

TriMet

2024-25 Hearing Minutes

April 24, 2024

8:00 a.m.

PCC Opportunity Center
4299 NE Killingsworth Street
Room 107
Portland, Oregon 97218

Present

TSCC:

Chair Harmony Quiroz, Vice-Chair Mark Wubbold, Commissioner Donahue, Commissioner Burton, Commissioner Lugo Knapp, Executive Director Allegra Willhite, and Budget Analyst Tunie Betschart

Absent: None

TriMet:

TriMet Board Members: President Ozzie Gonzalez, Dr. LaVerne Lewis, Thomas Kim, Robert Kellog, Tyler Frisbee, Keith Edwards and Kathy Wai

TriMet Staff: General Manager Sam Desue, General Counsel/Executive Director of Legal Services Shelley Devine, Chief Financial Officer Nancy Young-Oliver, Chief Operating Officer Bonnie Todd, Chief Information Officer Ethan Benatan, Chief Inclusion, Diversity, Equity and Access Officer John Gardner, Executive Director of Safety and Security Andrew Wilson, Executive Director of Transportation Inessa Vitko, Executive Director of Maintenance John Weston, Executive Director of Transit System & Asset Support Dan Blair, Executive Director of Public Affairs JC Vannatta, Interim Executive Director Engineering & Construction Sean Batty, Executive Director for Labor Relations and Human Resources Kim Sewell, and Senior Director of Business Planning Alan Lehto

Chair Harmony Quiroz opened the public hearing by welcoming everyone to the hearing and briefly describing the duties and responsibilities of the TSCC. She reviewed the hearing process and stated that the hearing was to engage the district leadership and provide an opportunity for the public to comment before TriMet adopts its budget. She asked TSCC Commissioners and staff to introduce themselves and state if they have business relationships with the district that could be perceived as a conflict of interest. Each commissioner and staff member introduced themselves and said they had no conflict of interest with TriMet.

Chair Quiroz asked the board members and staff present to introduce themselves. Following TriMet's board and staff introductions, she congratulated TriMet staff for receipt of the Distinguished Budget Presentation Award from the Government Finance Officers Association for its Fiscal Year 2023-24 Adopted Budget Book.

Chair Gonzalez thanked TSCC for holding the hearing and the board and the public for attending the hearing. He gave a brief overview of the agency's budget, including the dollar amounts for daily operations, capital improvements, and debt service. Mr. Gonzalez listed a few items that guided the decision-making process for this year's budget. He reviewed

the priorities for the coming year, including transit services, capital investments, electrification of the bus system, equity, and access. The budget aims to restore ridership lost during the pandemic. In terms of capital investments, TriMet plans to complete the Better Red project.

General Manager Sam Desue gave an overview of the budget and financial information. He stated they are staffing up in some operator and mechanic ranks to grow ridership and improve the customers' experience. He noted the total budget was \$1.75 billion. He also gave the budgeted amounts for operations (\$849 million) and for capital investments (\$21 million). The mission of TriMet is to connect people using clean, safe, and reliable transportation that is convenient, accessible, and well-maintained. This supports a robust economy. Ridership is the priority in the upcoming fiscal year. More people using public transportation benefits the region, eases congestion, and makes the area a better place to live.

Chief Financial Officer Nancy Oliver recognized Alison Langton's 30-plus service years to TriMet and retirement at the end of March. She introduced TriMet's financial team, which put together the fiscal year 2025 budget.

Chair Quiroz said before addressing the questions she would like to allow any members of the public who wish to speak at this hearing to do so. She explained that each person is limited to three minutes, and she will notify them when the end of their time is nearing.

No members of the public had signed up to give testimony, and no audience members wished to speak at this time.

TSCC questions:

Chair Harmony Quiroz asked the following questions:

You have an ambitious goal of 120 million boardings per year by 2030. This vision drives program and capital investments in this budget. How optimistic are you that you will be able to achieve this goal, and what are your reasons for that optimism?

Mr. Sam Desue said everyone is on board, and this will be a part of the strategic plan. It is ambitious and optimistic. To deliver the 120 million boardings, TriMet is making hard choices about programs and will focus on making sure they focus on the vision of increasing ridership.

Mr. Alan Lehto added that it is a big goal but is doable. Since the end of 2020, ridership has continued to trend up, increasing each month compared to the same month in the previous year. Ridership on the frequent bus lines surpassed pre-pandemic levels by almost 1.5% on weekends last month, although TriMet has expanded this area as well, so it's not a perfect comparison. Restoration and realignment of bus service are yielding strong ridership results.

TriMet's 120 million boarding goal will be implemented through the Vision 2030 strategy and will deliver the following benefits:

- Mitigating climate impacts
- Improving freight movement and reducing overall congestion in the region
- Enhancing mobility with expanded services
- Increasing access to opportunities for riders

TriMet is optimistic, but even if they fall short, the efforts will still be transformative for the region and significantly impact the community. This goal has provided critical focus to TriMet,

and the agency is fully energized to achieve it. This goal will keep the agency thinking about everything they are doing and focusing on the goal.

What has been most successful in increasing ridership in recent years? What is driving that growth?

Mr. JC Vannatta answered, saying TriMet has been undertaking two critical near-term efforts to recapture ridership. First and foremost, TriMet has added significantly more presence from safety and security staff. The riders need to feel safe and perceive the system as a secure mode of transit. These efforts focused on adding the presence of all types, helping people feel safer, which has led to higher ridership.

Second, TriMet has reimagined service and changes the agency is making. TriMet cut over 20% of the service because of the effects of the pandemic. The pandemic changed people's working and traveling habits. TriMet needed to change as well. Facilitated by external consultants, significant community engagement resulted in a reimagined service plan called "Forward Together." According to that plan, TriMet has slowly restored and realigned service hours for the past two years. It thoughtfully adds service in areas where lower-income people work and live and increases the number of buses on many lines, so they arrive more often, making it more convenient to ride. TriMet has seen such improvements in ridership that the agency has launched Forward Together 2.0 to look further at what other changes are needed to make service attractive and grow ridership.

Can you talk a little about the return to downtown or the return of employees to in-office work and how that has shifted ridership? Will the business commute return to pre-pandemic levels?

Mr. Letho responded by saying that the data is pointing toward never being like it was before the pandemic. There is a steady, slow return to work. Going forward, TriMet anticipates there will be a mix. Tuesday and Wednesday may be busier than Monday and Friday. It will likely be a hybrid world from now on.

Commissioner Matt Donahue asked the following questions:

How many more operators and mechanics will be needed to restore service delivery to meet your goal of 120 million boardings? How is recruitment for driving positions going? Do you still need to offer extra incentives, such as signing bonuses? Do you recruit recent high school and college graduates into these critical positions?

Ms. Kim Sewell said TriMet plans to restore previous service levels through the Forward Together plan and then grow beyond that to support ridership growth with the Forward Together 2.0 plan. The financial forecast plans are for a 35% increase in service hours between FY2024 and FY2030. How the service is programmed determines the exact number of operators and mechanics. Additionally, TriMet incorporates succession planning into staffing needs as operators and mechanics are feeder groups for other positions in the agency.

Recruitment for bus operator positions is going very well. Between April 2023 and April 2024, TriMet received 4,095 applications and has been regularly able to fill operator training classes. As a result, TriMet has increased the bus training class capacity from 19 to 30. TriMet strongly believes the increase in application rate is due, in large part, to the recruitment bonus. To illustrate, in the six months before implementing the bonus, the agency received 336 applications; in the six months after implementing the bonus, the agency received 1,520 applications. That increased application rate has continued to remain steady.

TriMet recently worked with ATU officers to develop a process that allows TriMet to hire MAX Rail Operators from external applicants. Previously, Rail Operators had to come from the Bus Operator ranks. This provides TriMet with an entirely new pool of candidates.

Concerning recruiting high school graduates, most entry-level positions require a commercial driver's license (CDL), meaning candidates must be 21. However, TriMet recently created a Service Aid position that does not require a CDL to expand the hiring pool and provide opportunities to recent high school graduates.

Concerning the technician positions in the Bus Maintenance Department, TriMet is partnering with Portland Community College (PCC) to create a diesel training program to qualify individuals for entry-level positions at TriMet.

How many more operators and mechanics will you need to reach your goal?

Ms. Inessa Vitko said there are a few parts to that. The Forward Together Service Plan 2.0 calls for a 35% increase in TriMet's service hours between now and 2030. To determine the number of operators and mechanics needed is based on how the programs line up. There is a formula to figure out the need. So, a 35% increase in service would require roughly a 35% increase in operators and mechanics. That equates to about 450 more bus operators and about 50 more rail operators.

What about retention? Are the people you hire for these positions staying with TriMet for the long term?

Ms. Sewell answered that while TriMet has successfully recruited bus operators, turnover rates are very high in the first six to 12 months of employment. After the 12-month mark, retention rates are more typical, similar to pre-pandemic. As part of the work on Vision 2030, a working group is focused on retention for the frontline staff. That group identifies and implements initiatives to improve retention, especially in that critical first 12 months.

Commissioner Mark Wubbold asked this follow-up question:

How does the bonus work?

Ms. Sewel explained that the bonus has a structured payout to encourage retention. She did not have the exact details, but it was similar to a portion at two weeks, another at six months, and another payment at a year.

Commissioner Wubbold asked the following question:

Last year, the board made the difficult decision to increase fares. Since raising fares, have you seen any change to the number of HOP passes issued or other impacts on ridership?

Ms. Nancy Young-Oliver said it is difficult to determine the exact cause of the change. However, ridership continues to grow, demonstrating that the fare increase has not had an enormous impact. An uptick in ridership trends has continued through the fare increase. Comparing Jan-March of 2023 to the first quarter of this year, TriMet saw an 8% increase in Hop taps across the system and a 2% increase in fare revenue. This led to a marginal rise in revenue of \$240,000 since January. With the fare increase, frequent riders reach their one-month fare cap sooner, leading to more freely earned trips at the end of the month. Due to the extreme storm in January and lengthy light-rail closures for Better Red construction, fare revenue did take a slight hit, especially for ticket vending machines. Fare revenue from Ticket Vending Machines dropped 28% over that same period. Numbers in April with the return of good weather and service are expected to exceed 2023. That 8% increase in ridership in the first quarter of the year is essential to remember that the rise came despite weeks of impacts on service from the storm and Better Red disruptions.

Additionally, ridership and passenger revenue may not increase at the same rate as many riders receive discounted passes through their employers or fully subsidized passes through social service agencies, which are paid for with STIF grant funds.

Do you plan to increase fares, or are you considering other revenue streams to support operating costs?

Ms. Young-Oliver said TriMet maintains a fare strategy that keeps pace with service costs. As work on Vision 2030 continues, they will seek to increase revenues and decrease expenses. There are no specific dates, but those levers have been examined closely. The financial forecast model does not include a fare increase. However, fares remain a vital stream of revenue to pay for operations.

As TriMet works through what it will take to deliver the ridership goal of Vision 2030, the agency has set up an internal workgroup dedicated to the resources needed. That workgroup analyzes current revenue streams and potential new resource streams that need further development. This included the payroll tax. Much more work is required before TriMet can talk publicly about what new revenues may be pursued. The agency also looks at efficiencies that could be incorporated into daily operations.

Chair Quiroz asked these follow-up questions:

Do you have data about the increases in ridership regarding the fare increase and subsidized or discounted rates? Where do you see the growth, discounted/subsidized fare or full-fare income?

Ms. Young-Oliver said again that it's tough to pinpoint. On the one hand, TriMet watches enrollment in the Low-Income Fair program and the other programs with a subsidy. In addition, one of the significant impacts on fair revenues and ridership is the return to work. What are businesses doing within the TriMet footprint? More and more businesses are going from completely remote work to requiring two to three days and sometimes four in the office. The justification is that a person might look at it and say, well, for one day a week, I'll go ahead and pay for parking in downtown Portland. But what about two days? Then it's a little bit more when you get to three days, and you'll see more people back on the system. So, as you look at what it is that's increasing ridership, she said she could not pinpoint it and said it's just one thing. It is a combination of a lot of things.

Commissioner Tod Burton asked the following questions:

What does long-term financial sustainability look like for TriMet? Are any revenue streams at risk? Is there anything you can share about new revenue streams now?

Ms. Young-Oliver said TriMet's outlook for the short term is stable. Forecasted revenues and fund balance will support the outflow, or expenditures, through about 2031. When Covid hit, TriMet made the conscious and deliberate decision to reduce spending on the operation line items, take that one-time-only savings, and build a reserve. The board policy is to have operating reserves between two and two and a half months. TriMet chose to increase that through one-time-only savings, recognizing that federal stimulus funding will run out for TriMet at the end of fiscal 2024. The agency will have to pull in some reserves to cover the loss of the passenger Revenue. Overall, the loss was about \$60 million in passenger revenues. So, TriMet is working diligently to replace those pulled from the fund balance. The reserves that were built up will help sustain the agency within the next five years.

If TriMet cannot rebuild those passenger revenues or come up with other revenue sources, they will need to make some cuts. But that would be around 2031. The payroll tax revenues are substantial. Whether folks work at home or in a downtown building, the payroll base is

still the same. Job and wage growth influence TriMet's payroll tax revenues. So, in an economic downturn, if there are job cuts, wage freezes, or wage cuts, TriMet would see a direct impact.

The Federal Formula Funding remains strong, although politics may impact them. TriMet receives about a 2% increase year-over-year. The STIF funding has increased year-over-year, and TriMet is discussing a proposed transportation package that will be going before the legislature this year. Regarding new revenue streams, TriMet is looking at advertising on the Max and the bus system. That's one of the areas that the agency is considering.

Mr. Vannatta said that all revenue streams are being analyzed very closely. An increase to the payroll tax is under consideration. No decisions have been made. He said the TriMet is supporting transit partners across the state in advocating to the Oregon legislature this next session on an increase to the employee-paid Statewide Transportation Improvement Fund tax, so they will be looking at that and helping to support the Employment Tax partners.

In follow-up to that statement, the legislature has to approve any increase in employment, and the current rate of increase will sunset in the upcoming fiscal year, correct?

Ms. Young-Oliver said in 2025, the current plan is in place and ends at the end of the fiscal year 2025. Then, TriMet will submit a two-year plan so that ODOT can give TriMet the forecast, and then the district will determine where those funds would best be used. Going forward, the agency will look at returning to the core of STIF funds and service on the street. With that increase, TriMet has more opportunities to support and pay for the cost of service.

Mr. Vannetta said the Employer Payroll Tax will expire. And the last increase is in January 2025, and TriMet is considering going before the legislature.

Commissioner Allison Lugo Knapp asked the following questions:

We are seeing repeated reports of harassment and violence on the TriMet system in the media. This budget includes a significant investment in safety and security - can you provide some specific examples of what these investments look like? And what changes do you expect to see as a result?

Mr. Andrew Wilson said safety is paramount at TriMet, and one of the key focuses over the last several years has been increasing the presence of security. TriMet continually hears from Attitude and Awareness Surveys that people want to see more presence in the system. TriMet has doubled the number of security personnel who have been out on the system working in the safety security realm since the beginning of January 2022. They are increasing those numbers in this budget with an additional 80 security officers. TriMet hopes to have 537 personnel on the system through partnerships and some of this increase. Those are all safety and security personnel-related, so that's a significant investment.

When ridership increases, those increases are directly related to TriMet responding to the community and having more security. In addition, the agency is also making continual investments in Crime Prevention Through Environmental Design (CPTED) construction efforts and increased surveillance.

Over the last several years, the agency has partnered with the Multnomah County DA's office to bolster that. TriMet has two district attorneys assigned to the agency who work with their public safety office. That has had tremendous results in holding people accountable for unlawful acts in the system. They also have two DA investigators assigned to them.

This year, in the budget, TriMet is also developing a Security Operations Center that is 24 hours long and has direct connectivity. They'll have blue light phones similar to what you saw in the parking lot out on the system so people can call into the center. They have direct

access to trimet.org. They can text things into the Security Operation Center, so there's a response in that Security Operation Center. They are developing other tools, too.

The agency is doing much of that related to improving the safety experience and public perception of safety. Media was mentioned. That is a critical component for TriMet. The agency has had sustained reductions in calls for emergency service over the last several years. Operator assault, incidents involving drug use on the system, and security incidents all have sustained reductions in the previous three years. But would not necessarily be seen in the media. This is part of a national trend across the country. If you look at public transit, things are different after Covid. All transit agencies have to make additional investments and public education campaigns. People are apprehensive about public safety not just in transit but also in the communities that TriMet serves.

Chair Quiroz asked the following question:

The most recent Oregon legislative session saw changes to drug possession laws, including a bill making drug use on public transportation a high-level misdemeanor crime. Will you be changing how you address cases of drug use on the transit system as a result of these changes?

Mr. Wilson said the agency was thrilled with the passage of SB 1553, a public transit-specific law, and HB 4002. He said he testified several times in Salem to support that bill with the legislature. There was some media coverage about TriMet's support of that bill. The agency is totally behind these additional tools to be able to get after some of the incidents that get onto the system from a community that is currently in an active emergency order for the fentanyl issue that's going on downtown. This is part of that effort for increased security. TriMet has a great partnership with law enforcement. Using these tools going forward, the agency is excited about HB 4002, which will go into effect in September. SB 1553 goes into effect in January. But TriMet is starting that campaign to educate others working with law enforcement partners on using these additional tools to keep that activity off the system and hold people accountable. Luckily, TriMet is staged in a perfect position with that. The agency has two Multnomah County DAs that are very focused on how to hold people accountable with their investigators. So, this is a real opportunity. TriMet was thrilled with that passage because it allowed the agency to carve out a safer path for TriMet.

Commissioner Wubbold asked this follow-up question:

I live in this neighborhood, which is just ten blocks away, and my buses are the 70 and the 72. The corridors are getting narrower and narrower and narrower, and the bus drivers are struggling to navigate them, even though they are great drivers. But with all of the Amazon activity, the people looking for parking, and the different ways that we're using our city because of probably a response to Covid, I know that with the restaurants, that's certainly the case. It has suddenly become a very different place to navigate, and the buses struggle daily, particularly in my neighborhood. They go up 30th and try to make that corner to go to Alberta, but there's always a log jam there. How do you respond to a situation like that?

Mr. Wilson said it's hard. The buses travel in an increasingly urban environment in some of these outer areas where you have restaurants and different activities. TriMet has a fabulous operator group.

On the safety side, the agency has had some significant reductions in getting national recognition, with some awards they have received for those types of things. However, the agency has an excellent training department regarding bus operator safety in corridors. As TriMet ramps up, they will not sacrifice training because it's critical. Some of these newer

operators are best trained to be able to work in those corridors that are very difficult. The agency also has good partnerships with PBOT and ODT, where they discuss intersections and new construction. Those types of things last year, on the rail side, TriMet made some investments in using video analytics to chart the amount of pedestrian crossing traffic that is going on to prioritize where to do significant construction treatments to cut down on incidents involving pedestrians and vehicles. TriMet is leaning into innovation using surveillance, a security and safety piece. They are trying to predict where the next accident will occur, both on the bus and on the max side.

He said it is critical to invest in operators who must navigate these things outside of trying to eliminate them with TriMet's partners and prioritizing the treatments.

They use a bus simulator tool in the training exercises. This simulator predicts the kinds of things you're going to navigate. It is pretty eye-opening when you realize construction vehicles are coming in your path, those types of things. So, those investments in training the operators are how the agency will limit that activity. TriMet has some fabulous operators.

Chair Quiroz asked this follow-up question:

Drivers must focus on all that is happening around them and navigate these very complicated situations and systems, all while dealing with the security and safety piece. Can you tell us more about what's looking like on the buses, Max trains, and the whole transit system?

Mr. Wilson said some of the Investments TriMet has made over the last couple of years are infrastructure upgrades, such as the significant barrier that extends almost to the windscreen on the bus and goes to the roof. It is the most essential barrier TriMet can install for the operators. This was completed last year to avoid operator assaults. Operators are managing various risks when they operate the systems. They manage vehicles, pedestrian crossings, and construction. At times, they also deal with disruptive passengers. So, TriMet must limit that disruption. These barriers are one way of doing that. Another addition is the safety monitors, which show the bus's interior. This feature has now been added to every single bus. So those types of investments TriMet is making are meant to protect operators out there.

These security measures are keeping up with the community's security arena. This building has security, as do most public buildings. The public expects that now.

TriMet is excited about those reductions. They see system incidents and anticipate the trend will continue as they increase these Investments.

Commissioner Burton asked this follow-up question:

The media likes to put a negative spin on the incidents on the transportation systems. What is TriMet doing through the agency's communication programs to reassure the community that the buses and the Max lines are safe?

Mr. Vannatta said that TriMet deals with considerable challenges daily. There are several things the agency is doing. They are starting to increase the marketing campaigns through communications efforts. Another thing is ensuring security is visible on board so people feel safe and see ridership increase.

TriMet is also investing in advertising to inform people they are protecting themselves and providing new 24/7 reporting capabilities on all transit systems. TriMet is looking to them to help by reporting any issue.

There is more to come as the agency starts to promote and talk about SB 1530 and HB

4002. This is very important. TriMet's efforts around the drug use issues, even though the drug use is not just a Transit issue, it is essential that the public see that TriMet is increasing their efforts to control this issue. It is crucial to communicate this to the public.

Chair Quiroz asked this follow-up question:

How do you ensure the safety messages go to the diverse communities?

Mr. Vannatta said they conduct attitude and awareness surveys every year. What they see is that the opinions of TriMet riders are terrific. However, the survey shows that the views of people who do not ride are not so good. This is because they're not experiencing the system. TriMet knows there is a need to get out in the community, talk to people, and hear from them. Then, bring that information back and act upon it.

TriMet is currently wrapping up a record amount of in-community communication work. The community engagement team has been talking to groups, businesses, and people whose first language is not English, speaking and listening to them in their language. TriMet has received some great information and plans to do something about it.

Commissioner Donahue asked the following questions:

At last year's hearing, we spoke about project completion rates, and you shared plans to improve these rates. Are you on track to spend close to what's budgeted for this year's capital projects? And if not, why?

Ms. Young-Oliver said, so last year when you brought up their Capital utilization in the fiscal year 2024 budget, that was all but adopted at that time, so it remained as presented in the proposed and approved budget.

So, in terms of transparency and accountability, TriMet will not spend close to what was budgeted this year for capital and operating projects. As of March 2024, total capital and operating project spending is 41.5% of the total budgeted for the fiscal year. The prior year for the same period was 37.9%, so 3.6% better. If the fourth quarter's spending matches the previous year's spending for the same period, TriMet will reach 65.4% by June 30th.

The focus in FY2024 has been to move funds from delayed projects to where those funds could immediately benefit other priority projects.

The real impact will be seen in 2025. There is a significant decrease in capital and operating projects budgeted. The prior year was about \$339 million; going into 2025, TriMet will have just over \$200 million.

The changes that were implemented are:

- Setting a cap on the Capital program to be no more than \$250,000, depending on the availability of different revenue sources
- Limiting General Fund carryover from one year to the next

The effect of this is to be more intentional on those projects that are predictably executable versus hopefully executable.

Mr. Sean Batty added that capital budgeting remains challenging given the continued impacts of permitting, staff recruitment timelines, post-Covid costs, schedule volatility, and changing priorities. Despite these challenges, several key federally funded projects remain on schedule, including the Better Red Project, Willamette Shore Line Trestle Improvements, and the Park Avenue Garage Expansion project.

Additionally, TriMet continues to work on the following activities to drive performance:

- Additional project development activities remain needed to help develop and

right-size capital budgets, and as projects move through project phases, those budgets should narrow.

- Implementation of the project management software tool is underway. It is expected to be fully launched by the end of FY25, which will bring efficiency to managing projects, tracking key performance indicators, and tracking/monitoring cash flows.

Overall, the completion rate of projects managed by Engineering and Construction is anticipated to be slightly above last year, and the agency expects that changes underway now will increase that completion rate in future years.

Commissioner Burton asked this follow-up question:

Are you seeing significant inflationary increases?

Mr. Batty said that last year, they saw significant impacts of inflation and escalation on pricing across the board. Now, things have stabilized a little and are more predictable now. These have affected capital projects in a variety of different ways. Everything has become more expensive, and the volatility has been difficult to predict. With the nimble approach, being more realistic, being able to predict or recognize that a project is either exceeding its budget or short in its budget early and then be able to address that within the program by moving funds around, that's going to be a great tool to keep TriMet moving towards and realizing this more practical or reasonable goal for expenditures.

Commissioner Lugo Napp asked the following questions:

We're curious to hear about lessons learned from the winter storm this January - how did things go for TriMet? Anything you would do differently for future extreme weather events?

Ms. Inessa Vitko said TriMet has a robust plan to start reviewing every year in the spring and summer. Everyone reviews it, the different departments, Transportation, Maintenance, Training, and Finance. So, come the fall, the agency starts ensuring all supplies are good. They conduct an inventory of safety devices and equipment, ensuring all work correctly.

When it is known that an event is imminent, TriMet makes sure everything is in stock and working and double-checks all supplies to ensure they are strategically located throughout the service district. Making sure all heating equipment is functional.

During emergencies, the Emergency Operations Command Center is set up. About three days leading up to the event in January, TriMet put all of that together and activated the center at eight in the morning on January 13th. It was operational until ten in the morning on January 21st, with 192 hours of straight 24-hour around-the-clock staffing to ensure that every area in the agency was operational.

There are many different divisions to prepare for such severe weather events as the one in January, such as the buses, light rail, paratransit, and heavy rail, each facing different circumstances depending on the location. Some experienced freezing rain, snow melting, refreezing, commercial power outages, down trees, and the West side taking out TriMet's overhead system between Sunset Transit Center and Beaverton Transit Center. All this had huge impacts on TriMet's operation.

Anytime TriMet experiences any event, small or large, the agency meets as a team to review the day-by-day, hour-by-hour happenings. The discussion was around what could be handled differently, who was called in, and what person wasn't at the table that was needed.

Some of the takeaways from the January event were:

- They were not ready for the duration

- They were not prepared for the severity in certain areas
- They need more staff support

As a result, they have reviewed who has the Incident Command Structure training and who can fill those roles. They also plan to have more hard copies of instructions available. TriMet is building and continuing to develop good relationships with partners to restore power promptly. Some creative solutions came from frontline staff that were incorporated into the procedures. Establishing contracts with hotels for lodging to ensure employees who could not make it to and from work have transportation and a place to stay.

One of the bigger things that staff realized was that they had outgrown the Emergency Operations Command location. They are remodeling and preparing a new space to accommodate a larger group.

All in all, for the duration, things went well. TriMet will continue to train and prepare for unusual events to support the region.

Commissioner Wubbold asked the following questions:

What trends in student ridership are you seeing for both K-12 students and college-age students? How have these trends changed since the pandemic?

Mr. Vannatta said it is difficult to identify where specific usage comes from an age perspective. However, the agency does have transit programs for grades 9-12. PPS participates in a program that provides transit passes to all high school students in their district. This includes access to transit for approximately 14,000 students every academic year. TriMet also provides grant funding to 12 additional school districts to purchase transit passes for transit-dependent high school students.

In June 2022, TriMet launched a free summer pass program for youth, offering 30,000 passes to high school-age students. In the first year of the pilot program (Summer 2022), staff saw a 34% increase in ridership over pre-pandemic levels. Summer 2023 saw a 17% increase from the previous summer. Student ridership in the high school grant-funded program has increased over 45% from pre-pandemic participation. Year-round student ridership is slowly increasing year-over-year, reaching more than 80% of pre-pandemic levels.

For college-age students, colleges determine how much to charge their students for hop passes, so subsidies and participation vary. Trends in college ridership are more difficult to quantify due to shifts in increased options for hybrid and online learning formats. However, some college students are eligible for Honored Citizen reduced fare based on their income. Those whose incomes are up to 200% of the poverty rate qualify. Regardless, TriMet has seen college ridership at its highest since the Hop system was first implemented in 2017, with usage up 68% from pre-pandemic use.

There was a question about the low-income ridership, and TriMet doesn't track that, but since 2018, there have been 6,516 people signed up for the Low-Income Fare program. John Gardner started the program, and TriMet has taken it and ran with it. Nearly 24,000 people are using the fare program designed for low-income passengers. At the beginning of this fiscal year, the goal was to sign up 7,000 people, and there have been 10,000 joining. Now, the agency is projecting 14,000.

The need is there, and the agency is going to the communities and talking to them about safety, security, cleanliness, services, and all of those things, as well as talking about the Low-Income Fair program to get them onto the system.

Commissioner Burton asked the following questions:

Tell us about the "A Better Red" project - is it on-time and on-budget? What improvements should riders expect to see as the project nears completion, and also the electrification project?

Mr. Batty answered, saying the project is anticipated to open on time on August 25, 2024, and be completed under its established \$215M Federal Grant budget.

At the grant award, the initial target for the start of revenue service was December 20, 2024. At the start of construction, after the completion of preconstruction work with the contractor, the project's projected opening date was September 15, 2024. TriMet has since the service scheduling timing, the revenue service date was shifted to August 25, 2024, to better align with the overall service change.

Currently, most of the critical elements of construction are complete, and the contractor submitted their request for substantial completion the week of April 15, 2024.

The project anticipates having \$4 million remaining in contingency once revenue service begins. The agency will be examining the eligibility of potential additional scope for funding through the federal grant. This could include items such as additional spare parts, improving rail maintenance facilities, additional pedestrian connections in the Gateway Transit Center area, and other improvements to enhance the new service and facilities.

Both the new Gateway North Station at the Gateway Transit Center and the remodeled station at the airport are already open and in use. Most of the critical elements of the project, such as double track segments and the bridges in the Gateway area, are complete. The operator break room at the Fair Complex/Hillsboro Airport station is nearly complete.

Once the project opens, riders can experience a one-seat transit ride between Portland International Airport and Fair Complex/Hillsboro Airport station in Hillsboro. In addition, the new double-track segments will reduce the time to recover the schedule after a service disruption.

The other key piece of operational resiliency is the time it takes to recover from a scheduled disruption on a rail system. Those single-track sections are always the limiting factors because trains have to pass. When two of those come in a feeder to the mainline serving four routes, it is a fragile part of the system. Eliminating those single-track sections and having double-tracks creates more operational resiliency systemwide.

The electrification program is under the umbrella of a policy called the Zero Emission Bus Transition Plan, which has another aggressive goal of converting diesel fleets to 100% non-diesel on the bus side. Several initiatives are associated with that, as well as ramping up a program-level business unit under the guidance of a senior director of the Zero Emission Bus program, for which the agency has accepted an offer.

He said the initiative he is aware of is associated with bus electrification and purchasing buses. As those diesel buses are being retired, only electric buses are being purchased to replace them. As the agency makes those purchases, the bases' charging infrastructure is brought along. The agency already has several charging islands at the Powell bus garage. That was one of the first, along with the Merlo garage.

TriMet is now planning the next round of charging islands that will be charged with an overhead gantry. There's a precedent in the bus industry to suspend that charging infrastructure overhead, and the agency is moving forward with its first-ever deployment of that infrastructure. Another area is TriMet, which is advancing a partnership with PGE to add charging islands at the Merlo station with a similar idea, using a slightly different technology

deployment.

The agency is working on a significant single investment in the Columbia Operations Facility, which is envisioned to be the fourth bus operations base. It is currently planned to be the first and potentially only area where TriMet will operate fuel-cell electric buses. So, this will be an electric propulsion but with a fuel cell providing the essential power. The agency completed 30% of that design internally and is moving towards 60%. The plan is to initially build a facility that would provide space operations maintenance for about 121 buses, which ultimately is expandable to about 252 buses. That space will also have provisions to allow the agency to transition from diesel to fuel cell electric in the future.

Do you have any of these electric buses deployed now?

Mr. Batty said they have several routes running all-electric buses. The agency has in-route charging infrastructure at Sunset Transit Center, for example, that allows for extended mileage. The agency is still refining some maintenance practices to increase reliability.

Chair Quiroz said this was the end of the formal questions by the commissioners and thanked TriMet's board members and staff for their contributions to the hearing. She then closed the public hearing and opened a Tax Supervising and Conservation Commission meeting. She asked if commissioners had any comments on the budget. There were none.

She asked Executive Director Allegra Willhite to give staff recommendations for the certification letter.

Ms. Willhite said staff found the budget estimates reasonable for the purposes stated and in substantial compliance with budget law. She also expressed that the staff found the budget valuable and informative, well organized, and offered comprehensive discussion and analysis. It was very well done. The finance team is a great group; they are diligent and dedicated to providing accurate and helpful information to the public. Staff appreciates that and suggests no recommendations or objections to the approved fiscal year 2024-25 budget.

With that, Chair Quiroz called for a motion.

Commissioner Donahue moved to certify the TriMet Budget with no recommendations or objections as recommended by staff. Commissioner Wubbold seconded the motion, which passed with a unanimous vote of the commissioners.

There being no other business, Chair Quiroz closed the meeting.