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1988 Oregon Public Transportation Study

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1988 OREGON PUBLIC TRANSPORTATION STUDY

Prepared for the

Public Transit Division
Oregon Department of Transportation

by

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FOREWARD

The authors wish to express their appreciation for the contributions made by the Public Transit Division Staff, most notably Dennis Moore and Lee LaFontaine, to the completion of this study. Clearly, the results would have been substantially incomplete and less useful without their patient advice, constructive commentary on drafts, and key information in several areas. We also owe a debt of gratitude to the Advisory Committee. The members of the Committee provided critical and constructive ideas on the data collected and its interpretation. While we did not accept all of their advice, the final text reflects many of their comments and insights. Mary Hobbs wrote an initial draft of this report which provided a critical foundation for our efforts. Critical logistical support, analysis, and commentary were provided by Wayne McFetridge and Denise Penner in the production of the Final Report. Finally, to the individuals who patiently and faithfully completed our questionnaires, returned our phone calls, and fundamentally made the study possible we say Thank You! Responsibility for the content of this report rests with the authors. While many individuals contributed to its substance, the content should not be interpreted as reflecting the official policies and programs of the sponsoring agency or the organizations represented on the Advisory Committee.

Oregon Public Transportation Study

EXECUTIVE SUMMARY

Action Items

Oregon continues to face challenges in public transportation. The lack of a consistent and comprehensive framework of state policy is making local efforts to meet public transportation demands harder and fails to exploit economic and transportation opportunities for improving the vitality of the state. The absence of continous and stable state financial assistance has weakened the state/local partnership in providing public transportation services and kept mobility for many Oregonians at a minimal level. Finally, as the federal role in funding transportation declines the need for agressive state leadership increases. The following recommendations for Legislative and Executive action are offered as incremental steps towards meeting Oregon's public transportation challenge:

Current Program Modifications and Additions

- Authorize additional funding for special needs transportation by increasing the revenues to the Special Transportation Fund.
- Authorize and fund an annual, stable capital assistance program for public transportation providers equivalent to the funding level of the past biennium.
- Provide greater flexibility of local public transportation option funding through authorization of new local revenue sources.
- Authorize and fund an expanded administrative role for the ODOT Public Transit Division to provide technical assistance, establish standards and monitor public transportation provider performance, administer state capital assistance to providers, and promote cooperation and coordination between transportation providers.

Proposed State Policy Framework for Public Transportation

- Adopt as a statewide policy goal, cooperation among modal transportation agencies to achieve efficient and coordinated use of scarce resources.
- Adopt as a statewide policy goal, cooperation among public transportation programs and economic development programs in order to make Oregon an attractive and profitable location for industry.
- Adopt as a statewide policy goal, the coordination of services and resources among agencies that support public transportation and human service transportation.
- Create incentives for local land use guidelines that promote integration of transportation planning into existing and future land use policies .

Introduction

In June, 1986, the first Oregon Transit Finance Study was published. The current report updates the financial and descriptive analysis of that effort and addresses the changing state role in public transportation, paying particular attention to the Oregon context. Finally, it

suggests issues that should be addressed by the state in maintaining and extending the contribution of public transportation to the overall state transportation system. The report does not address the unique transportation issues represented by the Portland Regional Transportation Improvement Plan in the context of additional Light Rail Funding or highways. The manuscript was prepared by the Center for Urban Studies, Portland State University under contract to the Public Transit Division, Oregon Department of Transportation.

Oregon Transportation Providers

This study reports on information provided by 65 survey respondents from a total population of 174 known former or current providers. The bulk (40) of these respondents are special service providers, many utilizing the one cent of cigarette tax dedicated to this service category. Seventeen are small city/rural providers and four are urban area systems. The remaining four respondents were taxi firms which provide services to special needs constituents.

While financial health is probably the key issue facing all public transportation providers, two other critical issues are the lack of an industry identity and sporadic state assistance. The absence of an industry identity is related to irregular state assistance because state programs have been developed and implemented in an incremental and temporary fashion. Over the past decade Oregon, through the collective efforts of the Governor's Office, the Legislature, Oregon Transportation Commission, Oregon Department of Transportation, and Public Transit Division, has creatively initiated a number of assistance programs but most have been supported by temporary funds or eliminated during budget reductions. Where funds have been provided on a continuing basis, the monies have lacked a clear identification as transportation support (In Lieu Payroll Tax) or failed to articulate clear state performance objectives in supporting public transportation (Special Transportation Funds).

The Declining Federal Role

It is not just ambiguities in state objectives and goals, however, that have created volatility and uncertainty in the public transportation industry. The last ten years have seen a major revision of the federal role in public transportation.

- Reduced federal spending for public transportation has been accompanied by a less comprehensive federal policy presence. Thus, an increased state and local government responsibility to provide public transportation policy direction and finance, while continuing to meet the remaining federal regulatory requirements, has been created.

- Across almost all fifty states, new initiatives by state and local governments have been undertaken to assume responsibility for all or part of the policy opportunities ignored by this new federal position. More importantly, there is a growing recognition that the biggest beneficiaries of effectively managed and promoted transportation systems are state residents which has led many state legislative and executive leaders to examine new state programs.

- The new understanding that the economic vitality and quality of life of rural, small urban and urban centers depends on viable highway and public transportation systems has led to greater state involvement not only to shore up the industry but also to take advantage of new opportunities in serving the needs of state residents.

- As an incentive to state involvement, the federal government has suggested that it will reward states with local assistance programs, particularly where states overmatch available federal funds.

The Sources of Growing State Responsibility

Just as importantly, however, the changing context of transportation in general has focused attention on state governments.

- The imminent end of the federal Interstate Highway Program has raised questions concerning the federal role in highway as well as public transportation funding. While it appears clear that there will be some kind of federal program, it is also apparent that future highway funding levels and priorities may be vastly different.

- Greater emphasis will be placed on non-freeway construction solutions to transportation problems.

- Further, the traditional transit dependent populations continue to grow in number and proportion of the general population, particularly in the case of the elderly.

- Finally, the linkage between land use planning, transportation, quality of life and economic vitality is receiving greater attention.

Oregon's No Action Option

Past state policy has relied on federal initiatives to maintain and extend the viability of public transportation. Until the adoption of the cigarette tax for special needs transportation, Oregon's principal support for public transportation was managing the state's role in the federal grant programs.

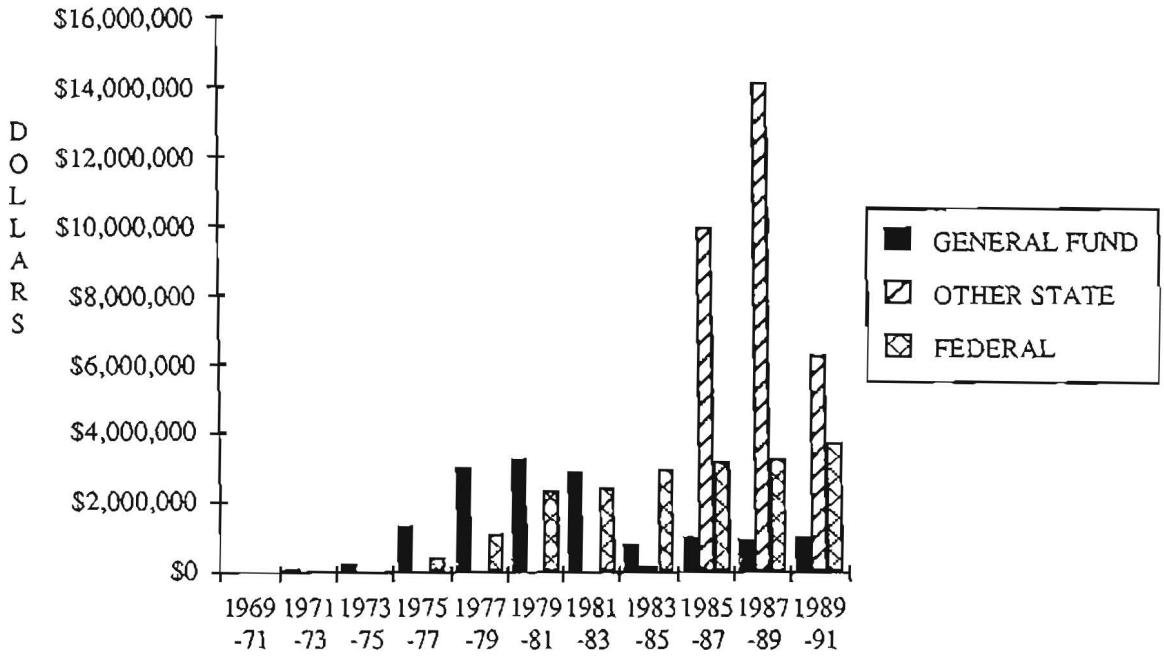
- With declining and/or shifting federal involvement, there is less likelihood that the state can rely on passive involvement if Oregon's current level of public transportation is to be maintained.

- As development options emerge that require mitigation of existing congestion or planning for future public transportation capacity, the state may be less able to realize the payoff of economic development opportunities.

- The declines in other federal resources will leave the state as the perceived revenue source of last resort. Without improved state analytical capacity to evaluate and assess the extent of real need and trade-offs among diverse constituencies, targeting scarce state funds to serve public demands for service may be difficult to accomplish responsibly.

The 1988 Public Transportation Survey results indicate that local agencies have already assumed that the state will not make a substantial commitment to public transportation. As a consequence, they have increased their revenue raising efforts from local and other sources. Unlike other states, Oregon's local resources are more limited. Without an increase in direct or indirect state support, many public transportation systems may have to reduce service. The consequences of such action will be felt in communities throughout the state. More importantly, in the absence of state matching assistance, the state will be less effective in competing for increasingly scarce federal dollars.

State Level Funding for Oregon's Public Transportation Effort
(Excludes Local Funds and Federal Funds Received Directly by Local Agencies)



As state general funds for public transportation have declined substantially in the past few years, federal funding received by the state has increased very little. Other state funding in the past few years has been dominated by one-time-only funds and, recently, cigarette tax receipts dedicated to special transportation.

The Status of Oregon's Transit Providers

In the context of the operator survey done for this report the following points emerge:

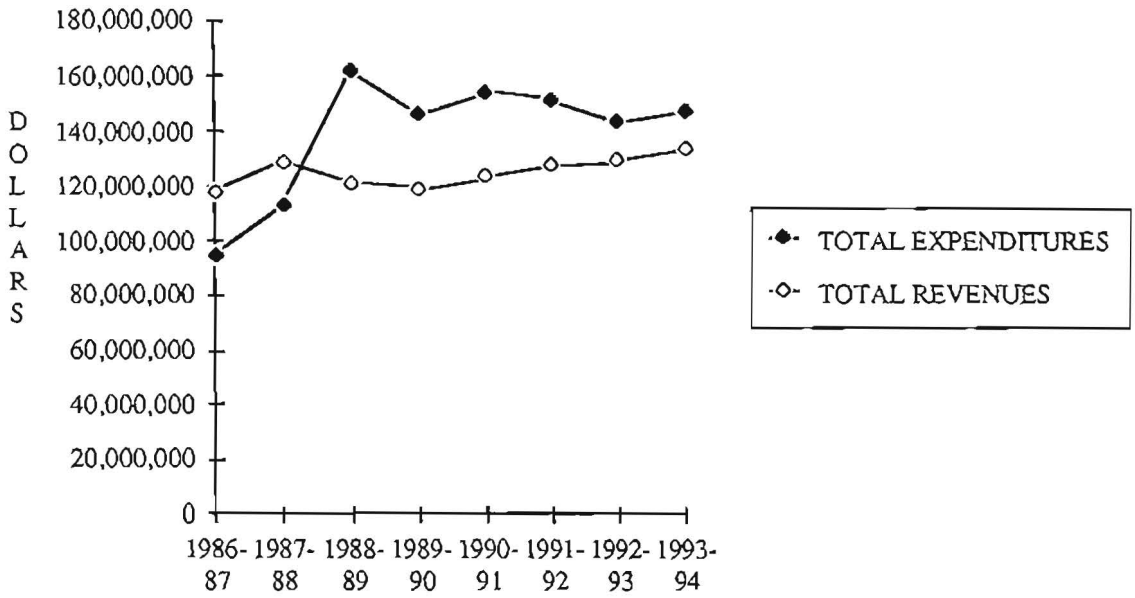
- Transportation providers in all categories have experienced similar trends in financing and operating service.
- In forecasting budgets over the five year horizon of this report, there is an expectation among transit providers that federal aid will continue to decline, state aid will remain unpredictable, and local resources will have to take up the operating slack.
- Capital financing is predictable only in the short run as a result of unpredictable state and federal programs.
- Operating and capital costs will continue to increase further threatening agency capacity to maintain or expand service, particularly as federal assistance declines.
- Capital expenditures, which can be deferred only at substantially increased future cost, need support and, because of "lumpiness", will be harder for local resources to support.
- As federal assistance for urban agencies declines, limited state matching assistance will also dissipate, leaving all urban areas more heavily dependent on local resources.

- Federal Section 18 funding for Small City/Rural agencies will suffer the least amount of impact from federal resource reductions, but no new monies are anticipated for needed service expansions.

- Special Needs Transportation has benefitted from the state dedication of one penny of cigarette tax revenues to this service area, but this amount remains insufficient to meet the transportation needs of the elderly and mobility impaired.

- Over the next five years, the industry appears to face an average annual shortfall of operating ($5 million) and capital revenues ($11 million) totalling approximately $16 million, as reflected in reported survey results.

Projected Expenditures of Transportation Providers in Relation to Revenues



Total expenditures by service providers are projected to exceed revenues by an average of about $16 million annually. These expenditures would cover new capital and capital replacement, service expansions and the maintenance of current service levels. If revenues do not increase beyond expectations, capital and operating expenditure reductions to match revenues will result in service cutbacks.

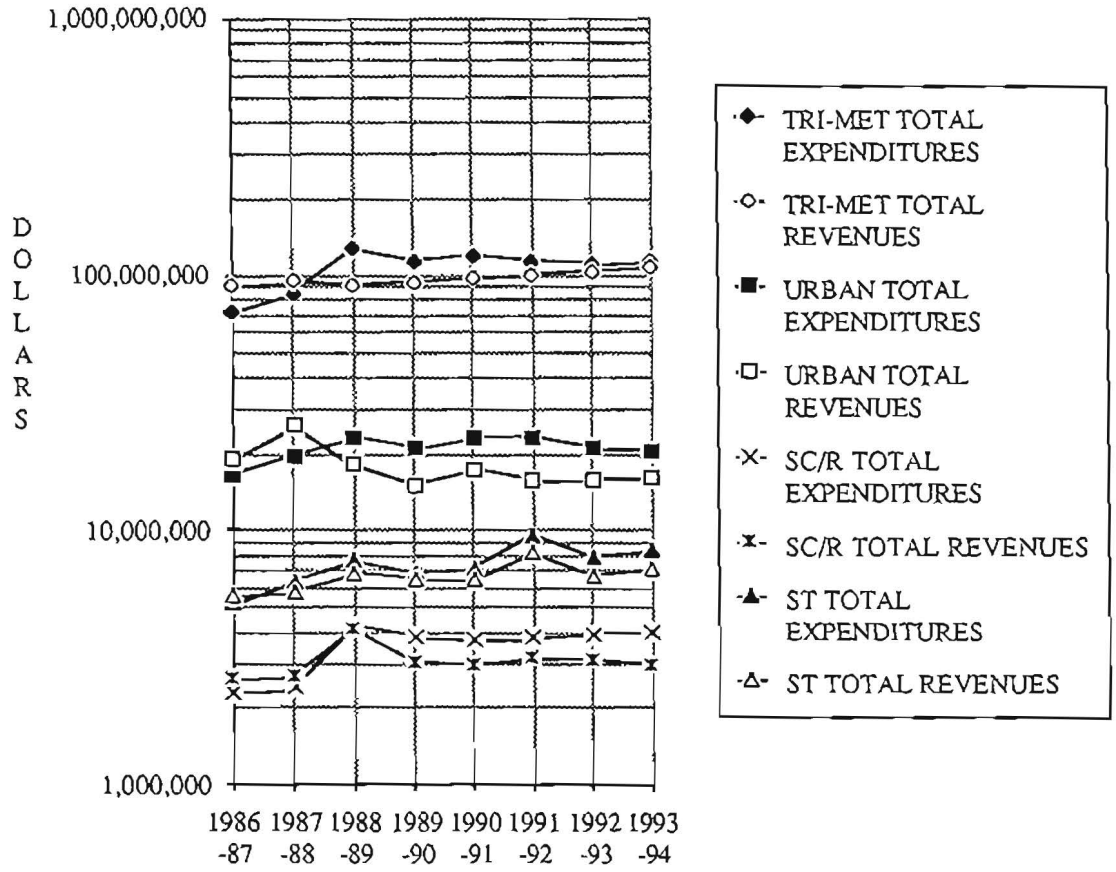
- Some of this shortfall may be reduced by deferring needed service expansion and postponing capital expenditures (creating higher future costs) but local agencies are already under tremendous pressure to expand service.

- Transportation agencies have managed to control administration costs but face increasing operating costs.

- The disappearance of state authorized stripper well funds for public transportation will constitute $4 million of the annual shortfall anticipated by the industry and a potential loss of almost $16 million in matching federal grants.

- Local agencies are willing to search for more local resources but find themselves limited by unpredictable state funding and indirect restraints posed by state reluctance to open other revenue sources to them.

Logarithmic Comparison of Revenues and Expenditures Across Types of Service Providers



Expenditures and revenues appear to have the same relationship, regardless of service provider type. It appears that while Tri-Met has a much larger scale of revenue and expenditure, it shares the same general expectations and funding relationships as its smaller and/or more specialized peers. Respondents to the financial survey, independently, appear to forecast future revenues and expenditure demands in the same fashion.

A Framework for Oregon

To provide a perspective for examining Oregon's public transportation options, initiatives in other states were examined and compared. The Transportation Research Board's (TRB) recently released report, "State Role in Public Transportation", provides a useful framework for comparing Oregon with other states and for assessing the results of the 1988 survey of Oregon providers. Four general areas of state involvement in public transportation are suggested by the report:

- Funding,
- Technical Assistance and Research,
- Performance Monitoring, and
- Intermodal/Interagency Coordination.

These four categories provide a means for describing Oregon's current efforts and identifying opportunities for greater productivity in the state's transportation investments.

Funding

Excluding the recently adopted and restricted Special Transportation Fund, Oregon provides only minor direct funding for public transportation. Indirect mechanisms, such as In Lieu Taxes, Payroll Taxes, and authorization of limited local revenue raising options for transportation support, have had greater priority than an explicit and continuous state public transportation program. Hence, while in some respects Oregon can be favorably compared with other states in a given year, the comparisons over time are misleading. More importantly, the unpredictable state role has led local providers to develop their own responses to financial volatility. Heavy reliance on local resources has solved some of the funding shortfall experienced by the industry, but in some cases, this has led to "living off" capital resources.

Assessing the state role in transit funding was guided by past experience in Oregon and by what is currently practiced in other states. An analysis of comparable states illustrates both diversity, and similarity of approaches. In many states, the sales tax is the most reliable and most used source of local option revenue. In others, the gas tax and vehicle registration fees provide state revenues for subventing to local transit systems. States that do not rely on these types of revenue generally provide low levels of transit service to their residents. Oregon is an anomaly, a relatively high level of transit service is provided to Oregon residents, but at a high burden to local residents with unpopular sources of revenue--the property tax and the payroll tax.

Technical Assistance and Research

The state's Technical Assistance and Research effort has focused mostly on supporting federal programs. Staff assistance is directed toward supporting local compliance with federal requirements and program priorities. As federal funding shifts, state assistance patterns have followed accordingly. Hence, while federal funds have assisted Oregon agencies in meeting federal priorities, there has been little, if any, attention given to unique state needs and priorities. Where state and federal interests have converged, a fortunate coincidence of goal attainment has occurred.

The need for technical assistance by transit agencies in Oregon is a function of their size, which to a large extent determines the degree of professionalism of their staffs, and their role in the overall state transportation system. Even the largest of transportation providers need the support and guidance of state policy initiatives to effectively establish their overall responsibilities and functional contribution to solving transportation problems. Typically, the transit districts in the four urbanized areas do not depend on the Public Transit Division for technical advice and assistance.

The small city and rural transit agencies are provided technical assistance by the Public Transit Division under the Technical Resource Program and the Section 18 program. The level and extent of technical assistance is being increased by means of the federal transit Rural Technical Assistance Program (RTAP) that is currently being implemented by the Public Transit Division. With implementation of the RTAP program, the technical assistance needs of most small city and rural transit agencies will be met. Policy guidance and support remains to be developed.

Special needs transportation providers, particularly the recipients of Special Transportation Fund (STF) assistance, are not receiving sufficient technical assistance. The STF program provides minimal funds for administration or technical assistance. Consequently, there is insufficient operating guidance to the many small providers of special needs service. An increased oversight function would provide more complete information concerning performance, and coordination of service, while technical operating assistance would foster operating performance and professionalism.

In sum, additional STF technical assistance is needed. With the exception of Tri-Met, STF transit providers may need help in planning, management, routing and scheduling, contracting out, training volunteer drivers, maintenance management, and evaluating and writing specifications for purchasing buses and vans. Additionally, assistance is needed in encouraging regional coordination and cooperation, use of federal grant opportunities, and interaction among local service providers, particularly STF recipients.

Performance Monitoring

In the context of Performance Monitoring, Oregon primarily fulfills a data collection role. Oregon's traditional deference to local decision making and its intermittent role in transportation finance have de-emphasized an active role for data collection and analysis in oversight. As a result, the state lacks critical information regarding the productivity of the industry when designing transportation solutions. The Public Transit Division should provide oversight, and technical assistance for small providers, for financial capacity assessment to provide a cost-effective and uniform approach. Additionally, it should increase its capacity and efforts to provide performance reports to policy makers and service providers.

Intermodal and Interagency Coordination

In the context of intermodal and interagency coordination, Oregon has supported federal initiatives but has not launched its own. Recent changes within ODOT on the highway side, and at the executive and commission levels, may have opened up new opportunities for exploring more coordination in highway and public transportation options. Yet, little has been done to extensively encourage greater coordination and cooperation in the delivery of all transportation services.

Rural and urban interagency/intermodal coordination is needed in four areas:

- Cooperation among transportation modal agencies to achieve efficient and coordinated use of scarce resources.
- Cooperation between the state public transportation program and regional economic development strategies to make Oregon an attractive and profitable location for industry.
- Coordination of services and resources among agencies that support transit and human service client transportation by expanding the STF program to meet growing needs.
- Incentives for local land use guidelines that promote rational and efficient planning of public transportation/highway investment trade-offs in metropolitan area corridors and rural projects that will reduce the need for highway investments.

The development of a state role should address the mobility needs of the growing state elderly and handicapped population, and the alleviation of wasteful congestion, particularly in the metropolitan areas, through judicious transportation planning and investment.

Conclusions

In sum, Oregon continues to face new opportunities in public transportation. While the rationale for specific state initiatives may not be fully developed, it is clear that the lack of a consistent and comprehensive framework of state policy is, at a minimum, making local efforts to meet transit needs harder and, potentially, failing to exploit economic and transportation opportunities for improving the vitality of the state. Moreover, effectively providing mobility for people with special needs and supporting coordinated land use and transportation planning in rural and metropolitan areas will require a clear state commitment and policy framework. Finally, when the state adopts an ongoing capital assistance program for public transportation, it appears that it will also need to upgrade its mechanisms for insuring accountability in the expenditure of these funds. The findings reported here provide the first step in the articulation of clearer state planning and policy recommendations to support a comprehensive state public transportation program.

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INTRODUCTION

In June, 1986 the first Oregon Transit Finance Study was published. The current report updates the financial and descriptive analysis of that effort. It further addresses the changing state role in public transportation, paying particular attention to the Oregon context. Finally, it suggests issues that should be addressed by the state in maintaining and extending the contribution of public transportation to the overall state transportation system. The reader should recognize that the report does not address the unique transportation issues represented by the Portland Regional Transportation Improvement Plan in the context of additional Light Rail Funding or highways.

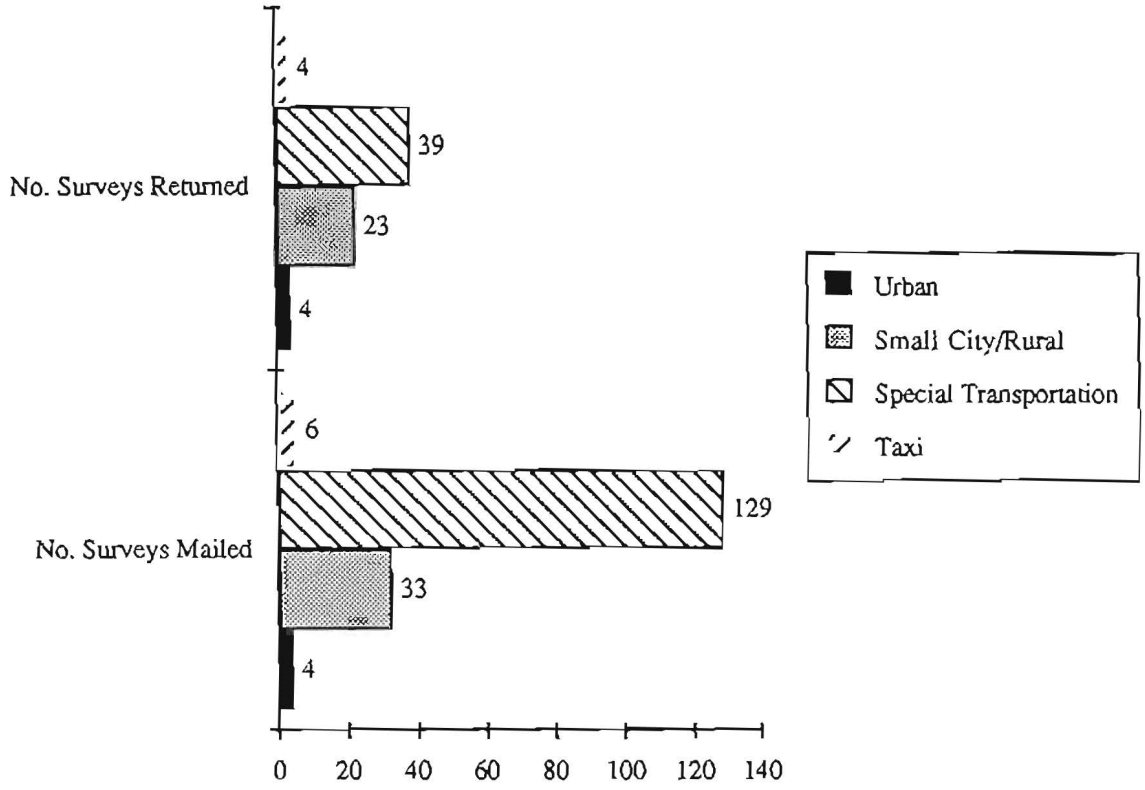
The study was prepared by the Center for Urban Studies, Portland State University, under contract to the Public Transit Division, Oregon Department of Transportation. It addresses the period 1989-1994. The data are drawn from several major sources. A survey of Oregon's major transportation providers, including all recipients of grants from the Public Transit Division, was completed to provide basic descriptive and financial information. In addition, interviews were held with selected transportation providers and state transportation officials to amplify and clarify issues and information. Recent national literature on transportation trends and issues in other states and across the country was also reviewed. Finally, the Study Advisory Committee provided comments and suggestions in the completion of the report. The responsibility for the final content and analysis rests solely with the Center for Urban Studies staff.

In the 1986 report, 64 transportation providers were identified. Of these, 24 were general service and 40 were special service providers. The participants in the 1988 Oregon Public Transportation Study (OPTS) include recipients of Special Transportation Fund money and federal Section 3, Section 9, Section 16(b)(2), Section 8, and Section 18 grants. The sample was created from the Oregon Department of Transportation's, Public Transit Division's lists of recipients of these funds. There were 174 transportation providers within the State of Oregon who were mailed copies of the survey (see Appendix A). Of these, 65

agencies (37%) responded to the questionnaire, and 10 (6%) informed the Center for Urban Studies that they were not public transportation providers and would not be participating in the study (See Figure 1 for distribution of respondents).

Service providers were classified into five categories reflecting the size and functional characteristics of the organizations. Because Tri-Met is atypical in size and has a dominant position in the state's industry, our analysis treats it separately from the other three urban systems. The urbanized area systems include Salem Area Mass Transit District, Lane Transit District, serving the Eugene-Springfield area, and the Rogue Valley Transportation District, providing service in the Medford-Ashland area. Special Needs Transportation providers are agencies whose clients consist of the elderly and/or mobility impaired, including Tri-Met's LIFT Program. Small city and rural providers are agencies generally providing fixed route service in small towns and rural areas. Taxi ticket programs contract to provide clients with rides at a reduced or flat rate. Of the 65 agencies which answered the survey, 62 percent (40) were special transportation providers, 26 percent (17) were small city and rural operators, 6 percent (4) were taxi ticket programs, and 6 percent (4) were urbanized area systems. According to Public Transit Division figures, those agencies who responded to the survey are an accurate reflection of the transit industry, weighted to include all four of the state's urban systems.

FIGURE 1
Survey Respondents



To insure consistency in the participants' responses, a glossary of terms used in the questionnaire was enclosed with each copy of the survey (see Appendix B). Definitions of each type of service, industry terms, and kinds of costs were given. Descriptions of revenue sources were also provided.

ANALYSIS OF THE SURVEY DATA

Type of Services

Of the 65 agencies who returned the Oregon Public Transportation Study (OPTS) survey, 43 percent (28) report they provide more than one type of transportation service to their clients. There were six different types of service provided by the organizations surveyed. Because some agencies provide more than one type of service, the percentages do not equal

100. Of those responding, 54 percent (35) provide Demand-Response/Dial-a-Ride service, 49 percent (32) operate a fixed route service, 25 percent (16) of the respondents use volunteer drivers to provide service to their clients, 12.5 percent (8) supply service to their customers through a taxi subsidy program, 8 percent (5) operate an unscheduled fixed route program, and an additional 29 percent (19) of the systems provide service that falls outside of the categories previously listed.

Service Delivered

When the categories of service for the responding agencies are combined, transit providers traveled 36.2 million miles and provided 57.7 million passenger trips in the 1987-88 fiscal year as reported in Table 1 and analyzed in Figures 2 and 3.

Table 1
Service Levels as Reported by Survey Respondents

	TRI-MET	URBAN	SCR	SNT	TAXI
Annual Miles	24,470,000	5,614,539	1,584,779	4,389,554	174,000
No. of FT Employees	1,396	320	63	553	52
Volunteers	0	0	45	2,225	4
Population	1,100,000	416,903	377,884	4,100,080	118,100
Population Mean	1,100,000	138,968	23,618	120,591	29,525
Passenger Trips	48,000,000	7,387,156	1,077,962	1,128,275	74,451
Number of Providers	1	3	17	40	4
Trips/Population Mean	43.64	53.16	45.64	9.36	2.52
Trips/FTE	34,384	23,085	17,111	2,040	1,432
Trips/Mile	1.96	1.32	0.68	0.26	0.43
Employees/Agency	1,396	107	4	14	13

NOTE: Totals above are based only on information provided by survey respondents and may understate total service provided by as much as one million passenger trips.

FIGURE 2
Service Characteristics of Oregon's Transportation Providers

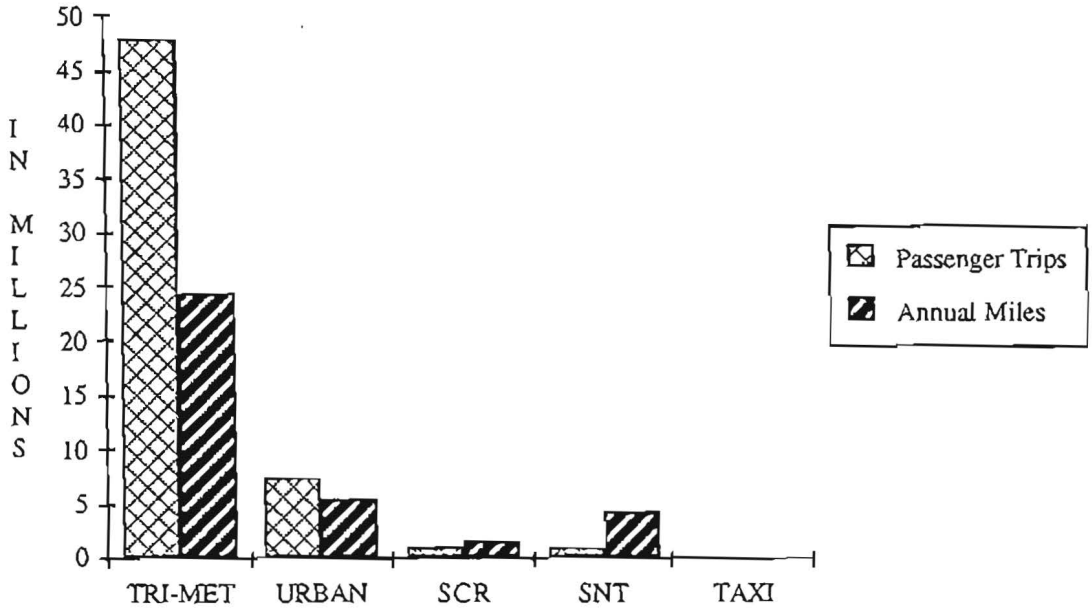
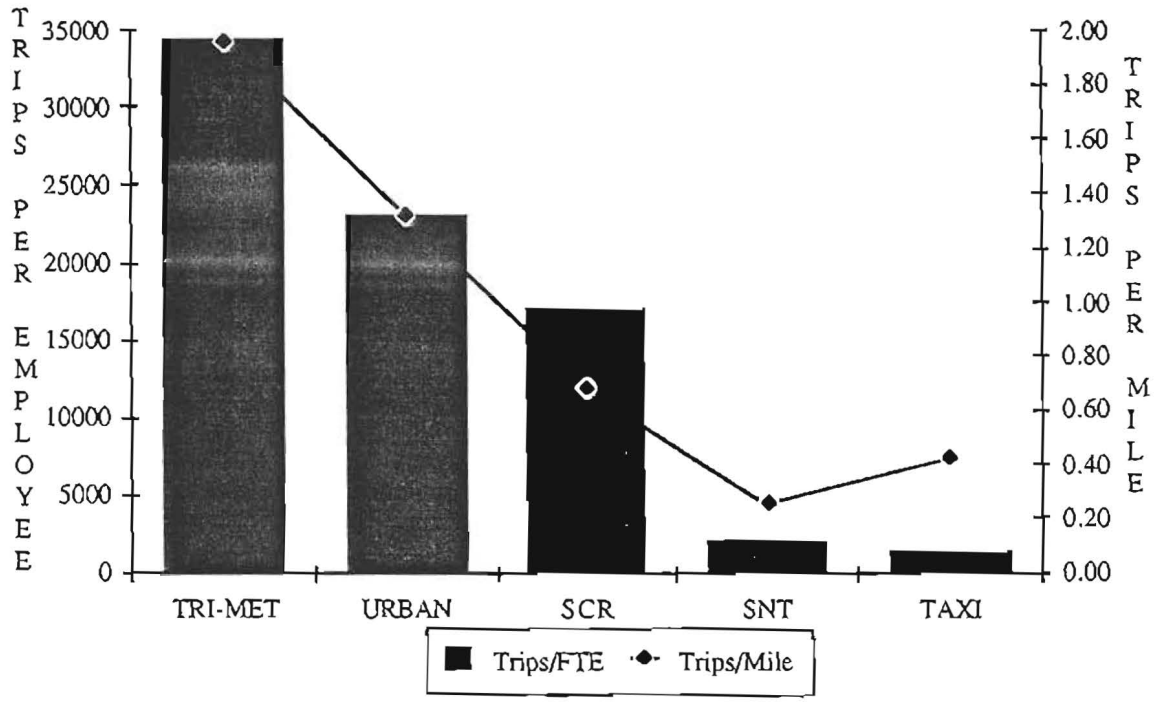


FIGURE 3
Performance Characteristics of Oregon's Transporation Providers



Agency Staffing

Collectively, the 65 transit agencies who returned the survey employ 2,378 people full-time. Of these, 1,980 (83 %) work in Operations positions, while the remaining 398 work in Administrative jobs. Additionally, there are 588 part-time employees, 494 (84%) in Operations and 94 in Administration. There are also 2,274 Oregonians who volunteer with some of the agencies to help provide public transportation services. Of those who volunteer, 105 work full-time and 2,169 work part-time.

Projected Service Increases and Needs

The miles of service their agency provides is predicted to increase within the next five years by 74 percent (48) of the responding agencies. Of the remaining agencies, 11 percent (7) did not know, 12 percent (8) believe their service miles will not increase, and 3 percent (2) did not respond.

An increase in their service population is anticipated by 69 percent (45) of the respondents, 15 percent (10) believe it will remain the same, 11 percent (7) did not know, and 5 percent (3) did not respond. With 49 percent of the agencies providing a projection, the population served was forecasted to rise by an average of 11.4 percent. Expected population increases ranged from a low of 1 percent to a high of 65 percent.

Based on the number of elderly and handicapped in their service areas, 58 percent (38) believe they are not providing sufficient transportation services to meet the needs of these groups, 23 percent (15) of the agencies believe that they are meeting their needs, 12 percent (8) were unsure, and 6 percent (4) did not respond. The total cost reported by responding agencies to provide new or additional services necessary to meet the needs of seniors and the mobility impaired is $3.74 million. Included in this cost is $357,360 for

new or expanded routes, $899,296 for extended service hours, $2,087,630 for additional vehicles, and $403,500 for other needed improvements.

Seventy-four percent (48) of the agencies who responded to the OPTS survey indicated they currently receive Special Transportation Fund (STF) money, 23 percent (15) do not receive STF grants, and 3 percent (2) did not indicate if they receive money from this source. Of the 48 respondents who do receive money from the Special Transportation Fund, 86 percent (41) indicated the amount they receive is not enough to meet their needs, 4 percent (2) were unsure, and 10 percent (5) indicated the funding was sufficient to cover their needs.

Tri-Met

Tri-Met reported their service area's current population as 1.1 million. They provided 24.47 million miles of combined services to riders, furnishing an estimated 48 million rides to passengers in fiscal year 1987-88. The majority of this service, 88 percent (21.6 million miles), was in the fixed route category. Tri-Met has no immediate plans to increase the miles of service they provide, but they are considering a possible service increase of between 2-15 percent over the next five years which varies by geographic area.

Tri-Met employs 1,186 full-time and 231 part-time people in Operations positions. They hire an additional 210 full-time and 22 part-time employees to work in Administration.

Tri-Met estimates that in the 1987-88 fiscal year, 88.7 percent of their ridership were members of the general public, 7.7 percent were senior citizens, and 3.6 percent were handicapped . The general public category includes all riders who utilize public transportation who are neither handicapped or older than 65 years of age. During the next five years, they expect an increase between 5-10 percent in the general public's ridership

and a 4.5 percent increase in senior citizen usage. They are unable to predict if their handicapped ridership will increase. Tri-Met's 1988 Transportation Development Plan estimate was used to project these increases.

Based on past trends, Tri-Met projected its total ridership for fiscal year 1988-89 at 48.5 million which they believe will increase 4.8 percent through FY 1993-94 to 50.9 million. A 6 percent increase in service area population is anticipated based on forecasts by the Center for Population Research and Census, Portland State University. The projected increase in ridership is attributed to expected future general growth in their service area population.

Door-to-door service is provided for elderly and mobility impaired riders through the LIFT Program. Clients are required to make reservations two to seven days prior to the needed assistance. Tri-Met does not believe it is providing sufficient transportation services to meet the needs of the seniors and handicapped in its service area. Additional vehicles, expanded and/or new routes, and extended service hours are all needed to meet the current identified need. Tri-Met is a recipient of Special Transportation Fund money but feels the amount they currently receive does not meet their area's requirements.

Urbanized Area Systems

The three urbanized area systems (Salem, Lane Transit, and Rogue Valley) report a combined service area population of 416,903. Together, they delivered 5.6 million miles of service and furnished an aggregate of 7.4 million passenger trips in FY 1987-88. As reported by these agencies, 98 percent (5.5 million) of the miles traveled were for fixed route service.

The urban area systems have 301 employees in Operations. There are 255 full-time positions with a mean of 85 employees. The minimum number of employees reported was 33 and the maximum was 145 for a range of 112. An additional 46 workers are employed part-time with an average of 15 part-time Operations employees working for each of the urban systems. The range was 17 with a minimum of 9 and a maximum of 26. There are 65 employees working in full-time Administration positions, ranging from 7 employees at one agency to a high of 43 at another. There are also 9 part-time employees working for the urban systems.

All the urban systems predicted an increase in the number of miles of service to be provided by their agency. Predicted expansions averaged a 7.5 percent increase in miles. With a minimum anticipated increase of 2.5 percent and a maximum of 15 percent reported, the range is 12.5. It is anticipated these increases will occur in the next 5 years.

When calculating ridership percentages, the three urbanized service providers report that an average of 78 percent of their riders are members of the general public, 16 percent are senior citizens, and 5.7 percent are mobility impaired riders. Based on their Transportation Development Plan, Rogue Valley estimates increases of 10 percent in general public, 4 percent in seniors, and a 1 percent increase in handicapped ridership. When increases for all ridership categories are combined, Lane Transit anticipates a mean annual growth of 4 percent.

Using their agency's past trends, the urban systems forecasted a combined ridership of 8.4 million for fiscal year 1988-89 and expect this to increase 6.8 percent by FY 1993-94 to over 9 million.

All three urban agencies believe they are not meeting the needs of their area's seniors and mobility impaired. Based on the number of elderly and handicapped in their service areas, the urban systems would require $270,000 to finance needed new or expanded routes, $385,000 for extended service hours, and $740,000 for additional vehicles to provide sufficient transportation services to meet the needs of these riders.

Door-to-door service for the elderly and handicapped riders is paid for by Lane Transit District through a contract (with a consortium organized under the Lane Council of Governments) which requires reservations be made 24 hours prior to the ride. Rogue Valley Transportation District and Salem Transit provide door-to-door service through contracting arrangements. Salem also allocates some of the STF monies it receives to other agencies in the Salem/Marion County area.

The urbanized systems expect a mean increase of almost 4 percent in the population of their service areas. Rogue Valley used the Center for Population Research and Census, PSU, and Salem and Lane Transit based their predictions on Council of Government projections. Increases in their service area's populations are expected as a consequence of anticipated commercial retail growth and general growth. All three foresee their ridership increasing as a result.

While Lane Transit, Salem Mass Transit, and Rogue Valley Transportation Districts receive Special Transportation funds, Lane and Rogue Valley believe the amount is insufficient to serve their special needs clients (Salem did not comment on this matter).

Special Needs Transportation Providers

Special Needs providers are a diverse group both in the size and character of service provided. Therefore, averages and norms used to describe them can stand for a wide range

of agencies. Some of the extremes in employment, service, budget and other characteristics reported below are a product of this diversity. For example, the largest special needs provider is Tri-Met and its data tends to extend the information ranges reported here.

Because of the overlap in their service territories and the inadequate information base they work with, the reported combined populations of the 34 Special Needs Transportation (SNT) Providers' totaled 4.1 million. These SNT agencies furnished 1.1 million passenger rides while driving a combined total of 4.4 million miles in the 1987-88 fiscal year. The majority (73 %) of the miles accrued were for Demand-Response/Dial-a-Ride service which totaled 3.2 million miles. An additional 491,520 miles (11%) were provided by volunteer drivers, 379,750 miles (9%) were fixed route services, and the taxi subsidy and unscheduled fixed route categories combined for another 320,129 miles (7%).

Special Needs Transportation respondents employ 460 full-time Operations workers. The number of full-time employees employed by SNT agencies averaged 20. SNT operators also employ 156 part-time Operations employees. The average number of part-time employees was 6. The minimum number of part-time employees reported was 1 and the maximum was 41 for a range of 40.

There are 93 Administrative employees who work full-time for SNT service respondents. This category had a range of 19, with a minimum of 1 and a maximum of 20. The average number of full-time employees was 3.44. Additionally, there are another 30 workers, an average of 1.65 per agency, employed part-time in Administrative positions.

Almost half (48%) of Special Needs Transportation respondents use part-time volunteers to help them provide transit service and reduce costs. There are 2,120 volunteers working

part-time for all providers, for an average of 112. The minimum reported was 1 employee and the maximum was 800 employees for a range of 799. Another 13 percent (5) SNT providers use 105 full-time volunteers, averaging 21 per agency, to provide service to their clients.

While 75 percent (30) of the SNT respondents expect an increase in their service miles, only 27 agencies provided specific forecasts. The anticipated increases ranged from 0.5 percent to 100 percent. The average estimated increase was 20 percent. These agencies calculate the increases will occur during the next 1 to 5 years; the norm is just under 2 years.

Of the 40 SNT respondents, 20 percent (8) indicated that 16 percent of their ridership was composed of members of the general public. The reported category of general population ridership varied from a minimum of 1 percent to a maximum of 46 percent. Sixty percent (24) of the SNT respondents render service to senior citizens. The estimates of what proportion of their clientele seniors represent ranged from a minimum of 1 percent to a maximum of 100 percent. The mean for the senior's proportion of ridership was 73 percent. Handicapped clients are served by 93 percent of the SNT agencies and the estimates on what percentage of their ridership this category represents ranged from 1 percent to 100 percent. Mobility impaired riders averaged 58 percent of the Special Need Transportation agencies' clients.

Sixty percent of the SNT respondents anticipate an increase in at least one ridership division. Handicapped ridership is projected to increase by 40 percent (16) of the special needs transit providers. This category ranged from a minimum expected increase of 1 percent to a maximum of 50 percent, and had a mean of 21.5 percent. Senior ridership is forecasted to increase by 30 percent (12) of the agencies. Their forecasts range from a 2

percent increase to a 100 percent increase and had a mean of 35 percent. Finally, 13 percent (5) of these agencies expect their general public ridership to increase an average of 13.6 percent. Thirteen SNT agencies (33 %) did not respond when asked to explain how these increases were estimated, 15 percent (6) reported using transportation development plans, 18 percent (7) used a "crystal ball", 5 percent (2) provided multiple responses, and 23 percent (9) used another method to calculate increases.

With 85 percent (34) of the sample's special transportation providers reporting, ridership for the 1988-89 fiscal year is calculated to be 1.03 million. Only 73 percent (29) of the agencies provided a forecast for fiscal year 1993-94 but even with fewer agencies responding, the projected total ridership is 1.2 million for an 18 percent increase.

Special transportation respondents used a number of ways to project their ridership. The majority, 55 percent (22), used their agency's past trends to provide a forecast, 18 percent (7) did not respond to this question, 15 percent (6) guessed, 5 percent (2) based their response on the number of residents in their service district, 5 percent (2) based their response on information furnished to them by the actual service provider, and 2 percent (1) based their projections on budgetary limitations.

Fifty-five percent (22) of the SNT respondents do not feel they are meeting the transit needs of the mobility impaired and seniors in their service areas, 22 percent (9) believe they are meeting their needs, 13 percent (5) are unsure, and 10 percent (4) did not respond to this question. In order to satisfy the unmet transportation needs of the elderly and/or handicapped in their service area, SNT providers would need $78,360 for new or expanded routes, $454,234 to provide extended service hours, $1.1 million to purchase additional vehicles, and $400,000 for a user-side subsidy in Tri-Met's LIFT Program.

The Special Need Transportation respondents' forecasted population changes in their service areas present a diverse picture. Sixty-five percent (26) believe their population will increase by an average of 13 percent. Another 15 percent (6) report their population is expected to remain the same, 10 percent (4) did not know, 8 percent (3) did not respond, and 2 percent (1) reported their population is expected to decrease. Two agencies used Council of Governments studies as the basis of their forecast, 5 used the Center for Population Research and Census, 4 used their county planning department, 3 used more than one of the above sources, 11 did not respond to this question, and 15 marked the "other" category. General growth will be responsible for the population increases for 40 percent (16) ST providers, commercial retail growth for 2 percent (1), several factors for 5 percent (2), and 53 percent (21) did not indicate which factors explain the anticipated changes in their populations.

Door-to-door service for seniors and mobility impaired riders is provided by 85 percent (34) of the special transportation respondents and 8 percent (3) others are considering adding this service in the future. Sixty-three percent (22) of the SNT respondents which provide this service require clients to make reservations in advance and 37 percent (13) do not have clients reserve rides. Requirements for reservations ranged from 2 hours to 72 hours with the most common reservation requirement reported 24 hours.

Of the 28 SNT providers who receive Special Transportation Fund money, 82 percent (23) feel it is not enough, 4 percent (1) were unsure, and 14 percent (4) believe it is enough to meet the needs of their agency.

Small City and Rural Operators

The seventeen responding agencies which serve small cities and rural populations report a total service population of 377,884. The 17 small city and rural (SCR) respondents

traveled almost 1.6 million miles and provided over one million rides in FY 1987-88. Most of these miles occurred on pre-established routes, operating on an established schedule, with 69 percent (1.1 million) of the annual miles accruing in fixed route service. Another 30 percent (478,664) of the miles were accumulated in the Demand-Response/Dial-a-Ride category. The remaining 1 percent (6,000) of the miles were accrued in the unscheduled fixed routes and the volunteer driver classifications.

There are 49 full-time and 61 part-time Operations workers employed by small city and rural operators. The number of full-time employees reported varied from a low of 1 to a high of 28 for a range of 27. The mean was 6 employees. The number of part-time employees had a range of 14, from a low of 1 to a high of 15 workers, and averaged 6. Administration employs an additional 14 full-time workers, with a mean of 1.75, and 24 part-time workers. Collectively, 35 percent (8) of these respondents use the services of a total of 45 part-time volunteers, averaging 7.5. The minimum number of volunteers reported was 2 and the maximum was 21 for a range of 19.

The majority, 76 percent (13), of the small city and rural respondents also expect an increase in the service miles they provide. Their estimates for growth ranged from 7 percent to 200 percent. The average growth expected is 46 percent. They anticipated these increases will occur over the next five years.

Eighty-two percent (14) reported providing service to members of the general public. As a proportion of their ridership, the general public ranged from a low of 2 percent to a high of 74.5 percent and averaged 35 percent. All of these operators reported providing service to senior citizens, ranging from a low of 16.5 percent of their total ridership to a high of 90 percent. On average, seniors are 60 percent of their clientele. Most (94%) of the small city and rural respondents provide service to mobility impaired riders. Their portion of the

ridership totals varies from a low of 1 percent to a high of 70 percent. The mean was 22 percent.

A majority of the small city or rural transit respondents, 70 percent (12), indicated they expect an increase in their ridership levels. There is an assumption by 59 percent (10) of these agencies that the level of ridership for the general population will rise over the next five years. Estimates ranged from a low of 2.5 percent to a high of 100 percent and averaged 34 percent. Sixty-five percent (11) of these providers forecast an increase in the number of seniors who use their service. Projections for increased senior citizen usage ranged from a minimum of 3 percent to a maximum of 250 percent with a mean of 44 percent. Finally, 59 percent (10) small city and rural respondents reported they expect their handicapped ridership to increase. Their estimates ranged from a low of 2 percent to a high of 100 percent. The mean predicted increase for mobility impaired ridership was 28 percent.

Small city and rural respondents arrived at the above estimates in numerous ways. Four (24 %) reported using a "crystal ball", one used a transportation development plan estimate, one used past trends, two provided multiple responses, one used a county planner estimate, five (29%) did not respond, and three (18%) used some other basis for their estimates.

With 16 (94%) agencies furnishing forecasts for 1988-89, it is estimated total ridership for these providers will be 929,290. In 1993-94, with 15 (88%) of the agencies providing forecasts, ridership is expected to increase 11% and exceed 1 million. A majority of the small city and rural respondents, 76 percent (13) used their past trends to provide ridership projections, 18 percent (3) guessed, and one used its city's comprehensive plan.

Among the small city and rural respondents, 65 percent (11) of the operators believe they are not meeting the current public transportation needs of the handicapped and elderly in their area, 29 percent (5) believe they are providing sufficient service, and 1 was unsure. To provide sufficient transportation services to meet the needs of the mobility impaired and elderly in their area, small city and rural respondents identified financial requirements of $9,000 for new or expanded routes, $60,062 for extended service hours, $232,630 for more vehicles, and $3,500 for advertising their service to the public.

The majority, 71 percent (12), of small city and rural respondents anticipate an increase in their area's population, 24 percent (4) expect the population to remain the same, and 6 percent (1) were unsure. Two agencies used a Council of Governments' report to predict population changes, 1 used the Center for Population Research Center, 4 used their county planning department, 2 used more than one of the previously mentioned categories, 7 agencies used another source, and 1 did not respond. Eighty-eight percent (15) expect their ridership to rise as a result of population increases. General growth was cited by 35 percent (6) of the agencies as responsible for anticipated population increases, industrial growth by 24 percent (4), and 41 percent (7) did not respond.

Door-to-door service for elderly and handicapped riders is provided by 71 percent (12) of the responding small city and rural agencies and two agencies are considering adding this service in the future. Of these providers, 42 percent (5) do not require advance reservations. The remaining 58 percent (7) service operators require reservations 24 hours in advance of the needed service. Of the 13 small city and rural agencies who receive STF money, 11 indicated it was not enough to meet their needs, 1 was unsure, and 1 felt it was sufficient.

Taxi Programs

Responses were received from four local governments (Milton Freewater, Hermiston, Pendleton, and the Rogue Valley Council of Governments) which participate in the Taxi Ticket Program. These governments contract with taxi companies for service to constituents. When combined, the four taxi programs serve a population of 118,100. With three taxi ticket operators reporting mileage, these agencies accrued 174,000 miles and provided an aggregate of 74,451 rides in FY 1987-88.

There are 9 part-time paid administration employees working for three of the Taxi operators for an average of 3. The minimum reported was 1 employee and the maximum was 6 for a range of 5. In addition, one agency reported the use of 4 part-time volunteers. The fourth agency reported all city employees rather than just service providers and, hence, could not be included in this analysis.

When asked if the miles of service their agency provides is expected to change in the future, the four taxi programs were divided in their responses. One anticipated an increase in service miles within the next year but did not provide a specific forecasted percent, one agency did not know, one agency does not expect an increase, and one did not respond to this question.

When questioned regarding their overall ridership percentages for 1987-88, one taxi ticket program reported that the general public comprises 21 percent of its clients. Three programs reported that seniors represent a minimum of 75 percent to a maximum of 97 percent of their ridership (an average of 85.6%). All four of the taxi ticket programs included mobility impaired citizens in their ridership population. Handicapped citizens' proportion of ridership ranged from a minimum of 3 percent to a maximum of 100 percent for an average of 30.5 percent. Of the four programs, only one reported an expected

increase in ridership in the next five years, one was unsure, and the remaining two did not anticipate an increase in ridership. However, two governments reported an expected increase in the senior citizens category. One related an increase of 2 percent and the other a growth of 18 percent. Three of the taxi programs used past trends to make their estimates, and one did not respond to this question.

The four taxi respondents project a combined ridership of 77,264 for 1988-89. With only three governments forecasting for 1993-94, ridership is expected to increase to 81,427 which is a 5 percent rise.

Door-to-door service for the elderly and handicapped is provided by all of the taxi programs. Advanced reservations are required by only one government and it asks for 4 hours notice. Based on the number of seniors and mobility impaired in their area, one taxi program believes it is not meeting the needs of these groups, one believes that it is meeting their needs, and two were unsure.

All four of the government programs receive Special Transportation Fund money, and all four indicated that the amount they receive is not sufficient to meet their needs.

Summary of Agency Projected Service Expectations

The number of citizens who utilize public transportation in Oregon will continue to increase in the future, particularly in the special needs category. The majority of the service providers who participated in the 1988 Oregon Public Transportation Study anticipate increases in their ridership levels over the next five years.

- Special needs transportation providers anticipate an average increase of 18 percent.
- Small city and rural agencies expect a mean increase of 11 percent.

- Urban providers forecast a mean increase of 6.8 percent.
- Tri-Met anticipates an increase of 4.8 percent.
- Taxi agencies anticipate an average increase of 5 percent.

A majority (74%) of the transportation agencies are experiencing pressure to expand their service routes and many of the service providers reported they anticipate the miles of service their agency provides will increase over the next 5 years.

- The special needs transportation providers predict an average increase of 20 percent in service miles.
- The urban agencies forecast a mean increase of 7.5 percent in the miles of service they provide.
- The small city/rural agencies anticipate an average service mile increase of 46 percent.
- Tri-Met is considering a possible increase of 2-15%, varying by geographic zone, in the miles of service they provide.

Fifty-eight percent of the 1988 OPTS participants believe they are not meeting the current transportation needs of the elderly and handicapped in their service areas. By service category, the ratios were:

- 55 percent of the special needs transportation providers report they are not meeting the service need in their area
- 64 percent of the small city/rural agencies believe they are not meeting the current need in their service area.
- All the urban agencies feel they are not meeting the transportation needs of the elderly and mobility impaired in their service territory.

The total cost reported by the responding agencies to provide needed new or additional service to Oregon's seniors and handicapped is $3.74 million. These figures are not the total cost necessary throughout the state but only the aggregate of the 1988 Oregon Public Transportation Study's participants' needs. This total includes the following approximate components:

- $360,000 for new or expanded routes
- $900,000 for extended service hours
- $2,000,000 for additional vehicles
- $400,000 for other needed improvements.

Although the addition of the Special Transportation Fund's one cent cigarette tax has encouraged the provision of service to the state's elderly and mobility impaired population, the amount currently available to SNT providers is not enough. Of the 48 survey participants who reported receiving STF monies, 86 percent (41) indicated the amount they receive is insufficient to meet the identified need in their service area.

The local importance of Oregon's special needs programs is demonstrated by the number of volunteers who work for the SNT providers. Almost half (48%) of the special need transportation providers depend on volunteers to help them provide service to their clients. There were 2,120 part-time volunteers and 105 full-time volunteers reported working with special needs agencies. Without their help, many of the existing programs would be unable to continue to provide services to this population.

A FRAMEWORK FOR COMPARING OREGON'S TRANSPORTATION PROGRAM

To provide a framework for examining Oregon's public transportation options, the current literature on national public transportation trends and activities in other states was reviewed. The materials consulted included the American Public Transportation Association's (APTA) Preliminary 2010 Report, the American Association of State Highway and Transportation Officials' (AASHTO) 2020 Report, the Council of State Government's (CSG) Financing for the Future: Changing Roles in Mass Transit, various reports from Minnesota and Virginia and other documents identified during the literature review. Also examined were documents produced in Oregon, including the products of the Portland Metropolitan Public Private Task Force. While there are differences among these documents concerning transportation trends and futures, the increasing role of state governments in funding and supporting public transportation and the need to further

promote flexible, responsive transportation services and ensure well-trained transportation personnel."

- Performance Monitoring: Performance Monitoring "provides guidelines for improving the quality and efficiency of service and provides information on the different characteristics of operations and the importance of understanding the results of these differences."

- Intermodal/Interagency Coordination: Interagency/intermodal coordination suggests that "states can manage public transportation programs more effectively by encouraging coordination and cooperation with other agencies such as: other transportation modal agencies, state economic and/or industrial development interests, human service agencies, land use planners."

Together, these four categories provide a means for describing Oregon's current efforts and identifying opportunities for greater productivity in the state's transportation investments.

OREGON'S INSTITUTIONAL HISTORY IN PUBLIC TRANSPORTATION

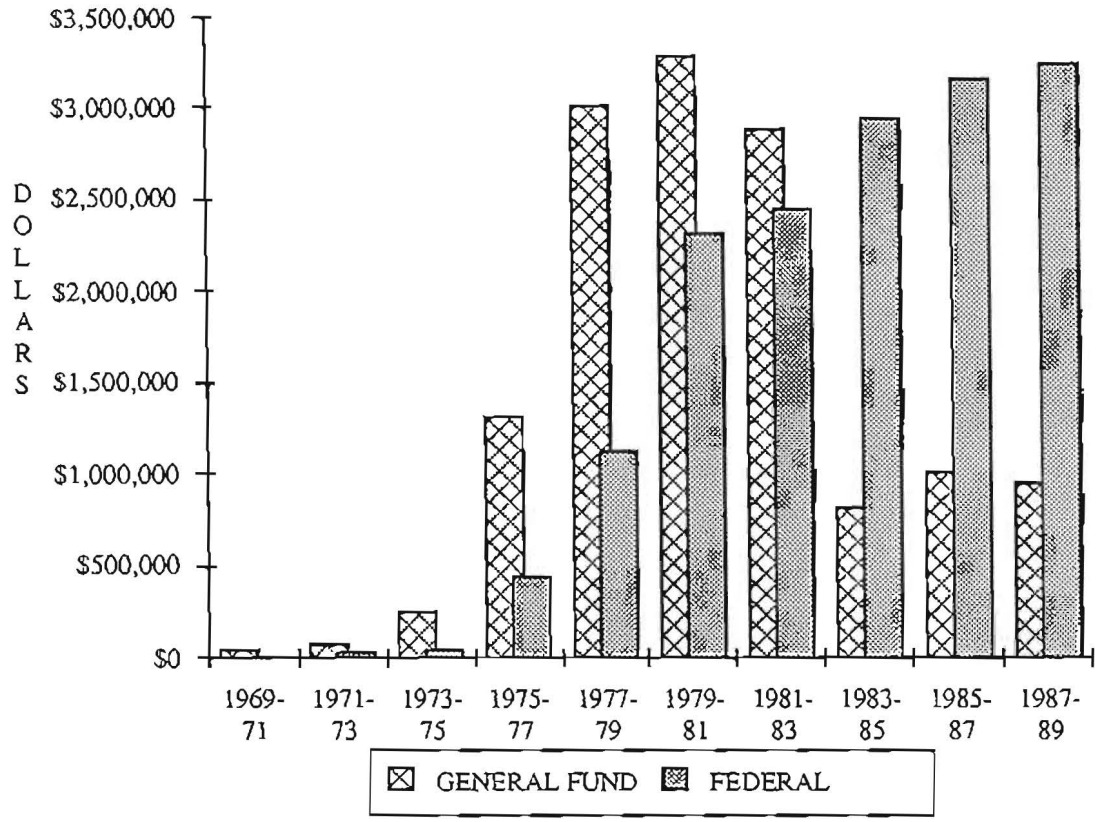
The Public Transit Division of ODOT was created in 1969 to provide planning, coordination and research services in support of public mass transportation in Oregon. Originally charged to work with private and public enterprise, in 1977 the Division was further charged with developing and financing public transit systems.

Initially funded with a $57,000 General Fund appropriation and a staff of two, over time the Division has grown to a staff of 12 and a biennial budget of $18,800,000. During the same time period the public transportation agency population has grown from six agencies to over 30 statewide. Additionally, the service delivery profile has diversified from fixed

route transit to include rural and special needs transportation systems. As a result the total population of providers now exceeds 170. The institutional and governmental character of these providers is very diverse, ranging from city agencies and contracted taxi programs to special districts. As a consequence, the general interests and concerns of this constituency have also diversified such that while they share general objectives differences of opinion and operating characteristics exist. Where differences do exist, this has added to the demands facing the Public Transit Division.

The growth of the Division was largely fueled by growing federal funding initiatives of the Urban Mass Transportation Administration. In 1974 the Division added UMTA's Section 8 Technical Assistance Program which is eighty percent funded by federal monies. Capital grants for elderly and handicapped transportation(Section 16(b)(2)) was added in 1975, also federally funded at the eighty percent level. The Section 18 Small City and Rural program was added in 1979 and is funded eighty percent with federal funds. State matching of federal funds has lead to additional programs in Ridesharing (1984) and the Rural Technical Assistance Program (1988). Both of these latter efforts are fully funded by federal monies. The relative growth of federal and state funding is shown in the following figure. It appears that Oregon public transportation effort has been significantly shaped by the presence of federal funds, and presumably, the attached federal priorities.

FIGURE 4
State and Federal Funding for Oregon's Public Transportation Program

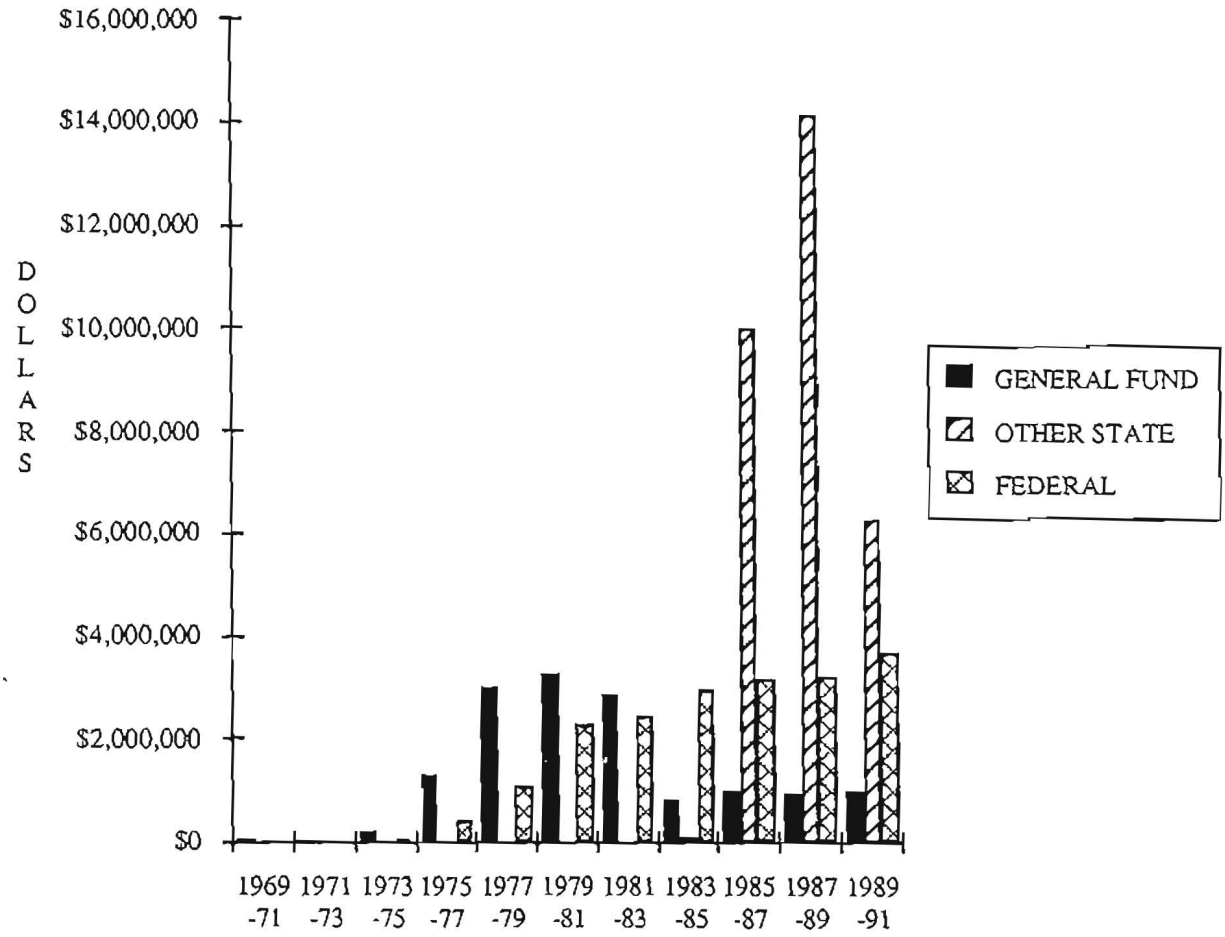


NOTE: Data from Public Transit Division, Oregon Department of Transportation.

The transformation of the Division from a primarily state funded to federally funded programmatic effort is clear. In addition, the state legislature has asked the Division to assume responsibility for related special funding efforts. In 1985 the legislature assigned the Division responsibility for $5 million in lottery funds to match federal capital funds (only $2.7 million became available). These monies went to park and ride stations, transit centers, passenger shelter amenities and related facilities. Similarly, the legislature enacted a one cent cigarette tax allocation for elderly and handicapped transportation services, known as the Special Transportation Fund Program. In 1987, $8 million, the state's share

of the Oil Overcharge Funds (Stripper Well), was allocated by the legislature to capital expenses and subsequently obligated to match federal monies by transit agencies. The impact of the addition of these intermittent special funding efforts is indicated in the following chart:

FIGURE 5
Overall Funding for Oregon's Public Transportation Effort



While recent funding efforts have made Oregon's overall program compare favorably with other states, it is apparent that much of the effort is attributable to one time only funds. With the decline of federal monies, the long term capacity of the state program has been

called in to question. Since much of the administrative personnel capacity is federally funded and focused, the ability of the Division to do long term coordination, planning and development is problematic. Further, as federal funds decline, the state is being called on to do more with less. Transportation providers are looking toward Salem for additional financial and technical assistance. While the fortuitous availability of lottery and stripper well monies has eased the financial demand somewhat in the past four years, these are not long term answers to what will likely be a continuing financial problem.

ANALYSIS OF COMPARABLE STATES

In part, the state role in public transportation finance can be assessed by comparing Oregon with other states who are similar in population, levels of service provided, and funding sources. This analysis is based on data from the annual surveys of state involvement in public transportation by AASHTO. The analysis compares Oregon to other states to determine the results of state assistance programs on the character of services provided in comparable states.

To determine comparable states, the initial strategy focused on demand factors such as:

- Population per square mile,
- Urban population as a percent of total population,
- Cars per licensed driver,
- Population 65 years of age and older as a percent of total population, and
- Households below the poverty level as a percent of all households.

Regression analysis was used to determine which of the five variables has the greatest association with, or explanation of, state public transportation aid per capita. Of the five factors, population was the most significant, explaining over 85 percent of the variation among states in level of aid. As population density increases, states are more likely to provide assistance to public transportation.

The states found statistically most similar to Oregon in terms of demand-side factors are:

- Arizona
- Colorado
- Nebraska
- Utah

These states are similar to one another in a major respect: each has at least one major metropolitan area and a large area of each is very sparsely populated. Table 2 compares these states to Oregon in terms of state operating and capital assistance.

TABLE 2
State Public Transportation Assistance Comparable States: Demand Factors

State	State Assistance		Source
	Capital	Operating	
Arizona	$19M (combined)		Sales tax & lottery
Colorado		$93M	Sales tax
Nebraska	$0.4M	$1M	General fund sales and fuel taxes
Oregon	$3M	$6.3M	Lottery in-lieu payroll, cigarette
Utah		$23.7M	Sales tax

Source: The Council for State Governments, Financing For The Future: Changing Roles in Mass Transit, 1987, Table 2, pp 304-306.

There are two problems in interpreting data in the above table. First, it does not distinguish aid to urban and non-urban areas. Second, how sales tax assistance is classified is confusing. In most states the sales tax is a local option tax, collected by the state and passed directly back. Even though the assistance is not spent directly by the state, it is still classified as state aid because the state authorizes legislation allowing the sales tax and collects and distributes the tax. On the other hand, Nebraska allows cities to levy a sales

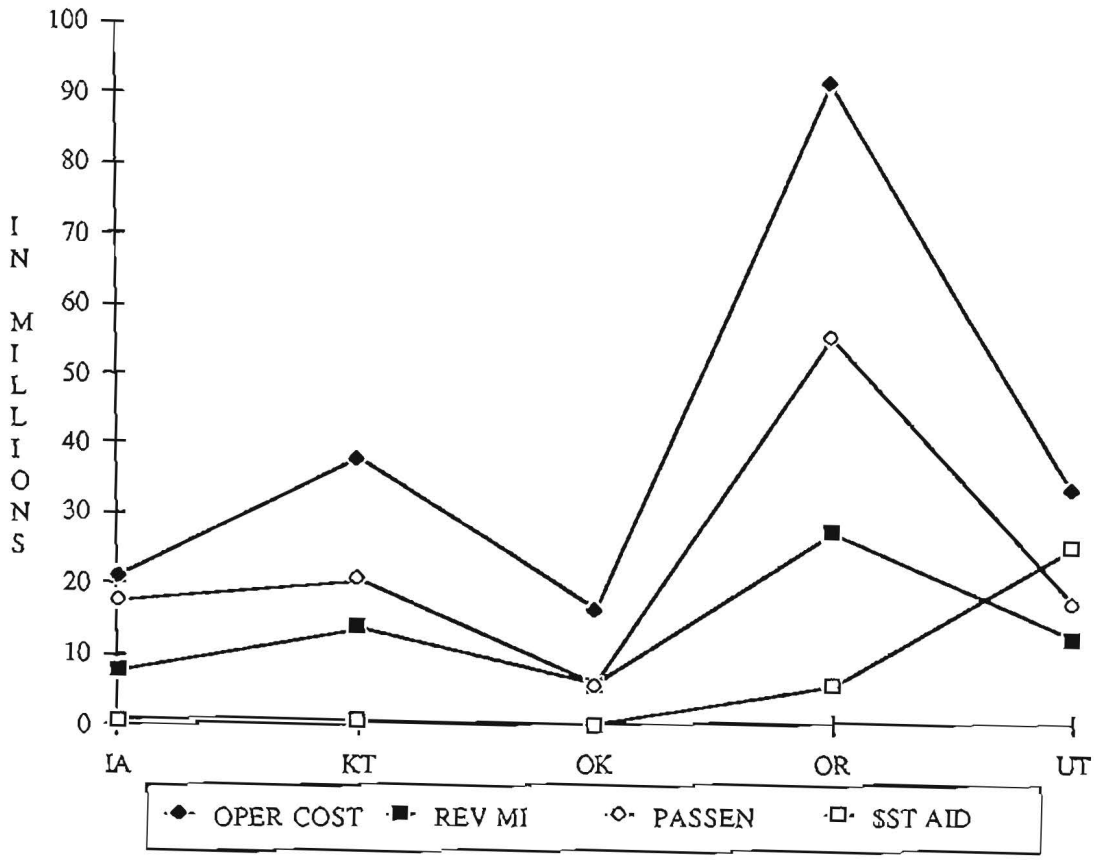
tax, which is not state collected and does not show up as state aid even though its collection is authorized under state legislation. Similarly, the payroll tax is collected locally in Oregon and does not appear as state aid despite its state legislative authorization.

The following analysis seeks to compensate for these deficiencies by distinguishing between urbanized and non-urbanized assistance. Because Oregon is somewhat of an anomaly, it was necessary to use different comparators for these categories in the analysis. Conclusions concerning patterns of state aid in those states most comparable to Oregon are suggested by the analysis and discussed below.

Comparable States: Public Transportation in Urbanized Areas

Figure 6 compares Iowa, Kentucky, Oklahoma and Utah with Oregon. These states were chosen because they are similar in urban population size to Oregon. Operating cost, revenue-miles, and passengers served were used as measures of public transportation service. Comparatively, Oregon's urbanized areas produce significantly more transit service than the urbanized areas of comparable states. None of these states has a high level of state assistance, except for Utah. Utah's aid, however, is a local option sales tax.

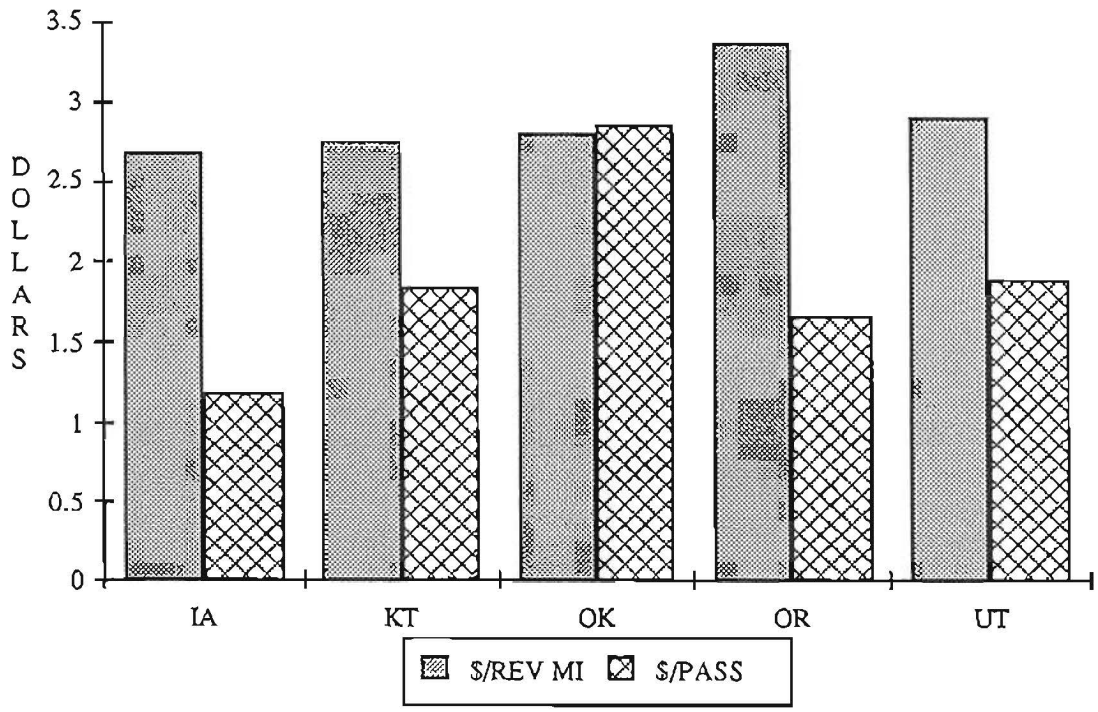
FIGURE 6
Transit Service for States with Comparable Urbanized Area Population



Comparison of operating cost, revenue-miles, passengers, and state financial aid indicating that Oregon has a higher level of service productivity. Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 7 compares these same states in terms of operating cost per revenue-mile (efficiency) and operating cost per passenger (effectiveness). Oregon is slightly less efficient at $3.20 per revenue mile when compared to the average of $2.75 for the other states. However, with the exception of Iowa, Oregon is more effective than its comparators.

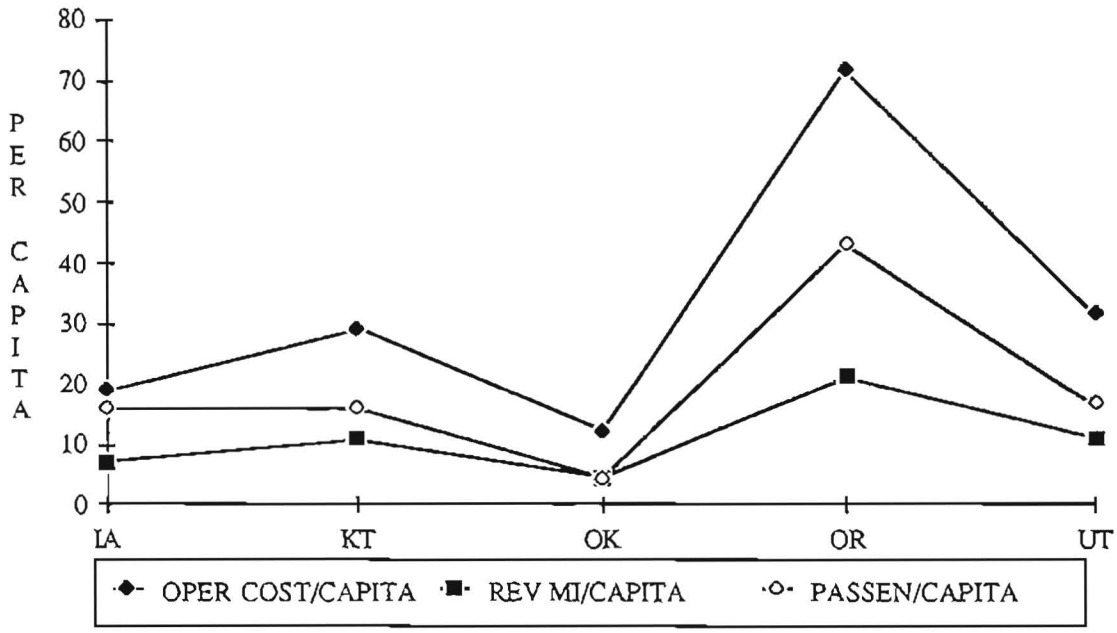
FIGURE 7
Transit Performance for States with Comparable Urbanized Area Population



Comparison of dollars per revenue-mile and dollars per passenger showing that Oregon's public transportation expenditure effort is slightly less efficient but more effective.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 8, compares per capita operating costs, revenue-miles, and passenger data, and shows Oregon doing more on a per capita basis than its comparators. Despite their similar urbanized populations, the data indicates that these states may not have a comparable operating experience to Oregon. Oregon operators appear to be more efficient in their provision of service. To extend the analysis, it was necessary to look at states which were similar to Oregon in performance measures.

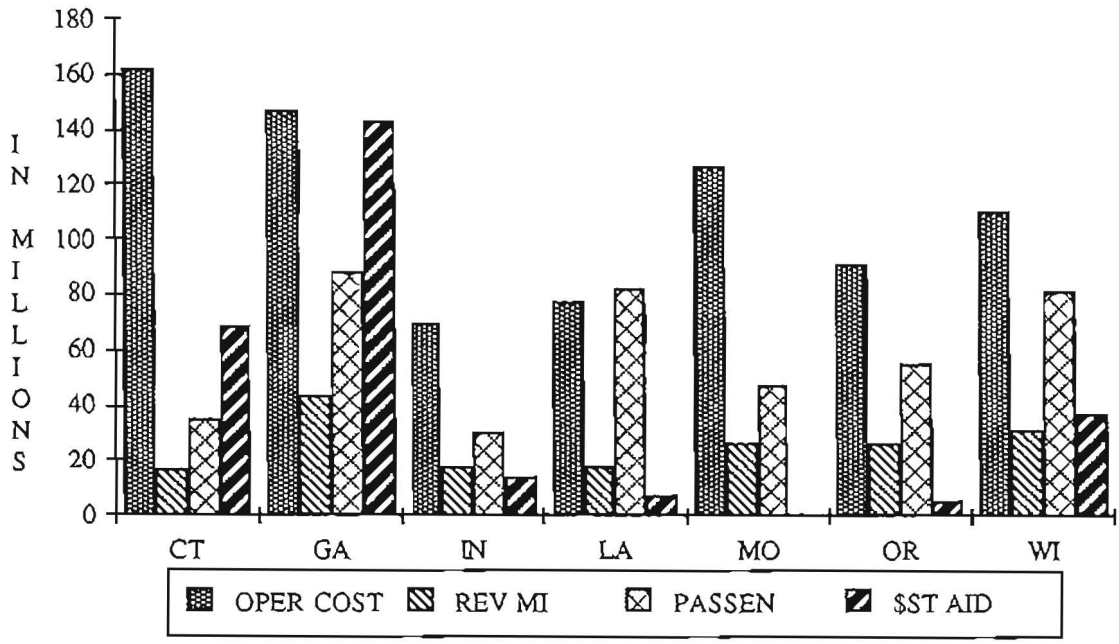
FIGURE 8
Per Capita Transit Service for States with Comparable Urbanized Population



Comparison of operating cost per capita, revenue-miles per capita, and passenger per capita indicating that Oregon is not comparable to these states on a per capita basis.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

To provide better analytical comparisons, another group of states was selected based on similar levels of public transportation service: Connecticut, Georgia, Louisiana, Indiana, Missouri, and Wisconsin. Data for these states are presented in Figure 9 and indicate that they resemble Oregon in the quantity or level of operating cost, revenue-miles and number of passengers. Like Oregon, they also have one or two dominant urban centers and most provide state public transportation aid.

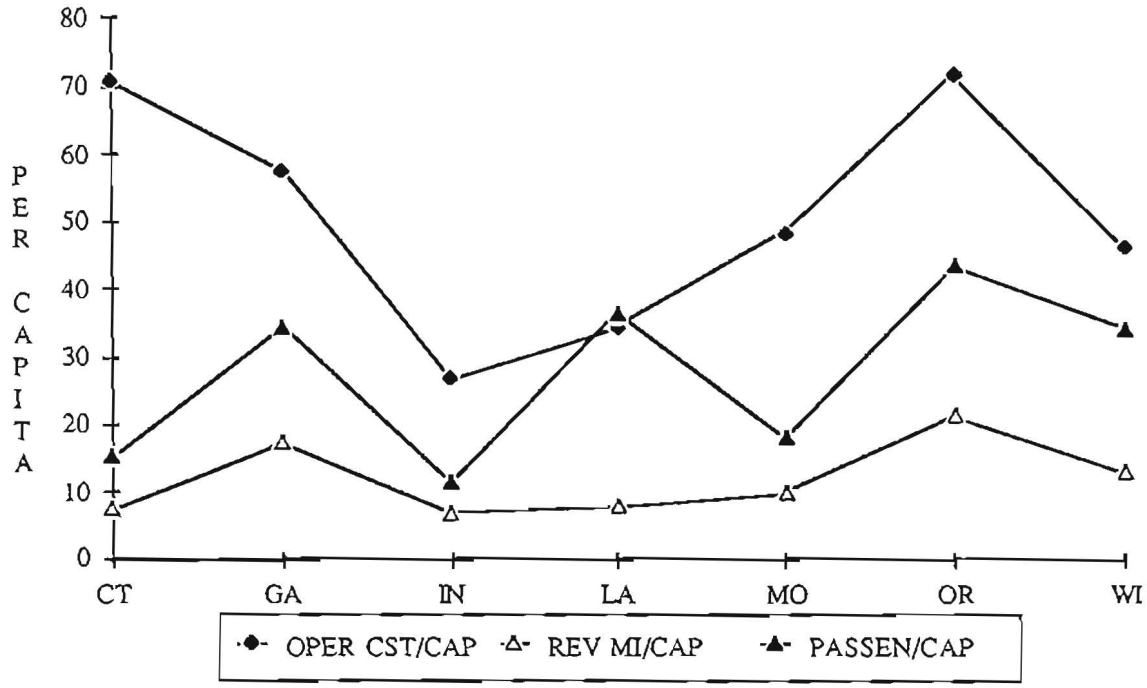
FIGURE 9
Transit Service for States with Comparable Levels of Urban Transit Service



omparison of operating cost, revenue miles, passengers, and state aid showing that most of these comparator states provide more public transportation aid than Oregon.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 10 compares operating cost, revenue-miles, and passengers in these states on a per capita basis utilizing only their urbanized population. In comparison, Oregon is expending considerable effort on a per capita basis for public transportation service, producing as much urban service as states with larger urban populations.

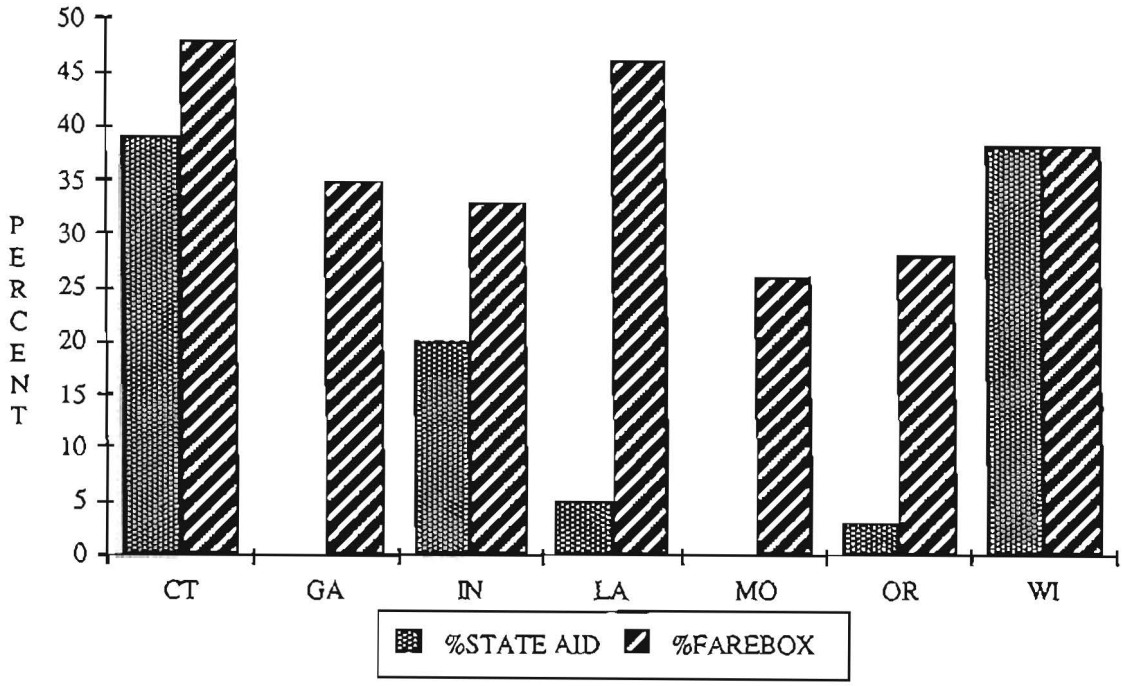
FIGURE 10
Per Capita Transit Service for States with Comparable Levels of Urban Transit Service



Comparison of operating cost per capita, revenue-miles per capita, and passengers per capita indicating that Oregon produces a similar quantity of public transportation service as do the comparators, but with a smaller population base.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 11 illustrates that Oregon's urban transportation providers produce transit service with a lower proportion of state aid and a slightly lower farebox recovery rate. Consequently, Oregon urban providers are more dependent on local sources of funding than agencies in the comparator states. Oregon is most like Missouri in this respect, but Missouri authorizes a local option sales tax as a dedicated source of subsidy, as does Georgia.

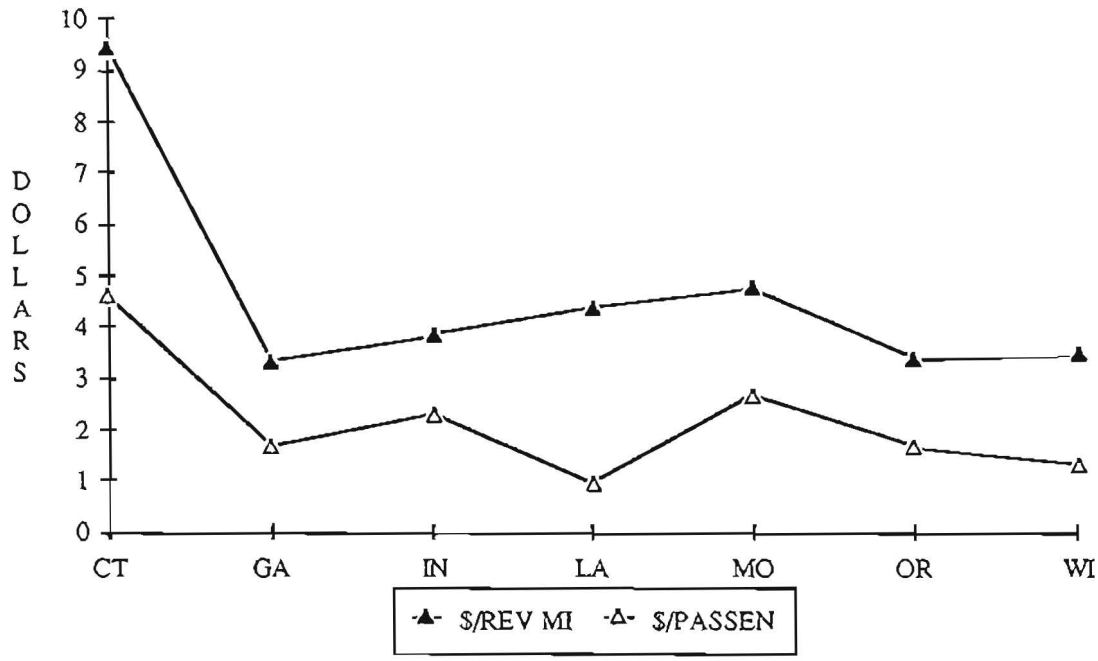
FIGURE 11
Revenue Sources for States with Comparable Levels of Urban Transit Services



Comparison of state aid and farebox recovery as a percent of operating cost showing that Oregon is less reliant on state aid than comparable states.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 12 shows that on the basis of expenditure per revenue mile Oregon's urban transit properties provide comparably efficient service. Furthermore, based on cost per passenger, Oregon's urban transportation agencies furnish relatively effective service.

FIGURE 12
Transit Performance for States with Comparable Levels of Urban Transit Service

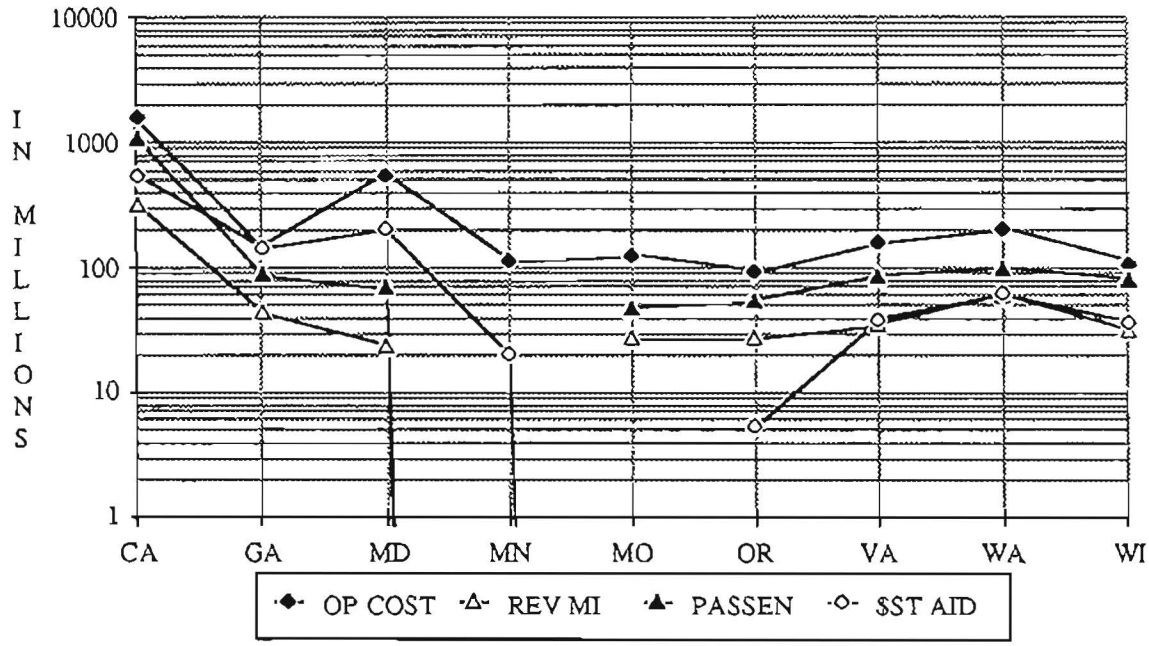


Comparison of dollars per revenue-mile and dollars per passenger indicating that Oregon is as efficient and effective as these comparators.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

While Oregon produces similar total amounts of service to many of these states based on output per capita, when analyzing performance output, these states were dissimilar. To analyze performance output, a new set of comparable states were selected: California, Georgia, Maryland, Missouri, Minnesota, Virginia, Washington, and Wisconsin.

Figure 13 compares public transportation service as measured by operating cost, revenue miles, and the number of passengers served. Oregon's volume of urbanized area public transportation service compares favorably to states with larger urbanized area populations.

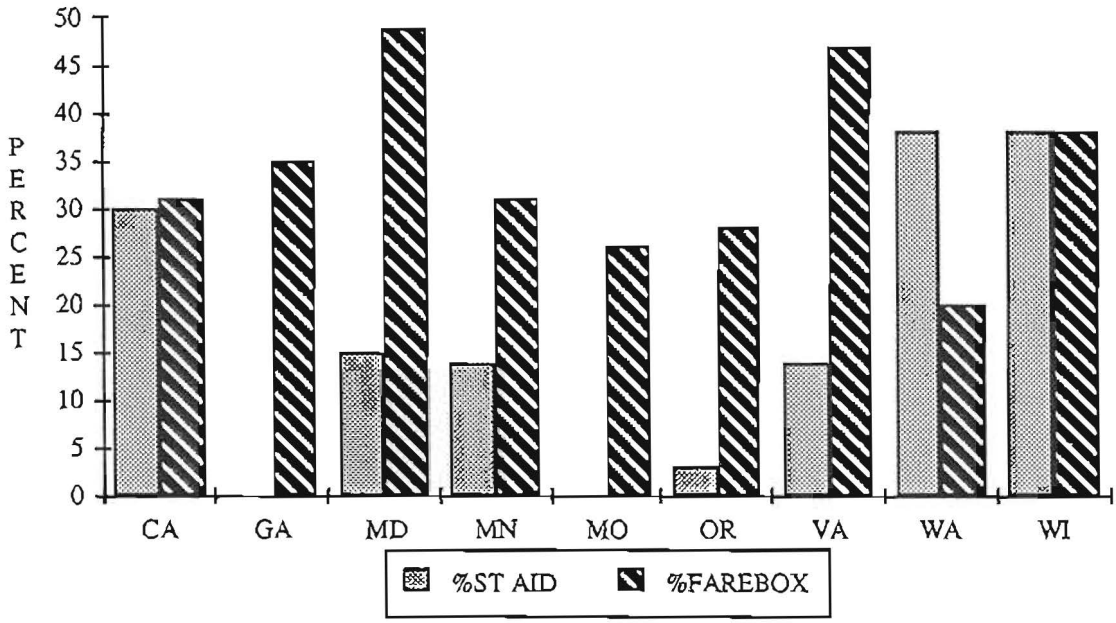
FIGURE 13
Transit Service for State withComparable Levels of Transit Service Per Capita



Comparison of urbanized population, operating cost, revenue-miles, and number of passengers showing that Oregon's quantity of urbanized area transit service is comparable to states with larger area populations.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 14 provides comparisons of the ratios of operating costs derived from state aid and fares. Again, Oregon appears low in state assistance, with comparators Georgia and Missouri relying on a state-enabled and dedicated sales tax for transit assistance.

FIGURE 14
State Transit Assistance for States with ComparableUrbanized Output Per Capita



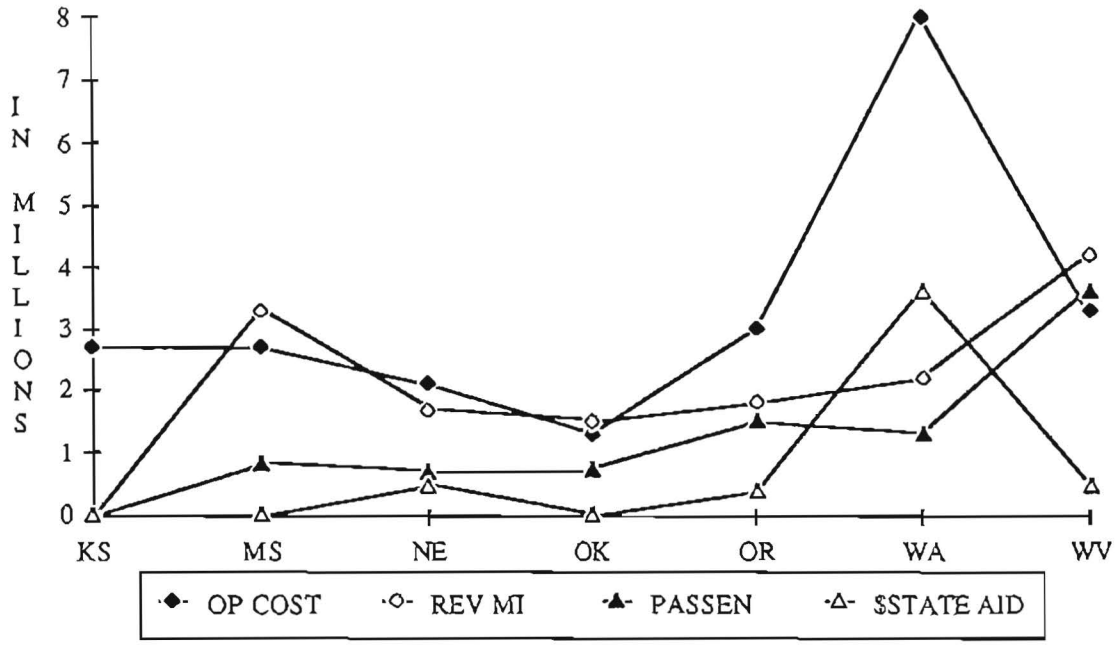
Comparison of state aid and farebox recovery as a percent of operating cost demonstrating that Oregon covers a low proportion of operating cost from state aid.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Overall, the comparison of urbanized area public transportation service by states shows that Oregon transportation providers are attempting to provide the same level of transportation service as their counterparts in larger states, which receive more state assistance. In Oregon, this places pressure on local sources to levy public transportation revenue and assistance. As these local sources become fully utilized, providers will have to turn to direct or indirect state assistance to help carry the burden.

Comparable States: Transit Service in Non-Urbanized Areas

Figure 15 compares Oregon to states similar in non-urban population size. When reviewing operating cost, revenue miles, number of passengers, and level of state aid, Oregon is similar to states of near equal rural populations (Kansas, Mississippi, Nebraska, Oklahoma, Washington and West Virginia). Of these states, only the State of Washington, has a well funded state assistance program. However, they are not serving more passengers.

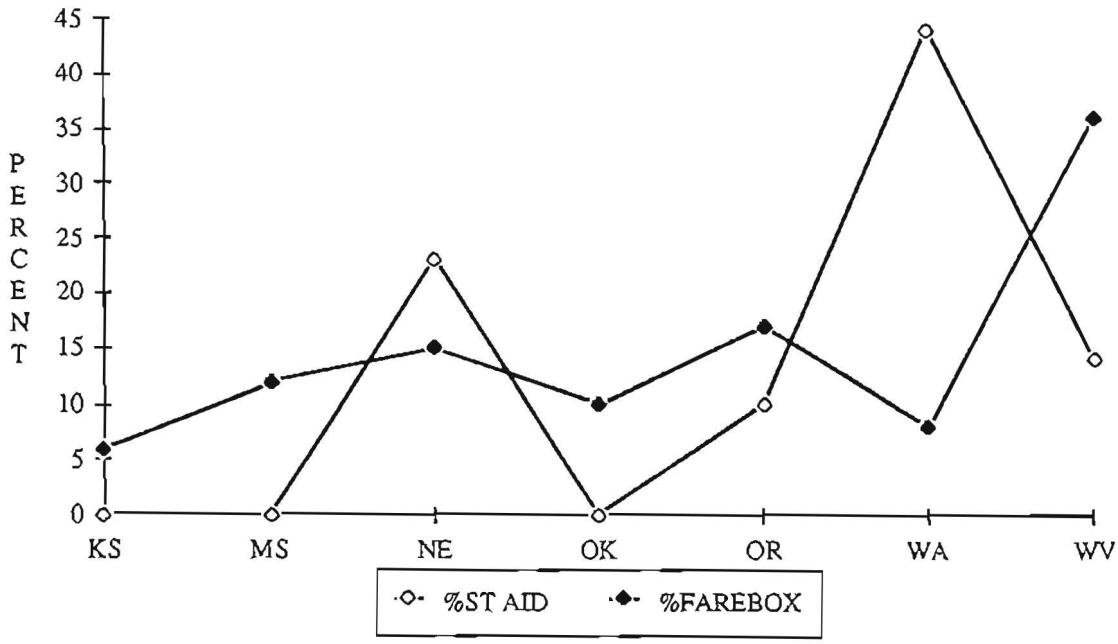
FIGURE 15
Transit Service for States with Comparable Levels of Non-Urbanized Population



Comparison of operating cost, revenue-miles, number of passengers, and dollar amount of state aid showing that Oregon is producing similar amounts of service in non-urbanized areas as comparable states.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 16 compares states with similar non-urban population sizes on the basis of the percent of operating costs recovered from fares and provided by state aid. Again, Oregon shows up as being similar to its comparators, except for Washington. Washington has a low farebox recovery rate because the amount of state aid provided through vehicle registration fees is substantial and it also authorizes public transportation benefit agencies to collect up to three tenths of one percent of the sales tax. This allows Washington's providers to hold the price of fares down .

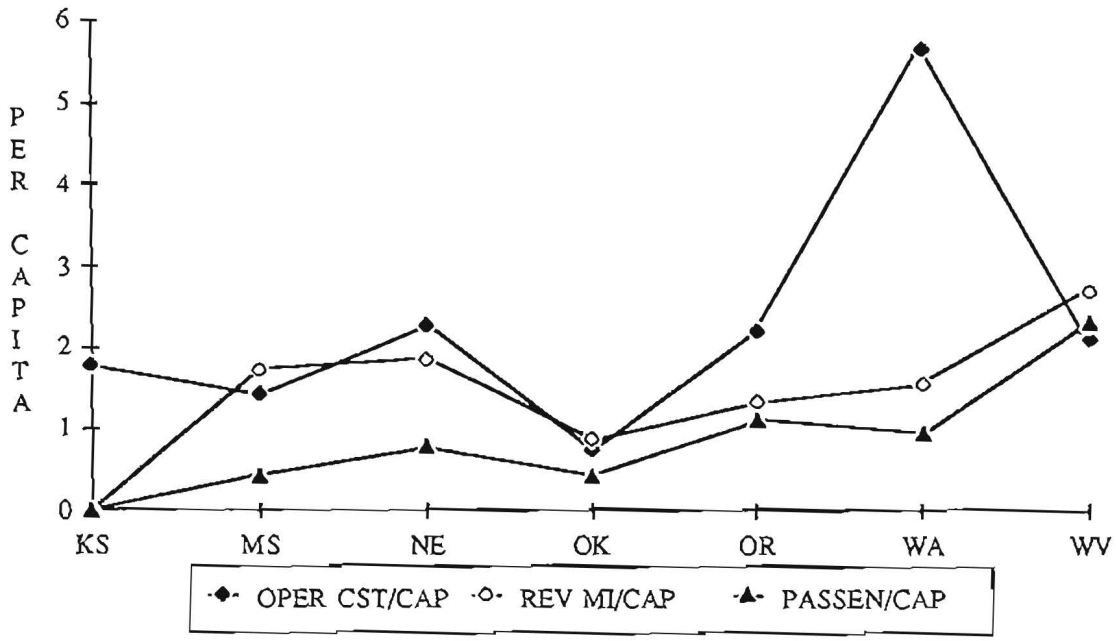
FIGURE 16
Revenue Sources for States with Comparable Levels of Non-Urbanized Population



Comparison of state aid and farebox recovery as a percent of operating cost showing that Oregon is similar to comparators, except for Washington.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 17 compares states with similar non-urbanized populations on the basis of the following performance measures: operating cost per capita, revenue-miles per capita, and passengers per capita. Again, Oregon shows up as similar to its comparators, except for the state of Washington, which is investing more in transit service in non-urbanized areas than other states.

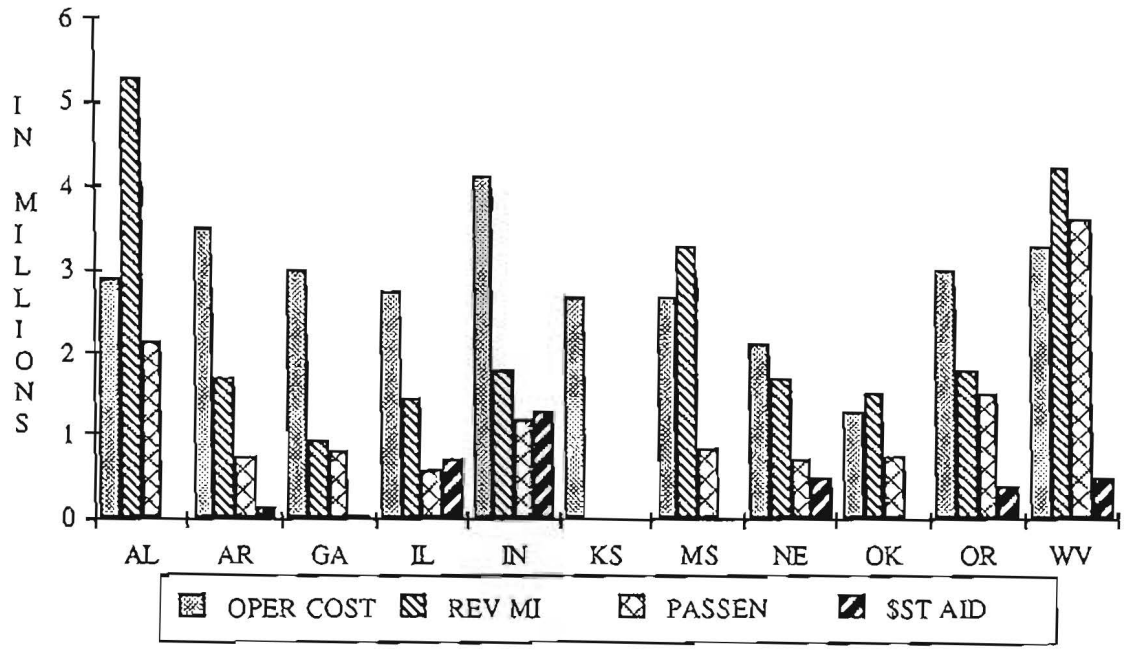
FIGURE 17
Per Capita Transit Service for States with Comparable Levels of Non-Urbanized Population



Comparison of operating cost per capita, revenue-miles per capita, and passengers per capita indicating that Oregon is similar to comparators, except for Washington.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 18 presents a new set of comparator states with similar non-urbanized transit service outputs. These states include Alabama, Arkansas, Georgia, Illinois, Indiana, Kansas, Mississippi, Nebraska, Oklahoma, and West Virginia. Comparison of operating cost, revenue miles, and passengers indicates Oregon is providing efficient and well utilized transit service. Oregon is above the average in the number of revenue miles delivered and passengers served and below the average in operating cost.

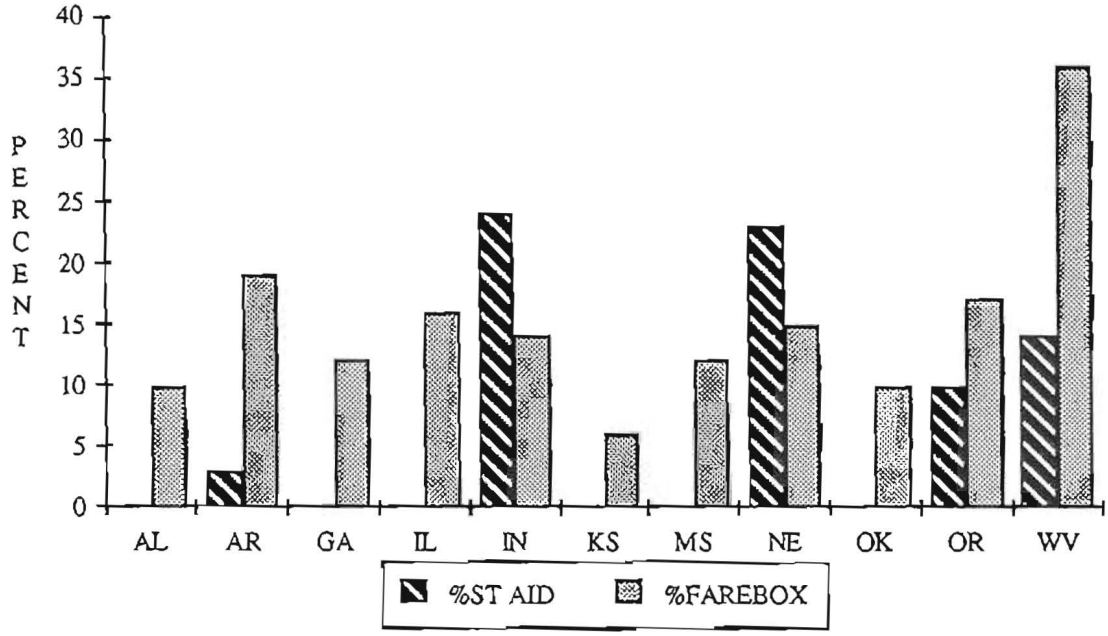
FIGURE 18
Transit Service for States with Comparable Levels of Non-Urbanized Area Transit Service



Comparison of operating cost, revenue-miles, and number of passengers for properties providing service in non-urbanized areas. Oregon appears to be above average in terms of revenue-miles and passengers, and below average in operating cost.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 19 compares the ratio of the operating cost that is covered by state aid and fares. The data show that Oregon's non-urbanized transportation providers produce transit service with average state aid and an above average farebox recovery rate .

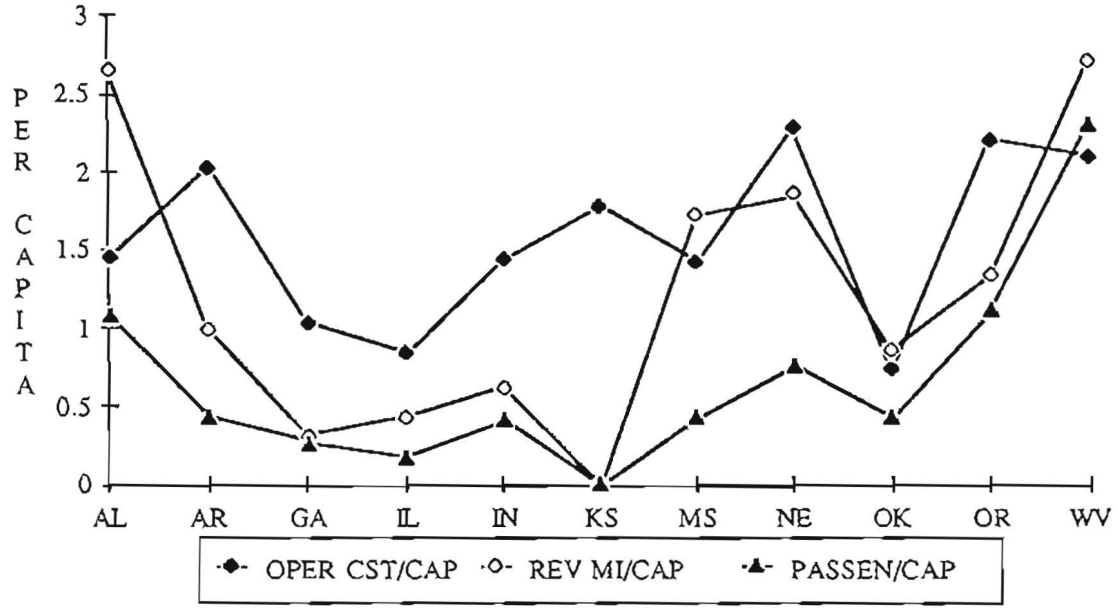
FIGURE 19
Revenue Sources for States with Comparable Levels of Non-Urbanized Area Transit Service



Comparison of state aid and farebox recovery as a percent of operating cost showing Oregon to be more reliant on state aid and the farebox than comparable states.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 20 compares operating cost per capita, revenue-miles per capita and passengers per capita based on transit service output in non-urbanized areas. As in the urban comparison, Oregon is carrying a heavy load on a per capita basis. A higher than average level of service is being provided in non-urbanized areas than is the case for Oregon's comparators.

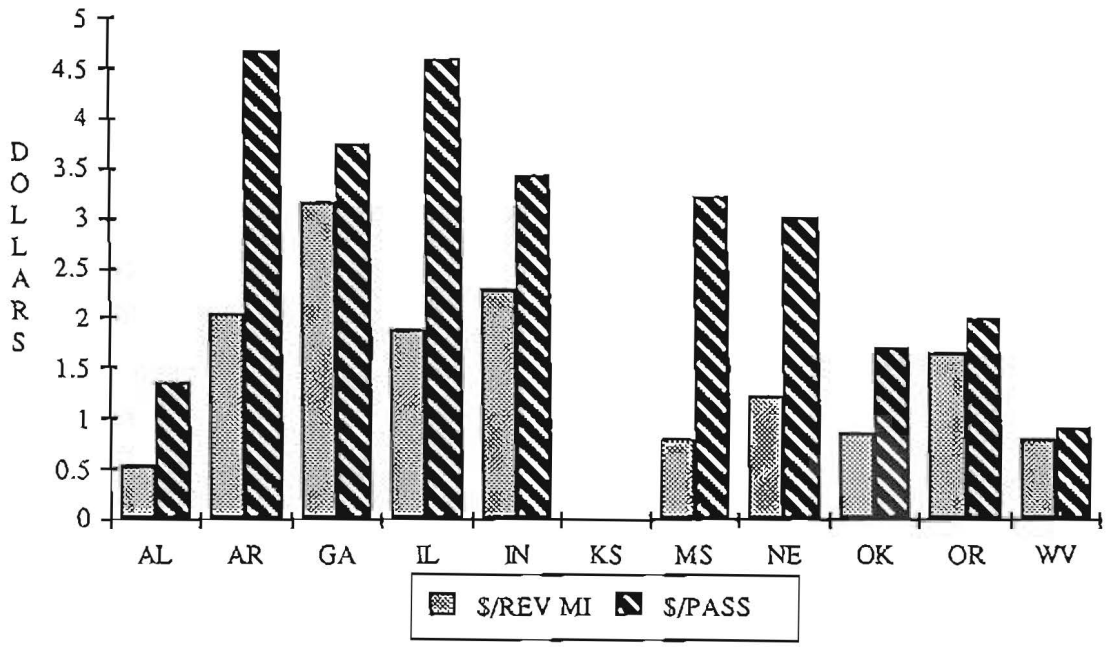
FIGURE 20
Per Capita Transit Service for States with Comparable Levels of Non-Urbanized Area Transit Service



Comparison of operating cost per capita, revenue-miles per capita, and passengers per capita demonstrating that Oregon provides a higher level of service on a per capita basis. Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

Figure 21 compares efficiency on the basis of expenditures per revenue-mile and effectiveness based on the cost of service per passenger for the comparable states. Oregon's non-urbanized area public transportation service is both efficient and effective.

FIGURE 21
Transit Performance for States with Comparable Levels of Non-Urbanized Area Transit Service



Comparison of expenditures per revenue mile and passengers served indicating that Oregon's transportation providers are about average in efficiency and effectiveness.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

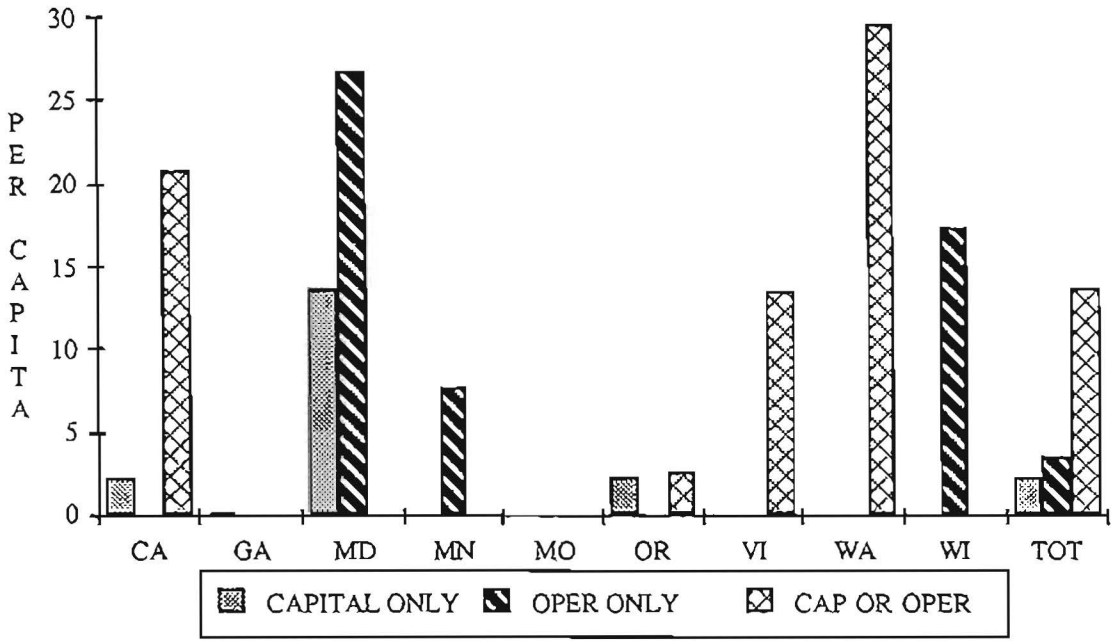
Conclusions from Comparable States Analysis

Oregon produces a high level of public transportation service for its population base. Overall, with a low level of state aid, the cost of a large proportion of the high level of service is borne by local residents. This is particularly true in urbanized areas. Other states have provided more assistance or authorized a dedicated local option sales tax. In Oregon, this is less true in non-urban areas where state Special Transportation Funds have supplemented local resources.

Since Oregon does not provide direct operating assistance, except through the use of limited authorized local revenue sources, In Lieu revenues, or the Special Transportation Fund, the general comparison with other states is somewhat misleading. If the money provided by the stripper well funds, because of their use as capital financing, is removed from the comparisons, Oregon provides a smaller ratio of state assistance than its comparators.

Comparable states, based on urbanized area transit service output produced per capita, are used as a basis for assessing capital assistance programs. Some of these states provide capital assistance only, some operating assistance only, and some allow either. Figure 22 displays the capital only dollars per capita, the operating only dollars per capita, and the capital or operating dollars per capita. It shows a wide variation in approaches to state transit assistance. Recognizing this variation, on average, the comparable states provide $2.29 per capita for capital assistance, $3.55 per capita for operating assistance, and $13.60 per capita for either. Applying these rates to the urbanized area population of Oregon would suggest an annual capital only program of $2.9 million, an operating assistance program of $4.25 million, and a discretionary program of $17.3 million. Oregon's current funding is provided indirectly through alternative sources with approximately $7 million in In Lieu assistance biennially.

FIGURE 22
State Assistance for States with Comparable Levels of Transit Service Per Capita



Comparison of capital, operating and joint assistance by state indicating that Oregon does not provide as much assistance as comparator states.
Source: **Survey of State Involvement in Public Transportation**, A Report of the Standing Committee on Public Transportation, AASHTO, 1986 and 1987.

OREGON PUBLIC TRANSPORTATION STUDY

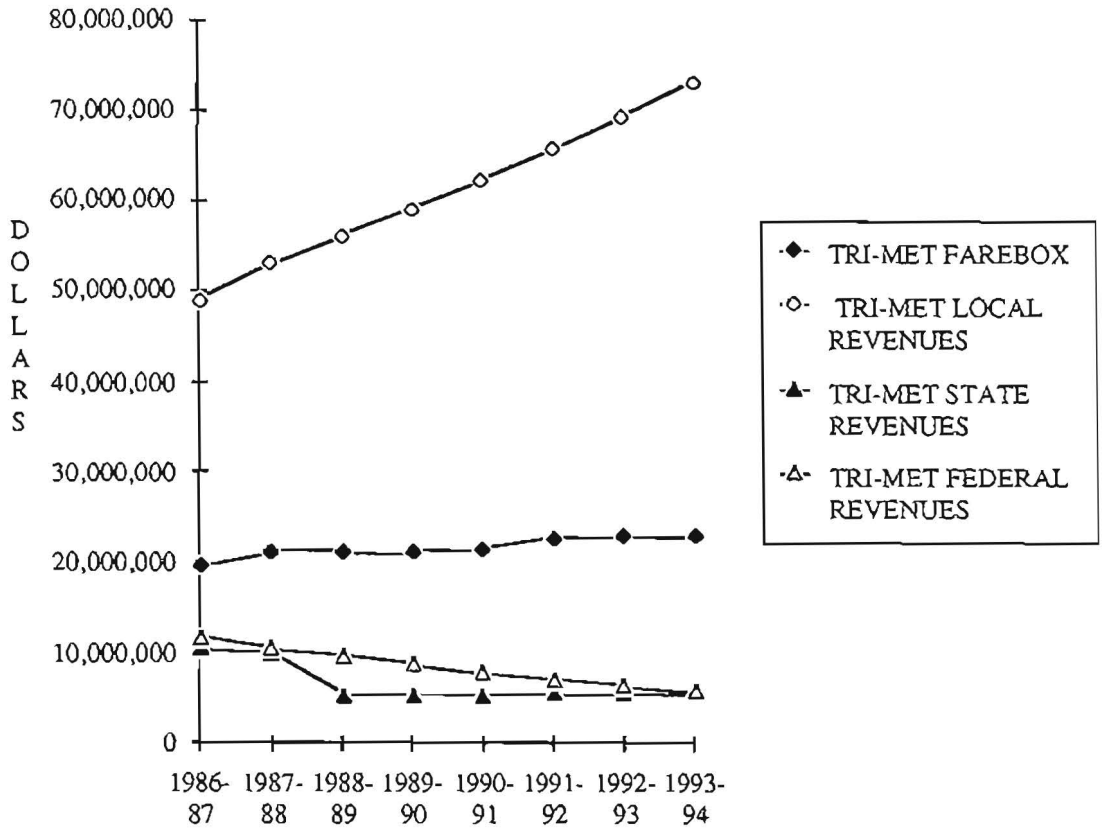
This section addresses the financial information provided by our respondents in terms of agency type. The five categories of transportation providers in the 1988 Oregon Public Transportation Study are individually reviewed, followed by an overall assessment.

Tri-Met

Figure 23 portrays Tri-Met's revenue sources by ratio. Figure 24 charts their expenditures by function and Figure 25 compares their total revenues and expenditures. The information provided by Tri-Met is somewhat preliminary, pending completion of its updated Transportation Development Plan, but otherwise it is accurate for purposes of analysis.

Figure 23 indicates that, based on current budget planning, Tri-Met expects less federal and state assistance over the next five years, while local revenues will become an increasingly larger share of revenues. The substantial drop in state revenues reflects the one time only character of the stripper well monies. Remaining state monies will continue to be fairly constant in authorized levels or drop slightly due to inflation erosion.

FIGURE 23
Tri-Met Revenue Sources

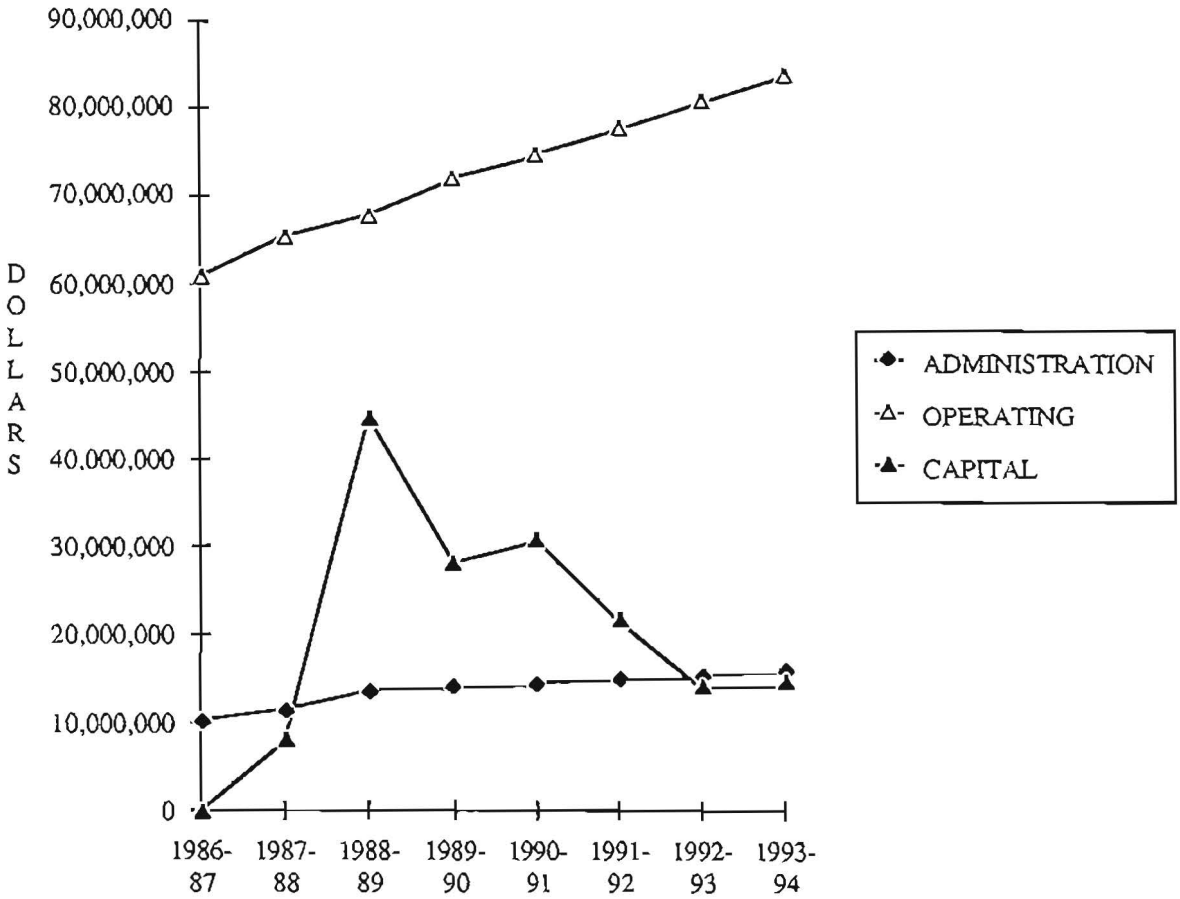


Source: **1988 Oregon Public Transportation Survey**

Figure 24 indicates the administration, operating, and capital expenditure levels anticipated by Tri-Met. Tri-Met's expenditures do not reflect the costs of additional light rail service or facilities. They do, however, indicate an increase in expenditures for replacement of buses

and related facilities, reflecting an improved fiscal situation for the agency. The figures include a constant capital expenditure of approximately thirteen million dollars annually, reflecting the "maintenance" of the agency fleet and plant. Additionally, operating cost increases are partially a product of possible service expansions and compensation for service deterioration produced by traffic congestion.

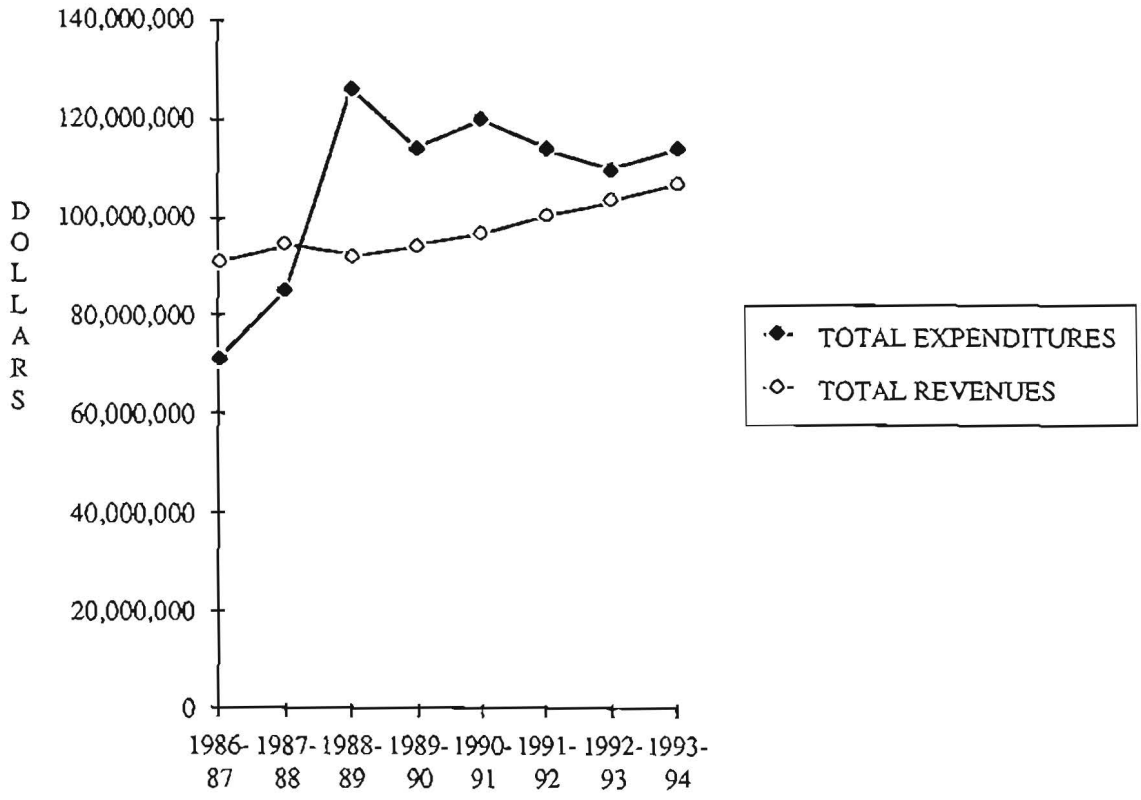
FIGURE 24
Tri-Met Expenditures by Function



Source: **1988 Oregon Public Transportation Survey**

The comparison of total expenditures and revenues in Figure 25 reflects Tri-Met's expectations about the future. The downturn in federal and state resources will contribute to the anticipated gap between revenues and expenditures. Some of the difference will be made up by increases in the payroll tax and heavier reliance on other local resources. However, the continued capital needs of the agency will remain heavy and "lumpy", creating a portion of the revenue shortfall. The gap is also a reflection of Tri-Met's forecast of expenditures necessary to cover the cost of anticipated service needs and their expectation of the level of funds they foresee will be available by the state and federal governments.

FIGURE 25
Tri-Met Total Expenditures and Revenues

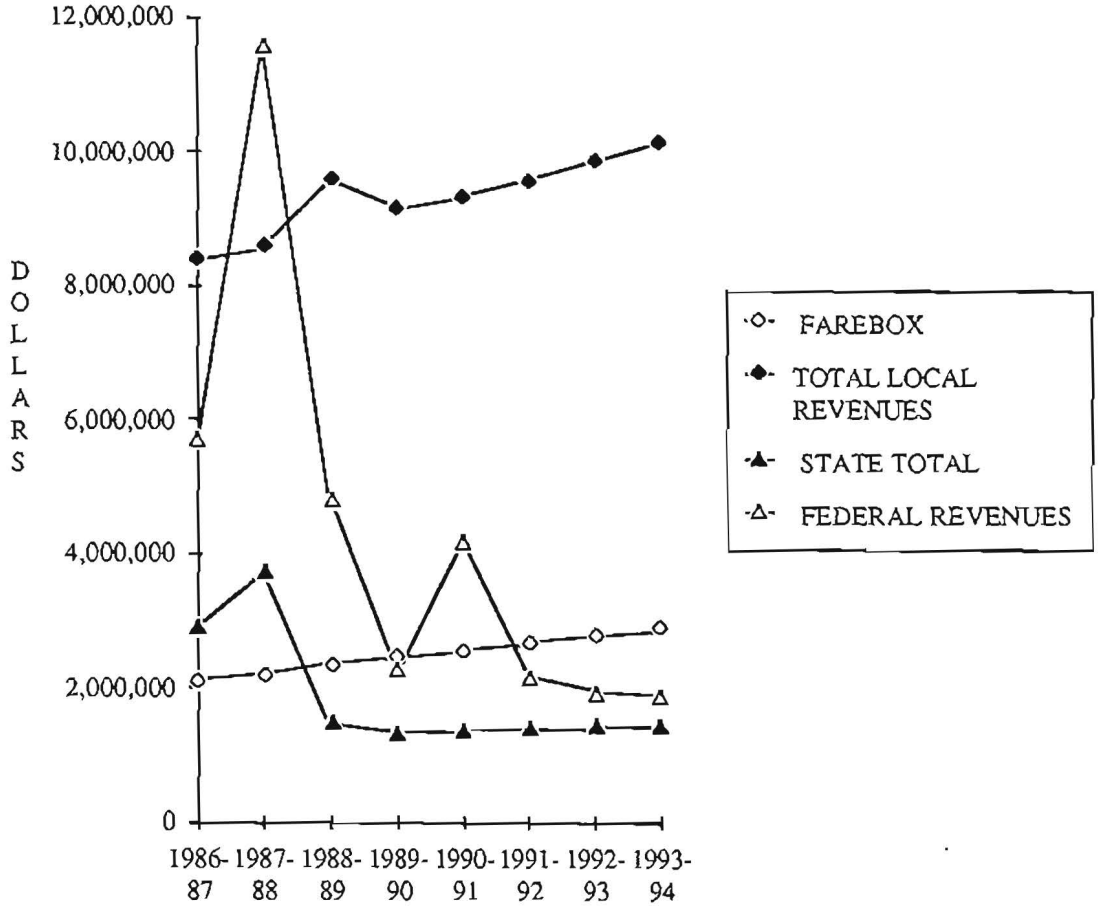


Source: **1988 Oregon Public Transportation Survey**

Urban Public Transportation

The three urban systems reflect a similar set of financial expectations to Tri-Met. Figure 26 indicates that federal revenues are expected to drop substantially in the next few years, partly because of federal reductions and partly because of the completion of federally funded projects. The reduction in state aid reflects the disappearance of stripper well funds. It is anticipated local revenues will rise to meet the forecasted fiscal needs while it appears that farebox monies will hold fairly constant over the next five year period.

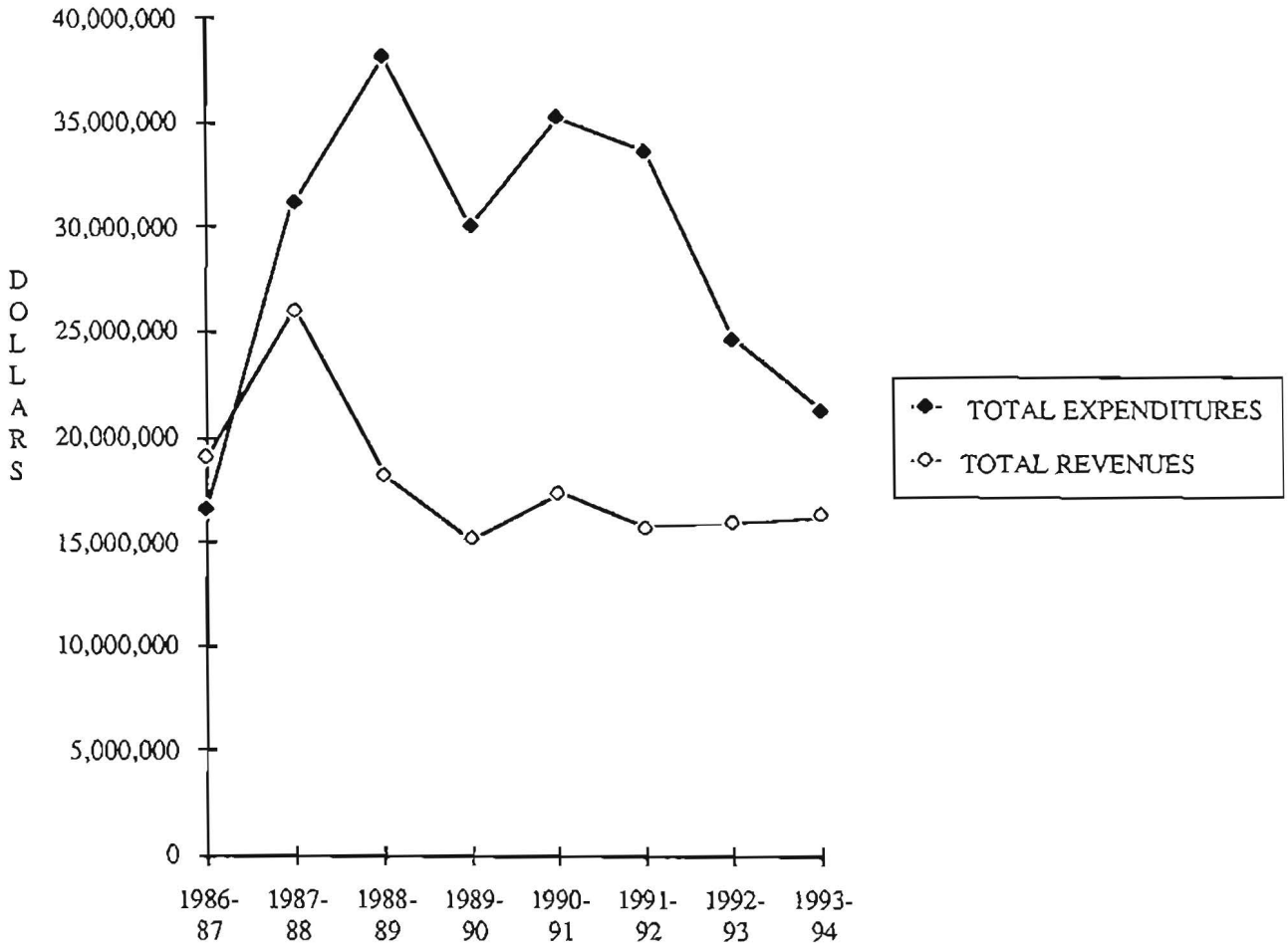
FIGURE 26
Urban Revenues by Source



Source: **1988 Oregon Public Transportation Survey**

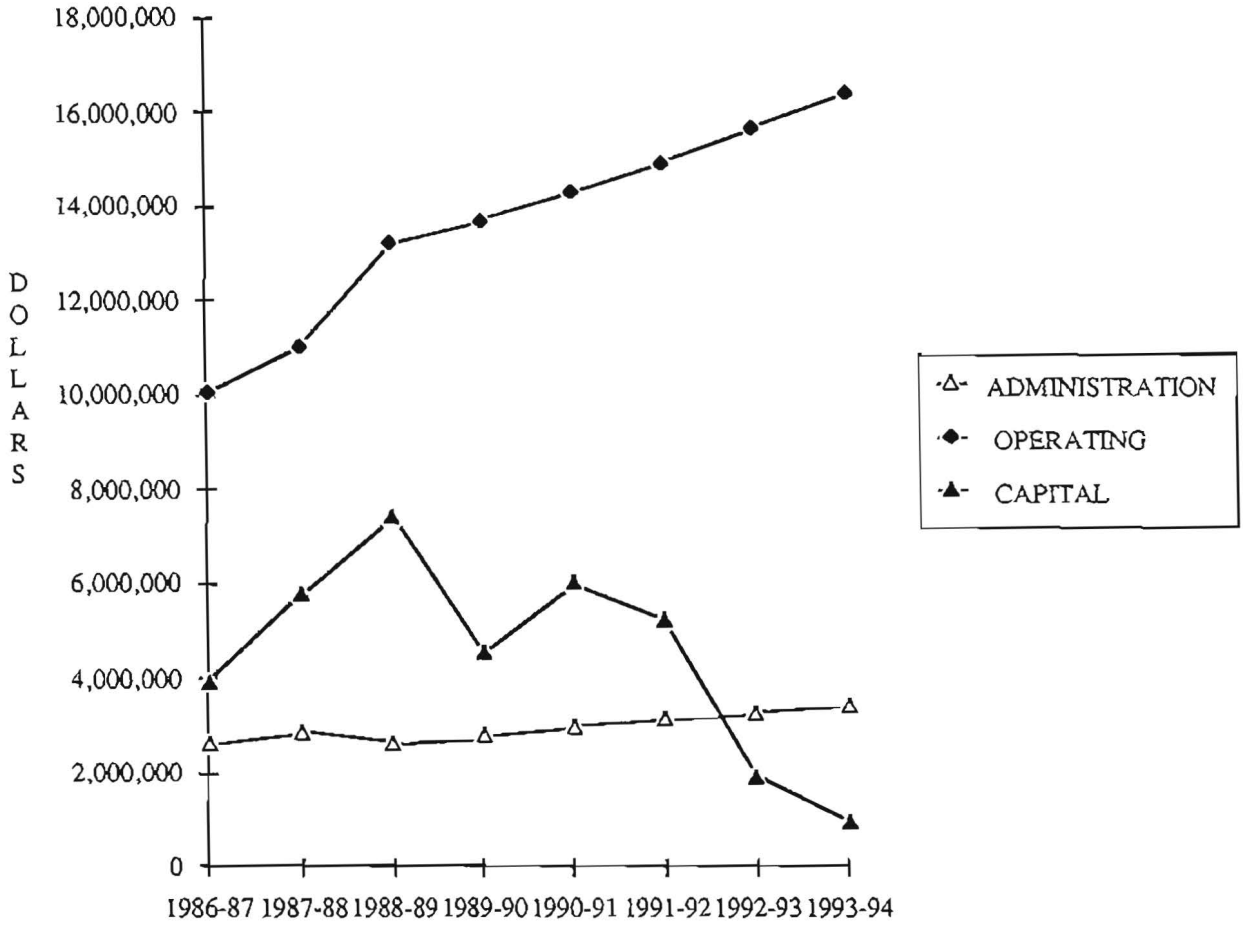
The comparison of total revenues and expenditures in Figure 27 reflects the 'lumpiness' (the extreme fluctuations) of capital expenditures common in public transportation. Figure 28 indicates the continued growth of operating costs and the anticipated significant changes in capital expenditures.

FIGURE 27
Urban Total Expenditures by Total Revenues



Source: **1988 Oregon Public Transportation Survey**

FIGURE 28
Urban Expenditures by Function



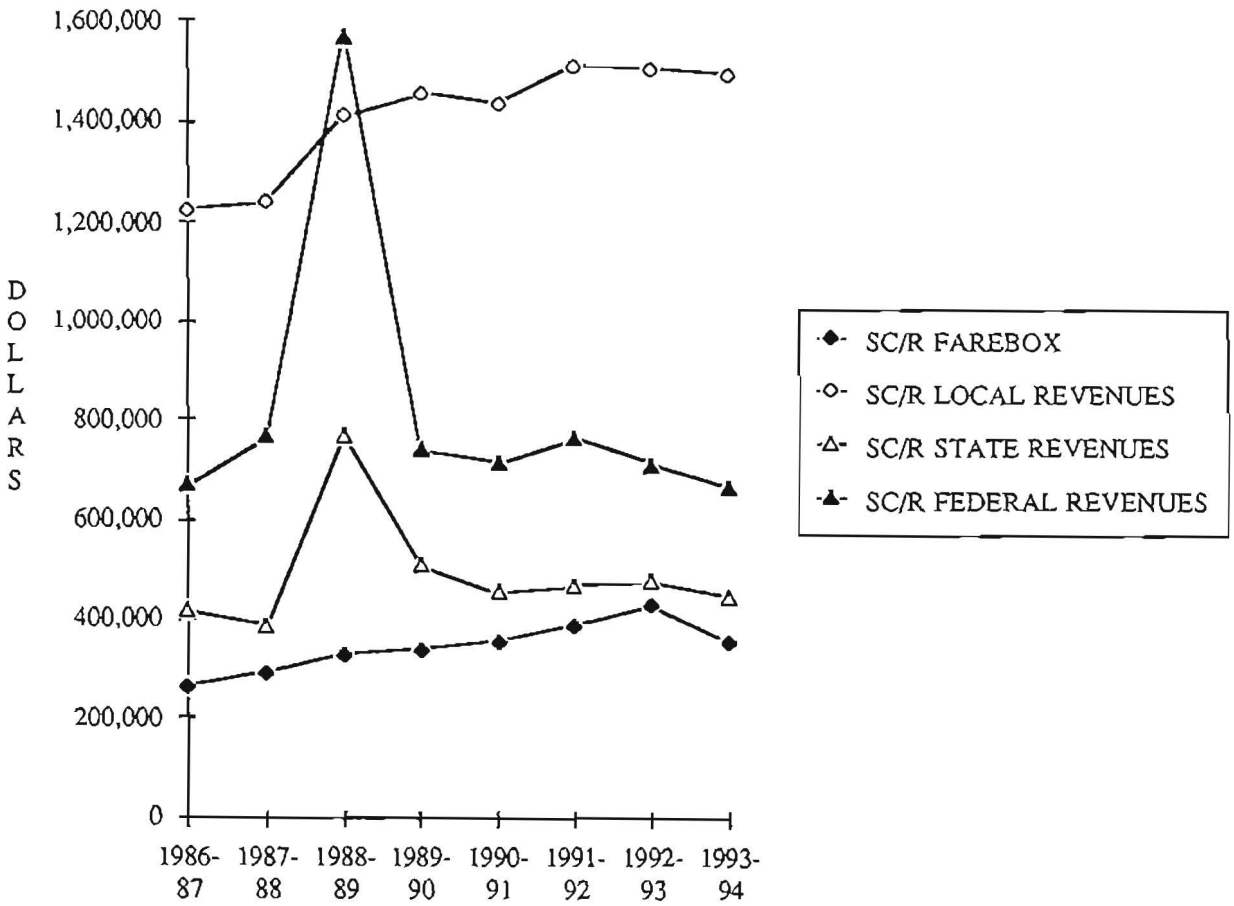
Source: **1988 Oregon Public Transportation Survey**

Small City and Rural Agencies

Small city and rural agencies provide services of a fixed route or demand response nature to relatively less populated areas. Recipients of some federal money from the rural and specialized transportation programs administered by the Urban Mass Transportation Administration (UMTA), these agencies are predominantly operated by city or county agencies. As Figure 29 indicates, their revenue pattern diverges from the experiences of the larger properties. They do not anticipate the same downturn in federal or state

resources. Federal rural programs have avoided reductions and have remained fixed in total authorizations. State programs to these agencies have always been relatively constant and small. Further, they have not participated in the stripper well monies to the same extent as their urban peers. Hence, changes in these sources will not affect them as greatly. However, service demands appear to be growing as evidenced by the expectation of increasing local revenues.

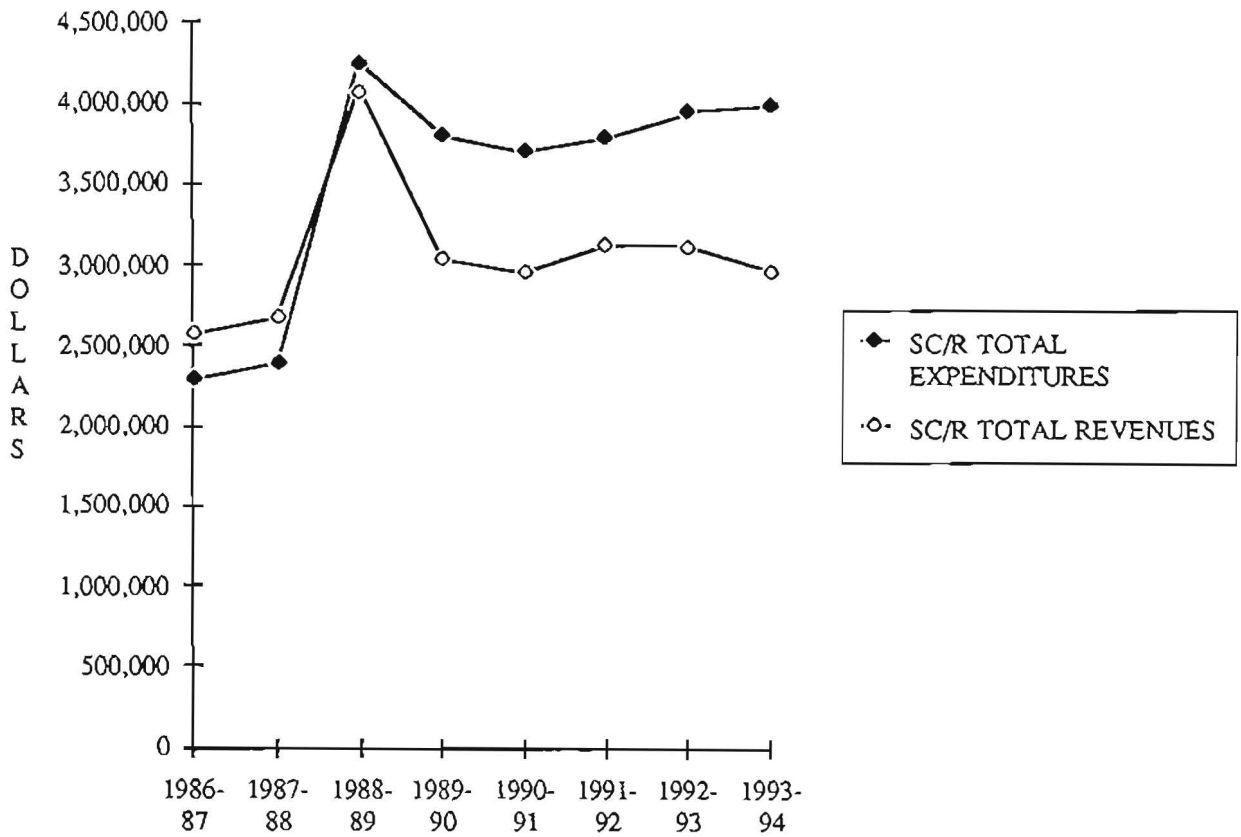
FIGURE 29
Small City and Rural Revenues by Source



Source: **1988 Oregon Public Transportation Survey**

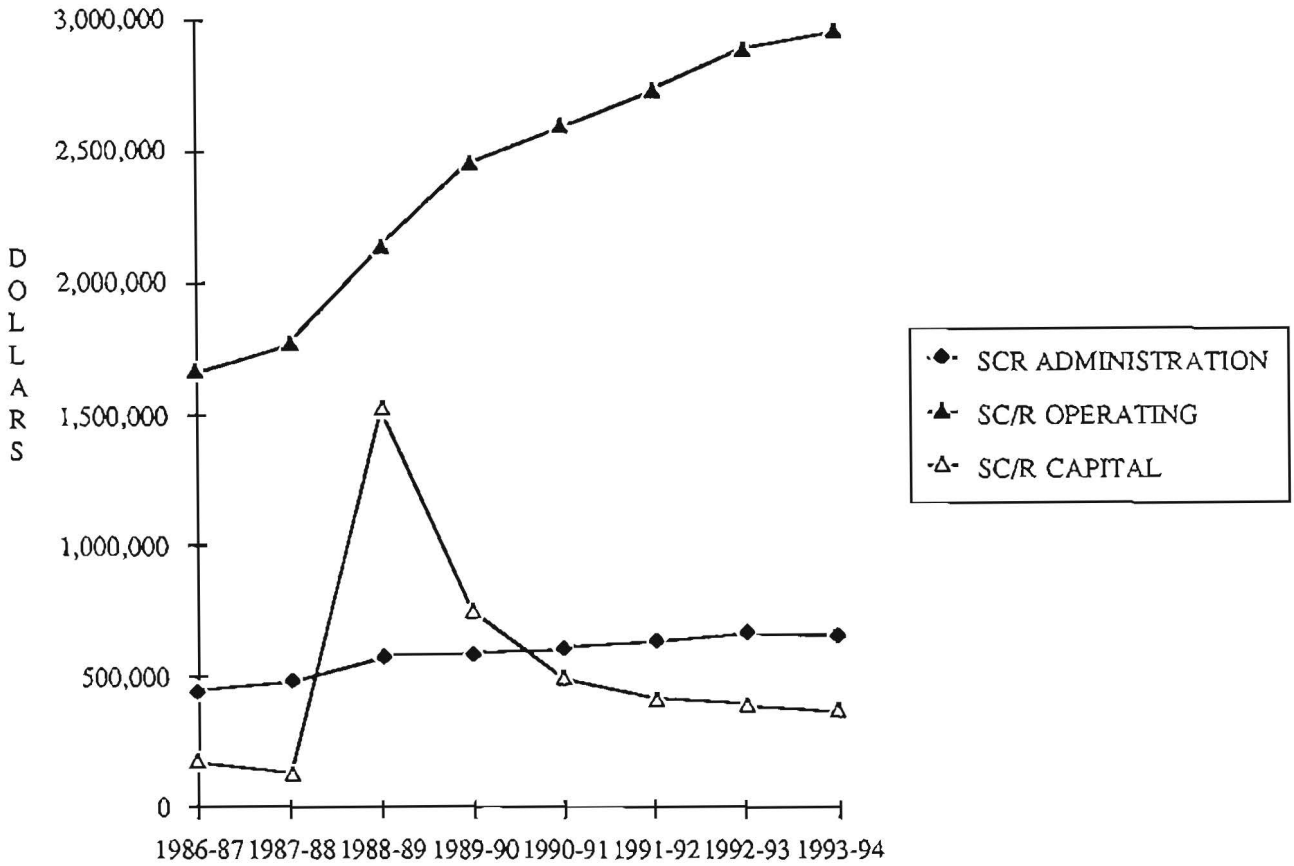
Figure 30 indicates that comparison of total revenues and expenditures produces a greater anticipated relative discrepancy over the five year horizon. Some of this difference is capital expenditure but the bulk of it seems to come from increasing operating expenditures as indicated in Figure 31.

FIGURE 30
Small City and Rural Total Expenditures and Revenues



Source: **1988 Oregon Public Transportation Survey**

FIGURE 31
Small City and Rural Expenditures by Function



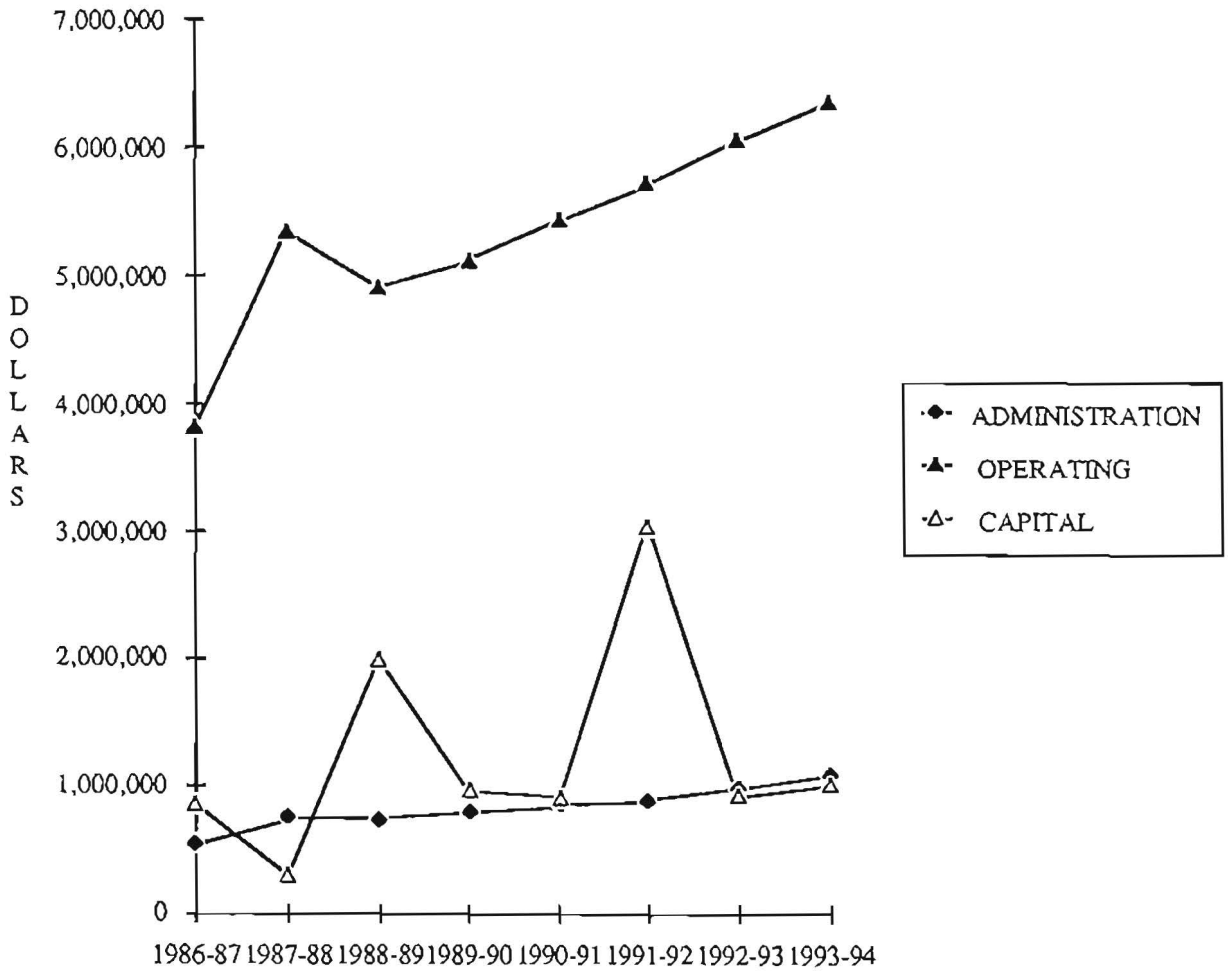
Source: **1988 Oregon Public Transportation Survey**

Special Transportation

As indicated earlier in the report, special transportation services are provided primarily to senior citizens and individuals who are mobility impaired. Many of the service providers do not provide scheduled service to the public but instead serve this population on a demand-response basis. A major provider of these services is Tri-Met and the size of its service provision significantly influences the information portrayed herein. Yet, this effort is a legitimate part of the service to this special constituency and we have retained the agency as part of the category for analytical purposes. The significant variation in capital expenditures indicated in Figure 32, reflects Tri-Met's anticipated construction of a

maintenance building for its special transportation vehicles in 1991-92. Also reflected in this chart are anticipated increases in operating expenditures. These expenditures are partially attributable to service expansions but the increase is difficult to fully explain since a significant portion of the service cost is covered on a varying basis by volunteers.

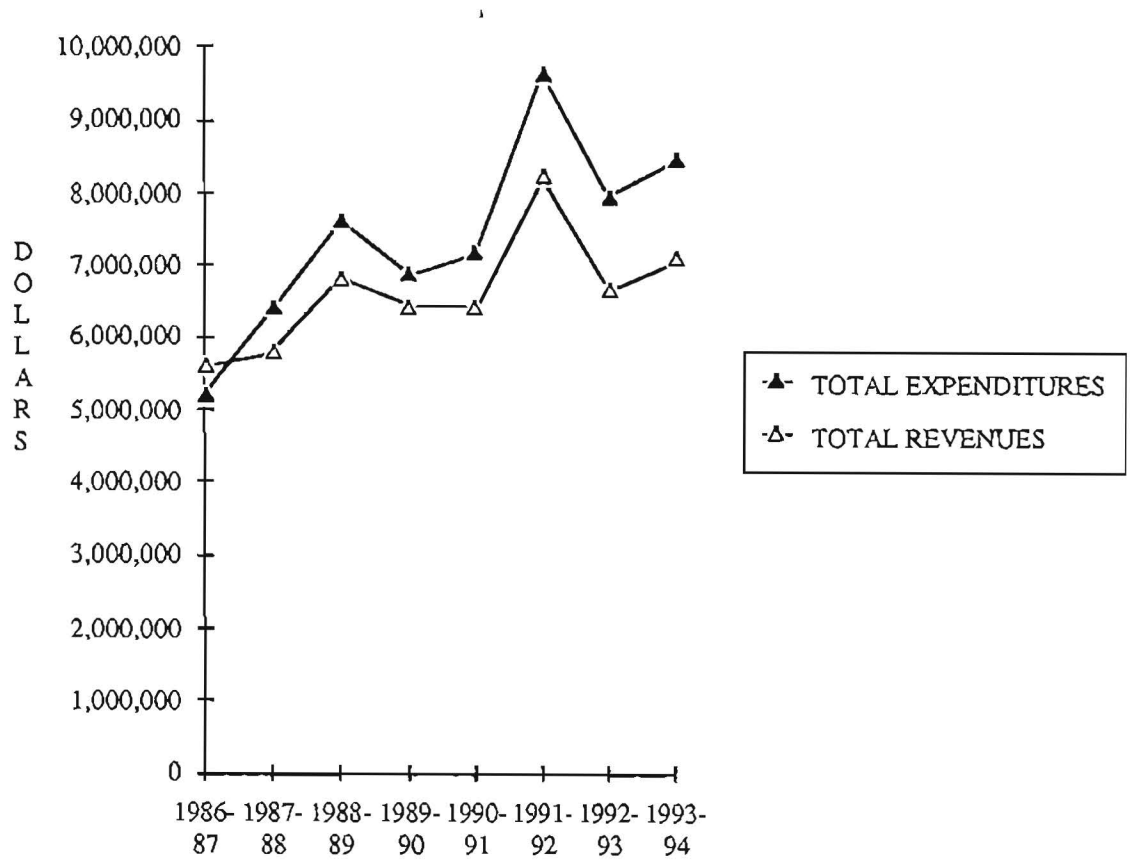
FIGURE 32
Special Transportation Expenditures by Function



Source: 1988 Oregon Public Transportation Survey

Figure 33 indicates a slowly widening increase in the difference between expenditures and revenues. This increase is linked back in part to the operating expenditure growth. It is also attributable to a predicted change in the demand for service. It appears that the 1985 Legislature's commitment of cigarette tax revenues to this segment of the industry can be credited with stimulating further development of transportation service to the handicapped and elderly populations. Thus, while initial local revenue efforts, represented in Figure 34, appear to have declined in the first year of this program, the impact of the money from the Special Transportation Fund appears to have stimulated growth in service provision.

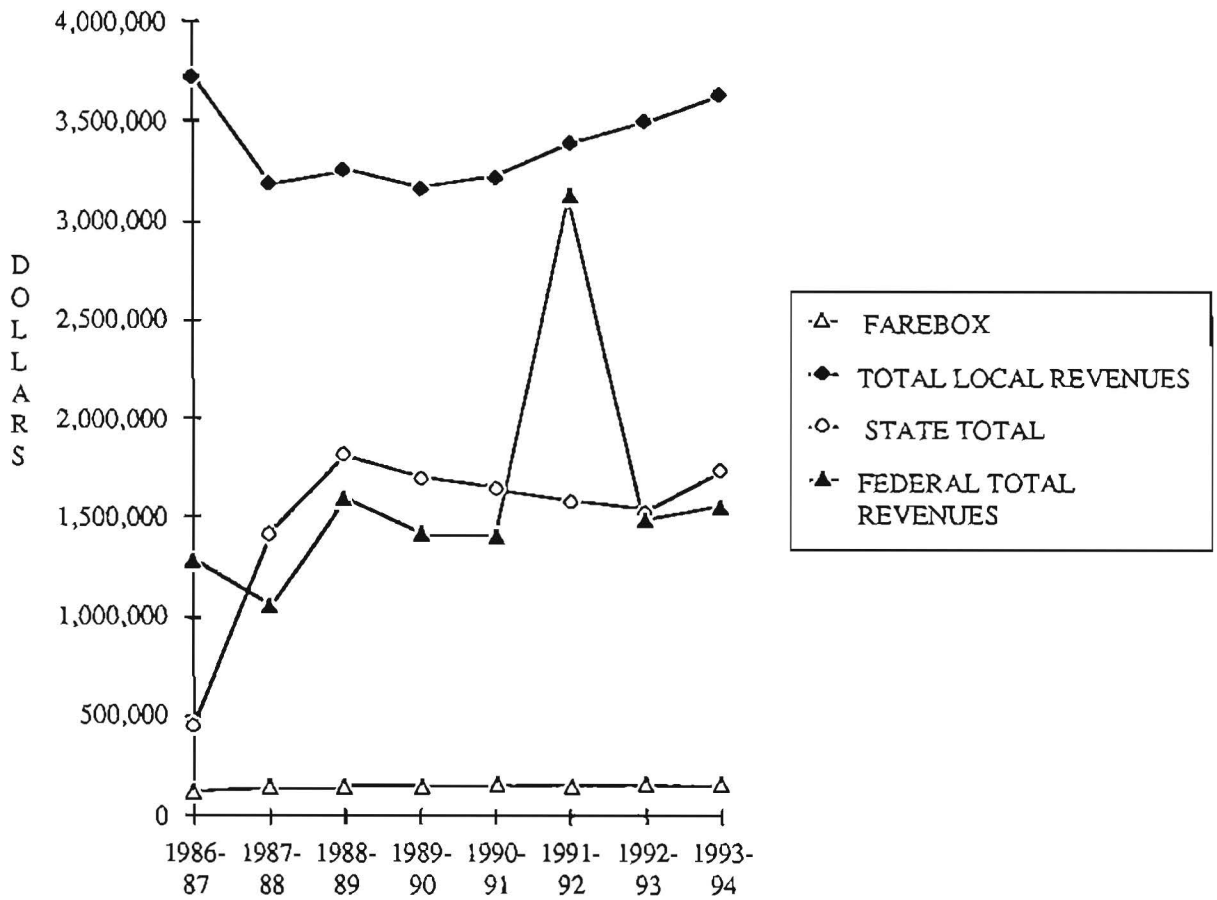
FIGURE 33
Special Transportation Total Expenditures by Total Revenues



Source: **1988 Oregon Public Transportation Survey**

The increase in the level of state aid is partially a reflection of Tri-Met's co-mingling of In Lieu Tax receipts in its general fund. Hence, the financing of Special Transportation services from Tri-Met's general funds is partially supported by In Lieu revenues. Tri-Met's LIFT program's capital expenditures account for the large increase in expenditures for 1991-92 displayed in Figure 33.

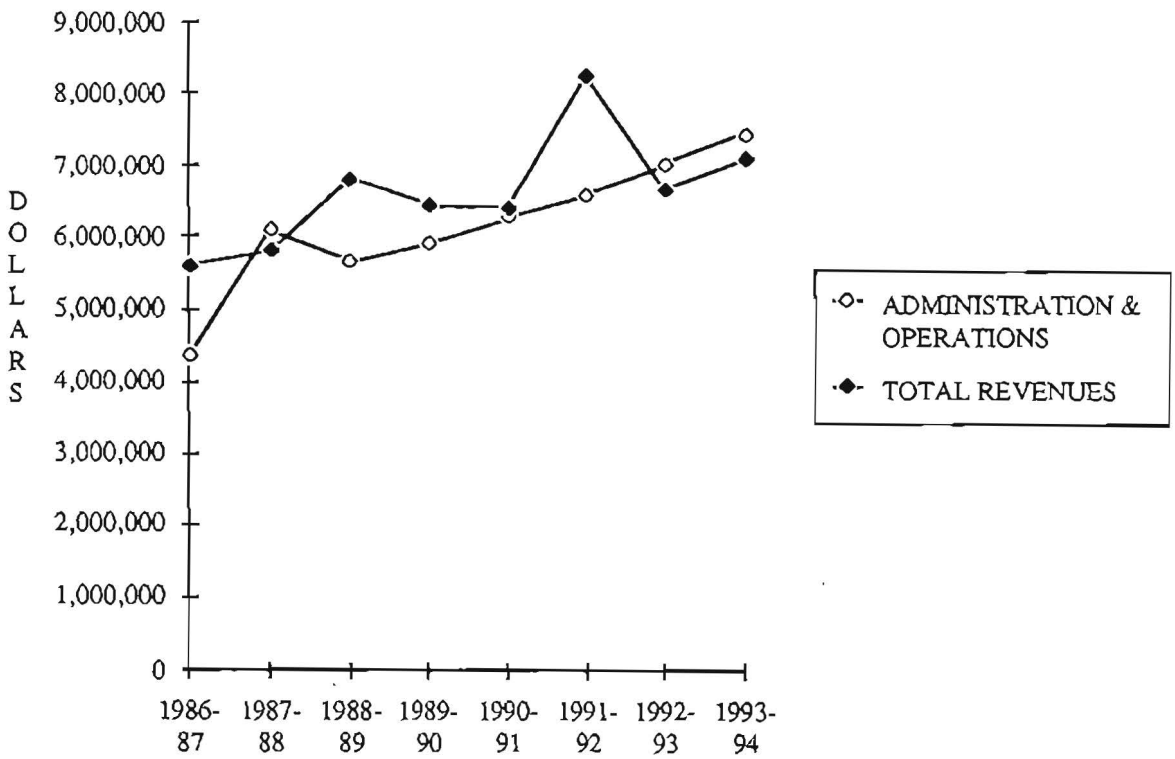
FIGURE 34
Special Transportation Revenues by Source



Source: **1988 Oregon Public Transportation Survey**

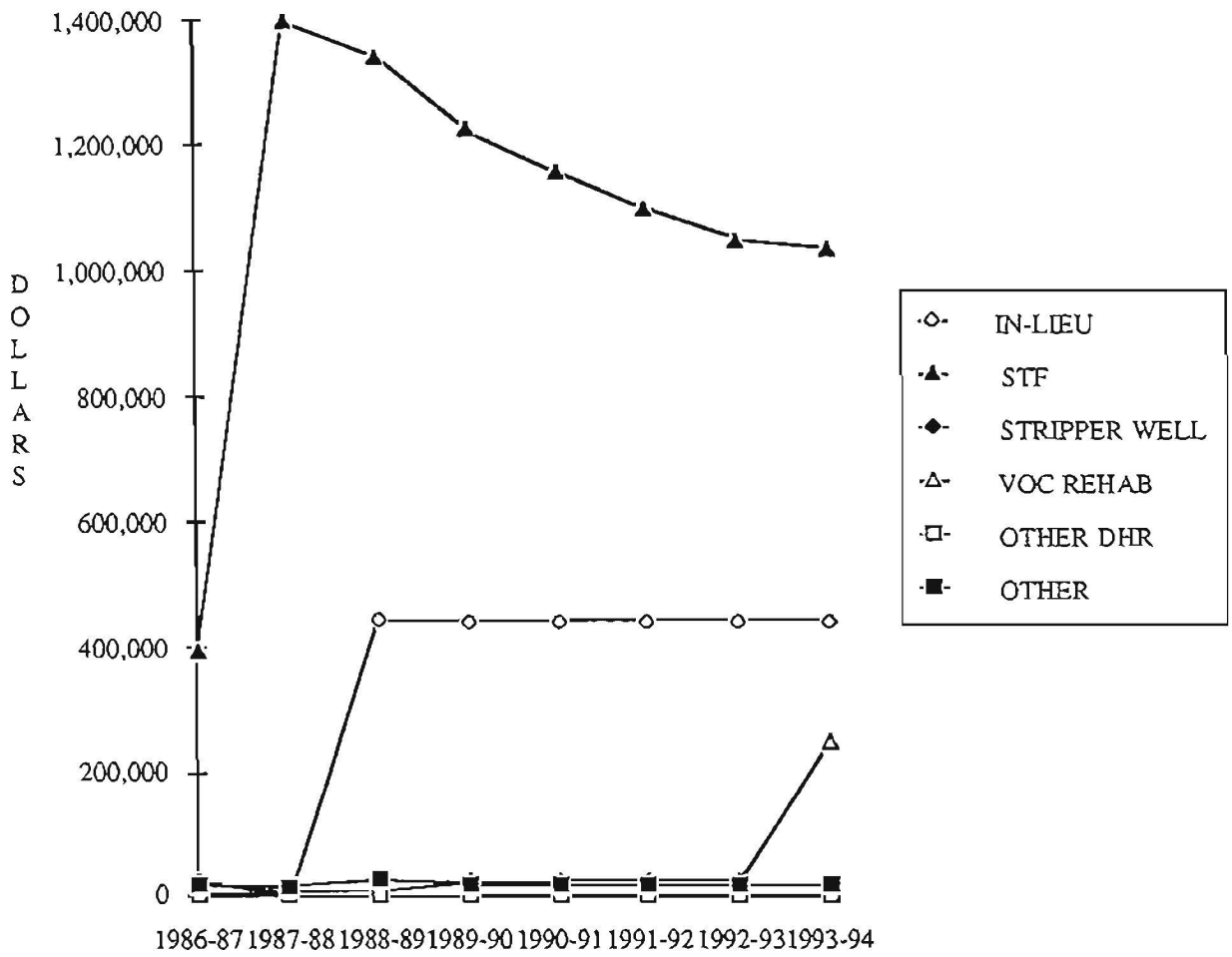
Figure 35 illustrates the increasing impact of operating and administrative costs in relation to revenues. Figure 36 indicates the state revenue trends anticipated by special needs transportation providers. The changing local revenue picture emerges in Figure 37 which indicates that general fund revenues contribute the largest share of local funds and were the most affected by the availability of STF monies. This indicates a short-term substitution of state funds for local revenue effort. The next largest share of local revenues is provided by county mental health monies, reflecting the service to the handicapped and contributing to the lack of industry identity among providers.

FIGURE 35
Special Transportation Administration and Operations Expenditures by Total Revenues



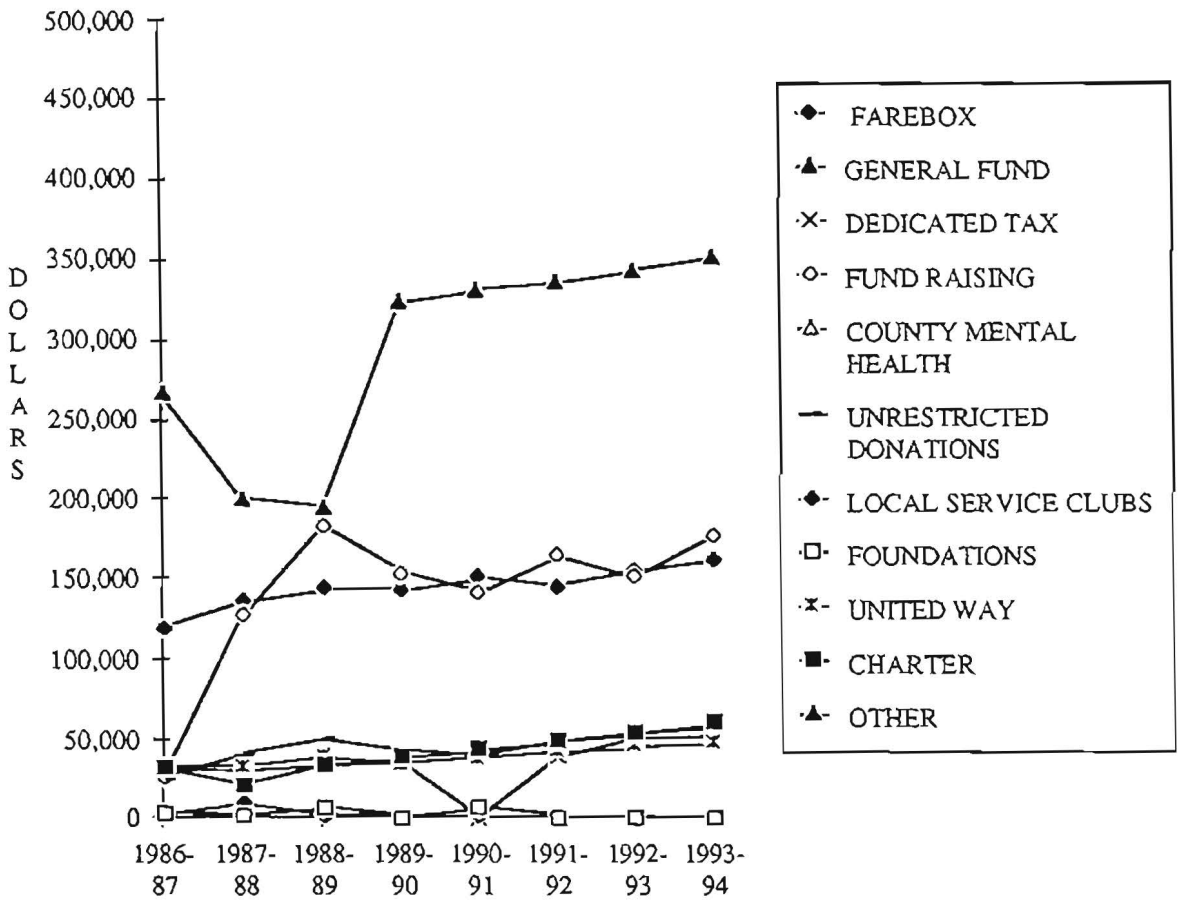
Source: **1988 Oregon Public Transportation Survey**

FIGURE 36
Special Transportation State Revenues



Source: **1988 Oregon Public Transportation Survey**

FIGURE 37
Special Transportation Local Revenues



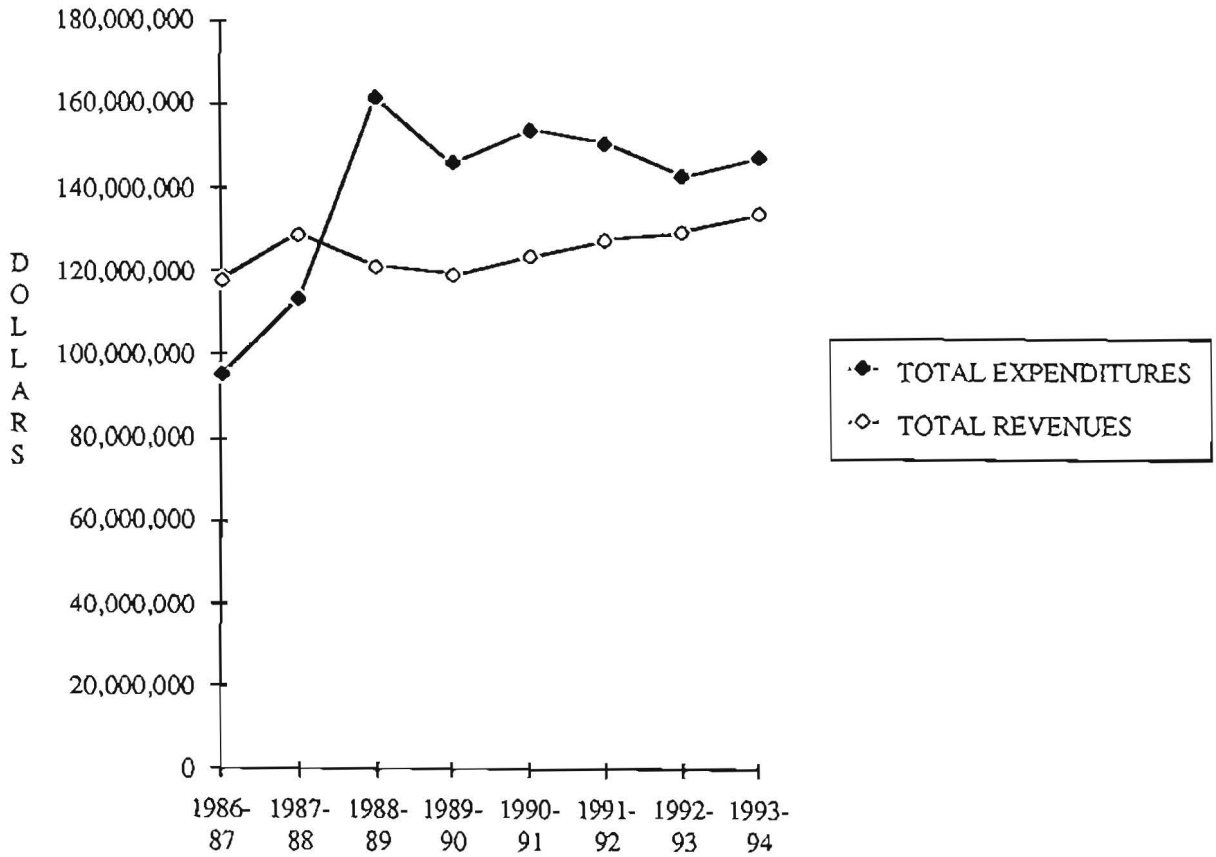
Source: **1988 Oregon Public Transportation Survey**

OVERALL TRENDS

Figure 38 depicts the relationship between total revenues and expenditures for the public transportation industry over the research period. It appears that the industry could face approximately a $20 million annual shortfall between resources and expenditures. While some of this shortfall may be reduced by limiting service expansions and shifting capital expenditure patterns, a significant portion of the shortfall will remain. The size of the deficit will be a consequence of the reductions achieved by changing expenditure patterns.

Since transportation providers must operate on balanced budgets, the clear indication is that if additional resources are not found, substantial unmet needs will exist in the state.

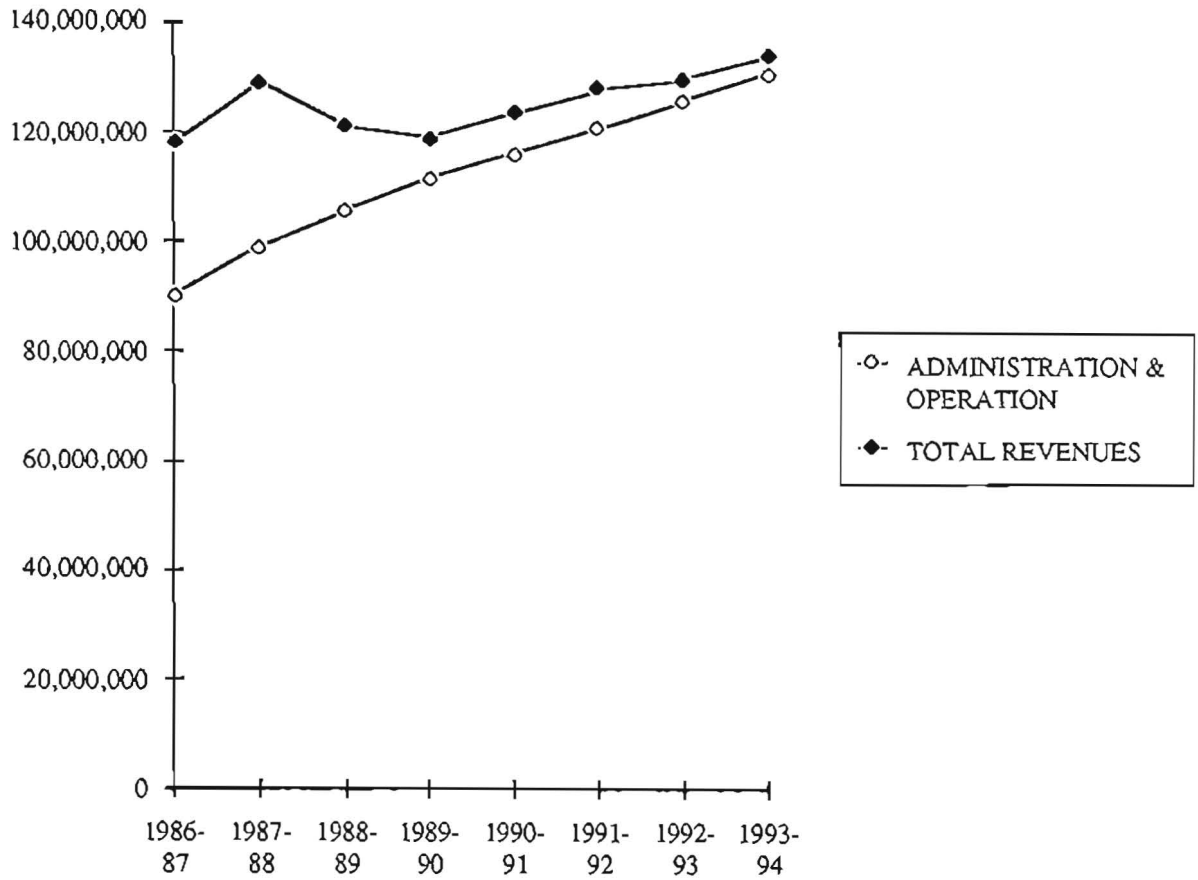
FIGURE 38
Overall Total Expenditures by Total Revenues



Source: **1988 Oregon Public Transportation Survey**

Figure 39, however, indicates that combined administration and operating expenditures will equal total revenues by early in the next decade. If this relationship holds true, it suggests that capital expenditures will either come from new revenue sources, extended maintenance schedules, or a moratorium on service expansions.

FIGURE 39
Overall Total Revenues by Total Administration and Operations Expenditures



Source: **1988 Oregon Public Transportation Survey**

integrate all modes of transportation planning and finance are consistently mentioned themes.

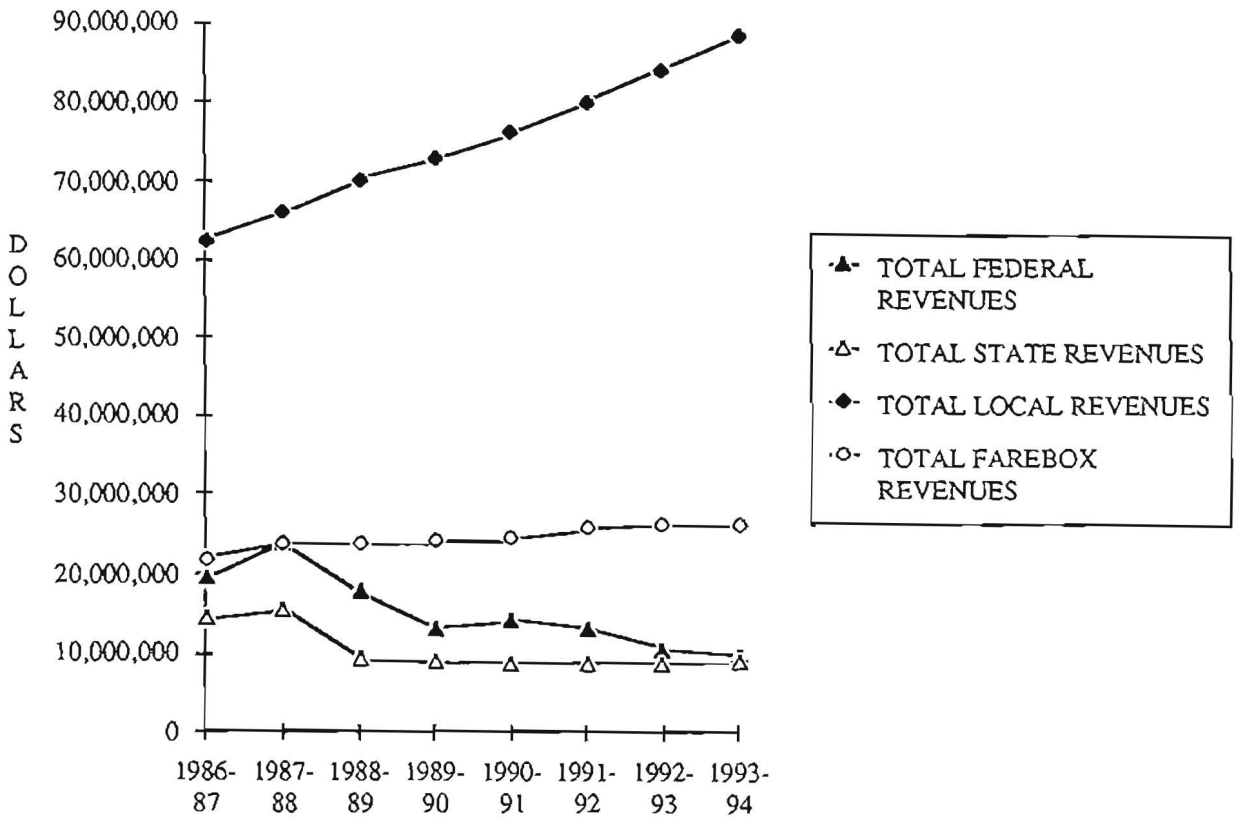
The Transportation Research Board's (TRB) recently released report, "State Role in Public Transportation," provides the most useful framework for comparing Oregon with other states and for assessing the results of our survey of Oregon providers. Four general areas of state support of public transportation are suggested by the report. They include funding, technical assistance and research, performance monitoring, and intermodal/interagency coordination.

- Funding: In the context of Funding, the TRB report notes that state responses to federal cutbacks have focused on "...questioning whether to increase financial support and impose state requirements, or to decrease involvements by deferring financial responsibility to individual localities. This decision should be evaluated separately for each of the following issues: earmarked funds versus block grants, different state share for capital/operating expenses, entirely state match versus state/local combination match for federal funding, state monitoring versus self-certification, state authority versus federal guidelines in administering the governor's apportionment, financial or demographic/operational criteria for financial need, consideration of federal funding when giving state money, state restrictions versus local control of fares."

- Technical Assistance and Research: Technical Assistance and Research is important because federal cutbacks have narrowed the federal focus, providing less attention to solving local operator problems. "State goals should focus on the need to develop technical assistance, research and training programs that

The relative share of different revenue sources is illustrated in Figure 40. Total local revenues, which include dedicated local taxes authorized by the legislature, are forecasted to rise substantially over the next five years. Some of this increase will occur as the result of a greater tax effort by service providers. The chart also indicates the relative decline in the level of federal and state aid that is anticipated by the operators. This parallel decline implies that there will be a shortage of large scale funding for capital projects which have traditionally been funded from these sources. This may have the consequence of placing greater pressure on local and farebox revenues.

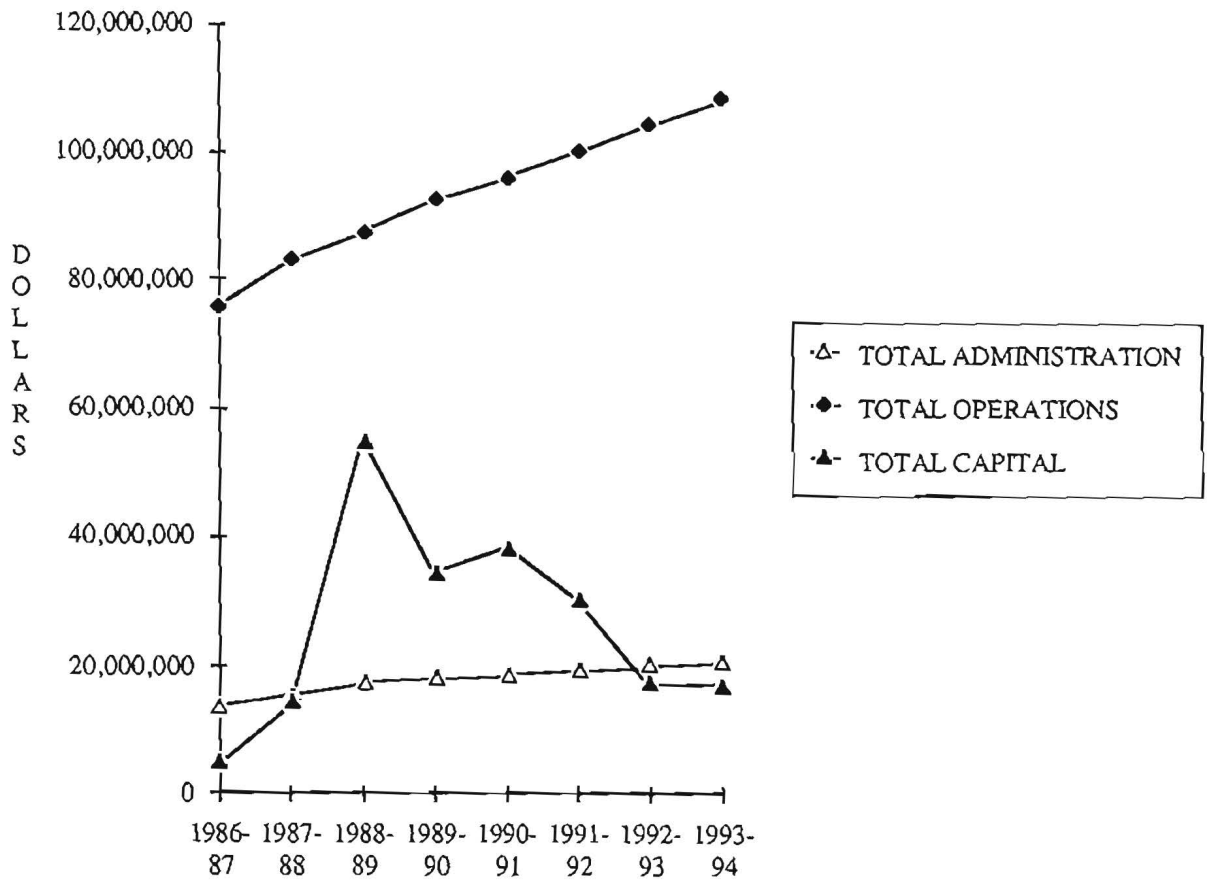
FIGURE 40
Overall Revenues by Source



Source: **1988 Oregon Public Transportation Survey**

Figure 41 shows total administration, operations, and capital expenditures for transportation providers responding to the survey. The capital picture indicates substantial anticipated expenditures, including the $13 million projected by Tri-Met for routine annual capital expenses. It appears that operating costs will increase significantly while administration costs should remain relatively constant. Some of the operating cost increases reflect the additional service that will be necessary to cope with congestion in the metropolitan area, plus needed additional service that will have to be forgone if revenue increases are not forthcoming.

FIGURE 41
Total Expenditures by Function

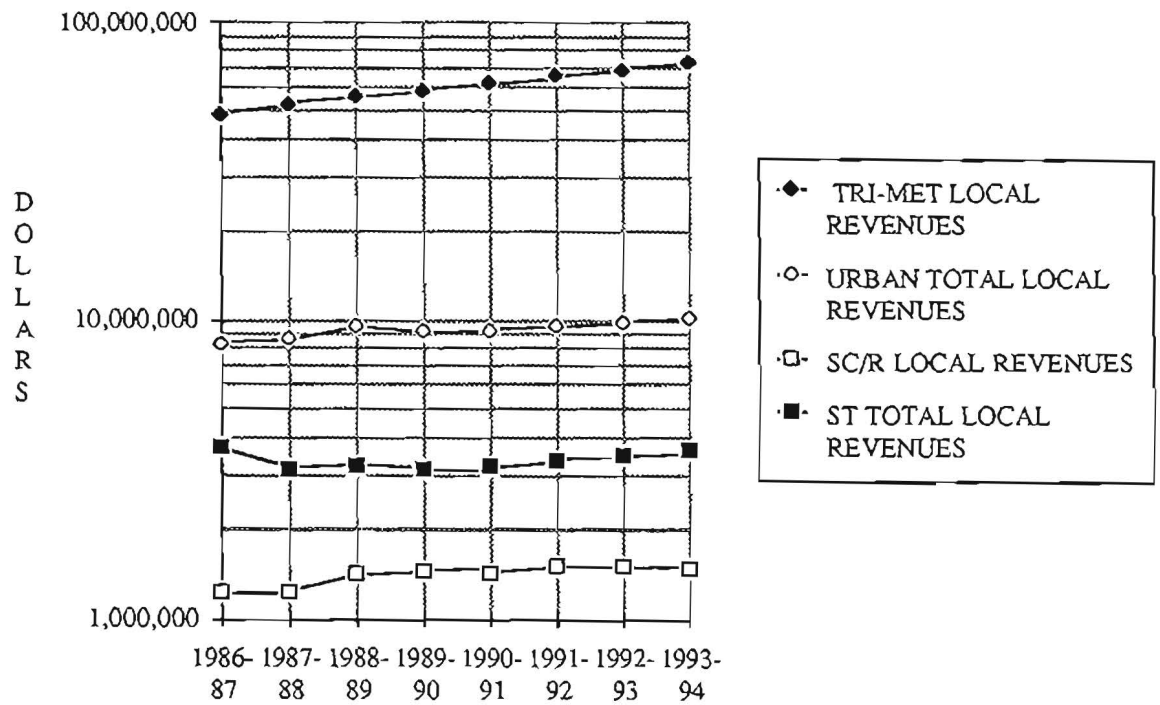


Source: **1988 Oregon Public Transportation Survey**

To facilitate a comparison of trends across all four categories of providers Figures 42-49 portray a "logarithmic" analysis of various financial categories. These "log" comparisons reduce the raw dollar figures to indexed dollar values which demonstrate relative trends. In evaluating these graphics, the basis for comparison is the slope or grade of the graph lines and the degree to which they parallel each other.

Figure 42 shows the relative comparison of local revenue trends for all classifications. Tri-Met appears to anticipate a slightly greater rate of local revenue growth than the other agencies. This reflects the sensitivity of the payroll tax to economic trends and the automatic increase of revenue anticipated with the forecasted population increase. The other agencies appear to indicate a relatively similar expectation of local revenue trends.

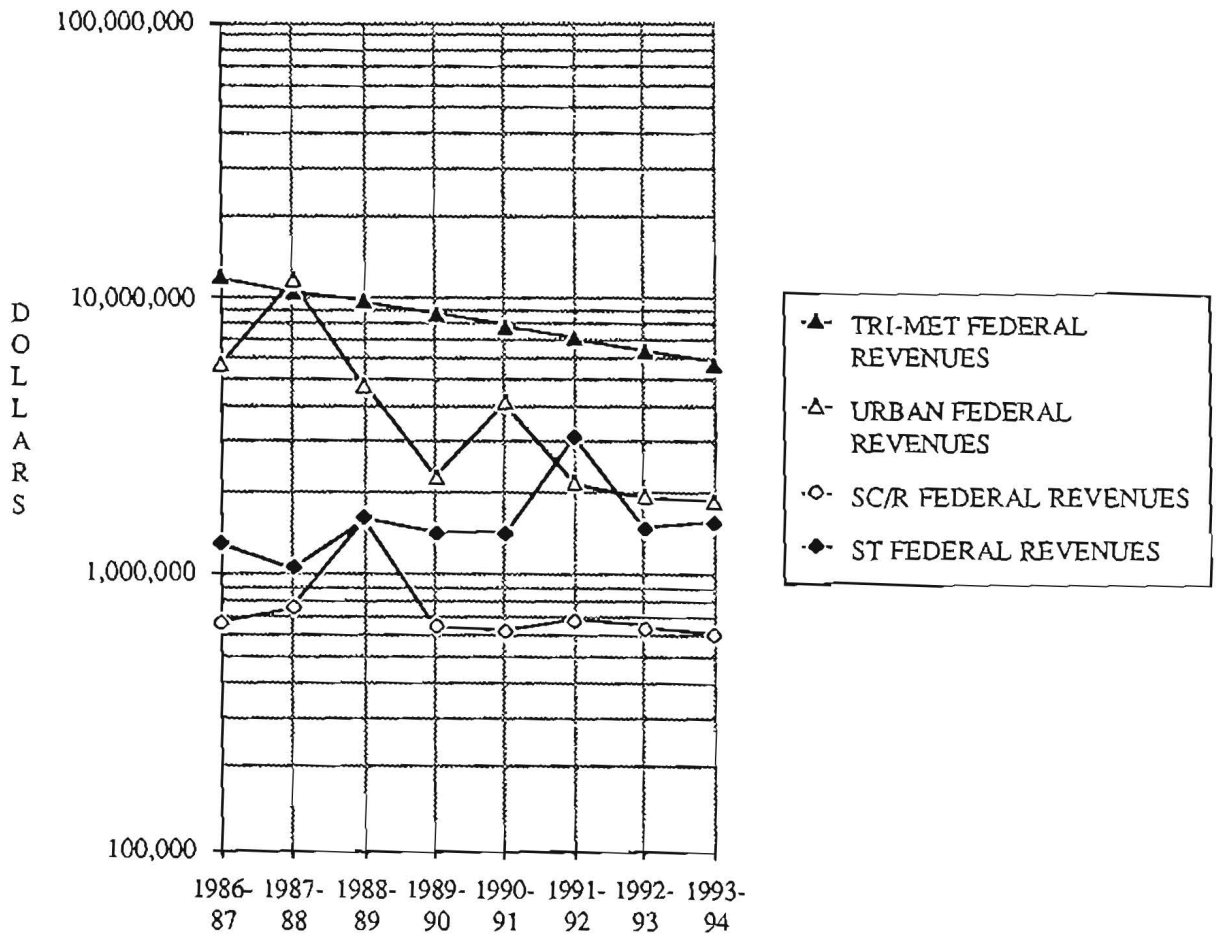
FIGURE 42
Comparison of Local Revenues by Provider Type



Source: **1988 Oregon Public Transportation Survey**

Figure 43 charts the anticipated trend in federal revenue sources. The largest agencies anticipate a relatively significant decline in federal revenues, reflecting both discretionary assistance and operating aid. The small city and rural providers expect a relatively constant level of federal assistance based on the fixed level of rural programs. The slight upward trend in special transportation agency federal revenues is partially a reflection of Tri-Met's anticipated receipt of federal assistance for its vehicle maintenance facility in 1991-92 and growth in other sources.

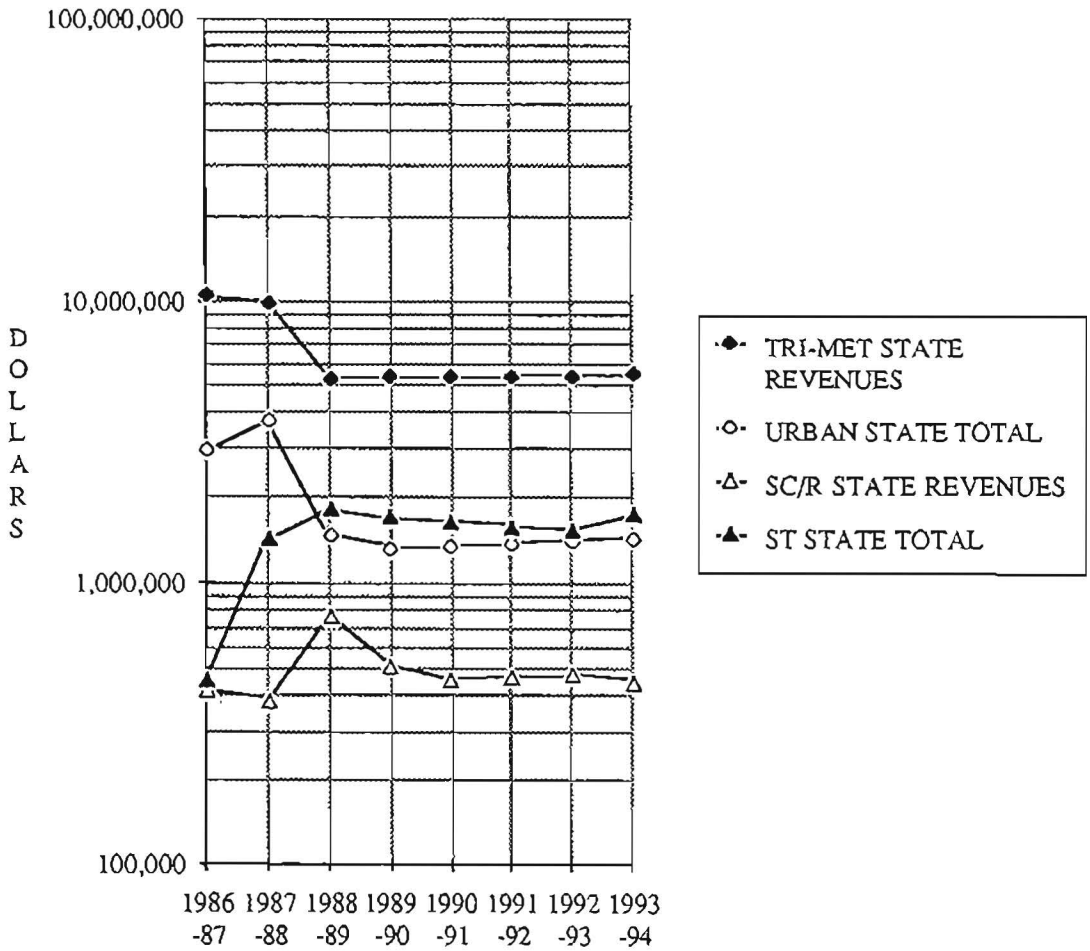
FIGURE 43
Comparison Federal Revenues by Provider Type



Source: **1988 Oregon Public Transportation Survey**

State revenues are reflected in Figure 44. The disappearance of the stripper well funds is reflected in the downturn in Tri-Met and Urban agency forecasts. The growth in Special Transportation assistance is reflected in the forecasts of these providers. Small city and rural agencies expect relatively little change in state revenues. The state's small but consistent general fund support of operating costs for these agencies has not experienced the turbulence of other funding sources.

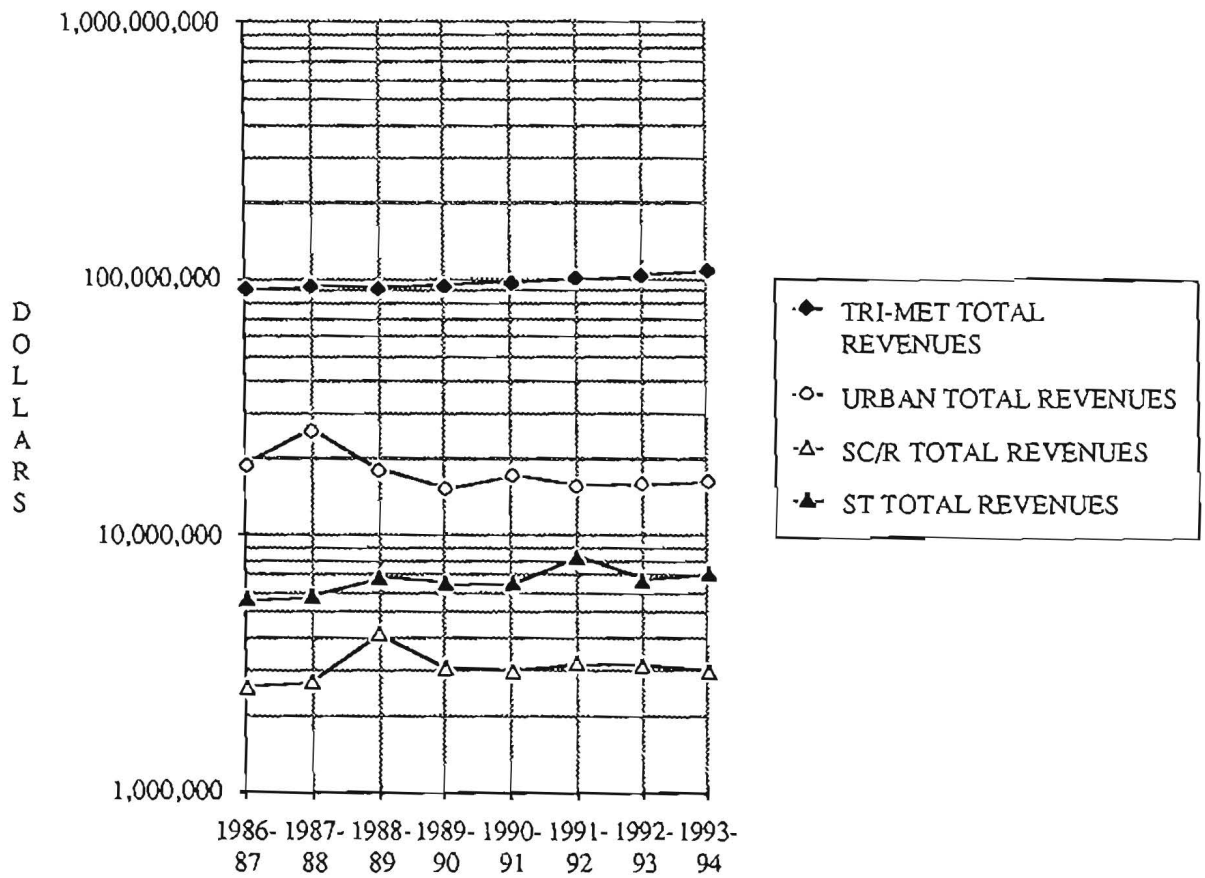
FIGURE 44
Comparison of State Revenues by Provider Type



Source: **1988 Oregon Public Transportation Survey**

The comparison of aggregate revenues is reflected in Figure 45. Urban providers anticipate a significant downturn in revenues reflecting the relative rigidity of farebox revenues and declining federal monies. All other agencies appear to expect slow growth or relative stability.

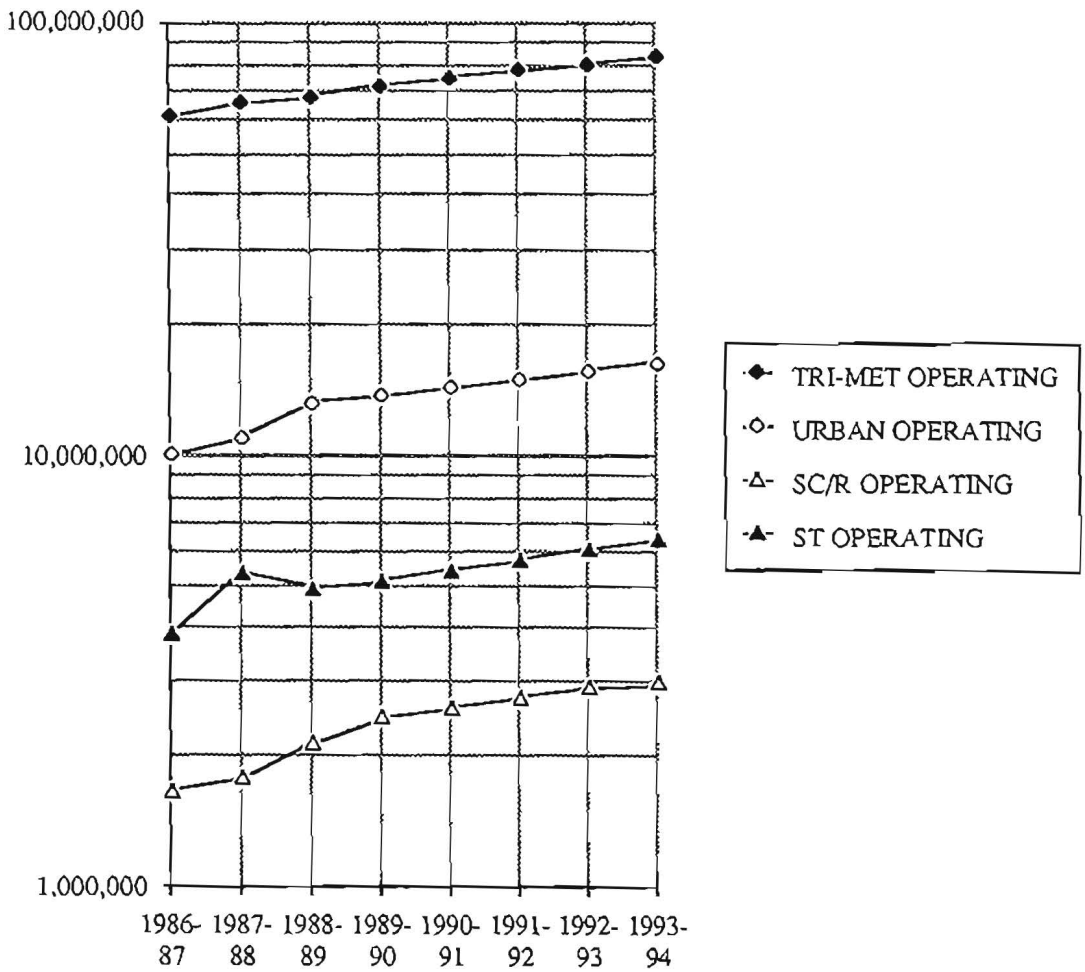
FIGURE 45
Comparison of Total Revenues for All Agencies



Source: **1988 Oregon Public Transportation Survey**

The expenditure side is reflected in the next three figures. Figure 46 reflects the uniformly anticipated growth of operating expenditures. A portion of this increase is attributable to new service and the remainder to increasing costs.

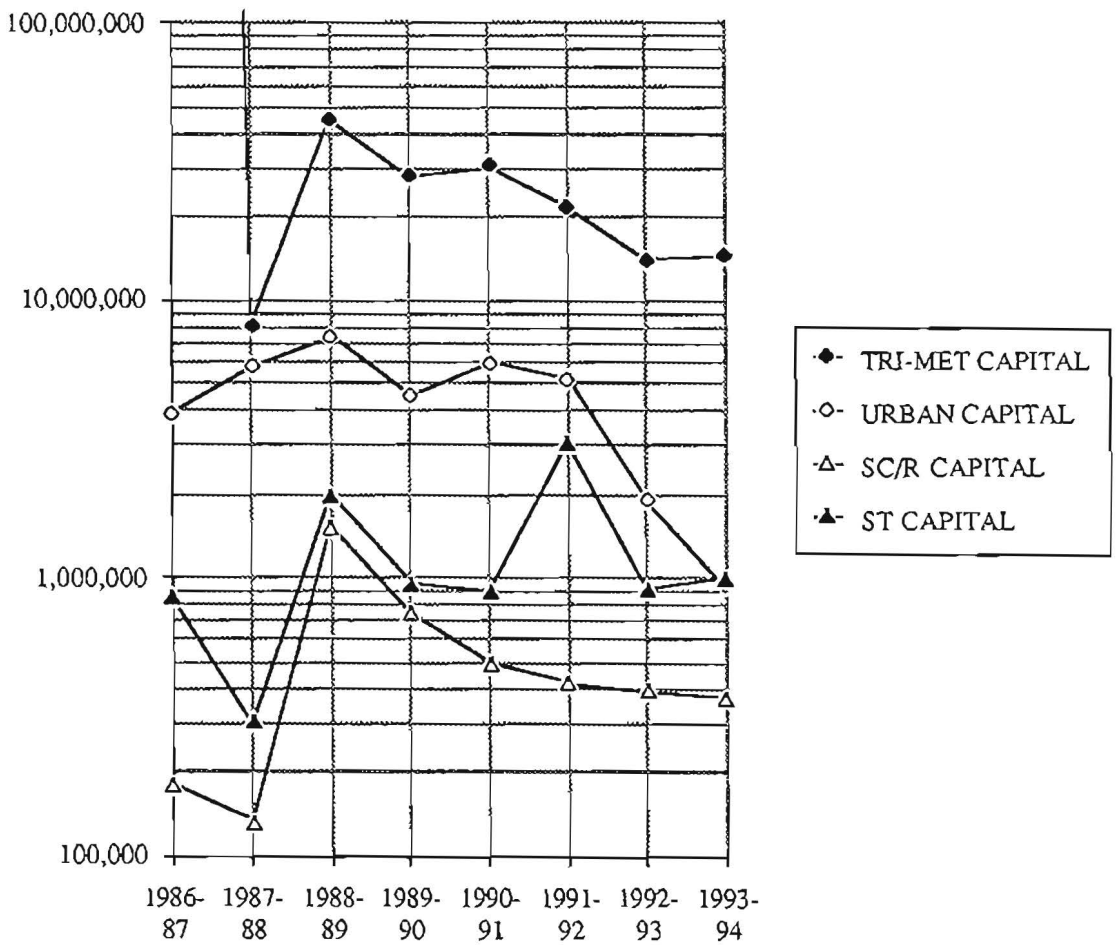
FIGURE 46
Comparison Total Operating Expenditures All Agencies



Source: **1988 Oregon Public Transportation Survey**

Total capital expenditures, charted in Figure 47, reflect very different trends across categories. The indicated decline in capital expenditures for urban properties indicates the completion of major needed facilities and equipment acquisitions. Tri-Met's expenditures indicate the acceleration of fleet replacement and facility maintenance. Special transportation expenditures reflect Tri-Met's presence in the service niche. The anticipated maintenance facility and purchase of several new vehicles in 1988-89 greatly affect the trend line. The capital expenses anticipated by small city and rural providers are mixed, indicating an initial upturn but gradual decline to a point slightly higher than current levels.

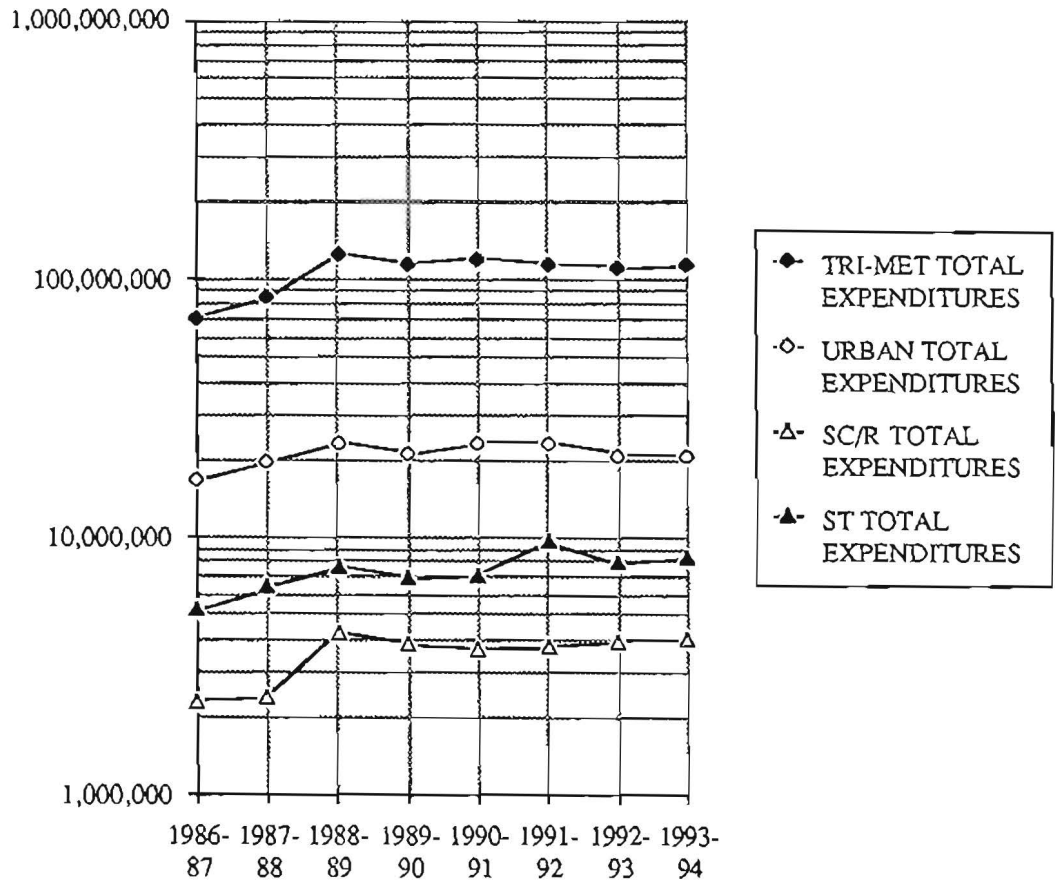
FIGURE 47
Comparison Total Capital Expenditures All Agencies



Source: **1988 Oregon Public Transportation Survey**

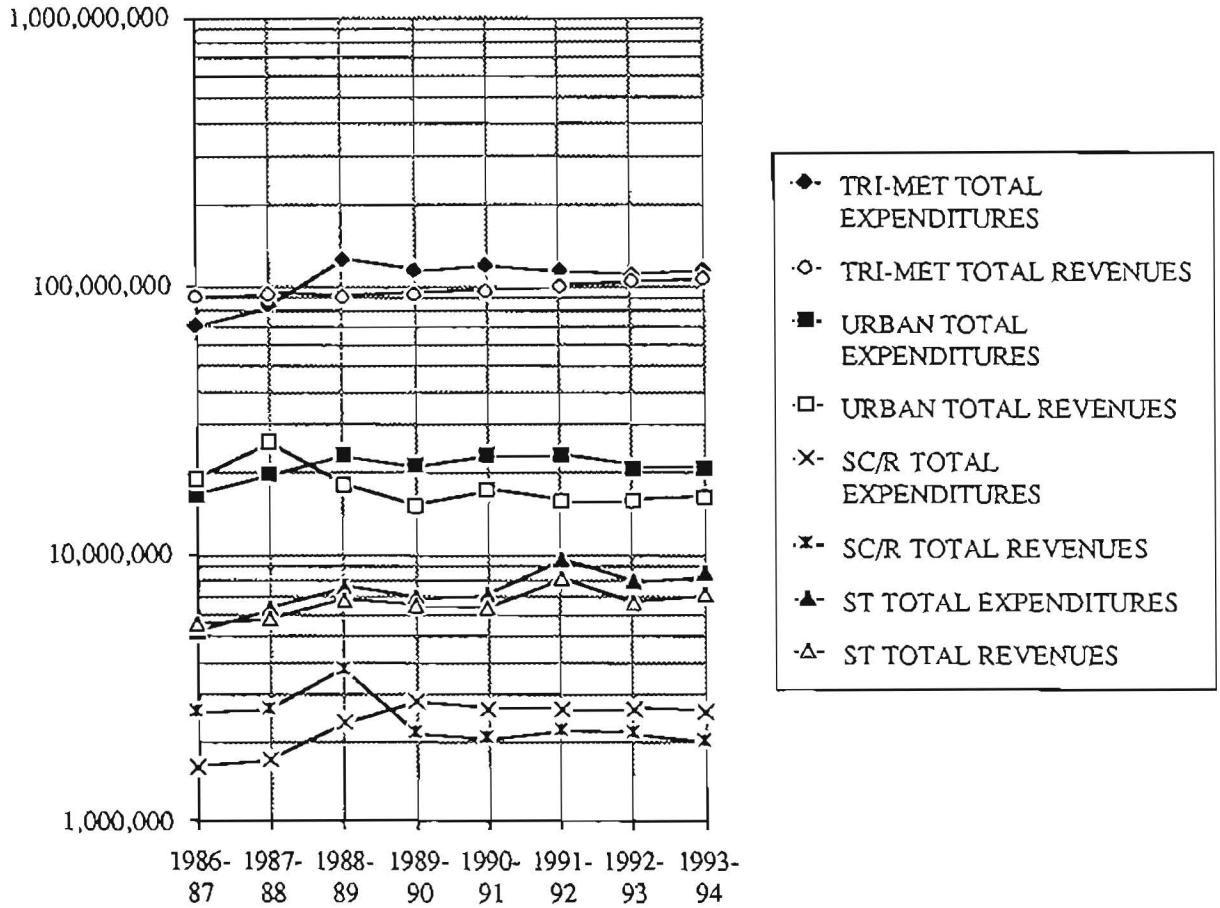
A comparison of total expenditures is provided in Figure 48. All service providers appear to anticipate a relative increase in expenditures over the research period, reflecting pressures for expanded service and capital expenditures. A final comparison of total revenues and total expenditures by category is provided in Figure 49. Clearly, the trend lines of revenues and expenditures are predicated on different forces and factors in their planning.

FIGURE 48
Comparison Total Expenditures All Agencies



Source: **1988 Oregon Public Transportation Survey**

FIGURE 49
Comparison Total Expenditures and Total Revenues All Agencies



Source: **1988 Oregon Public Transportation Survey**

SUMMARY OF SURVEY FINDINGS

Several findings are suggested by the proceeding analyses. On the revenue side, all Oregon public transportation agencies plan to rely more heavily on local resources. Disappearing state resources and declining federal monies will clearly generate some of this pressure. Maintenance of existing levels of service and demands for increased service will generate further pressure on local resources. In the case of larger agencies with authorized

taxation mechanisms, automatic increases from property values or employment growth will generate some additional fiscal capacity. Raising greater levels of revenue (i.e., through local levies, increased fare rates, etc) will account for the rest. While not fully demonstrable from the above information, the rapidly changing revenue picture for public transportation would indicate that it will continue to be difficult to predict revenues into the future. Since it is unlikely that the federal government will reverse its declining support, it is left to the state and local agencies to make up the difference. Local revenues are already anticipated to increase while state revenues will remain fixed or decline unless legislatively authorized appropriations are enacted. Farebox revenues will apparently remain relatively stable, reflecting the industry's assessment that they do not represent a very elastic revenue source.

On the expenditure side, operating costs to meet current and additional levels of service will continue to increase rapidly, up to the point of revenue limitations. Capital expenditures which have already been highly unpredictable in the discretionary federal program will become even more unpredictable as federal resources decrease and state resources remain fixed or decline. An additional complication is that Oregon is one of fifty competitors for federal discretionary funds. Many of the other states have provided matching funds to assist local agencies in leveraging federal grants, an advantage available in Oregon intermittently, on a case by case basis. Moreover, it appears that federal policies will significantly reward states with ongoing programs by granting them greater precedence in obtaining federal grants, particularly where they overmatch federal grants. Local transportation agencies will further seek to identify alternative revenue sources or defer needed capital expenditures until funds become available.

There is a need for greater stability in public transportation finance to permit management of operations and forecasting of revenues. While local agencies attempt to increase stable

revenue sources, Oregon's reliance on unpredictable, one-time-only revenue infusions may not support the industry in the most effective fashion for the state to realize the full potential of an investment in improved special, rural, and/or public mass transportation.

Transit Finance Assessment

Financing public transportation in Oregon is becoming increasingly difficult as the rate of expenditure growth is greater than the rate of revenue growth. There are a number of forces on the expenditure side that are difficult to control. These are:

- High labor costs and expensive work rules negotiated in union contract agreements,
- The expense of providing both accessible fixed-route transit and door-to-door special needs transportation services for a growing aged population and a disabled population that is rapidly growing due to mainstreaming of severely handicapped persons previously housed in institutions,
- The increasing cost of maintaining larger and aging fleets of buses,
- The increasing cost of maintaining non-vehicular equipment and facilities (i.e., maintenance barns, signs, bus shelters),
- Greater reliance on local sources of revenue for capital replacement to compensate for the withdrawal of federal assistance.

On the revenue side, there are forces that constrain growth. These are:

- Passenger revenue is relatively flat, fare increases barely cover the loss of patronage due to increasing auto ownership and low gas prices,
- Federal operating subsidies are being phased out and the matching requirements for federal capital assistance grants for bus replacement and new starts may be increased,
- Dedicated revenue from the cigarette tax for special needs transportation is increasing but may ultimately decrease as the population of cigarette smokers declines,
- Employer payroll and property taxes grow at roughly the same rate as expenditures, but must also absorb an increasing share of the total cost of providing transit service.

Over the past twenty years the demands on public transportation have been significant, particularly the demand to make up for deteriorating private service in the late 1960's. This

rising demand was exacerbated in the 1970's by a growing concern for the environment, air quality, and urban sprawl which increased expectations for transit. In the 1980's the growth of suburban congestion and service to the elderly and handicapped have added to the service expectations.

Since the Urban Mass Transportation Administration was created in 1964 the federal government has been an important source of financial assistance for capital funding. Transit agencies have utilized this program for assistance in acquiring rolling stock and facilities, such as maintenance buildings, equipment, bus shelters, and transit centers. UMTA also provides funds for operations and planning.

The continuing need to replace rolling stock is well understood by UMTA and local transit agencies. Bus replacement is a routine process and many states participate in the process by means of an on-going program of providing part of the local match. A largely unrecognized need is the growing requirement for maintenance and replacement of non-vehicle equipment and facilities. Major repair and rehabilitation of these capital assets are not covered by the UMTA capital assistance program, and the need for major repair and replacement is growing as the capital assets acquired during the 1970's age. In Oregon, only Tri-Met is beginning to identify, measure, and plan for this problem.

Although the federal program of capital assistance provides 80 percent of routine bus replacement, local transit agencies are hard pressed to raise the monies to meet the required local match. By providing all or part of the local match, a state can help the public transportation industry procure federal monies which they need. An on-going state capital assistance program of $1 million dollars would provide half of the local match needed for bus replacement in Oregon. This figure of $1 million was determined in two ways. The first approach was to estimate the statewide fleet size and replacement rate. This is

illustrated in Table 3. The second method was based on operating cost requirements. Ten per cent of operating costs is normally used in the transit industry as the appropriate annual capital replacement expenditure. This is illustrated in Table 4. Both methods suggest the need for a $1 million state bus replacement program to provide half or all of the local match requirement. This strategy would provide a minimum base from which to tackle capital needs. Additional capital resources may be required for non-rolling stock capital and special projects, such as light rail, regardless of federal assistance availability. These demands tend to be relatively unique and, hence, could be managed through a special discretionary fund managed by ODOT and overseen by the Legislature and Governor's Office, as supported by technical analysis from the Public Transit Division. The impact of a potential $4 million state program (assuming state funds represent half of the required matching monies) in terms of required local match and potential federal assistance is illustrated in Figure 50. The reader should note that this illustration is offered as an example of a possible program, sized equivalent to the Stripper Well Funds, and not a projection.

TABLE 3
Capital Requirements Based on Fleet Replacement

	Urban	Non-Urban	ST	TOTAL
Peak Vehicles	510	50	120	680
+20 Spare	102	10	12	124
Fleet	612	60	132	804
Replacement Rate 10%	61	6	13	80
At $160,000 per unit				$9,760,000
At $58,500 per unit				$350,000
At $20,000 per unit				$260,000
State Share at 10%	$976,000	$35,000	$26,000	$1,037,000
at 20%	$1,950,000	$70,000	$52,000	$2.074.000

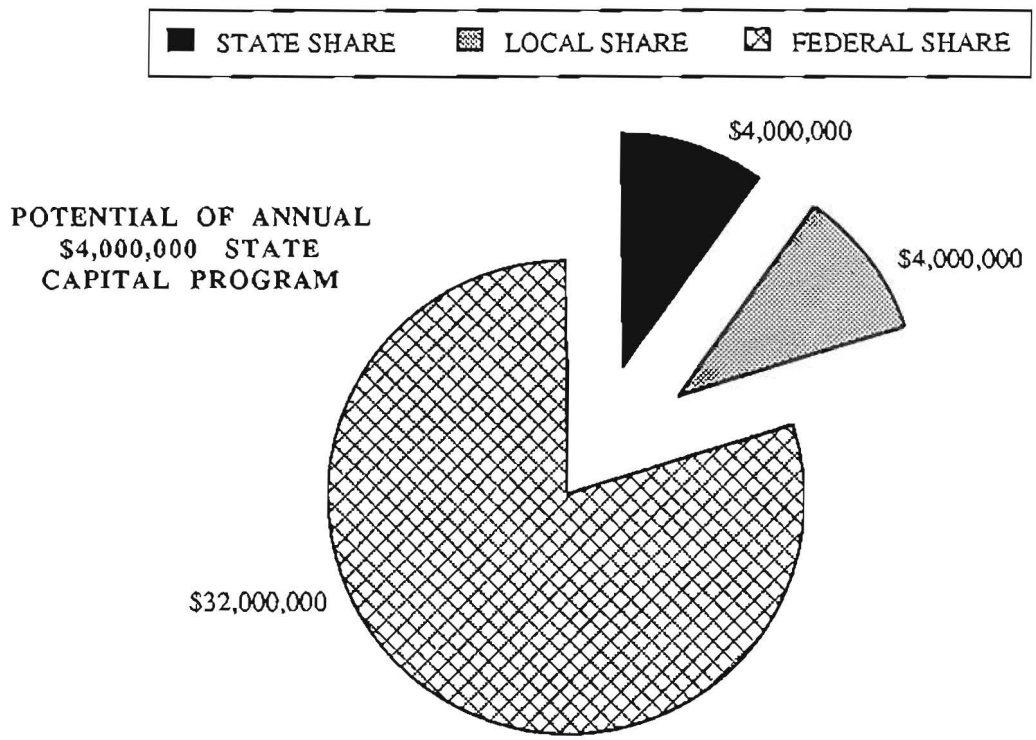
Source: AASHTO **1987 Public Transportation Survey**
ODOT Public Transit Division

TABLE 4
Capital Requirements Based on Annual Operating Costs
(millions)

	Tri-Met	Urban	SCR	ST	TOTAL
Operating Cost	$67.90	$13.20	$1.50	$4.90	$87.50
10%	6.79	1.32	0.15	0.49	$8.75
State Share at 10%	0.70	0.13	0.02	0.05	$0.88
at 20%	1.36	0.26	0.03	0.10	$1.75

Source: **1988 ODOT Public Transportation Study**

FIGURE 50
Relative Shares of State Program Equivalent to Stripper Well Funds



NOTE: Shares assume an 80% federal and 20% other matching program. Total funding depends on available federal assistance. Reduced state share would shift burden to local governments or reduce federal funds. Reduced local share has similar impact.

Public Transportation Finance in Comparable States

The basic question is "How is public transportation financed in other states?" Generally, the answer is "better than in Oregon". Many states have public transportation assistance programs wherein state collected revenues are subvented to local transit agencies or state authorization enables local option taxes that are dedicated to public transportation. The most widely used sources of revenue in other states are constitutionally prohibited in Oregon. For example, the sales tax is the most reliable and prevalent source of local option revenue in other states. The gas tax and vehicle registration fees provide state revenues distributed to local transit systems and also are widely used. States that do not rely on these types of revenue generally provide low levels of transit service to their residents. Oregon is an anomaly, a relatively high level of transit service is provided to Oregon residents, but at a high burden to local residents.

Some states provide separate programs of operating and capital assistance. A separate program for capital assistance usually reflects: 1) large capital projects, such as rail, 2) a policy to stay away from operating assistance in local transit operations, or 3) a substitute for the lack of a operating assistance program to provide financially strapped public transportation agencies with resources by which to match available federal capital assistance funds. Oregon has provided capital assistance, but the lack of an on-going program is evident in comparing Oregon's capital assistance to that of other states.

RECOMMENDATIONS

Oregon would substantially benefit from a more active, ongoing state role in public transportation. Local transportation providers are attempting to meet current operating needs at the potential expense of deferred capital maintenance and insufficient fleets. Beyond financial assistance, however, a greater effort at state oversight and monitoring of public transportation services is required. The framework for the proposed program

consists of two elements: A) A new series of statewide goals developed through legislative and executive action and B) A set of current and enhanced program initiatives.

Current Program Modifications and Additions

- Authorize additional funding for special needs transportation by increasing the revenues to the Special Transportation Fund.
- Authorize and fund an annual, stable capital assistance program for public transportation providers equivalent to the funding level of the past biennium.
- Provide greater flexibility of local public transportation option funding through authorization of new local revenue sources.
- Authorize and fund an expanded administrative role for the ODOT Public Transit Division to provide technical assistance, establish standards and monitor public transportation provider performance, administer state capital assistance to providers, and promote cooperation and coordination between transportation providers.

New State Policy Directions

- Adopt as a statewide policy goal, cooperation among modal transportation agencies to achieve efficient and coordinated use of scarce resources.
- Adopt as a statewide policy goal, cooperation among public transportation programs and economic development programs in order to make Oregon an attractive and profitable location for industry.
- Adopt as a statewide policy goal, the coordination of services and resources among agencies that support public transportation and human service transportation.
- Create incentives for local land use guidelines that promote integration of transportation planning into existing and future land use policies .

Performance Monitoring

In the context of Performance Monitoring, Oregon plays a relatively passive, limited data collection role. Oregon's traditional deference to local decision making and its intermittent role in transportation finance have prohibited an active role for data collection, analysis, and utilization of findings in oversight. As a result, the state lacks critical information regarding the productivity of the industry and the means for more effectively designing transportation solutions. The 1986

Oregon Transit Finance Study and the 1988 Oregon Public Transportation Study represent an initial effort to overcome this deficiency and provide comprehensive, statewide information.

Technical Assistance and Research

The state's effort with regard to Technical Assistance and Research, has focused primarily on supporting federal programs. Staff assistance is directed toward compliance with federal requirements and program priorities. As federal funding shifts, state assistance patterns follow accordingly. Hence, while federal funds have assisted Oregon agencies in meeting federal priorities, there has been little, if any, attention given to state needs and priorities. Where state and federal interests have converged, a fortunate coincidence of goal attainment has occurred.

The need for technical assistance by transit agencies in Oregon is a function of their size, which to a large extent determines the degree of professionalism of their staffs, and their role in the overall state transportation system. Even the largest transportation provider needs the support and guidance of state policy initiatives to effectively establish its overall responsibilities and functional contribution to solving transportation problems. Typically, the transit districts in the four urbanized areas do not depend on the Public Transit Division for technical operating assistance. They are professionally staffed and rely on their own resources. In instances where outside assistance is needed, it is usually of such a specialized nature that it would be prohibitively costly for the state to maintain the necessary staff expertise.

The small city and rural transit agencies are provided technical assistance by the Public Transit Division under the Technical Resource Program and the Section 18 program. These technical assistance services are provided by staff, funded with federal Section 8 planning money (including state match) and by state retained Section 18 monies. The level and extent of technical assistance is being increased by means of the transit Rural Technical Assistance Program (RTAP) that is currently being implemented by the Public Transit Division. The RTAP program is also funded by

the Section 18 program. With implementation of the RTAP program, the technical operating assistance needs of most small city and rural transit agencies will be met. Policy guidance and support, particularly in the cost context of working with other state and local agencies and coordination with Health and Human Services Agency providers, remains to be developed.

Special Needs Transportation providers, particularly the recipients of the Special Transportation Fund (STF) program, are not receiving adequate technical assistance. The STF program provides minimal funds for administration or technical assistance. Consequently, little oversight or sufficient operating guidance is provided to the many small providers of SNT service. An increased oversight function would provide information concerning performance and coordination of service, while the technical operating assistance is needed to foster operating performance and professionalism. With the exception of Tri-Met, STF transit providers may need help in both planning and management. Additionally, assistance is needed in encouraging regional coordination and cooperation among providers, use of federal grant opportunities, and interaction among the STF recipients.

Intermodal and Interagency Coordination

In the context of intermodal and interagency coordination, Oregon has supported federal initiatives but has not launched its own. Recent changes within ODOT on the highway side, and at the executive and commission levels, may have opened up new opportunities for exploring more coordination in highway and public transportation options. Yet, little has been done to extensively encourage greater coordination and cooperation in the delivery of all special transportation services. Indeed, the lack of a clearly articulated legislative rationale for supporting special transportation services may have exacerbated coordination problems by encouraging undirected funding of lower priority services.

In Oregon, rural and urban interagency/intermodal coordination is needed in four areas:

- Promote cooperation among transportation modal agencies to achieve efficient and coordinated use of scarce resources.
- Promote cooperation between state public transportation program and economic development programs to make Oregon an attractive and profitable location for industry.
- Promote the coordination of services and resources among agencies that support transit and human service client transportation by expanding the STF program to meet growing needs and implementing a state program to encourage coordination among service providers and human resources agencies.
- Provide incentives for local land use guidelines that promote rational and efficient planning by transit investments in corridors, particularly in the Portland metro area that will reduce the need for highway investments.

The latter two areas hold the most promise in the short run and will lead to meeting the intent and purpose of the first two. Consequently, the development of a state role should address the mobility needs of the special transportation clientele of the growing state elderly and handicapped population, and the alleviation of wasteful congestion, particularly in the metropolitan areas, through judicious transportation investments.

Funding

Oregon continues to face new opportunities in public transportation. With the exception of the Special Transportation Fund for special needs providers, Oregon does not fund public transportation with a stable, guaranteed program. As a result, transportation agencies have difficulty forecasting future budgets and planning. The increasing costs of labor, providing transportation services for the growing populations of elderly and handicapped citizens, maintenance and replacement cost of vehicles and non-vehicular equipment, and the pressure on providers to expand service are occurring at a time when traditional fiscal resources are shrinking. In the past, PTD has learned to cultivate federal monies and implement federal programs in order to encourage public transportation in Oregon. With the diminishing federal funding, Oregon has a chance to articulate, fund and promote a statewide public transportation policy which encourages

the goals deemed important to its constituents, i.e., mobility for all its citizens including the elderly and handicapped and decreased congestion.

Without increased aid from the state, many agencies may need to reduce their current levels of service or postpone service expansions and needed capital expenditures. Oregon should consider:

- Creating a general fund account which would provide the money to meet all or half of the local match requirement for federal grants to acquire new and replacement buses,
- Increasing its share of monies to local agencies to make up for declining federal resources and remain competitive for available federal assistance,
- Increasing the current one cent cigarette tax allotted to the Special Transportation Fund.

APPENDICES

APPENDIX A
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APPENDIX B
1988 OREGON TRANSIT FINANCE STUDY

1) Agency Name_____

Manager_____

Address _____

_____

2) Name, title and phone number of individual responding to survey:

_____

_____

_____

3) What type of service does your agency provide? (Refer to the attached definitions .) Check as many as necessary.

Fixed Route _____ Taxi Subsidy _____ Unscheduled Fixed Route_____

Volunteer Driver _____ Demand-Response/Dial-a-Ride _____ Other _____

4) How many total annual miles do your vehicles travel in each of the following categories?

Fixed Route _____ Taxi Subsidy _____ Unscheduled Fixed Route_____

Volunteer Driver _____ Demand-Response/Dial-a-Ride _____ Other _____

5) Please fill in which hours of each day transportation service is provided by your agency (i.e., 8 a.m. - 5 p.m.)?

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Fixed Route							
Unscheduled Fixed Route							
Dial-a-Ride/ Demand Response							
Taxi Subsidy							
Volunteer Driver							

6) How many people does your agency have in each of the following categories?

Administration (full-time) _____ Administration (part time) _____

Operating (full time) _____ Operating (part-time) _____

Volunteers (full time) _____ Volunteers (part time) _____

7) Is your agency:

Non-profit _____ County _____ City _____

Special District _____ Other _____

8) What is your fiscal year (e.g., July 1 - June 30)? _____

9) Do you expect the miles of service provided by your agency to increase in the future?

Yes _____ No _____ Don't know _____

10) If yes, by what percent? _____

11) Over what time frame?

1 year _____ 2 years _____ 3 years _____ 4 years _____ 5 years _____

12) Do you have fixed boundaries for your service area? If yes, what is the approximate number of square miles in your service area? (If unknown, please describe the boundaries of the service area).

_____

_____

13) What is the current population of your service area? _____

14) Please estimate how many passenger trips your agency provided in the 1987-88 fiscal year.

_____

15) What percentage of your overall ridership in fiscal year 1987-88 were:

General Public _____Senior citizens _____ Handicapped _____

16) Do you anticipate any major increases in ridership in any of these categories during the next five fiscal years?

Yes _____ No _____ Don't know _____

17) If yes, please estimate the percentage increase for each category:

General Public _____Senior citizens _____ Handicapped _____

18) Please describe how these increases were estimated:

County Planner Estimate _____ Transportation Development Plan Estimate _____

"Crystal ball" _____ Other (explain) _____

19) Please project your system's total ridership for this fiscal year and each of the next five fiscal years.

1988-89_____ 1989-90_____ 1990-91_____

1991-92_____ 1992-93_____ 1993-94_____

20) How did you get the information for this projection (i.e., your agency's past trends, County Comprehensive plan)?

_____

_____

21) Does your agency provide door-to-door service for elderly and handicapped riders?

Yes _____ No _____

22) If yes, are advance reservations required?

Yes _____ No _____

23) If advance reservations are required, how far in advance must reservations be made?

_____ hours

24) If your agency does not currently provide demand-response service, are you considering adding this service in the future?

Yes _____ No _____

25) Please indicate in the space provided below, the actual or estimated expenses for your total transportation service. Include expenses incurred by volunteers. The following definitions are provided to help you determine which category each cost belongs in. Base your answers on your five year capital improvement program, if you have one.

- Administration Costs include management and office staff salaries and fringe benefits, office supplies, rent, marketing, accounting, and auditing service contracts.
- Operating Costs are expenditures for drivers' and mechanics' salaries and fringe benefits, fuel, maintenance, vehicle insurance.
- Capital Costs are expenses which are incurred for long term major capital acquisitions (i.e., buses, lifts, radios, and administrative or maintenance facilities).

EXPENDITURES

	Administrative	Operating	Capital	TOTALS	
Actual Costs 86-87					
Actual Costs 87-88					
Estimated Costs 88-89					
Projected Costs 89-90					
Projected Costs 90-91					
Projected Costs 91-92					
Projected Costs 92-93					
Projected Costs 93-94					

26) Please explain any major expenditure increases (i.e., capital construction, a major service increase).

27) What percentage of the future Capital Costs recorded in Question 26 represents maintenance of your current level of service? _____

28) What percentage of the future Capital Costs recorded in Question 26 represents an increase in the level of service? _____

29) Based on the number of elderly and handicapped in your service area, are you currently providing sufficient transportation services to meet their needs?

Yes _____ No _____ Don't know _____

30) If no, what additional or new services are needed and how much would it cost to fund these services?

New or expanded routes (cost) _____

Extended service hours (cost) _____

Additional vehicles (cost) _____

Other (explain and give cost) _____

31) Is the population of your service area forecasted to increase, decrease, or remain approximately the same during the next five years?

Increase _____ Decrease _____ Remain the same _____ Don't know _____

32) If the population of your service area is forecasted to change, by what percentage?

_____

33) What is your source of information for the population forecast?

Council of Governments _____
State Department of Transportation _____
County Planning Department ____
Center for Population Research and Census, Portland State University _____
Other (explain) _____

34) If your population is changing, what factors explain this (e.g., industrial or commercial retail growth)?

_____

_____

35) Do you expect your ridership to increase as a result of population increases?

Yes _____ No _____ Don't know _____

36) Please complete the following chart on the size and condition of your current fleet. Attach an additional sheet if necessary.

Type of Vehicle	Number	Year	Passenger Capacity	Mileage	Condition	Wheelchair Lift

37) Do you currently receive Special Transportation Fund (STF) money from the Oregon Department of Transportation?

Yes _____ No _____ Don't know _____

38) If yes, does the amount you currently receive meet the needs of your agency?

Yes _____ No _____ Don't know _____

39) List any transportation revenue sources you received during the period from July, 1986 - July, 1988 that are no longer available.

_____

_____

_____

40) What percentage of your transportation revenue did each of the sources you listed in question 39 represent? _____

41) Why are these revenues no longer available? _____

_____

44) Please list your anticipated capital needs for the next five years using your capital improvement program if you have one. List only the items costing $10(X) or more. If you do not have a capital improvement program, please estimate based on the best available information.

CAPITAL EXPENDITURES	Fiscal Year 19____ Number	Cost	Fiscal Year 19____ Number	Cost	Fiscal Year 19____ Number	Cost	Fiscal Year 19____ Number	Cost	Fiscal Year 19____ Number	Cost
Small buses (less than 25 feet)										
Large buses (more than 25 feet)										
Vans or other Paratransit Vehicles										
Communications Equipment										
Signs and shelters										
Parks & Ride Lots or bus turnouts										
Property purchase										
Stations and Maintenance Facilities										
Maintenance Equipment										
Other (explain)										
TOTAL										

43) Please provide your current and best estimates of fiscal year revenues in the chart below.

	Actual 86-87	Actual 87-88	Estimated 88-89	89-90	90-91	Projected 91-92	92-93	93-94
Farebox Revenue								
Local Revenue								
General Fund								
Dedicated Tax								
Fund Raising								
County Mental Health								
Unrestricted Donations								
Local Service Clubs								
Foundations (e.g. Fred Meyer)								
United Way								
Charter								
Other								
State Revenue								
In-lieu-of payroll tax								
Special Transportation Fund								
Stripper Well								
Vocational Rehabilitation								
Other DHR Grants								
Other								
Federal Revenue								
UMTA Section 9								
UMTA Section 3								
UMTA Section 18								
UMTA Section 16(b)(2)								
Older Americans Act (Title 3B)								
Adult and Family Svcs (Title 19)								
Community Services Block Grant								
Other								
TOTALS								

COMMENTS:

APPENDIX C
Glossary of Terms

DEFINITIONS OF TERMS

When answering the questionnaire, the following definitions should be kept in mind.

COSTS

Administrative Costs - Management and office staff salaries and fringe benefits, office supplies, rent, marketing, accounting, and auditing service contracts.

Capital Costs - Expenses which are incurred for long term major capital acquisitions (i.e., buses, lifts, radios, and administrative or maintenance facilities).

Operating Costs - Expenditures for drivers' and mechanics' salaries and fringe benefits, fuel, maintenance, and vehicle insurance.

REVENUE SOURCES

Local Revenues

General Fund - Money received from the City or County General Fund.

Dedicated Tax - A tax which is levied to provide transportation revenue.

Fund Raising - Activities sponsored by your agency to raise revenue for transit (i.e., car washes, Bingo, etc.).

County Mental Health - Grants or contracts for service from county health agents.

Unrestricted Donations - Voluntary donations from clients or members of the community.

Local Service Clubs - Money donated by local organizations (i.e., Lions Club, Kiwanis Club, etc.).

Foundations - Grants or cash gifts from not-for-profit foundations.

United Way - Revenue received from the United Way organization.

Charter - Income from service provided to groups or individuals not normally served (usually one time only).

State Revenues

In-Lieu-of Payroll Tax - Money received from the State General Fund which is distributed based on the number of State employees in an agency's region.

Special Transportation Fund - This revenue is generated by one penny of the State's cigarette tax to finance transportation of the elderly and handicapped.

Stripper Well - Revenue generated from a settlement with the oil companies.

Vocational Rehabilitation - Money provided by the State for vocational rehabilitation clients.

DHR Grants - Grants distributed by the Department of Human Resources.

Federal Revenues

UMTA Section 9 -Grant money distributed by formula which provides urbanized area assistance.

UMTA Section 3 - Discretionary grant money which provides urbanized area assistance.

UMTA Section 18 - Provides assistance for small cities and rural areas.

UMTA Section 16(b)(2) - Provides vehicles for the transportation of the elderly and handicapped.

Older American Act (Title 3B) - Federal grants to states and communities for social services including transportation services.

Adult and Family Service (Title 19) - Social Security Administration funds for medical assistance (Medicaid) to indigents including medical transportation.

Community Services Block Grant - Funds the Community Action Programs designed to provide service for the disadvantaged.

TYPES OF SERVICE

Fixed Route - Vehicles operating on an established route according to a fixed schedule.

Unscheduled fixed route - Vehicles operating on a set route but service is flexible, and is not scheduled.

Dial-a-Ride/Demand Response - Buses and/or vans are scheduled in response to requests for service. Generally, clients telephone their requests at least 24 hours before they need the service.

Taxi Subsidy - The service agency shares the cost of the ride with the passenger. Usually tickets or coupons are provided to the client which can be redeemed with private companies who have agreed to accept the coupons as payment.

Volunteer Driver - Drivers are not paid for their time but may be reimbursed for their out-of-pocket expenses.

Miles of Service - The total number of miles vehicles travel when providing transportation services to clients.

Service Area - The geographic area to which the agency provides transportation services.

Passenger Trip - A one-way trip with or without transfers.

APPENDIX D
List of Survey Recipients

Albertina Kerr Centers for Children
Alvord/Taylor Houses
Arlington Fire Department Ambulance
Baker County Courthouse
Basin Transit District
Benton County Board of Commissioners
Benton County Mental Health Association
Betah Enterprises
Blue Angel Senior Transportation, Inc.
Bonney Work Activity Center
Broadway Transportation
Buck Medical Services
Cascade Locks City Council
Central Oregon Council on Aging
Chehalem Valley Senior Citizens
City of Astoria
City of Bend Dial-A-Ride
City of Corvallis
City of Florence
City of Hermiston
City of La Grande
City of Lebanon, Dial-A-Bus
City of Lincoln City
City of Milton-Freewater
City of Newport
City of Ontario
City of Pendleton
City of Sweethome
City of Woodburn
Clackamas County Community Action Agency
Clackamas County Senior Citizens Council
Clatsop County Commission
Coast Rehabilitation Services
Columbia County Commission
Columbia County Council of Senior Citizens
Columbia Gorge Rehabilitation Center
Community Action Agency of Yamhill County
Confederated Tribes of Warm Springs
Coos County Commission
Coos County Public Transit
Coos County Veterans Service
Coos-Curry Council of Government
Crook County Courthouse
Curry County Commission
Curry County Seniors, Inc.
District 1 Area Agency on Aging
Douglas County Health and Social Services
East Central Oregon Association of Counties
Elderly Nutrition Program
FACT, Inc.
Flatt's Truck Service

Forest Grove Senior Center
Foster Grandparents/Senior Companions
Friendly House, Inc.
Gilliam County Senior Citizens ECOAC/AAA
Gladstone Seniors
Grant County Courthouse
HELP, Inc., Baker
HELP, Inc., Enterprise
HELP, Inc., La Grande
Hood River County Transit, Inc.
Housing for the Handicapped
IKOI NO KAI
Interfaith Volunteer Caregivers
Ione-Heppner Transportation Committee
Irrigon Transportation Committee
Jefferson County Courthouse
Josephine County Mental Health
Josephine County Senior Programs
Josephine County Veterans Services
Klamath County Mental Health Center
Lake Activity Center
Lake County Senior Citizens Association
Lane Community College, Senior Companion Program
Lane Council of Government
Lane Transit District
Lincoln Association for Retarded Citizens
Lincoln County Council on Aging
Linn County Board of Commissioners
Linn County Commission
Linn-Benton Loop System
Loaves & Fishes Center, Inc.
Malheur Council on Aging
Marie Mills Center, Inc.
Marion County Environmental Services
Marion County Health Department
Mid-Columbia Community Action Council
Midcoast Enterprises, Inc.
Mittleman Jewish Community Center
Morrow County Courthouse
Mt. Angel Training Center
Neighborhood House, Inc.
New Day Enterprises
North Coast Transit
North Lincoln Council on Aging
North Plains Senior Center
Nova Enterprises
Nyssa Senior Citizens, Inc.
Ontario Senior Citizens, Inc.
Opportunity Center, Inc.
Opportunity Foundation of Central Oregon
Oregon District Four COG
Oregon Housing & Associated Services
People to People Handicapped Group
Polk Association for Retarded Citizens

Polk Habilitation Enterprises
Polk Senior Transportation District
Portland Impact
Project Linkage
REACH, Inc.
Residential Assistance Program
Retired Seniors Volunteer Program
Rogue Valley Council of Government
Rogue Valley Transportation District
Ron Wilson Center
Salem Area Mass Transit District
Senior Citizens Bus
Senior Citizens Council of Benton County
Senior Citizens Share Bus
Senior Citizens Social Services, Inc.
Senior Companion Program
Senior Wheels
Seniors of Mosier Valley
Shangri-La Corporation
Sherman County Senior Bus
Soroptimists International of Ashland
Soroptimists International of Prineville
South Gilliam County Ambulance Service
SPARC Enterprises, Inc.
Special Mobility Services, Inc.
Special Needs Transportation (Tri-Met's Program)
Spruce Villa, Inc.
Star of Hope Activity Center
Step Forward Activities, Inc.
Sunrise Enterprises
Sunshine Opportunity Center
The Golden Agers Transportation, Inc.
Treasure Valley Opportunities
Tri-Met (Tri-County Metropolitan Transportation District of Oregon)
Tualatin Valley Mental Health Center
Umatilla County Mental Health Program
Umpqua Community Action Network
Union County Center for Human Development
Union County Courthouse
Union County
United Senior Citizens of Bend
Upper Rogue Community Center
Urban League of Portland
Vale Senior Citizen Center
Vision Northwest
Volunteer Services
Volunteers of Oakridge and Westfir
Wallowa County Courthouse
Wallowa County Interfaith Caregivers
Warnic Senior Bus
Wasco County Courthouse
Washington County Community Action Agency
Wheeler County Senior Citizens
White Bird Clinic

Yamhill County Commission
Yamhill County Courthouse
Yamhill County Mental Health

APPENDIX E
List of Survey Respondents

Albertina Kerr Centers for Children
Alvord/Taylor Houses
Basin Transit District
Benton County Mental Health Association
Broadway Transportation
Buck Medical Services
Central Oregon Council on Aging
Chehalem Valley Senior Citizens
City of Astoria
City of Bend Dial-A-Ride
City of Corvallis
City of Florence
City of Hermiston
City of Milton-Freewater
City of Newport
City of Ontario
City of Pendleton
City of Woodburn
Columbia County Commission
Columbia County Council of Senior Citizens
Confederated Tribes of Warm Springs
Coos County Public Transit
Coos County Veterans Service
Coos-Curry Council of Government
District 1 Area Agency on Aging
Elderly Nutrition Program
Friendly House, Inc.
Gilliam County Senior Citizens ECOAC/AAA
Grant County Courthouse
Help, Inc.
Hood River County Transit, Inc.
Josephine County Mental Health
Josephine County Veterans Services
Klamath County Mental Health Center
Lane Transit District
Linn-Benton Loop System
Loaves & Fishes Center, Inc.
Marie Mills Center, Inc.
Mid-Columbia Community Action Council
Midcoast Enterprises, Inc.
Opportunity Center, Inc.
Opportunity Foundation of Central Oregon
Oregon Housing & Associated Services
People to People Handicapped Group
Polk Habilitation Enterprises
Polk Senior Transportation District
Residential Assistance Program
Rogue Valley Council of Government
Rogue Valley Transportation District
Salem Area Mass Transit District
Senior Citizens Share Bus

Senior Companion Program
Senior Wheels
Seniors of Mosier Valley
Shangri-La Corporation
Sherman County Senior Bus
Special Needs Transportation (Tri-Met's Program)
Step Forward Activities, Inc.
Sunshine Opportunity Center
Treasure Valley Opportunities
Tri-Met (Tri-County Metropolitan Transportation District of Oregon)
Volunteer Services
Wallowa County Interfaith Caregivers
Wasco County Courthouse