4 this year

- All occurred at the Downtown Transit Center
- All were between private citizens – except one incident, where a passenger spit on an operator



CHERRIOTS

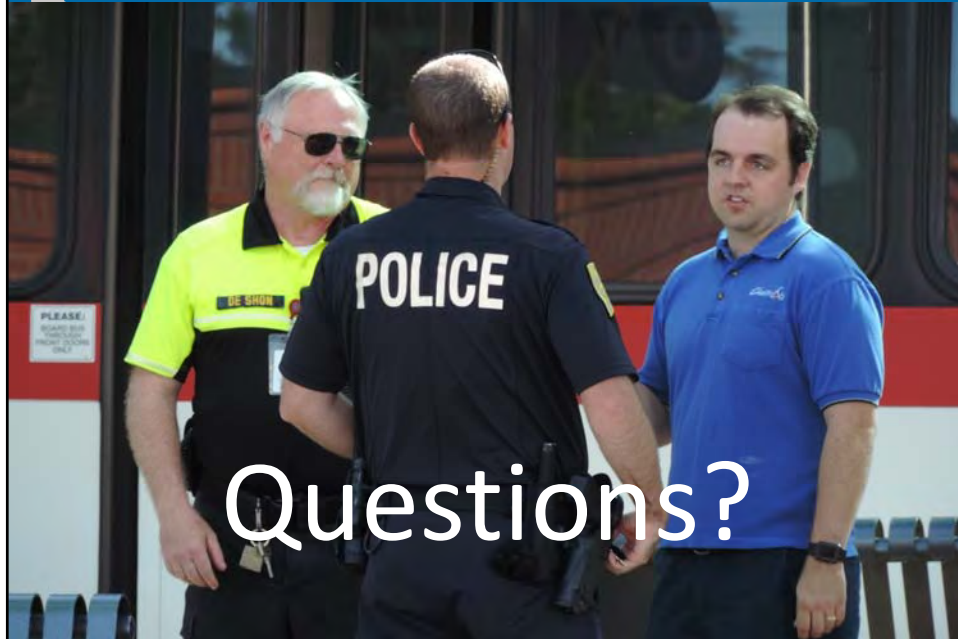
CONTINUOUS IMPROVEMENT

- Our Customer Education Campaign will increase rider awareness of behavior expectations throughout the system
- Cherrriots is currently developing a Continuity of Operations Plan
- Emergency Management efforts included activation of the EOC for the total solar eclipse



CONTINUOUS IMPROVEMENT

- An update to our Visitor Policy and our access badge designs will increase security and awareness for those within our secure spaces
- Offer operator and staff training on de-escalation techniques and how to avoid assaultive behavior





BOARD MEETING MEMO

Agenda Item H.3

MEMO TO: Board of Directors

FROM: Gregg Thompson, Maintenance Manager
David Trimble, Chief Operating Officer

THRU: Allan Pollock, General Manager

SUBJECT: SAMTD Fixed-Route Vehicle Acquisition

Issue

Shall the Board authorize the General Manager to execute a contract with Gillig LLC for the purchase of twelve (12) fixed-route transit vehicles for Cherriots fixed-route service for a not-to-exceed amount of \$6,700,883?

Background and Findings

SAMTD's current fleet for delivery of the fixed-route service consists of 64 ADA lift-equipped vehicles. Regular replacement of these vehicles is necessary to ensure safe, efficient delivery of this service. As part of the District's overall Capital Planning efforts, SAMTD staff is committed to ensure our vehicles are replaced at a schedule consistent with industry best practices. The 12 vehicles scheduled to be replaced are approaching 15 years of age, which far exceeds the 12-year Useful Life Benchmark set by the Federal Transit Administration.

The contract price is based upon a Washington State price agreement, procured under procedures set by the Washington Department of Transportation's Public Transit Division. In accordance with these procedures, SAMTD staff issued a formal request for quotes for heavy-duty Category A vehicles. Of the two (2) responses, Gillig Bus Sales was evaluated as the best value; in part, based on an expedited delivery schedule and the lowest cost per vehicle. The order will be for six (6) 40-foot and six (6) 35-foot vehicles.

Fiscal Impacts

Funding for this proposed contract is included under the Capital Projects Budget of SAMTD's Adopted FY 2017-18 Budget.

Vehicle Costs:

40-foot Vehicle – \$558,379

35-foot Vehicle – \$553,268



BOARD MEETING MEMO

Agenda Item H.3

Funding for the proposed contract is covered through several grant programs. Funds for the bus purchasing project are listed in the table below:

FUND SOURCE	FEDERAL PERCENTAGE	MATCH PERCENTAGE	GRANT AMOUNT	MATCH AMOUNT	TOTAL
FY17 5339 Formula	80%	20%	\$ 666,565	\$ 166,641	\$ 833,206
FY14-16 5339	80%	20%	\$ 1,943,528	\$ 485,882	\$ 2,429,410
STP FY10	89.73 %	10.27%	\$ 292,508	\$ 33,479	\$ 325,987
STP FY16	89.73%	10.27%	\$ 2,055,547	\$ 235,267	\$ 2,290,814
5307 FY16	80%	20%	\$ 949,324	\$ 237,331	\$ 1,186,655
Total Funding Available			\$5,907,472	\$1,158,600	\$7,066,071*

**Remaining funds will be carried over to the next vehicle purchase.*

Recommendation

Staff recommends that the Board authorize the General Manager to execute a contract with Gillig LLC for the purchase of twelve (12) fixed-route transit buses for Cherriots fixed- route service for a not-to-exceed amount of \$6,700,883.

Proposed Motion

I move the Board authorize the General Manager to execute a contract with Gillig LLC for the purchase of twelve (12) fixed route transit buses for Cherriots fixed route service for a not-to-exceed amount of \$6,700,883.



BOARD MEETING MEMO

Agenda Item H.4

To: Board of Directors

From: Tanya DeHart, Chair
Special Transportation Fund Advisory Committee

Thru: Allan Pollock, General Manager

Date: September 28, 2017

Subject: Approval of the Reallocation of FY13-15 STF Funds

ISSUE

Shall the Board approve the recommendation of the Special Transportation Fund Advisory Committee (STFAC) to reallocate \$655 in STF funds from the City of Silverton to the City of Woodburn?

BACKGROUND AND FINDINGS

The Oregon Department of Transportation (ODOT) allocates STF dollars every two years to agencies designated by State statute to receive the funds that are primarily used for transportation for seniors and individuals with disabilities. The Board is the STF Agency designated by State Statute to distribute STF dollars to agencies throughout Marion and Polk Counties.

In the 2013-2015 biennium, the Board approved a STF grant allocation of \$5,000 to the City of Silverton for the purchase of scheduling software and a transit shelter at the city's senior center. However, the cost for the software was higher than anticipated (\$4,345), and the City decided not to have a shelter at the senior center, which would have been served by the Silver Trolley Dial-a-Ride service. These funds were allocated over three years ago, and the remainder of this grant (\$655) is going back to the STF agency to be reallocated based on the current set of priorities. Table 1 below displays the priorities set by the STFAC in February, 2017 for the new biennium (2017-2019) STF grant funds.

Table 1. Priorities for STF grant funds set by the STFAC in February, 2017

Rank	Applicant	Grant	Description	Requested Amount	Awarded Amount (To Date)
1	SAMTD	STF	Operations (CARTS, CherryLift, RED Line), grant match and contingency	\$ 1,489,898	\$ 1,489,898
2	City of Woodburn	STF	Woodburn Transit System Services	\$ 439,000	\$ 410,000
3	City of Silverton	STF	Silver Trolley, 5311 Match	\$ 40,000	\$ 33,000
4	Salem Health West Valley Foundation	STF	Connections Van providing medical transportation	\$ 61,484	\$ 45,000
5	City of Woodburn	STF	Woodburn Vehicle Replacement	\$ 37,489	\$ -
6	Salem Health	STF	Salem Health Medical Transportation Coordinator	\$ 82,335	\$ -
7	Partnerships in Community Living, Inc.	STF	New Vehicle Purchase for Disability Supports and Services	\$ 54,216	\$ -
Total 2017-19 Marion-Polk Counties STF Allocation					\$ 1,977,898

A copy of the meeting minutes from the September 5, 2017 STFAC meeting is included as Appendix A to show the approval of the committee’s recommendation to the Board for the reallocation of \$655 to the City of Woodburn which was the number two priority service identified by the STFAC in their recommendation for 2017-2019 biennium funds.

FINANCIAL IMPACT

None.

RECOMMENDATION

The STFAC recommends the Board approve the reallocation of \$655 in STF funds from the City of Silverton to the City of Woodburn.

PROPOSED MOTION

I move the Board approve the reallocation of \$655 in STF funds from the City of Silverton to the City of Woodburn, as recommended by the STFAC.

**Salem Area Mass Transit District
Special Transportation Fund Advisory Committee
Tuesday, September 5, 2017
Courthouse Square - Senator Hearing Room
555 Court St NE, Salem, Oregon 97301**

A. CALL TO ORDER & NOTE OF ATTENDANCE:

Tanya DeHart called the meeting to order at 3:00 p.m. with a quorum present.

MEMBERS PRESENT:

Tanya DeHart, Chair; Ron Harding, Vice Chair; Marja Byers; Jean Sherbeck; Sharon Heuer; Emily Broussard

MEMBERS ABSENT:

Sherena Meager-Osteen

STAFF:

Chris French, Senior Planner; SueAnn Coffin, Contracted Transportation Manager; Melissa Kidd, Mobility Coordinator; Steve Dickey, Director of Transportation Development; Allan Pollock, General Manager; Jolynn Franke, Administrative Assistant, Transportation Development

SAMTD BOARD LIAISON:

Jerry Thompson, SAMTD Board of Directors; Colleen Busch, SAMTD Board of Directors

PROVIDERS:

Kathy McClaskey, City of Woodburn

GUESTS:

Erick Lutz, Social Worker, Kaiser Permanente

B. PUBLIC COMMENT:

Erik Lutz is a Social Worker with Kaiser Permanente and works with many seniors who live outside the Urban Growth Boundary (UGB) and do not have access to affordable transportation into the urban areas. Erik is very interested in seeing or helping with a solution to this transportation gap that would allow access to appointments, grocery shopping and social activities for these individuals.

C. ANNOUNCEMENTS:

1. Director Thompson introduced himself as the primary SAMTD Board of Directors contact for the Special Transportation Fund Advisory Committee (STFAC) and introduced Director Busch as the alternate contact. Directors Thompson and Busch will plan to attend the STFAC meetings as they are available to do so.

D. APPROVAL OF MEETING MINUTES – March 7, 2017

Marja Byers motioned to approve the April 4, 2017 STFAC meeting minutes as written. Jean Sherbeck seconded the motion and the motion passed unanimously among voting members.

E. ACTION ITEMS:

1. **Develop a recommendation to the SAMTD Board of Directors for re-allocation of \$655.00 (2013-2015 Biennium STF dollars) from City of Silverton [Tanya DeHart].**

Tanya DeHart led STFAC members in a discussion as to where the \$655.00 carried over from the 2013-2015 STF biennium should be re-allocated. The recommendation from Cherriots staff is to re-allocate the funds to the City of Woodburn, which was the number two priority service identified by the STFAC in their recommendation for 2017-2019 biennium funds to the SAMTD Board of Directors in February of this year.

Ron Harding motioned to recommend to the SAMTD Board of Directors that the \$655.00 of STF dollars from the 2013-2015 biennium be re-allocated to the City of Woodburn. Marja Byers seconded the motion. The motion passed unanimously among voting members.

F. DISCUSSION ITEMS:

1. **House Bill 2017 creates State Transportation Improvement Fund (STIF); plans developing for service enhancements [Steve Dickey].**

Steve Dickey provided the following information on House Bill 2017: House Bill 2017 is the largest transportation bill ever passed in Oregon and will help fund the full spectrum of transportation modes throughout the State, including public transportation in both urban and rural areas. These funds will provide an opportunity to address transportation needs

that are currently unmet as they are to be used to fund new services, especially for those in lower income brackets.

The Oregon Transportation Commission (OTC), along with representatives from all transportation modes, has begun the rule making process for this bill. The rule making process will determine the specifics for such things as:

- the application and approval processes
- requirements for the formation of an advisory committee that will review projects and make recommendations for funding
- what, if any, other types of services could qualify for funding
- definitions of terms, such as what constitutes new service and what is considered to be inter-city service

The rule making process is scheduled to conclude by July of 2018.

Applications for the 90 percent formula funds will be due in September of 2018 with approval slated for November of 2018. These applications will need to be for new services, not to fund existing services. The 90 percent formula funds will become available in January 2019 as collection of revenues will begin in July of 2018. These funds will be reflective of the taxes collected in respective areas, with a minimum annual amount of \$100,000. The application process will take place each year and will validate whether agencies are meeting the requirements of the bill.

The remaining 10 percent will be divided between two discretionary programs and technical support services. Five percent will go to public transportation providers based on a competitive grant program for more innovative projects; four percent will go to public transportation providers to improve inter-city connections; and one percent will be used to provide technical support. These funds will become available in July of 2019.

Cherriots staff members are working on a preliminary proposal to take to the public for feedback in early 2018. The proposal will include weekend service, holiday service, and later evening service as well as improvements to regional services. Cherriots plans to begin hiring a number of new staff, especially operators, in order to be ready to implement these types of services changes, possibly as early as January 2019. Cherriots staff feels that these funds will provide a good opportunity for a fresh look forward

at what makes the best sense for the communities in the Cherriots service area.

2. Ridership Comparison Reports: Cherriots Regional, Cherriots LIFT & Cherriots Shop & Ride 2016-2017, Quarters 1 & 2 [Chris French].

Ridership was down in quarters one and two for all Cherriots services, not just Cherriots Regional. The drop in quarter two can largely be contributed to the major service changes that took place in May of this year, which is a common trend in public transportation. However, the numbers coming in for July of this year are showing that ridership is trending back up.

Cherriots Shop & Ride (formerly RED Line) has seen a significant increase in ridership due to recent promotions of this service. Also, there were some significant changes made to where the service goes between 2016 and 2017 that have had a positive impact on ridership numbers. Cherriots Shop & Ride buses are often at capacity due to the number of passengers and/or the distances traveled in each trip. The dial-a-ride service is experiencing very little down time and is usually due to last minute cancellations. The booking window for dial-a-ride is currently at two weeks out.

Cherriots LIFT (formerly CherryLift) is seeing decreases in ridership largely due to the federally regulated application process; many individuals are choosing not to reapply for eligibility. SueAnn Coffin expects the decline in ridership to level out as the current reapplication cycle comes to an end this year. The application process also includes an in-person interview which not only helps determine eligibility, but provides an opportunity to educate applicants on how to use all Cherriots services to best meet their needs.

Capacity is a non-issue for the Cherriots LIFT service because, if an individual qualifies for this service, Cherriots LIFT is required to provide them with a ride under ADA para-transit service regulations. Qualifications are based on an individual's functioning capabilities. There is also a qualification for conditional eligibility which allows individuals who do not qualify for full use of the service based on federal requirements to still use the service under certain conditions. The average cost per ride, round trip, on Cherriots LIFT is approximately \$60.00. Because ADA para-transit

service is an un-funded federal mandate, it is important to ensure that it is being used by those who really need it versus those who could be using the already ADA accessible fixed route services.

3. Provider Updates:

Kathy McClaskey from the City of Woodburn provided an update on Woodburn Transit. Ridership is currently up for Woodburn Transit by 1,579 rides. Kathy has recently done outreach events at Senior Estates and apartment complexes around the city. She handed out free passes at these events and has seen many of those being used.

The new Cherriots Regional schedules have been posted in the appropriate shelters in the Woodburn area; however, Woodburn Transit received some phone calls from riders who are confused about the name change from CARTS. Cherriots staff will work on getting some signage made for those stops in Woodburn to help alleviate the confusion.

4. Roundtable Topics: None

G. ADJOURN: The meeting adjourned at 3:47 p.m.

Recorded by: Jolynn Franke, Administrative Assistant, Transportation Development Division

NEXT MEETING:

Tuesday, October 3, 2017; 3:00 - 4:30 PM

Courthouse Square Building, Senator Hearing Room

555 Court St NE, Salem, OR 97301



BOARD MEETING MEMO

Agenda Item I.1

To: Board of Directors

From: Matt Berggren, Transit Planner II
Chris French, Senior Planner

Thru: Allan Pollock, General Manager

Date: September 28, 2017

Subject: FY17 Annual Performance Report

ISSUE

Shall the Board receive the Fiscal Year 2017 Annual Performance Report?

BACKGROUND AND FINDINGS

The annual performance report has two purposes: to report on the performance of the Cherriots system over the course of the fiscal year, and to offer insight that can be used by Cherriots staff to develop future service plans.

This Fiscal Year 2017 (FY17) Performance Report (see Attachment A) covers data from July 1, 2016 through June 30, 2017. Data from FY17 is compared to that of FY16 at the service level. At the route level, a snapshot of the service is provided using data from April 2017.

Data in this report includes total and daily average revenue hours, revenue miles, boardings; productivity; and on-time performance. Sources of data include adjusted Trapeze schedules, vehicle fareboxes, and reservation software (RouteMatch and Mobility DR).

The information reported in this document will be combined with other demographic data and public outreach to develop a needs assessment. This performance report is most helpful for identifying routes that are not productive and routes that are unreliable. Once the needs assessment is complete, staff will begin working on a service plan to address unmet needs given available funding.

Service Overviews

Cherriots Local

Includes local fixed-route, local express routes, Qualified Human Service Organization (QHSO) routes, and the West Salem Connector.

Revenue Hours - Up 5.5% (+34 Revenue Hours / Day)

Revenue Miles - Up 2.8% (+220 Revenue Miles / Day)

Boardings - Down 1.0% (+118 Boardings / Day)

Cherriots Regional

Includes regional express routes and regional flex zones.

Revenue Hours - Up 6.6% (+6 Revenue Hours / Day)

Revenue Miles - Down 0.1% (-2 Revenue Miles / Day)

Boardings - Down 10.5% (-67 Boardings / Day)

Cherriots Shop and Ride

Includes Dial-a-Ride and Shopper Shuttle.

Revenue Hours - Up 14.9% (+2 Revenue Hours / Day)

Revenue Miles - Up 26.5% (+42 Revenue Miles / Day)

Boardings - Up 16.9% (+5 Boardings / Day)

Cherriots LIFT

Paratransit

Revenue Hours - Down 0.9% (-2 Revenue Hours / Day)

Revenue Miles - Down 2.2% (-67 Revenue Miles / Day)

Boardings - Down 5.2% (-30 Boardings / Day)

FINANCIAL IMPACT

Information item only.

RECOMMENDATION

Information item only.

PROPOSED MOTION

Information item only.



FY17 ANNUAL PERFORMANCE REPORT

JULY 2016 - JUNE 2017

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Introduction

The annual performance report has two purposes: to report on the performance of the Cherriots system over the course of the fiscal year, and to offer insight that can be used by Cherriots staff to develop future service plans.

This Fiscal Year 2017 (FY17) Performance Report covers data from July 1, 2016 through June 30, 2017. At the service level, data from all of FY17 is compared to that of FY16. At the route level, a snapshot of the service is provided using data from April 2017.

Data included in this report includes total and daily average revenue hours, revenue miles, boardings; productivity; and on-time performance. Sources of data include adjusted Trapeze schedules, vehicle fareboxes, and reservation software (RouteMatch and Mobility DR).

Services

Service-level data is reported below from the entire span of FY17. Most data is compared to FY16 to show trends between fiscal years. The services are comprised of the following:

- **Local** includes local-fixed route service, qualified human service organization routes, and the West Salem Connector.
- **Regional** includes regional express routes and all demand-responsive regional service.
- **Shop and Ride** includes both the dial-a-ride service and the shopper shuttle service for seniors and people with disability in the Salem-Keizer Urban Growth Boundary.
- **LIFT** is the paratransit service provided in the Salem-Keizer Urban Growth Boundary.

Total Revenue Hours, Revenue Miles, and Boardings

Total revenue hours, revenue miles, and boardings from FY16 and FY17 by service are presented in Table 1.

Table 1. Total Revenue Hours, Revenue Miles, and Boardings by Service

Service	Revenue Hours		Revenue Miles		Boardings	
	FY16	FY17	FY16	FY17	FY16	FY17
(Service Days)	255	253	255	253	255	253
Local	156,958	164,301	2,004,511	2,044,526	2,953,880	2,900,817
Regional	22,605	23,912	524,862	520,177	162,656	144,462
Shop and Ride	4,108	4,684	40,691	51,085	7,852	9,107
LIFT	62,444	61,380	775,475	752,523	149,729	140,875
<i>Total</i>	246,115	254,277	3,345,539	3,368,311	3,274,117	3,195,261

Average Revenue Hours, Revenue Miles, and Boardings

In Table 2, average daily revenue hours, revenue miles, and boardings are displayed, as well as average boardings per revenue hour.

Table 2. Average Revenue Hours, Revenue Miles, and Boardings by Service

Service	Revenue Hours / Day			Revenue Miles / Day		
	FY16	FY17	% Change	FY16	FY17	% Change
Local	615.5	649.4	5.5%	7,860.8	8,081.1	2.8%
Regional	88.6	94.5	6.6%	2,058.3	2,056.0	-0.1%
Shop and Ride	16.1	18.5	14.9%	159.6	201.9	26.5%
LIFT	244.9	242.6	-0.9%	3,041.1	2,974.4	-2.2%
<i>Total</i>	965.2	1,005.0	4.1%	13,119.8	13,313.5	1.5%
Service	Boardings / Day			Boardings / Revenue Hour		
	FY16	FY17	% Change	FY16	FY17	% Change
Local	11,583.8	11,465.7	-1.0%	18.8	17.7	-6.2%
Regional	637.9	571.0	-10.5%	7.2	6.0	-16.0%
Shop and Ride	30.8	36.0	16.9%	1.9	1.9	1.7%
LIFT	587.2	556.8	-5.2%	2.4	2.3	-4.3%
<i>Total</i>	12,839.7	12,629.5	-1.6%	—	—	—

Local

Average daily revenue hours are up 5.5% and revenue miles are up 2.8%. There are three major factors for these increases: the addition of a round trip on Route 1X in March 2016, the introduction of Route 15X in June 2016, and the splitting of crosstown routes and addition of runtime to help with on-time performance in January 2017.

Average daily boardings are down 1.0%. This is considerably less than the 11.4% drop experienced between FY15 and FY16. That being said, boardings per revenue hour are still down 6.2%. This is a result of the increased revenue hours.

Regional

Average daily revenue hours are up 6.6%, and average daily revenue miles are holding steady. The increase of revenue hours is a result of extra time added to routes in September 2016 to increase on-time performance.

Average daily boardings are down 10.5%. This is slightly better than the 15.0% drop experienced between FY15 and FY16, but generally continues the trend of drops in ridership on the regional system.

Shop and Ride

Average daily boardings on the Shop and Ride service increased from 30.8 to 36.0 (+16.9%). There was a corresponding increase in revenue hours (+14.9%) and revenue miles (+26.5%) due to the demand-responsive nature of the service. Boardings per revenue hours increased by 1.7%, meaning there was a slight increase in efficiency.

LIFT

Average daily boardings on LIFT decreased 5.2%. This continues a trend seen since the introduction of the ADA Eligibility and Assessment Program. There was also a corresponding decrease in revenue hours (-0.9%) and revenue miles (-2.2%) due to the demand-responsive nature of the service. Boardings per revenue hours decreased by 4.3%, meaning the service became less efficient.

On-Time Performance

The preferred way to measure on-time performance is by comparing the scheduled departure time to the observed departure time at every time point along a route. Unfortunately, until Cherriots procures CAD/AVL, staff is unable to measure on-time performance this precisely.

As a proxy, staff is using the end-of-route on-time performance as a proxy. Throughout April 2017, staff measured arrival times of routes at the Downtown Transit Center and Keizer Transit Center. Staff compared observed arrival times to scheduled arrival times. Buses that arrived up to five minutes later than their scheduled arrival time were considered “on time.” Everything else was considered “late.”

The percent of trips that were on time are reported in Table 3. Measures are shown by service type and time period. Overall, the Cherriots services are meeting the system wide goal of 85% on time overall and 75% on time during the PM peak (2-6:59 p.m.)

Table 3. On-Time Performance by Service

Service	AM	Mid	PM	Eve	Overall
Local	93%	96%	86%	95%	92%
Regional	95%	—	84%	75%	87%

Route Snapshots

It is difficult to evaluate performance on the route level using data from the entire fiscal year due to seasonal fluctuations and triannual service changes. As a result, staff have created route snapshots using data from April 2017 as a proxy for fiscal year performance.

Note: Staff have not included contracted regional routes in this report as we are currently unable to verify data from our contractor.

Revenue Hours, Revenue Miles, and Boardings

In Table 4 below are the revenue hours, revenue miles, and boardings for each route.

Table 4. Daily Averages by Route

	Route	Daily Averages		
		Revenue Hours	Revenue Miles	Boardings
1X	<i>Wilsonville / Salem Express</i>	9.9	319.9	150.0
2	<i>Market / Brown</i>	54.1	683.8	1,331.7
2X	<i>Grand Ronde / Salem Express</i>	15.2	524.3	65.6
3	<i>Portland Road</i>	30.0	351.4	745.0
4	<i>State Street</i>	15.3	150.9	305.0
5	<i>Center Street</i>	56.7	648.7	1,143.5
6	<i>Mission / Fairview Industrial</i>	21.7	340.9	274.4
7	<i>Mission / Hawthorne</i>	15.7	205.0	290.1
8	<i>12th / Liberty via Red Leaf</i>	23.2	308.7	440.8
9	<i>Cherry / River Road</i>	30.8	455.3	471.0
11	<i>Lancaster / Verda</i>	90.0	1,176.1	2,148.3
12	<i>Haysville Drive</i>	14.9	159.9	86.6
13	<i>Silverton Road</i>	24.4	291.7	459.1
14	<i>Windsor Island</i>	15.4	226.7	93.7
15X	<i>Airport Rd Park & Ride Express</i>	20.2	208.0	135.2
16	<i>Wallace Road</i>	10.4	110.6	129.8
17	<i>Edgewater / Gerth</i>	48.7	464.1	636.3
18	<i>12th / Liberty via Lone Oak</i>	23.0	313.7	392.7
19	<i>Broadway / River Road</i>	58.1	701.3	1,418.4
21	<i>South Commercial</i>	55.1	682.4	1,362.1
22	<i>Library Loop</i>	6.2	60.4	54.5
23	<i>Lansing / Hawthorne</i>	14.9	193.0	131.7
24	<i>State / Lancaster</i>	15.3	177.6	291.9
WSC	<i>West Salem Connector</i>	15.0	192.7	61.3

Productivity

Cherriots uses boardings per revenue hour in April to measure a route's productivity. Routes are listed in Table 5 by route type. Each route type has a target boardings per revenue hours, and all routes not meeting their target are highlighted in red.

Table 5. Boardings per Revenue Hour by Route and Route Type

Route	Boardings / Revenue Hour
CORRIDOR	
3 Portland Road	24.8
21 South Commercial	24.7
2 Market / Brown	24.6
19 Broadway / River Road	24.4
11 Lancaster / Verda	23.9
5 Center Street	20.2
TARGET = 20.0	
4 State Street	19.9
24 State / Lancaster	19.1
8 12th / Liberty via Red Leaf	19.0
13 Silvertown Road	18.8
7 Mission / Hawthorne	18.5
18 12th / Liberty via Lone Oak	17.1
9 Cherry / River Road	15.3
17 Edgewater / Gerth	13.1
6 Mission / Fairview Industrial	12.6
16 Wallace Road	12.5
15X Airport Rd Park & Ride Express	6.7
NEIGHBORHOOD SHUTTLE	
TARGET = 10.0	
22 Library Loop	8.8
23 Lansing / Hawthorne	8.8
14 Windsor Island	6.1
12 Haysville Drive	5.8
WSC West Salem Connector	4.1
REGIONAL EXPRESS	
1X Wilsonville / Salem Express	15.2
TARGET = 10.0	
2X Grand Ronde / Salem Express	4.3

On-Time Performance

As mentioned earlier, staff is using the end-of-route on-time performance from data collected in April 2017 as a proxy for a route's reliability. The percent of trips that were on time are reported in Table 6. Measures are shown by time period and overall. Cells are highlighted in red when a route is not meeting its target for that time period.

Table 6. End-of-Route On-Time Performance

	Route	End-of-Route On-Time Performance				
		AM	Mid	PM	Eve	Overall
	TARGET	85%	85%	75%	85%	85%
1X	<i>Wilsonville / Salem Express</i>	88%	—	85%	—	86%
2	<i>Market / Brown</i>	86%	96%	76%	100%	87%
2X	<i>Grand Ronde / Salem Express</i>	100%	—	83%	75%	88%
3	<i>Portland Road</i>	100%	97%	76%	100%	91%
4	<i>State Street</i>	89%	100%	100%	100%	98%
5	<i>Center Street</i>	100%	98%	98%	100%	99%
6	<i>Mission / Fairview Industrial</i>	100%	100%	93%	100%	98%
7	<i>Mission / Hawthorne</i>	100%	93%	53%	100%	82%
8	<i>12th / Liberty via Red Leaf</i>	100%	100%	67%	100%	89%
9	<i>Cherry / River Road</i>	76%	97%	70%	100%	83%
11	<i>Lancaster / Verda</i>	78%	89%	83%	78%	84%
12	<i>Haysville Drive</i>	100%	100%	100%	100%	100%
13	<i>Silverton Road</i>	100%	100%	87%	100%	96%
14	<i>Windsor Island</i>	100%	97%	93%	100%	97%
15X	<i>Airport Rd Park & Ride Express</i>	—	—	—	—	—
16	<i>Wallace Road</i>	82%	100%	100%	100%	96%
17	<i>Edgewater / Gerth</i>	100%	97%	98%	100%	98%
18	<i>12th / Liberty via Lone Oak</i>	89%	100%	87%	100%	93%
19	<i>Broadway / River Road</i>	100%	98%	89%	89%	95%
21	<i>South Commercial</i>	100%	88%	95%	100%	94%
22	<i>Library Loop</i>	100%	97%	83%	83%	93%
23	<i>Lansing / Hawthorne</i>	100%	100%	53%	100%	84%
24	<i>State / Lancaster</i>	100%	87%	87%	100%	91%
WSC	<i>West Salem Connector</i>	—	—	—	—	—

Conclusions

The information reported in this document will be combined with other demographic data and public outreach to develop a needs assessment. This performance report is most helpful for identifying routes that are not productive and routes that are unreliable. Once the needs assessment is complete, staff will begin working on a service plan to address unmet needs given available funding.

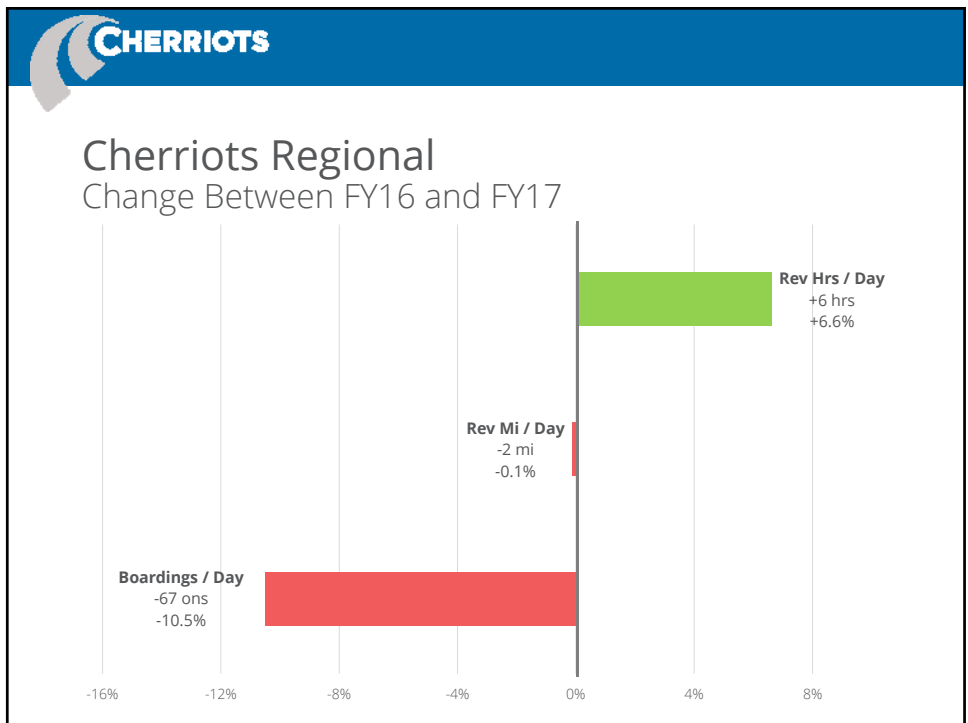
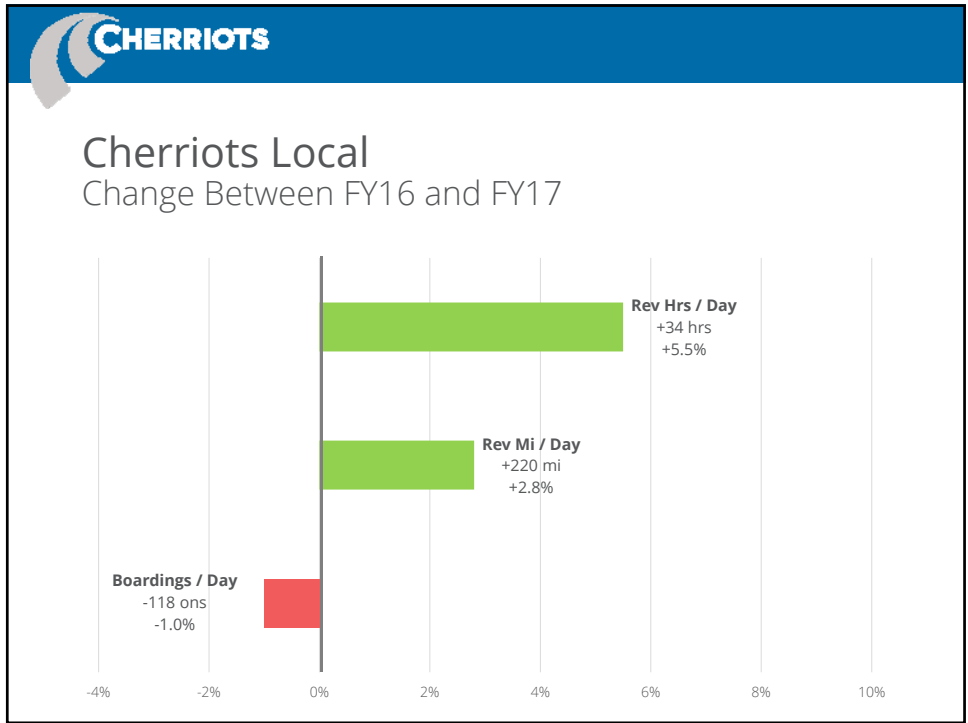
FY17 Annual Performance Report

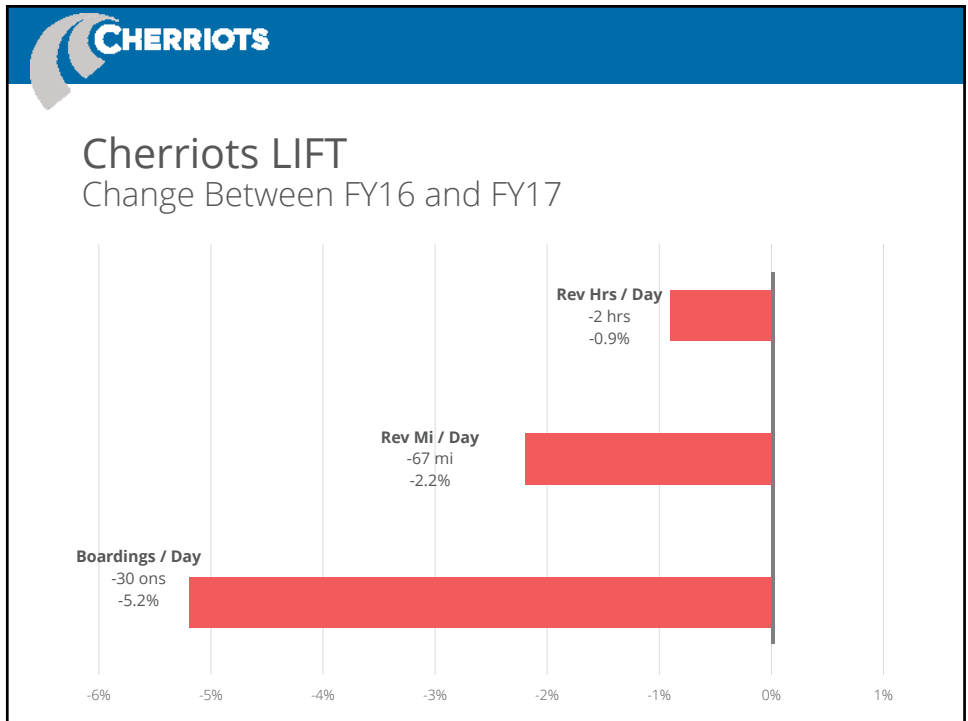
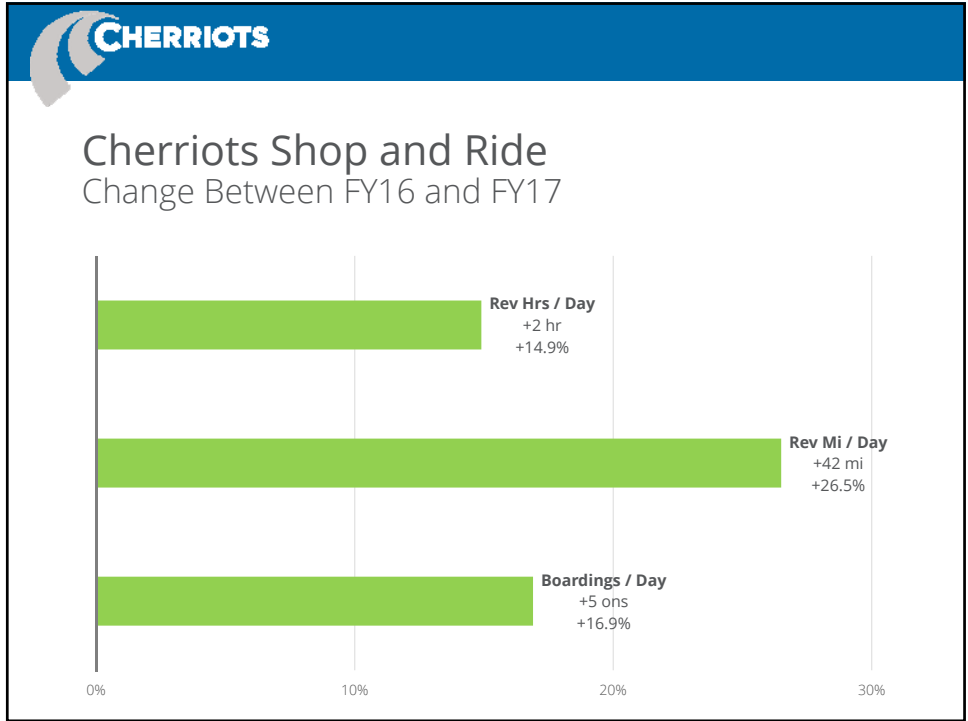
July 2016-June 2017



Services Overview

FY16 to FY17







On-Time Performance

End-of-Route Samples from April 2017

Local

92% on time

Regional*

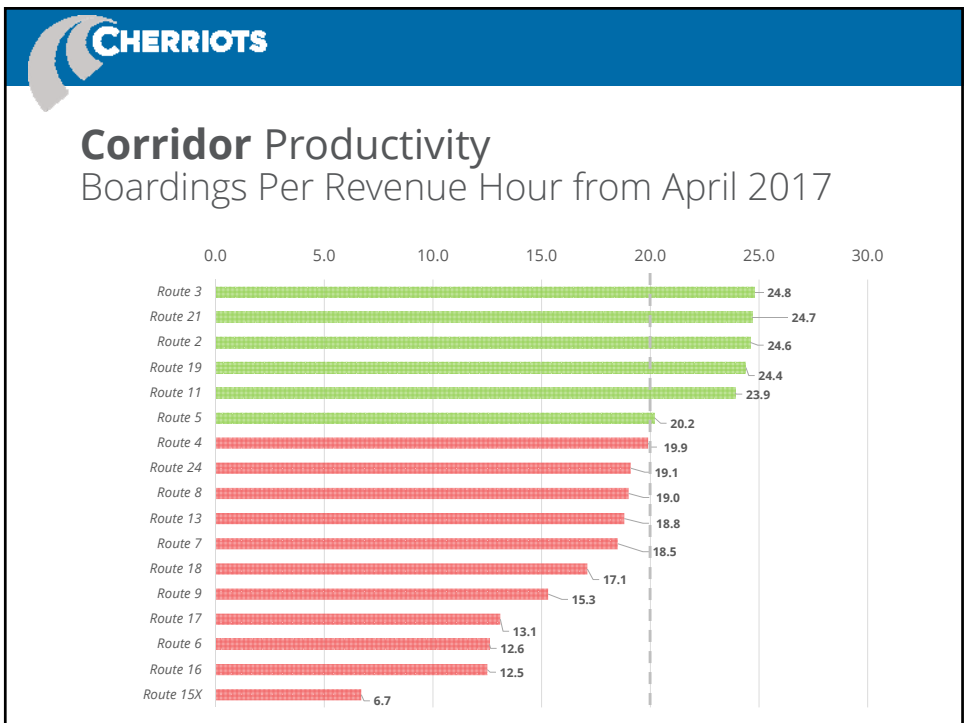
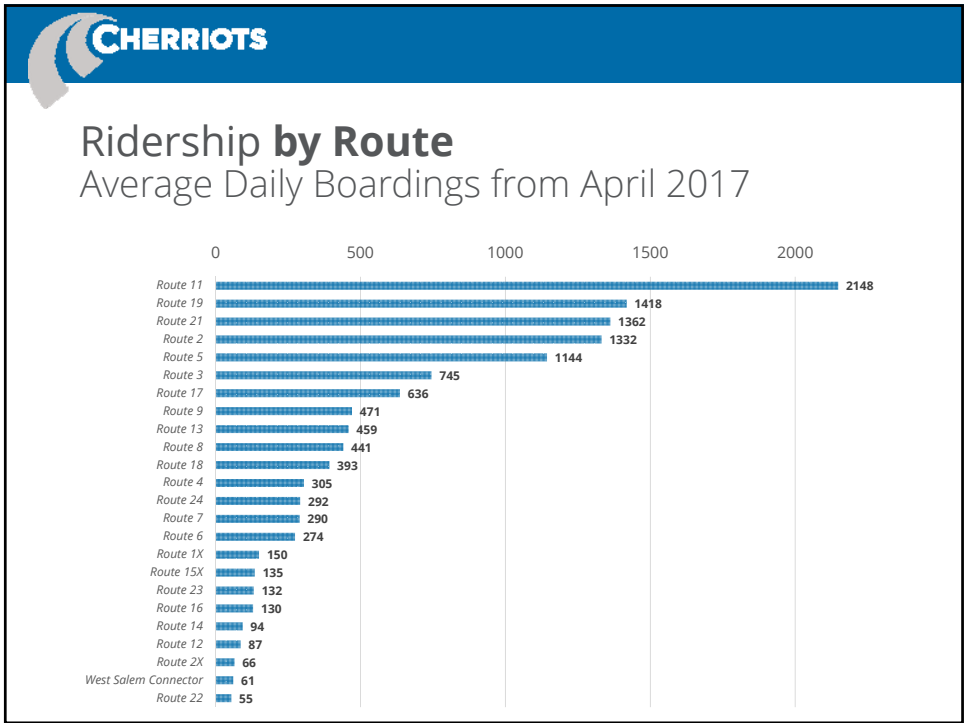
87% on time

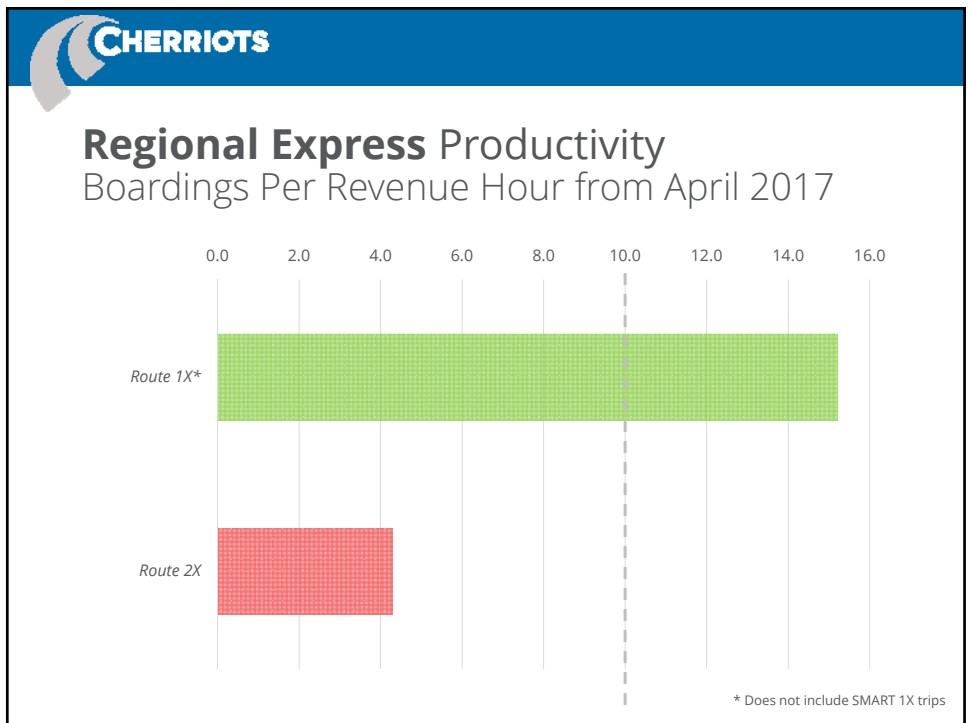
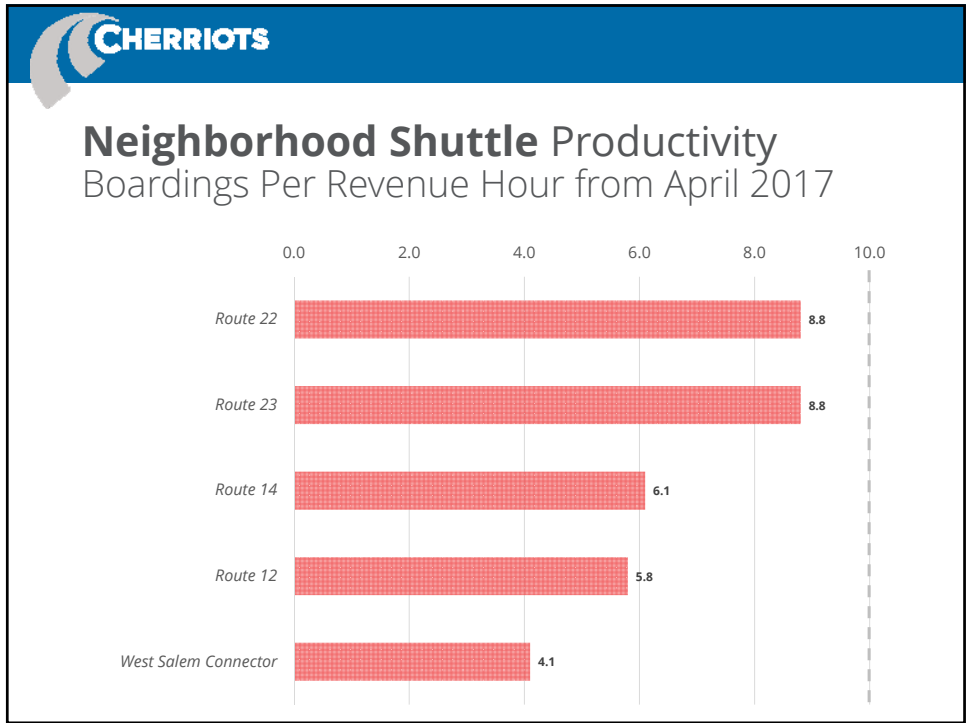
* Only includes Cherrlots Routes 1X and 2X

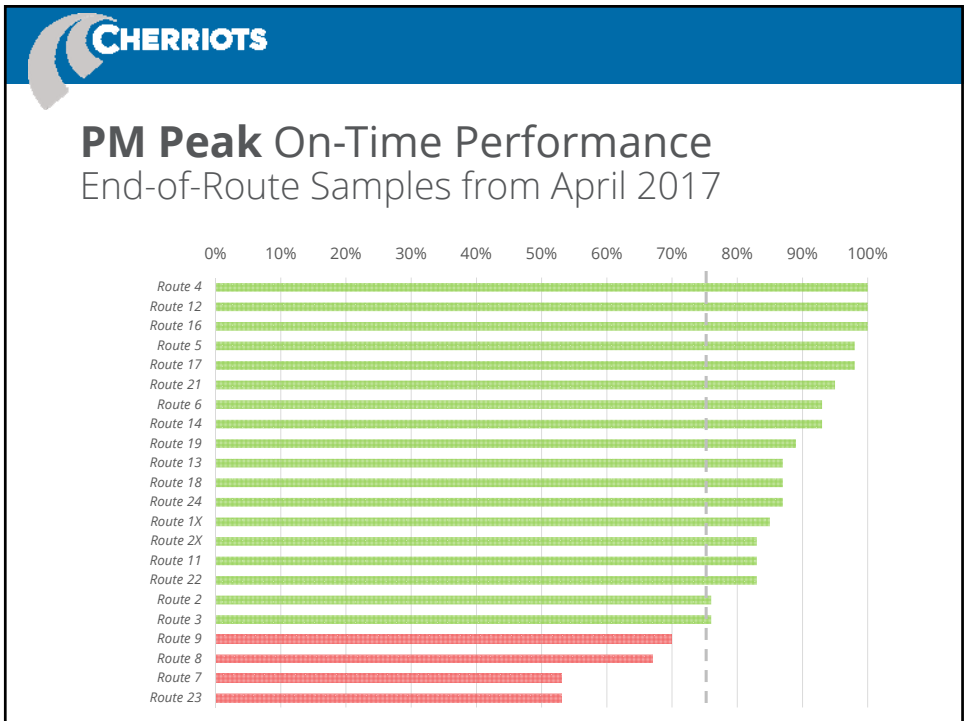
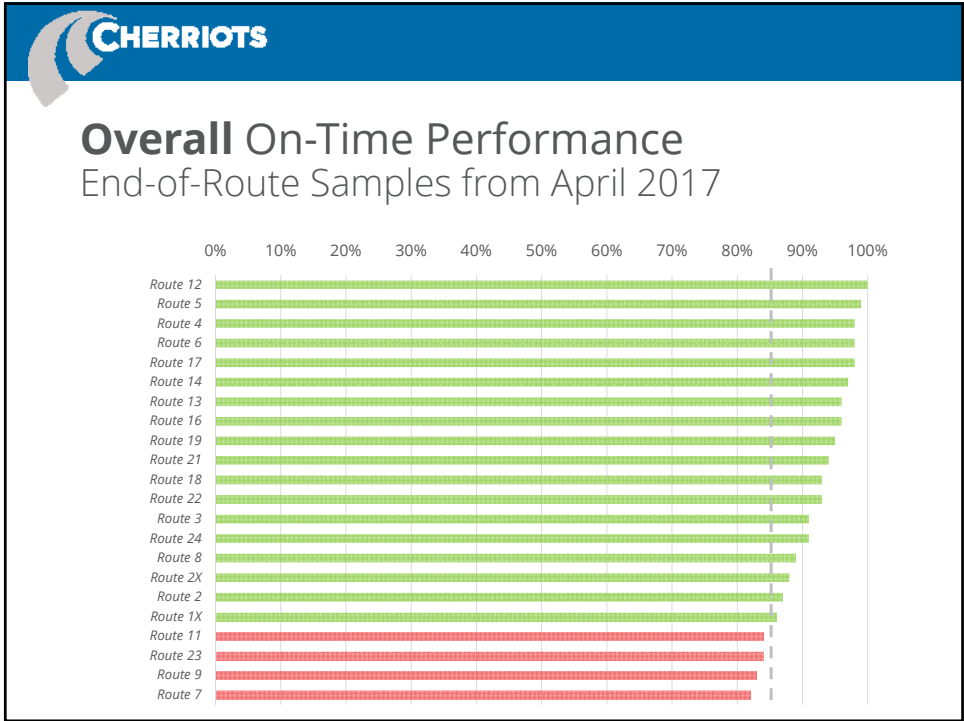


Route Snapshots

FY17









To: Board of Directors
From: Allan Pollock, General Manager
Date: September 28, 2017
Subject: HB 2017 Update

ISSUE

Shall the Board receive an update on HB 2017?

BACKGROUND AND FINDINGS

With the passage of HB 2017, *Keep Oregon Moving*, the Oregon Legislature made a significant investment in transportation to help further the things that Oregonians value – a vibrant economy with good jobs, strong communities with a good quality of life, a clean environment, and safe, healthy people. This is a historic, once in a generation investment in Oregon’s transportation system that will pay dividends for decades to come.

Keep Oregon Moving establishes a new dedicated source of funding for expanding public transportation service in Oregon. This new funding source is called the Statewide Transportation Improvement Fund (STIF)

The STIF components include:

- STIF Formula – 90% of the STIF will be distributed by formula to qualified entities.
- STIF Competitive Grants – 5% of the STIF will be distributed through a competitive grant program to public transportation service providers.
- STIF Competitive Intercity Grants – 4% of the STIF will be distributed through a competitive grant program to public transportation service providers to improve public transportation between two or more communities.

- STIF Technical Resource Center – 1% of the STIF will establish a statewide public transportation technical resource center to assist public transportation providers in rural areas with training, planning and information technology.

I have attached the following documents that help to explain HB 2017:

- Attachment A: Brief overview of HB 2017
- Attachment B: Frequently Asked Questions
- Attachment C: Funding specifics by geographic area (ACT's)
- Attachment D: OTC HB 2017 STIF Rulemaking Letter
- Attachment E: OTC Proposed Rulemaking Advisory Committee Membership Structure

At the September 22, 2017 Oregon Transportation Commission meeting, the commission approved ODOT to begin the rule making process for implementation of the STIF, Section 122, including approval of proposed membership structure for the Rules Advisory Committee (Attachment D and E).

A review of the attachments as well as any updated information to date will be reviewed at the meeting.

FINANCIAL IMPACT

None

RECOMMENDATION

None, information only

PROPOSED MOTION

None

Transportation Investments

Roads & Bridges



Most of ODOT's funding will go to road maintenance and preservation

for lasting fixes that keep Oregon's roads and bridges in good condition today and for future generations.

Local Control



Half of road funding will go to cities and counties to complete local

communities' top priority road maintenance and improvements.

Reducing Congestion



Relieving congestion bottlenecks will help people get

where they want to go

quickly and reliably. New lanes on I-5 at the Rose Quarter will save motorists 2.5 million hours wasted in gridlock each year, and widening sections of OR 217 and I-205 in Portland will improve reliability.

Better Public Transportation



Rural and urban bus service will provide choices to help people get

around, while reducing air pollution and greenhouse gas emissions.

Safe Biking & Walking Options



Sidewalks, bike lanes, and crossings near

schools will help kids get to school safely. Funding from a new bike tax will build

off-road paths that separate bikes and walkers from auto traffic.

Moving Freight



Improvements to rail and ports will get products from Oregon's farms,

forests, and factories to markets across the world. New intermodal rail facilities will shift freight from truck to train, freeing up space on crowded freeways.

Electric Vehicle Incentives



Rebates for zero emission vehicle purchases will help Oregon transition to

a sustainable transportation system.



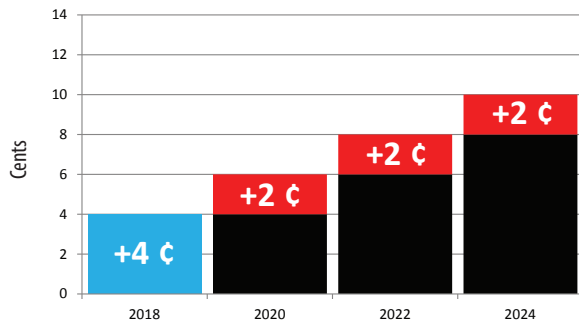
Accountability & Transparency

- Gas tax increases are tied to ODOT meeting accountability requirements.
- A website will show the status, cost, and whether ODOT completes a project on time and on budget.
- ODOT and local governments will report on the condition of roads and bridges.
- All gas tax funds must be spent on roads, so they can't be diverted to other purposes.
- Guarantees certainty under the Clean Fuels program with cost containment measures for consumer protection.

How Oregonians will Pay for Investments

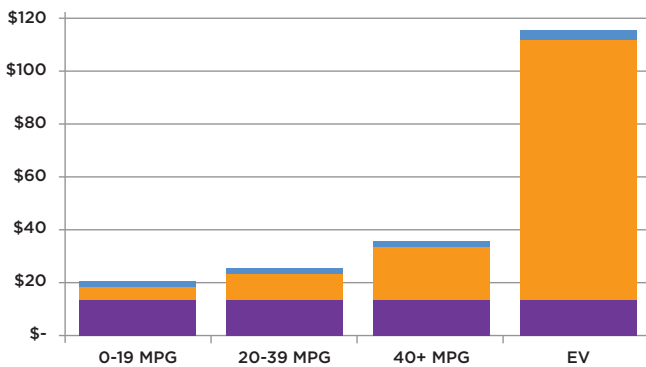
Gas tax, vehicle registration & title fees

Gas tax will increase 10 cents in four steps—with the last three increases conditioned on meeting accountability requirements.



Registration and title fees increase in three steps. Surcharges for electric vehicles and hybrids that pay little in gas tax ensure they pay their fair share for roads.

Light registration and title fees stepped and tiered
 Passenger registration annual increase (current rate \$43)
 2018 2020 2022



The average driver will pay about .8 cents per mile to get better roads that provide more reliable trips—less than people would pay to repair damaged vehicles if roads deteriorate.



Bicycle Tax

\$15 fee on new adult bicycles that cost \$200 or more will generate \$1.2 million a year for separated biking and walking paths.



New Light Vehicle Dealer Privilege Tax

0.5% dealer privilege tax on new light vehicles dedicated to electric vehicle rebates and multimodal transportation projects.



Public Transportation Payroll Tax

Less than \$1 a week for the average worker from a 1/10 of 1% tax on wages will generate \$115 million a year for better public transportation.



HB 2017 FREQUENTLY ASKED QUESTIONS

CONTENTS

Investments in Transportation	2
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Non-Highway Funding	7
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INVESTMENTS IN TRANSPORTATION

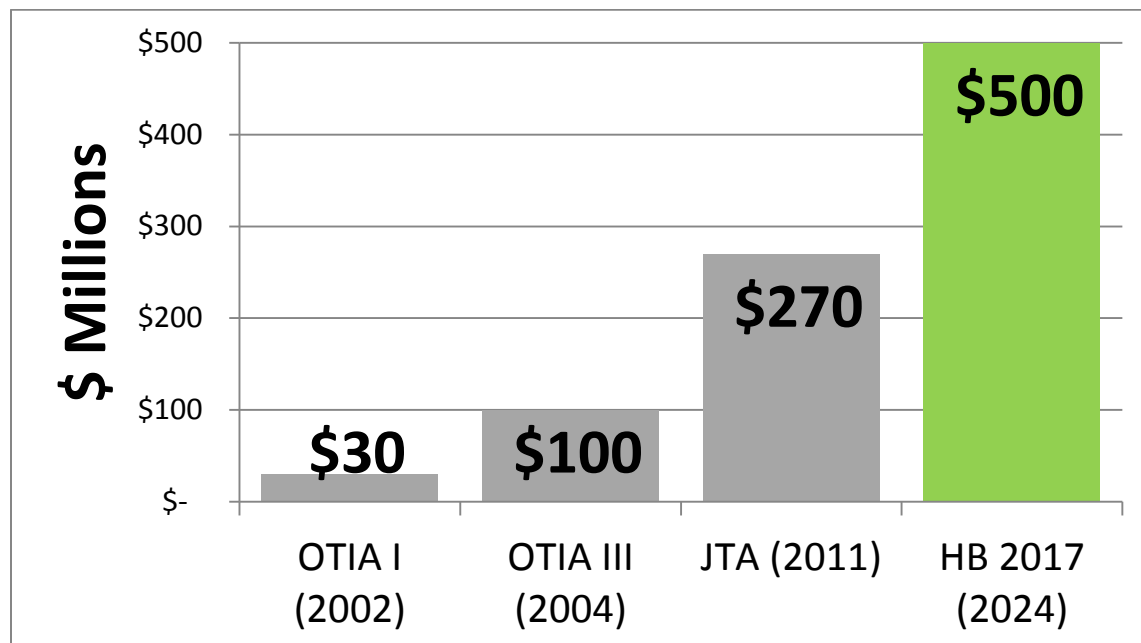
How much will HB 2017 invest in Oregon’s transportation system?

The Legislative Revenue Office estimates HB 2017 will produce \$5.3 billion in total revenue over 10 fiscal years, including both highway and non-highway funding. At full implementation of the taxes and fees in 2024, HB 2017 will produce \$500 million in State Highway Fund revenue.

How does this compare to previous legislative funding packages?

The Jobs and Transportation Act of 2009 produced \$270 million in State Highway Fund revenue at full implementation, and the Oregon Transportation Investment Act III of 2003 produced \$100 million.

TABLE 1: COMPARISON OF ANNUAL HIGHWAY FUND REVENUE AT FULL IMPLEMENTATION



How much money will local governments receive?

About half of the additional State Highway Fund provided by HB 2017 will go to local governments, who will receive a 50 percent increase in the amount they get from the State Highway Fund to fund local road and street maintenance and improvements. For specific distributions, see the [legislative committee revenue distribution table](#).

Are there any provisions to ensure that cities and counties with small populations receive an adequate amount?

HB 2017 increases the amount set aside for grants to small cities with populations under 5000 to \$5 million, allowing them to receive regular grants to address their transportation needs. The bill also sets aside \$5 million of county funds to ensure counties with small populations but large amounts of roads receive an adequate amount to maintain their roads.

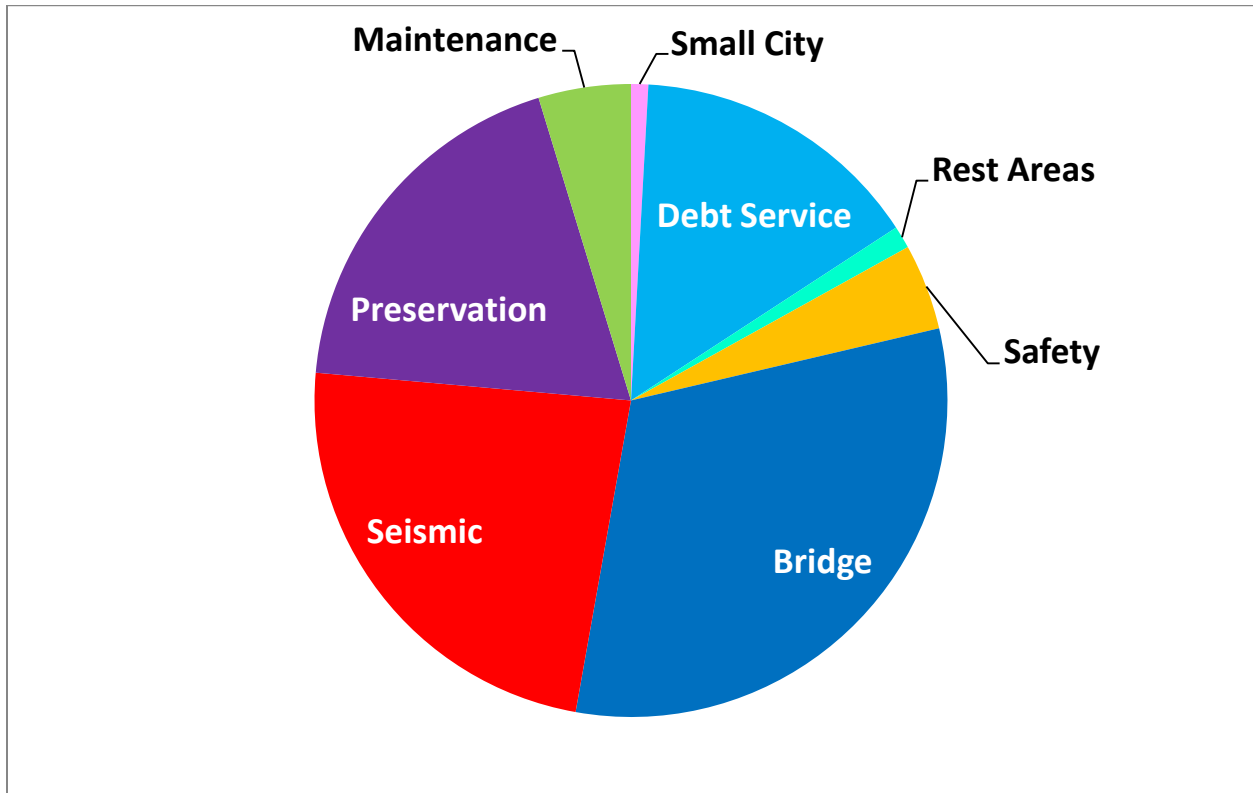
How does HB 2017 direct ODOT to spend its share of funding?

The Legislature specified a number of projects that will be built around the state, but the majority of the funding coming to ODOT will go to fix bridges and roads, make them safer, and make them resilient to a major earthquake.

This money will be allocated to projects by the Oregon Transportation Commission in the Statewide Transportation Improvement Program (STIP).

The chart below does not include off the top for allocations for Safe Routes to School (\$10 million per year rising to \$15 million in 2023) or I-5 Rose Quarter project (\$30 million per year taken off the stop starting in 2022).

TABLE 2: ALLOCATION OF ODOT HIGHWAY FUNDS UNDER HB 2017



When will the Oregon Transportation Commission select projects?

ODOT is already working to select projects so we can begin design work. ODOT presented a list of proposed projects for 2018-2021 to the Oregon Transportation Commission in August, and the Commission will formally incorporate the projects into the Statewide Transportation Improvement Program this fall. ODOT will start selecting projects for 2022-2024 in 2018.

When will we start seeing projects underway?

A number of projects will be under construction in 2018, and the volume of work will grow as the funding phases in over time.

How many jobs will these investments create?

Based on the widely used Impact Analysis for Planning economic modeling system, ODOT estimates its portion of the funding package will support approximately 16,000 short-term jobs in total over the eight years from 2018 to 2025. The estimate is based on about 9.1 jobs per year per each one million dollars of spending in the highway program. Local government projects, Connect Oregon spending, and public transportation will sustain additional jobs.

REVENUE SOURCES

What revenue sources will fund these investments?

HB 2017 increases the gas tax and vehicle title and registration fees over a seven year period. The annual registration fees and title fees will be tiered based on vehicle fuel efficiency in order to ensure that more efficient vehicles that pay little gas tax contribute their fair share for use of the roads. In addition, the weight-mile tax on heavy trucks will increase to ensure that trucks pay their fair share for their wear and tear on the roads. All of these funds are constitutionally dedicated to the State Highway Fund and can only be used for roads.

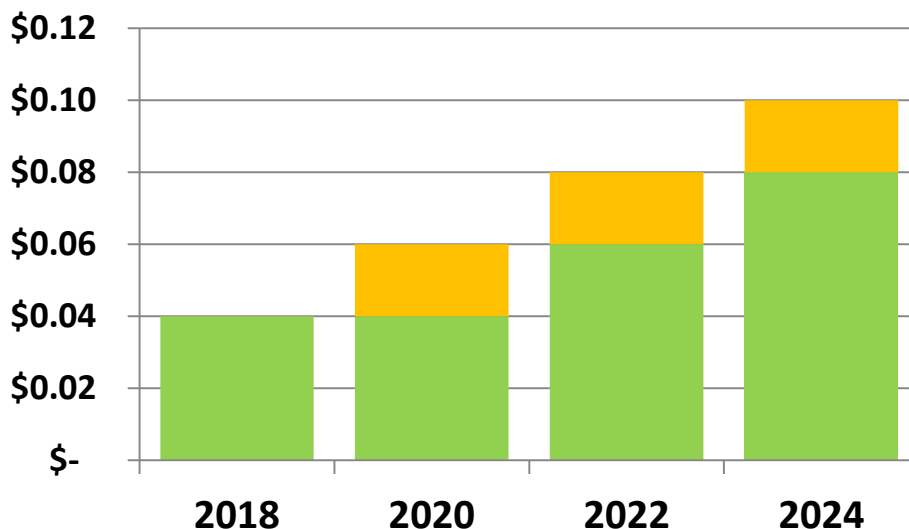
In addition, HB 2017 creates three new taxes.

- A **0.5% vehicle dealer privilege tax** on new car sales will go to fund rebates to encourage sales of electric vehicles and also provide an ongoing dedicated funding source for the multimodal Connect Oregon program.
- A **0.1% employee payroll tax** (\$1 for every \$1000 in payroll) will improve public transportation service in both rural and urban communities. This equates to less than \$1 per week for the average Oregon worker.
- A **\$15 tax on the sale of new bicycles with tires over 26 inches that cost at least \$200** will go into Connect Oregon to fund off-road bicycle and pedestrian paths that serve commuters.

MOTOR FUELS TAX

The motor fuels tax (currently 30 cents per gallon) will increase by 4 cents in 2018. It will also increase 2 cents in 2020, 2022 and 2024 subject to meeting accountability and reporting requirements.

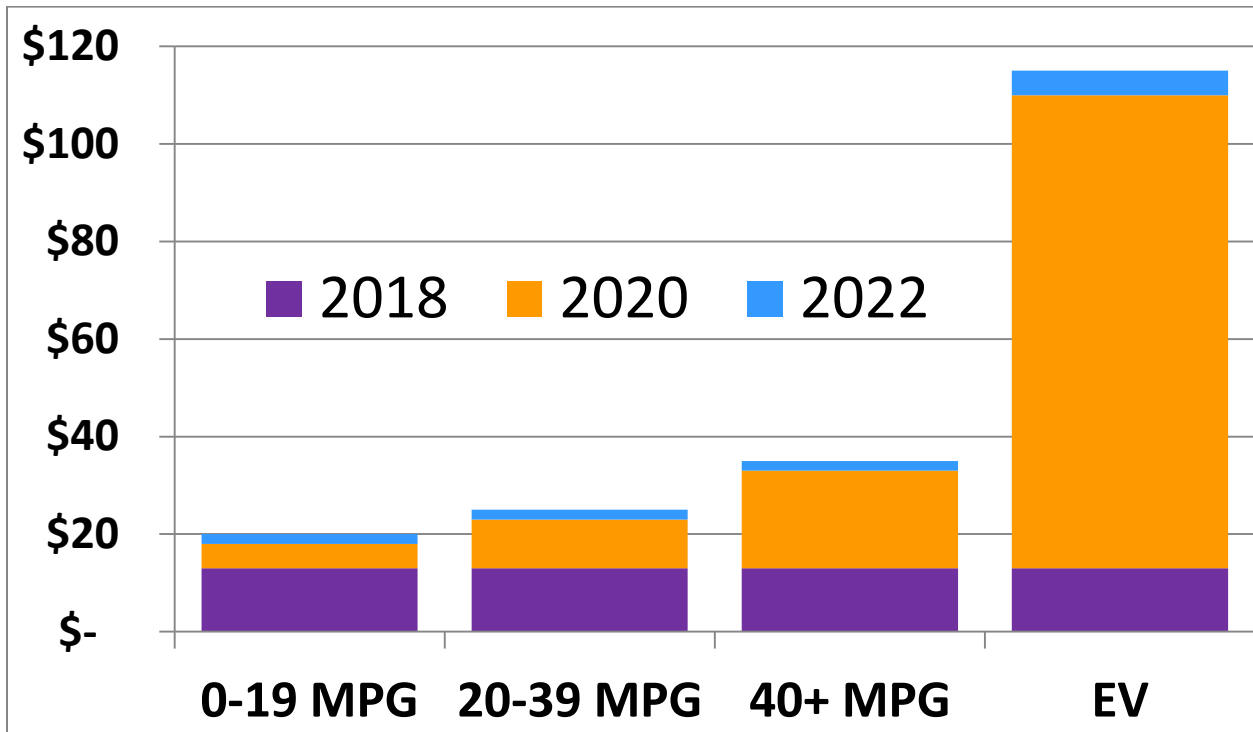
TABLE 3: MOTOR FUELS TAX INCREASE BY CALENDAR YEAR



ANNUAL REGISTRATION FEE INCREASE

The legislation creates a registration surcharge of \$13 in addition to the current \$43 per year registration fee paid for cars, pickup, vans, SUVs and similar vehicles and increases the vehicle registration surcharge in tiers based on MPG rating, effective January 1, 2020.

TABLE 4: ANNUAL REGISTRATION FEE INCREASE



How much more will an average Oregonian driver pay each year?

The average driver will pay less than 0.8 cents per mile— or about \$6.40 per month— in gas tax and registration and title fees.

How will Oregon’s automobile taxes compare to other states?

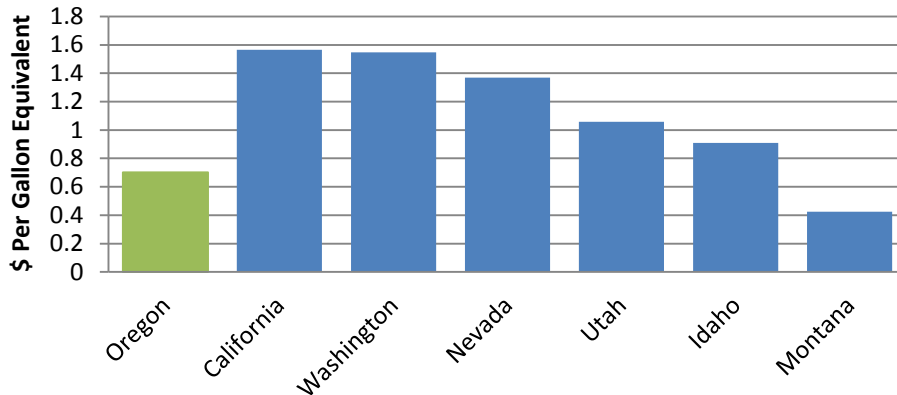
At full implementation in 2024, Oregon’s gas tax will be lower than the gas tax in California and Washington.

- At full implementation in 2024, Oregon’s gas tax will reach 40 cents per gallon.
- Washington’s gas tax was raised to 49.4 cents per gallon in 2016.
- California’s gas tax is [estimated to reach 58.3 cents per gallon in 2019](#) and will continue to increase due to inflation indexing.

Oregon’s total vehicle taxes and fees will rank 50th among the 50 states and District of Columbia. Oregon’s total automobile related taxes will be the lowest of any nearby western state other than Montana.

TABLE 5: COMPARISON OF AUTOMOBILE RELATED TAXES IN WESTERN STATES

Comparison of Automobile Related Taxes in Western States



PROJECTS IN THE BILL

What projects are included in the bill?

While most of ODOT’s funding will go to fixing roads and bridges and making them safer, a portion of ODOT’s funding was dedicated to specific projects around the state.

- HB 2017 funds a number of congestion relief projects in the Portland metro region, including new lanes on I-5 at the Rose Quarter, new lanes on OR 217, and improvements on I-205 in Portland.
- The Legislature also named a number of congestion relief, safety, bicycle and pedestrian, and bridge projects in other parts of the state.
- Multimodal freight projects funded under Connect Oregon, including two facilities to move products from truck to train, will help get more freight off the road and onto rail so it can get to market efficiently.

Legislators included an allocation in the bill for each region rather than specifying in law how much each project gets in order to simplify the process of transferring leftover funds after a project is complete. The leaders of the Joint Committee provided the Oregon Transportation Commission information on the intended allocation for each project and the project schedule. ODOT intends to manage scope, schedule and budget in accordance with legislative intent.

What congestion relief projects in the Portland region will receive funding?

I-5 Rose Quarter: HB 2017 funds improvements on I-5 at the Rose Quarter, one of the worst bottlenecks for freight and passenger vehicles in the entire nation. Building the Rose Quarter project will improve safety and save more than 2.5 million hours of travel time each year.

Oregon 217: ODOT will widen the freeway by building new auxiliary lanes south from Beaverton-Hillsdale Highway to OR 99W and north from OR 99W to Scholls Ferry Road. Auxiliary lanes help vehicles get on and off the freeway safely and efficiently, which reduces recurring bottlenecks and make traffic flow more reliably.

I-205: Two projects on I-205 will improve reliability.

- The I-205 corridor bottleneck project will build an auxiliary lane on northbound I-205 from Powell Boulevard to the I-84 west interchange. The new auxiliary lane will separate slower traffic movements from through traffic on the freeway and provide more room for traffic to merge onto I-205. This will reduce the frequency of crashes by nearly 30%, which will reduce congestion and provide more reliable travel times.
- The I-205 active transportation management project is an active traffic management system that will improve safety and reliability with real-time information to dynamically manage and control traffic demand, smoothing traffic flow and reducing crashes. This is similar to the system ODOT built on Oregon 217. Crashes on OR 217 dropped by nearly 21 percent in the first year after the signs were activated even as traffic in the region increased. Funding will deploy an ATM system on I-205 from Powell Boulevard to I-84.

What state highways will be transferred to local governments, and what local roads will become state highways?

HB 2017 transfers a number of state highways to local governments to provide greater local control of these roads. Many of these local governments will receive funding for making upgrades. Two roads that connect state highways will be transferred to ODOT.

Portland Metro Region

- Cornelius Pass Road between US 30 and US 26 will be transferred from Washington and Multnomah counties to ODOT.
- Powell Boulevard between I-205 and the Portland city limits will be transferred from ODOT to the city of Portland. HB 2017 provides \$110 million to upgrade this section of Powell.

Lane County

- Sections of OR 99 (Pacific Highway West) will be transferred from ODOT to the city of Eugene. HB 2017 provides \$5 million for upgrades to the highway.
- Springfield Highway will be transferred from ODOT to the City of Springfield in exchange for the city receiving \$12 million to upgrade 42nd Street.
- Territorial Highway in Lane County is transferred from ODOT to Lane County, which gets \$30 million to upgrade it. ODOT will keep a number of bridges for now and transfer them to the county after they are replaced.
- Springfield-Creswell Highway from Jasper-Lowell to Emerald Parkway in Lane County will be transferred to Lane County. ODOT will keep a number of bridges for now and transfer them to the county after they are replaced.
- Delta Highway, a freeway in Eugene that connects I-105 to the Randy Pape Beltline, will be transferred from Lane County to ODOT.

NON-HIGHWAY FUNDING

What funding will public transportation receive?

HB 2017 will provide over \$100 million per year to improve public transportation services in both rural and urban communities in Oregon. The Oregon Transportation Commission will distribute most of the money directly to transit districts, counties, and Native American tribal governments that submit plans for how they will improve public transportation. A portion of the money will be used for connections between communities. The funding will

come with strong accountability and reporting requirements, as well as with requirements to improve service for low income residents who rely on public transportation.

What funding will go to bicycle and pedestrian infrastructure?

HB 2017 includes a new Safe Routes to School program to provide better ways for children to bike and walk safely to school; this program is funded at \$10 million per year initially and grows to \$15 million per year. In addition, 1% of the State Highway Fund is set aside for sidewalks and bike lanes in the road right of way. Multi-use paths for commuters will receive additional funding from the multimodal Connect Oregon program, which is funded by the bicycle excise tax and a portion of the new dealer privilege tax.

Is there any funding for the multimodal Connect Oregon program?

The Connect Oregon program, which under HB 2017 funds rail, port, aviation, and bicycle/pedestrian projects, will receive funding from three sources:

- A portion of the vehicle dealer privilege tax on new vehicles.
- The bicycle excise tax.
- Lottery funding dedicated to parks and recreation.

ACCOUNTABILITY

What accountability measures are included to make sure the money is spent effectively?

HB 2017 includes strong measures to ensure accountability, transparency, and efficiency in the use of funds. 6 cents of the gas tax increase go into effect only if the Oregon Transportation Commission meets accountability and reporting requirements. In addition, HB 2017:

- Strengthens the oversight role of the Oregon Transportation Commission, ODOT's governing body.
- Creates a Continuous Improvement Advisory Committee to maximize ODOT's efficiency and performance.
- Requires local governments and ODOT to report on the condition of the road system, including pavement and bridge conditions.
- Requires ODOT to create a website that will show information on ongoing and completed projects so the public can see where money is being spent and whether projects are being completed on time and on budget.
- Requires ODOT to complete benefit-cost analyses for large highway capacity expansion projects to ensure that money is being invested in projects that will provide a strong return on investment.
- Strengthens the role of ODOT's auditor to ensure programs are operating effectively and money is spent efficiently.
- Requires public transportation providers to report on their use of the new Statewide Transportation Improvement Fund and submit financial and program audits to ensure they're operating effectively.

TOLLING AND VALUE PRICING

What is value pricing?

Value pricing, also known as congestion pricing, is a type of tolling in which a higher price is set for driving on a road when demand is greater, usually in the morning and evening rush hours. The goal is to reduce congestion by encouraging people to travel at less congested times and to provide a more reliable travel time for paying users.

Value pricing can include converting a carpool lane (also known as a high occupancy vehicle or HOV lane) to a high occupancy toll (HOT) lane so non-carpoolers can choose to pay to use the lane to save time; putting a variable toll on a new highway lane; using tolls on bridges that vary by time of day; and other applications.

What does HB 2017 require around value pricing, including tolling?

HB 2017 requires the Oregon Transportation Commission to develop a proposal for value pricing on I-5 and I-205 from the Columbia River to the junction of the two freeways, with the stated purpose of reducing congestion. The OTC must seek approval from the Federal Highway Administration (FHWA) to implement value pricing no later than December 31, 2018. If FHWA approves, the Commission is required to implement value pricing.

How will ODOT approach this value pricing requirement?

In order to develop a proposal to FHWA, ODOT will work with local government officials and stakeholders and seek public input so that the voice of all those who may be affected can be heard. The Oregon Transportation Commission, ODOT's governing body, has created a policy advisory committee to evaluate options, consider public input, and inform the Commission on how each option will impact road users, the transportation system, and the community, economy and environment. The Oregon Transportation Commission must approve any proposal.

What role will the federal government play?

Once the Oregon Transportation Commission finalizes a proposal, they must seek approval from FHWA before implementing it. Federal law restricts where tolling can occur, particularly on the interstate. Federal law generally only allows new tolls on interstate highways like I-5 or I-205 when reconstructing or replacing a bridge, tolling a new lane, or converting a carpool (HOV) lane to a HOT lane. ODOT may seek authority to toll under the federal Value Pricing Pilot Program, which allows FHWA to waive some restrictions on tolling.

When will ODOT begin to charge tolls?

If FHWA approves Oregon's application, based on experience in other states it will likely take ODOT a couple years to set up tolls—including setting up the on-road technology and developing systems for billing and customer service.

How much will tolls cost drivers, and will there be exemptions for low-income drivers or certain types of vehicles?

Toll rates and any exemptions will be determined at the end of the process, after the Commission has developed a proposal and FHWA has approved it. Under state law, the Oregon Transportation Commission sets toll rates. Any tolls will be collected through state of the art all-electronic tolling technology so people won't have to stop at toll booths.

How will toll revenue be spent?

Under the Oregon Constitution, toll revenue must be spent on roads.

Mid-Willamette Valley

Area Commission on Transportation

HB 2017
ALLOCATION



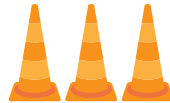
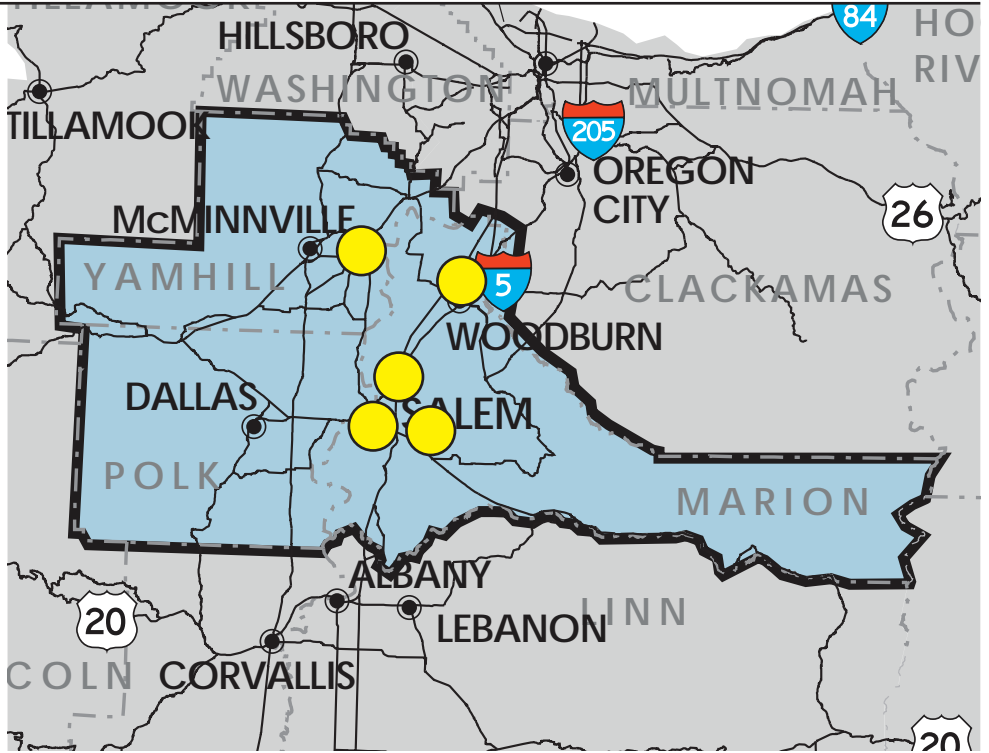
Cities

Amity:	\$37 K
Aumsville:	\$91 K
Carlton:	\$50 K
Dallas:	\$354 K
Dayton:	\$61 K
Dundee:	\$73 K
Gervais:	\$59 K
Hubbard:	\$74 K
Independence:	\$213 K
Jefferson:	\$74 K
Keizer:	\$867 K
Lafayette:	\$92 K
McMinnville:	\$772 K
Monmouth:	\$225 K
Mt. Angel:	\$75 K
Newberg:	\$542 K
Salem:	\$3.7 M
Sheridan:	\$141 K
Silverton:	\$225 K
Stayton:	\$179 K
Sublimity:	\$63 K
Turner:	\$45 K
Willamina:	\$48 K
Woodburn:	\$573 K
Yamhill:	\$24 K

Counties

Marion County:	\$7.6 M
Polk County:	\$1.8 M
Yamhill County:	\$2.5 M

10 year annual average



Projects

OR 22 and Center Street Bridge, seismic retrofit in Salem	\$60 M
Newberg and Dundee Bypass, OR 99W, Phase II, design only	\$22 M
I-5 at the Aurora-Donald Interchange, Phase I	\$25 M
OR 214 pedestrian safety improvements at Jefferson Street in Silverton	\$750 K



Extend Brooks rail siding	\$2.6 M
---------------------------	---------



Transit

10 year annual average

Yamhill County:	\$1.7 M
Salem Area Mass Transit District:	\$9.3 M
Confederated Tribes of the Grand Ronde:	\$100 K
STATEWIDE:	\$130 M per year



Safe Routes to School

\$10 M per year statewide
increasing to **\$15 M** per year in 2023.



Bicycle & Pedestrian

\$1.2 M per year statewide



Oregon

Kate Brown, Governor

Oregon Transportation Commission

Office of the Director, MS 11

355 Capitol St NE

Salem, OR 97301-3871

DATE: September 7, 2017
TO: Oregon Transportation Commission

[Original signature on file]

FROM: Matthew L. Garrett
Director

SUBJECT: **Agenda I** – Statewide Transportation Improvement Fund Implementation Work Plan and Rules Advisory Committee Membership Structure

Requested Action:

Request approval to begin the rule making process for implementation of the Statewide Transportation Improvement Fund (STIF) created in House Bill 2017 (Transportation Funding), Section 122, including approval of proposed membership structure for the Rules Advisory Committee.

Background:

On July 6, 2017, the Oregon State Legislature passed HB 2017, which makes significant multi-modal transportation investments in Oregon.

Section 122 of HB 2017 provides statewide funding for public transportation service with moneys coming from a new payroll tax of one-tenth of one percent on wages paid to employees. Proceeds from the payroll tax will be deposited into the Statewide Transportation Improvement Fund, or STIF. The Oregon Department of Revenue will begin collecting revenues on or after July 1, 2018. The programs funded by these revenues will be operative on or after January 1, 2019, with distributions as follows:

- Ninety percent to counties without a mass transit district or transportation district, mass transit districts, transportation districts, and federally-recognized tribes;
- Five percent to public transportation service providers based on a competitive grant program adopted by the Oregon Transportation Commission by rule;
- Four percent to public transportation service providers to improve public transportation between two or more communities; and
- One percent to the Oregon department of Transportation (ODOT) to establish a statewide public transportation technical resource center to assist public transportation providers in rural areas with training, planning, and information technology.

The ODOT Rail and Public Transit Division will work with the Commission and key stakeholders to develop rules that specify the processes and procedures for administering the ninety percent formula program, the five percent discretionary program, and the four percent intercity program. The first grant agreements for distribution of the ninety percent formula funds are to be executed by January 1, 2019.

Key components for this first distribution to be developed through rulemaking include:

- A process to review and approve each qualified entity’s public transportation improvement plan;
- Procedures for appealing a rejection of a public transportation improvement plan; and
- Requirements for local advisory committees including:
 - committee composition,
 - criteria that must be included in plans or project proposals reviewed by the advisory committees, and
 - the process by which the advisory committee shall review each plan or project proposal.

The grant agreements for the five percent discretionary program and the four percent intercity program are to be executed by July 1, 2019, following the adoption of competitive grant program rules by the Commission.

At this time, ODOT Rail and Public Transit Division is requesting Commission approval to begin rule development and Commission approval of proposed membership structure for the Rules Advisory Committee.

Attachment:

- Attachment 1 – Proposed Rules Advisory Committee Membership Structure

Copies (w/attachment) to:

Jerri Bohard	Travis Brouwer	Tom Fuller	Bob Gebhardt
Hal Gard	Lynn Averbeck		

Oregon Statewide Public Transportation Improvement Fund

Rules Advisory Committee

DRAFT, August 29, 2017

Purpose

The Statewide Transportation Improvement Fund (STIF) Rules Advisory Committee (RAC) shall advise the Oregon Transportation Commission on implementing Section 122 of House Bill 2017 by:

- Developing rules for the administration of the 90 percent formula portion of the fund including:
 - Processes for reviewing and approving each qualified entity's public transportation improvement plan
 - Procedures for appealing rejection of a public transportation improvement plan
 - Requirements for local advisory committee composition, criteria that must be included in plans or project proposals reviewed by the advisory committees, and the process by which the advisory committee shall review each plan or project proposal.
- Developing rules for the administration of five percent of the fund for a competitive grant program for out of the ordinary public transit projects
- Developing rules for the administration of four percent of the fund for a competitive grant program for public transit projects that improve services between two or more communities; and
- Considering and documenting public and stakeholder input for the draft rules.

The RAC's work should be completed in time to enable the first 90 percent formula grant agreements to be effective January 1, 2019 and the first competitive grant program agreements to be effective July 1, 2019.

Membership

The ODOT Director shall appoint no more than 20 voting members of the RAC who will represent:

- Large urban, small urban, rural, Tribal, and non-government transit providers
- Counties and cities
- Bicycle and pedestrian advocates
- Environmental advocacy groups
- Business community
- Seniors and individuals with disabilities
- Equity and environmental justice advocates
- Social and human service agencies
- Transit users

Commission Charge

As laid out in Section 122 of HB 2017, the STIF is intended to finance investments and improvements in public transportation services. The Commission charges the RAC with developing rules that address the following topics, in addition to those identified in the purpose section above.

- **Public transportation improvement plans:** A plan is required in order to receive an allocation under the 90 percent formula portion of the STIF. At a minimum, each plan must include for each proposed project in the plan, the amount of moneys from the percentage distribution that would be allocated to fund:
 - increased service frequency and expansion of bus routes in communities with a high percentage of low-income households;
 - procurement of buses powered by natural gas or electricity for use in areas with populations of 200,000 or more;
 - reduced fares in communities with a high percentage of low-income households;
 - improved frequency and reliability of service connections inside and outside of the qualified entity's service area; and
 - coordination between public transportation service providers to reduce fragmentation of services

The plan also must include a summary of any plans and project proposals approved by an advisory committee created under section 122o of HB 2017 and if a qualified entity was a recipient in the preceding fiscal year, the amount of moneys received from the distribution that were allocated as described above.

- **Reporting and transparency requirements:** A summary of 90 percent formula plans and projects approved by a local advisory committee, a description of how the previous year's distribution was allocated to projects for the purposes just described, and outcomes achieved as a result of the investment are required. Additional qualified entity fiscal year reporting requirements include:
 - a report detailing actions taken to mitigate impacts of the new payroll tax on low-income passengers,
 - an adopted annual budget for the upcoming fiscal year, and
 - the results of any audits.
- **Efficient integration with existing programs:** The extent to which fund administration can be efficiently and cost effectively integrated with existing ODOT Transit Section programs, while allowing for the ability to easily monitor and report the results of STIF investments must be demonstrated.
- **Equitable fund distribution:** Administration should aim to ensure funds are distributed equitably throughout Oregon communities, across qualified entities, and public transportation service providers.
- **Funding and strategic investment:** The extent to which STIF funds are used to leverage additional federal and local public transportation and multimodal investments.
- **Collaboration and coordination:** The degree to which STIF funds encourage state, public, and private entities within Oregon and across state boundaries to work together to reduce service gaps and increase inter-modal connectivity.



To: Board of Directors
From: Allan Pollock, General Manager
Date: September 28, 2017
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>
Special Transportation Fund Advisory Committee (STFAC)	Director Thompson Alternate: Director Busch
Mid-Willamette Area Commission on Transportation (MWACT)	Director Kelley Alternate: Director Lincoln
Mid-Willamette Valley Council of Governments (MWVCOG)	From 07/01/2017 - 12/31/2017 P: Jerry Thompson A: Robert Krebs From 01/01/2018 - 06/30/2019 P: Robert Krebs A: Jerry Thompson
Salem-Keizer Area Transportation Study Policy Committee (SKATS)	From 07/01/2017 - 12/31/2017 P: Robert Krebs A: Kathy Lincoln From 01/01/2018 - 06/30/2019 P: Kathy Lincoln A: Colleen Busch
Oregon Metropolitan Planning Organization Consortium (OMPOC)	President Krebs Alternate: Director Lincoln

For Board Work Session of September 28, 2017
Agenda Item No. J.2

FINANCIAL IMPACT

None

RECOMMENDATION

Receive and File

PROPOSED MOTION

None