

Date: July 26, 2017
To: Board of Directors
From: Neil McFarlane, General Manager 
Subject: **Report of Finances and Administrative Activities – FY2017
ORS 267.140(5) Requirement**

INTRODUCTION

Oregon Revised Statute 267.140(5) requires the TriMet General Manager to report to the Board of Directors on the finances and administrative activities of the district within 30 days after the end of each fiscal year. This statutory requirement is in addition to our regular reporting to the Board of Directors on the financial and administrative activities of the district.

The financial information contained in this report, for the fiscal year ending June 30, 2017, is based on unaudited year-end results. The agency's external auditor, Moss Adams LLP, will complete their annual audit in September. As in the past, our auditors will discuss their findings and any recommendations with the Finance and Audit Committee and the full Board in September.

I. TRIMET FINANCES AND ADMINISTRATIVE ACTIVITIES

A. Service and Ridership Results

FY2017 annual fixed route boardings: In FY2017, TriMet's fixed route system carried 98.0 million boardings, which represented a decrease of 2.5% from FY2016. Boardings for each day type, with weekday boardings (311,735) were down -2.30% and weekend boardings (193,222 Saturday, 145,736 Sunday) -1.73% and 2.072% respectively. FY2017 ridership decreased potentially due in part to lower gas prices, and the inconvenience of two MAX closures for track repair and inclement weather events.

FY2017 annual MAX boardings: MAX carried 39.7 million boardings, down -0.8% from FY2016. MAX averaged 123,185 weekday (-0.4%), 86,343 Saturday (-1.7%) and 65,660 Sunday (-2.2%) rides.

FY2017 annual bus boardings: Buses carried 57.8 million boardings in FY2017, a decrease of -3.6% from the FY2016. Buses averaged 186,791 weekday (-3.56%), 106,879 Saturday (-1.7%) and 80,076 Sunday (-1.9%) rides in FY2017.

FY2017 annual WES boardings: WES carried 448,530 boardings in FY2017 and averaged 1,759 daily rides (-1.1%). The decline in WES ridership was largely attributable to lower fuel prices and changes in employer demographics in the Wilsonville, Tualatin areas.

FY2017 LIFT/Cab rides: In FY2017, LIFT/Cab carried 1,017,647 rides, a decrease of -4.4% from the prior year. Five inclement weather events and decreased supplemental cab use significantly affected FY2017 ridership.

B. Operating Revenues

The following revenue numbers represent preliminary, unaudited financial data for FY2017:

Operating Revenue Line Item	FY2017**	% of Total	FY2016	% of Total
Payroll tax revenues	\$337,425	61%	\$325,074	60%
Passenger revenues	116,896	21%	118,069	22.0%
Operating grants	76,030	14%	72,550	13%
Auxiliary transportation and other revenue	25,942	5%	25,704	5%
Total	\$556,293	100.0%	\$541,397	100.0%
<i>**2017 includes estimates and preliminary close numbers</i>				

II. ADMINISTRATIVE ACTIVITIES

A. Office of the General Manager

In FY2017, The Office of the General Manager (OGM) provided Board members with the information needed to make decisions that advanced TriMet's vision, mission, values and fiscal stability:

- Provided regular updates to the Board keeping them informed of current issues, events, follow-up items from the Board meetings and getting input on upcoming Board topics.
- Prepared packets for Board members to ensure they had the information needed to make informed decisions at the Board meetings.
- Ensured public access to the Board meetings by livestreaming; provided customer information desk prior to the Board meetings to maximize the 45 minutes allocated for public forum.
- Continued to refine processes to ensure Board meetings are effective and efficient.

Ensured agency goals are on track.

- Led regional partner discussions on transportation funding to support statewide efforts, plans and partnerships.
- Led efforts in initiating and completing an Integrated Business Plan with Board involvement.
- Led efforts to strengthen staff diversity, succession planning and training.
- Continued advancing safety, transit corridor projects, improving service, implementing Hop Fastpass™, capital improvement delivery, equity initiatives and a fiscally responsible labor agreement.
- Led and prepared for internal Executive Team meetings, conducted outreach to key agency stakeholders and represented the agency in regional, state and national forums.
- Worked to ensure key initiatives are staffed and resourced to succeed and agency efforts are coordinated.
- Recognized exemplary employees in the areas of service excellence and safety through the General Manager Awards program.

- Responded to and followed up on public inquiries in a thorough and timely manner.

Business Plan

During FY2017, TriMet created its first agency-wide strategic Business Plan. The Business Plan for FY2018 is a 5-year plan, which will be updated to a new 5-year period each year. It starts with TriMet's Vision, Mission, and Values and better defines what success will look like by defining Goals and Objectives the agency will be pursuing to be successful. Each objective has one or more measures and one or more key strategic actions that TriMet will pursue over the course of the plan.

The Business Plan was developed with TriMet's entire leadership team and representatives from all divisions, through a series of meetings over the course of six plus months to make a comprehensive and strategic guide for our future efforts. The Business Plan includes goals and objectives that relate directly to Operations, such as ensure a culture of safety, provide reliable performance, and provide safe service. TriMet will monitor performance on defined targets and adjust our key strategic actions to address needs. Reporting periods on performance will vary by need in each division and will be reported at least twice a year to the TriMet Board.

Fare Enforcement Review

Throughout FY2016, TriMet reviewed and revised its policies, practices and procedures related to fare enforcement. These efforts were designed to both decrease fare evasion while also increasing fairness and proportionality for those who are cited for fare evasion. The process began with community engagement and data analysis, which included:

- Community listening sessions.
- Analysis of fare enforcement data. An independent review by Portland State University's Criminal Justice Policy Research Institute. The report covers studies for two years of fare evasion citations and found no evidence of systemic racial bias.
- Review of penalties and enforcement mechanisms.
- Review of training and procedures.

Following this review and study, TriMet implemented a number of changes:

- Transitioned the hearings for those challenging TriMet exclusions from the City of Portland to an internal hearing process with additional options for requesting exclusion modifications.
- TriMet asked the state legislature to permit fare offenders to avoid the court process and resolve their citation through an administrative process. This may include payment of a fine to TriMet or community service in lieu of payment. HB 2777 was received very positively and passed both chambers of the Oregon legislature. The Governor signed HB 2777 into law on June 22, 2017, with an effective date of January 1, 2018.
- TriMet worked with the District Attorneys in all three counties in support of modifying their policies to discontinue charging non-chronic fare evaders with interference with public transportation (a Class A misdemeanor).
- Budgeted for additional personnel to conduct code and fare enforcement in FY2017.

These efforts will continue in FY2017 as TriMet adopts an administrative process authorized by HB 2777, increases the number of people providing security and conducting fare enforcement on the system,

implements additional training for staff and makes necessary adjustments for the rollout of the Hop Fastpass™ fare payment system.

Diversity and Transit Equity

The Diversity & Transit Equity department continued its commitment and worked on strengthening relationships with its community partners, businesses and nonprofit stakeholders, while looking for additional ways to engage and develop new strategies for increasing diversity and furthering TriMet's overall transit equity and diversity work. In FY2017, the department continued fulfilling its mission, vision and value statements across a variety of projects throughout the agency.

FY2017 Highlights:

Diversity

- Sponsored/co-sponsored/partnered with multicultural events. Such as Elders in Action, Volunteers of America, the Business Education Compact, The Black Parent Initiative, Business Development Institute, Latino Network, NAYA, Portland Youth Builders, Portland Hands Up, OAME Youth Entrepreneurship Program, POIC Work Connection event, Women in Trades Fair, PCC Foundation, and the Slavic Advisory Council.
- Participated in ongoing meetings, including East County Caring Community, Transportation Equity Caucus, COMTO, OAME, NAMCO, Partners in Diversity, Professional Business Development Group, Hispanic Chamber, Oregon Native American Chamber and the Philippine American Chamber of Commerce of Oregon.
- Promoted internal diversity, equity, inclusion and professional development opportunities to strengthen staff competencies.
- Continued TriMet's participation in SummerWorks youth internship program and managed the placement of 30 young people throughout TriMet and its partners.

Transit Equity

- Updated and submitted TriMet's Title VI Program.
- Participated in APTA's Sustainability Working Group.
- Continued to provide analysis to support Service Enhancement Plan processes, including ongoing application of the Transit Equity Index to inform service prioritization.
- Completed Four Factor analysis and LEP Plan.
- Organized and supported the Transit Equity Advisory Committee's efforts to provide TriMet with recommendations regarding outreach, service decisions, fare policy and Title VI compliance.
- Successfully oversaw the implementation of TriMet's Access Transit Program, which supported over 100 community-based and nonprofit partners with over 1.5 million dollars in grants and fare discounts to support low-income riders.
- Partnered with Metro to convene a regional Low Income Fare Taskforce, which included over 20 regional local elected officials, community based organizations, advocacy groups and industry associations, which met over the course of five months and developed a program framework for implementing a new program across TriMet's service area.
- Supported internal efforts to identify and develop new fare enforcement tactics and approaches to ensure greater equity and transparency in the implementation of system enforcement efforts.

- Continued to represent TriMet with partners including Metro’s Transportation Equity Analysis Work Group and the APTA Social & Economic Sustainability Working Group.

Business Diversity

- Updated and posted TriMet’s DBE Program.
- Participated on Selection Evaluation Committees (SEC) for multiple procurements in order to ensure diversity in contracting opportunities, which led to the agency awarding major contracts directly to DBE firms.
- Implemented strategies to increase Disadvantaged Business Enterprise, Minority Business Enterprise, Women-owned Business Enterprise, Emerging Small Business and Service Disabled Veteran Business Enterprise (DMWESB – SDVBE).
- Represented TriMet on various panels with partners including the City of Portland Prime Contractors program, Metro, Diversity in Construction Trades Committee and the Northwest Public Employees Diversity Conference Committee.
- Participated on ODOT’s Transit DBE Consortium.
- Participated on the Oregon State Apprenticeship Council, supporting greater diversity and participation of women in the trades.
- Supporting TriMet’s focus on increasing Certified Business Utilization within the organizations Business Plan.

Internal Audit

In FY2017, Internal Audit continued to maintain a dynamic risk-based audit plan to allocate audit hours for coverage of significant and moderate risk areas, as well as required regulatory audits and management requests.

As part of the risk assessment process, we established an Audit Universe and maintained a database of Risk Assessment Worksheets, which incorporates changes in the business environment, financial condition and legal and regulatory changes. The Risk Assessment worksheets are formally updated biennially and at the conclusion of each audit. For FY2017, the department worked on the following projects and issued audit reports, audit memos or observation memos for the following projects:

- Bus Maintenance Audit
- Purchasing Card Review (Rail Equipment Maintenance & Facilities Maintenance)
- Review of the Kronos Workforce Timekeeper System (an automated payroll processing system)
- Transit Police Billing Review
- Bus Accident Reporting Audit Follow-Up Review
- Buy America Post Delivery Audit of ElDorado LIFT buses for the Accessible Transportation Program

An audit of the Track Access Program was scheduled. During the preliminary review, Internal Audit concluded that recommendations identified in previous Track Access Review Memos will be substantially addressed with management’s planned correction actions, including implementation of the Track Access Program system. As such, Internal Audit’s review of the Track Access Process was suspended.

Three audits are in progress including Facilities Management Preventative Maintenance, TriMet’s Security Access Control System (TRACS) and Bus Revenue Farebox controls.

The department completed other audit follow-up verifications and reviews of management action plans to ensure corrective actions are completed and consistent with management's expectations. Additionally, the department issued Semi-Annual Management Action Plan Status reports as well as quarterly Internal Audit Status reports.

Internal Audit assisted in consulting on various projects:

As a recipient of FTA funds for buses, the FTA requires that Buy America Audits be conducted before the procurement contract is signed and again before the vehicles are placed into revenue service or title is transferred (whichever occurs first). TriMet has contracted with First Transit, a third party contractor, to complete Buy America Audits related to the TriMet's procurement of Gillig buses. In FY2017, Internal Audit reviewed work papers and audit reports related to three Buy America Audits before the reports were issued. These reviews were completed to ensure the vendor's process is consistent with TriMet's expectation and to facilitate regulatory compliance. Additionally, the department provided limited consultation to Capital Projects regarding Buy America and researched implications of the Buy America FAST Act as it relates to TriMet.

Served as a member of the Accountability Committee. The five-member committee was formed to enhance the agency's transparency efforts. Committee members are appointed by and report recommendations to the General Manager. The Committee works to ensure that a system of transparency is established by TriMet in order to strengthen and promote public participation and collaboration.

Pursuant to its vision, mission and values and its standards of employee ethical conduct, TriMet established the EthicsPoint Hotline. TriMet is committed to delivering its public services efficiently, ethically and accountably. This hotline provides employees a means to confidentially report potential fraud, waste or abuse. In FY2017, we researched and investigated EthicsPoint Hotline reports, provided an annual status update to the Board of Directors and continues to assist the Legal department in administering the Employee EthicsPoint Hotline.

Consulted management and personnel within several areas with outstanding audit recommendations, including the Kronos System, Safety's Drug and Alcohol Program and REM's Training Program. Consultation (involving status update meetings, workgroup meetings and/or process walkthroughs) was provided in advance of audit follow-up, testing to give Internal Audit an opportunity to assess, comment and make additional recommendations if necessary on internal controls and processes being considered by the departments prior to implementation.

As part of TriMet's Records Governance Program, we participated in departmental file cleanup (analyzing and removing redundant, obsolete or trivial data) of Internal Audit's shared drive records and moving older files into quarantine. We also reviewed Standard Operating Procedures (SOPs) related to the eFare project.

Participated on the Evaluation Committee for the contract selection related to TriMet's Independent Audit Services.

B. Public Affairs Division

Planning & Policy

The department provided proactive, informative, responsive and effective strategic planning for service and policies, planning and conceptual design of transit corridor projects, regional planning and access to transit, especially for pedestrians and bicyclists. The department also fostered and improved partnerships to advance these activities. These plans, projects and programs are consistent with the Regional Transportation Plan, TriMet's Capital Investment Program, TriMet's vision and mission, TIP elements and the General Manager's 5-year Action Plan. Planning & Policy focused on three elements, strengthening partnerships with other jurisdictions to ensure growing investment in transit access, building new partnerships for new projects identified in the region's high-capacity transit plan and expanding transit service.

Strengthen Partnerships for Transit Access

Planning & Policy staff have been using the results of the Pedestrian Network Analysis (PNA) to inform their work. Working with regional partners, the PNA developed an objectively, data driven system for prioritizing places around the region to focus on needs and opportunities for pedestrian infrastructure. The resulting plan prioritized a list of 66 clusters of stops and 10 focus areas, which has guided communications with partner jurisdictions and applications for grant funding. Working with local jurisdictions, funding has been identified for some sidewalk improvements for access to bus stops and stations. Sidewalks, crossings and accessibility improvements are now being built throughout the region. Planning & Policy led TriMet's partnership with multiple jurisdictions to secure funding for access to transit and active transportation safety improvements, totaling over \$16 million. Jurisdictions continue to develop self-funded and grant-funded projects that include access to transit at least partially related to the PNA efforts.

Planning & Policy continues to manage bicycle storage (lockers, racks and bike and rides) for the agency and successfully sought grant funds via the State's ConnectOregon program for bike and ride facilities to improve access for residents east of the West Hills to high tech jobs on the Westside. Design on this project is near complete. Planning & Policy developed a Bike Plan (www.trimet.org/bikeplan) to guide future investments in bicycle storage at stations and stops and on-board.

Build new Partnerships for new Projects

TriMet is working with regional partners from Metro, the City of Portland, Tigard, Tualatin, King City, Sherwood, Washington County and the Oregon Department of Transportation on the Southwest Corridor Plan. During FY2017, the partners continued to refine a small number of light rail alignment alternatives with Planning & Policy providing technical planning and design for alignment and mode alternatives.

Metro, the City of Portland, the City of Gresham and TriMet are partnered on the Division Transit Project, which is intended to design and build a Bus Rapid Transit project connecting downtown Portland and downtown Gresham. Staff worked with community stakeholders toward a locally preferred alternative for the project. During FY2017, the Steering Committee defined the alignment, termini and general station locations. TriMet has continued design in Project Development under the Federal Transit Administration (FTA) Small Starts program, the first formal step in pursuing federal funding of up to \$100 million for construction of the project under the FTA Capital Investment Grants program's Small Starts process. Staff is developing the analysis and reporting necessary to be competitive in the FTA rating process for Small Starts and reached a significant milestone of receiving confirmation that the project meets ridership warrants for project justification, ensuring a positive rating on the majority of the rating criteria in the FTA process.

TriMet continued to work with regional and local partners to encourage transit supportive design, planning and development of regulations and incentives. This includes providing comments and guidance to the Climate Smart Communities Planning process, Regional Transportation Plan (RTP), the local Transportation System Plans and comprehensive plans and vision documents.

Planning & Policy staff have worked with the City of Portland to identify potential policies and locations for improvements that would improve bus service travel times and reliability. This effort, called “Enhanced Transit” could support modest service and capital improvements or larger projects that might someday call for pursuit of FTA capital funding. For now, it has spurred interest and focus on the part of the City of Portland to make transit-supportive improvements. The materials and analysis are being developed in ways that will make them easily portable into the Regional Transportation Plan as well help improve transit throughout the region where feasible.

Expand Transit Service

Planning & Policy completed the development of shared visions for future service through the Future of Transit process (www.trimet.org/future) via five area Service Enhancement Plans: Westside, Eastside, Southwest, Southeast and North/Central. To prepare for future expansions, the Service Enhancement Plans were comprehensive reviews of current bus and rail service with the intended result of creating a plan for (1) near term budget neutral improvements, (2) long term service enhancement improvements, (3) innovative service concepts and (4) targeted capital projects that would enhance current or planned service. All of the shared visions were complete by the end of FY2017. The service vision is now being implemented in incremental annual steps. Part of each year’s Annual Service Plan and Budget process will include consulting with public, community, business and jurisdictional stakeholders on priorities for that year.

During FY2017, Planning & Policy staff completed the bus service plan for several significant rail disruptions for track replacement to maintain a State of Good Repair.

We manage the Jobs Access Reverse Commute (JARC) program, providing local connections to jobs and education through transit partnerships. The JARC funding is running out of its dedicated funding source because federal legislation ended the dedicated program and funds and combined JARC project eligibility with a separate, competitive funding source called 5307 Funds. A small amount of dedicated funding remains and is continuing to support local connections that TriMet would not operate independently. All of the JARC funds are projected to be expended in early FY2018, if not before. A combination of funds, including federal 5307 are being used to sustain the service, though, these come with additional process, reporting requirements and overhead.

Planning & Policy was assigned the Special Transportation Fund (STF) and Federal 5310 allocation process back in FY2015. Working with the STF Advisory Committee, these funds were distributed to various providers of service to seniors and people with disabilities, including non-profit service providers inside the TriMet district and to providers outside of the district (e.g., Wilsonville SMART Transit, Sandy Transit, and South Clackamas Transit district). Also working with the STFAC, the Coordinated Transportation Plan for Seniors and Persons with Disabilities was completed, providing principles and priorities for services throughout the three-county region. FY2017 efforts focused on ensuring that contracting and legal requirements were in place to continue supporting the operations recommended by the STFAC and adopted by the TriMet Board in their role as the STF agency for this region.

Staff is supporting other divisions in a number of ways including operations, maintenance and facilities in understanding future storage and maintenance needs for buses with anticipated expansion of service as well as long term light rail capacity.

Planning & Policy developed the service plan for FY2018, which includes improvements to a variety of lines throughout the district. It was fully informed by an equity analysis that addresses Title VI requirements.

Staff was heavily involved in statewide and regional planning efforts, including Metro's Regional Transportation Plan (RTP), which continues into FY2018. TriMet service expansion projects play a key role in the projected ability to meet the state and regional goals embodied in the RTP, as well as local development goals.

Planning & Policy also provides project development and coordination support for the opportunistic pursuit of grant funds for transit improvements. FY2017 efforts included assisting project management on the successful Lo-No grant for electric buses and charging infrastructure, USDOT Mobility On Demand Sandbox application, and others. We also led the consultant-supported design and operations analysis project at the Greyhound/Union Station site to support transit access into downtown Portland, funded by a State transit grant.

Planning & Policy staff led the development of TriMet's first agency-wide strategic Business Plan, which clearly defines Goals and Objectives as well as Measures and Targets for defining success in TriMet's efforts to do our part to make this the best place to live in the country.

Government Affairs

Federal

Government Affairs worked to bring favorable consideration to key components of TriMet's federal legislative agenda.

Government Affairs continued to monitor and provide support for annual appropriations from the Federal Transit Administration as called for in the Orange Line Full Funding Grant Agreement.

The department assisted with the coordination of the annual Joint Policy Advisory Committee on Transportation (JPACT) visit to Washington, D.C. in April 2017. JPACT members, elected officials, their staff and met with Congressional members and Department of Transportation officials to discuss regional transportation priorities.

The department worked with the Oregon congressional delegation to support implementation of the regional transportation agenda approved by JPACT.

Government Affairs worked individually with members of the Oregon congressional delegation and staff to advance the region's policy priorities. Staff kept the congressional delegation engaged in the development of two TriMet priority projects, the Division Transit Project (BRT) and the Southwest Corridor Light Rail Project (LRT). TriMet expects to apply for federal Small Starts funding of up to \$100 million for the BRT project during FY2018. TriMet also expects to apply for up to \$1.2 billion in the coming years for the LRT project.

State and Local Activities

In the 2017 session, there were significant issues that would have direct impact on TriMet:

- HB 2017: A comprehensive transportation funding and policy package contained provisions touching on roads, transit and multimodal project funding. The package will generate more than \$5 billion in total transportation resources over the coming decade. The transit section of the bill implements a statewide employee payroll tax of 0.1% with a distribution formula that will net TriMet on the order of \$40 million per year in additional general fund operating resource. TriMet agreed in correspondence with legislators to devote a share of the funds to implementing a low-income fare program, which is estimated to cost approximately \$12 million per year when fully implemented.
- HB 2777: TriMet sponsored legislation to provide the agency authority to institute an administrative process for adjudicating ordinance violations, principally fare violations. The new authority allows TriMet to address fare and similar ordinance violations in an administrative setting with flexibility in dealing with fines and offering community service as an alternative remedy. As part of the legislative process, TriMet agreed to establish a citizen advisory committee to oversee development and implementation of the new process and to make information regarding the processing of violations available to the public.
- HB 2717: TriMet worked with the Amalgamated Transit Union 757 to draft and have introduced legislation that increases penalties for assault committed against a public transit employee if the employee is assaulted while acting within scope of employment. The purpose of the legislation was to ensure that fare inspectors, supervisors and operators who are not behind the wheel when assaulted have access to this higher penalty.
- HB 3202: TriMet introduced this legislation to extend the land use approval framework that existed for previous light rail projects to the SW Corridor. The legislation establishes a streamlined process for reviewing the land use final order for light rail projects and associated improvements to ensure the project is competitive in seeking federal grant funds.
- SB 357: The legislation modified the penalties for interfering with public transportation, reducing from a Class A to a Class C misdemeanor the crime of knowingly entering or remaining on public transportation vehicles or property. Essentially the change was intended to reduce the level of penalty for fare evasions. TriMet did not actively oppose the change as the district's Attorneys for Multnomah, Clackamas and Washington counties had already agreed not to use IPT(a) for simple fare evasion cases.

Other bills introduced that would have affected TriMet's operations included:

- SB 121: Required TriMet to study an extension of light rail to Forest Grove. Did not proceed out of committee.
- SB 324: Would allow governing board of local government to withdraw all or a portion of their jurisdiction from TriMet. Did not proceed out of committee.
- HB 2699: Would prohibit public body from requesting a jury trial in small claims action in which the plaintiff brings only claims for damage to property. Did not proceed out of committee.
- HB 3121: Would change the way TriMet's board members are appointed. Did not proceed out of committee.

Government Affairs staff provided legislators with feedback and support for constituent concerns as well as assistance with transportation policy issues.

Government Affairs executed an Intergovernmental Agreement (IGA) with Metro, whereby TriMet will use cash and borrowing to provide funding for regionally significant projects in exchange for a long-term commitment of regional flexible funds. Under the agreement, TriMet will provide the following amounts:

- \$25 million for implementing of the Division Transit Project
- \$10 million for ODOT regional congestion bottleneck project development
- \$15 million for planning and project development of the SW Corridor Light Rail Project
- \$1 million for safe routes to school project development

In exchange, TriMet will receive a stream of regional flexible funds between FY2019 and FY2031 ranging in amount from \$3.25 million to \$12.1 million per year.

Government Affairs executed an IGA with ODOT for the development of regional congestion bottleneck projects including the I-5 Rose Quarter interchange, Hwy 217 and I-205 Abernethy Bridge improvements.

Communications & Marketing

TriMet's Communications & Marketing department is responsible for creating and maintaining the TriMet brand, its promises, messages, look and voice. Communications & Marketing uses this brand awareness to inform everything it does so that agency messaging and issue resolutions are supporting TriMet's vision, mission and values. Communications & Marketing facilitates an open, two-way conversation with the community and TriMet's nearly 3,000 employees. The department builds awareness of TriMet programs and initiatives, publicizes TriMet achievements, reaches out to the community, connects with TriMet employees, responds to media, handles crises, produces communication materials and helps engage all constituents who assist in shaping the agency's decisions and direction.

The department also helps guide the agency with strategic communications and targeted marketing, specifically to advance and support agency goals. The department remains focused on riders' needs and aims to strengthen the TriMet Team. It endeavors to assist in building partnerships for transit growth and engage customers and constituents in ongoing conversations about service needs, improvements and funding as well as build support so that TriMet meets the transit needs of its growing region.

Media Relations

The Media Relations team is the voice of the agency, speaking for TriMet with the media and the community. The team also serves as an important resource for employees, providing training and support when they interact with, or become the focus of media attention. During the course of the last fiscal year, the team provided necessary information to the media about tragedies, improvement projects and investments in the existing system and service expansion.

FY2017 Highlights:

- Compassionately handled the devastating May 26, 2017 attack on MAX, expressing empathy to those affected, providing extensive information to media about community challenges and security enhancements to lessen public fear, aiding employees with talking points about agency safety priorities and developing vital messaging for agency leadership.
- Quickly and accurately responded to hundreds of media inquiries and requests for information on a vast variety of topics and agency initiatives, including Hop Fastpass™, to ensure the public was fully informed of TriMet activities, including scheduling changes, service disruptions and other issues of importance to riders and the public.

- Provided critical information and updates to riders via the media 24 hours a day, 7 days a week during multiple and successive ice and snow storms, putting the conditions that crippled the region into perspective.
- Actively expanded agency's use of video both externally and internally to showcase TriMet initiatives, the hard work of employees and the benefits our transit system provides to the community.
- Successfully influenced ridership changes during the Rose Quarter and Morrison-Yamhill MAX Improvements through comprehensive communications efforts and outreach that garnered extensive media coverage, so much that reporters questioned how any rider could be surprised by the projects.
- Effectively spearheaded collaboration with multiple local agencies in coordinating construction projects to reduce the impact on TriMet riders and highlight to the community and media joint agency teamwork.

Employee Communications

Employee Communications strives to expand employees' access to timely and relevant information while encouraging meaningful engagement by providing feedback opportunities. The department exists to advance safety, customer service, relationship building, morale and positive public perception by informing, equipping and engaging TriMet employees in a wide variety of ways.

FY2017 Highlights:

- Redesigned TriNET (internal website). Successfully completed this complex project to redesign TriMet's internal website making it mobile responsive, easier to use and with increased search capability. This project entailed reaching out to every division in the agency to understand how they use TriNET and using analytics to guide both design and search improvements. It also included creating a core group of content developers, reducing the list from over 100 to less than 20 to control quality and better manage the backend processes.
- Hop Fastpass™ education and Hop Family Day. Managed the internal communication for this large e-fare program, including recruiting employees to test the system and provide feedback. Provided ongoing education for front line employees detailing how the system works and helping with talking points for their public interaction. Coordinated the messages for employees among TriMet, C-Tran and Portland Streetcar. Assisted in coordinating Hop Family Day, an agency-wide celebration to help employees learn more about the program, while providing an opportunity for attendees to have a new badge photo taken for new Hop Fastpass™ badges for all 3,000 employees and their families.
- Communication channel innovation. Doubled the number of flat screens across the agency and incorporated video on those flat screens. Worked to host quarterly Townhalls at a greater variety of locations and expanded video creation. Increased readership of all communication channels by sprinkling in giveaways to employees who pay attention to messages then promoting the employees who received the giveaways encouraging other employees to do the same.
- Employee engagement through Team TriMet. Continued the strong start of this internal volunteer program coordinating opportunities at the Oregon Food Bank, Portland Women's Expo and the 2017 Pride Parade with hundreds of employees participating over the course of the year. Coordinated administrative volunteers serving food at the annual holiday dinners for our operators. Researched and implemented a new online volunteer registration system, making volunteer

tracking more efficient and shared this system with other departments to assist in other volunteer coordination across the agency.

- Communication consulting services and relationship building. The department responded to many requests from divisions and departments to strategize how to communicate programs, initiatives and important information including on time performance and rail rules compliance. Proactively promoted continuous improvement teams and their activities to other employees (Bus Operator Continuous Improvement Team, Security Continuous Improvement Team, Restroom Committee, etc.). Actively spent more time at multiple TriMet facilities conducting outreach and making connections with employees resulting in story ideas and Employee Communications ambassadors around the agency.

Marketing and Outreach

Marketing and Outreach provides strategic integrated campaigns that focus on ridership, partnerships, community engagement, and multicultural outreach outside of service outreach. During FY2017, the focus of the outreach team was ramping up for launch of Hop Fastpass™. This included creating a public involvement framework focusing on collaborators and community stakeholders, conducting meetings and listening sessions to 26 community groups and organizations, creating a community events calendar for Hop Fastpass™ outreach that serves underrepresented communities, planned eight ticket exchanges for FY2018, and finalized media and advertising for launch.

Safety Outreach

Staff continued the strategy of institutionalizing safety messages at points of contact throughout the entire system and creating and implementing integrated campaigns to reach targeted audiences.

In the Fall, the department continued the “Be seen, Be safe” campaign again with a renewed emphasis on how to dress brightly and safely. In the Spring, we continued our “Stay Alert, Stay Alive.” campaign that features pedestrians looking up from their phones. The refreshed creative of *Hold that thought* and *Pause your play*, were well received. The campaign was submitted to APTA and won an Adwheel Award.

FY2017 Updates:

- Reinstated Safety field trips partnering with TPD and local elementary schools through the field trip program.
- Work beginning on youth outreach for safety around and on buses focusing on middle school and new high school students.

Employer and Business Outreach

Travel options staff supported key TriMet campaigns including outreach for the Service Enhancement Plans, promoted TriMet service improvements and additions, the Orange Line, plus promoted safety (Be seen, Be safe), in addition to supporting Metro Regional Travel Options campaigns, Bike to Work Month and the Drive Less Challenge.

FY2017 Updates:

- Total TriMet Pass Programs: 962 programs with 1,212 worksites as of March 2017
- Revenue total for Pass Programs: \$33,316,420.85
- 55 annual pass programs

- Four ePass (which is most like Hop Fastpass™ administratively, so we can transition during beta),
- 558 monthly pass programs (includes pass by mail through the TTO, school passes and online passes)
- 21 select and University Term Pass Programs (included university and colleges like PCC, PSU, University of Oregon, and Pacific University)
- 324 Universal pass programs (including Washington County, Multnomah County, Nike, OHSU, and Providence). Currently adding 2% in new accounts per quarter (about 19 accounts)
- Worked closely with PBOT and CEID for new pass program options to mitigate parking shortages

Service Outreach

The outreach team generated rider, community and employer awareness of Fall service improvements as well as multiple construction projects including MAX improvement projects at Rose Quarter and Morrison-Yamhill. During each of those events, the outreach team collaborated with local businesses to provide “sweet treats” to soften the inconvenience from large projects.

In support of the diverse regional community, outreach efforts continued to communities representing residents who are considered to be Limited English Proficient (LEP). Because the largest LEP community is Spanish speaking, we made a concerted effort to provide timely information to key Latino community leaders in serving Spanish-speaking LEP riders.

TriMet participated at Celebrate Hillsboro, the Latino Fair in Hillsboro, Cinco De Mayo Fiesta and Día de Niño in Cornelius with informational booths.

Staff provided updates on budget, proposed fare increase and service plans at meetings with LEP Spanish-speaking riders at a variety of locations. The agency continued its partnership support for the travel training sessions conducted by the Immigrant Refugee Community Organization (IRCO). In addition, staff continued to develop materials to convey safety messages to Spanish-speaking audiences and updated the “how to ride” information in Spanish, Vietnamese, Chinese, Korean and Russian. The following languages were added to the “how to ride” brochure: Arabic, Romanian, Japanese, Tagalog, Khmer-Cambodian and Somali.

Marketing and Rider Communications

The Marketing and Rider Communications Team oversees TriMet’s communication with customers and external audiences, and manages the agency’s digital channels and engagement programs. Staff worked to support the brand and improved the rider experience by providing relevant and useful transit information and tools to riders as an extension of bus and rail service. The team’s activities also helped build relationships with customers to gather feedback and foster community support for public transit through word of mouth. Staff developed and produced campaigns, messaging, events and content that promote the benefits of transit while encouraging riders to engage with TriMet in a manner that is relevant, concise, neighborly and fun.

FY2017 Highlights:

- Developed messaging, branding, marketing/advertising materials and customer experience elements for new Hop Fastpass™ transit fare card launched in Summer 2017.

- Participated in Open Trip Planner project to upgrade TriMet’s trip planner with mobile-friendly map and ride-hailing services. Re-envisioned the TriMet.org homepage and UX to integrate the new map trip planner in 2018.
- Increased use of video, animation, GIFs and video ads in TriMet rider channels to support visual storytelling efforts and reach more riders on smartphones.
- Grew Instagram audience 150% through high-quality curated photography, to support visual storytelling efforts and engage younger riders.
- Developed and launched “Go By Transit” campaign to support off-peak marketing efforts.

Customer Experience

The Customer Experience (CX) department leads the agency in TriMet’s strategic priority to focus on the customer. Department work primarily concentrates on external customers, TriMet riders, stakeholders and community members. In its second year of existence, the department is actively expanding assistance to internal partners, a key component of the CX strategic plan moving forward. The department is dedicated to continually improving customer interactions, finding innovative ways to exceed expectations and support the agency’s vision, mission and values.

The department advances its missions through managing the following functions:

- Customer Service
- Customer Information
- Fare Policy & Programs
- Research & Analysis

Customer Service

Customer Service staff offered personal assistance (via telephone, email and in-person presence) through more than 1,150,000 customer interactions during the fiscal year.

Rider Support

The 238-RIDE Rider Support Team handled 124,688 trip information and customer comment calls during FY2017, a monthly average of 10,391 calls. This team processed 34,103 customer comments (commendations, complaints and service requests).

The Rider Support staff hosted 24 “Inside Customer Service” classes, whereby new bus operators gained an understanding of the Service Improvement Process and how the department serves as a resource and source of support for operators. Operators consistently gave very positive feedback about the experience and helped our operators understand the importance of our customer experience goals.

Field Outreach & Community Relations

The field staff provided fare sales assistance, promoted safety awareness and served as a source of support to Operations staff and customers at more than 100 events, various capital projects and MAX Improvements projects. As the face of the agency, we provided over 12,000 hours of support in the field supporting internal and external customers.

- Rose Festival events (including parades and fleet-related activities)
- July 4th fireworks

- Morrison/Yamhill MAX Improvements Project
- Providence Park events
- Rose Quarter events
- Blue Line Station Improvements Project
- Zoo lights at the Oregon Zoo
- Portland Winter lights Festival
- Various events at the Oregon Convention Center

Staff assisted customers during planned and unplanned MAX service disruptions, including a major three-week effort during the Morrison Yamhill MAX Improvements project in May 2017. Field staff also alerted customers to annual and seasonal service changes. Field Representatives and Light Duty staff supported customers and regional partners by providing more than 3,000 hours of staffing at Portland International Airport.

Staff assisted internal partners by:

- Providing staffing for safety awareness events
- Providing broad outreach for bus service changes related to the Morrison Yamhill MAX Improvements project
- Performing outreach for the Service Enhancement Plans
- Providing staffing for Clackamas Town Center Holiday traffic mitigation
- Performing quality checks of Ticket Vending Machines (TVMs) and digital information displays

Customer Information

Mission. To enhance and protect the customer experience by making TriMet service information accessible, easy to understand, accurate, reliable, timely and responsive for the customer.

TransitTracker Program

TriMet's TransitTracker program provides real time arrival data and service alerts through multiple channels, including by phone, text, mobile apps and on-street digital displays and via the web.

TransitTracker digital information displays. Primarily installed at light rail stations, the displays provide real-time arrival information and communicate information about service disruptions. TriMet continues to expand the presence of the displays at stations currently lacking the amenity through independent installations and in conjunction with other major capital project initiatives. Display upgrades were completed in FY2017, but TriMet will continue to install displays throughout the system in the next fiscal year.

TransitTracker by Phone/Text. Mobile and landline phone users continue to retrieve TransitTracker arrival times from both the 503-238-RIDE (7433) phone system (major upgrade in FY2014) and through text messaging. In FY2017, TriMet received about 1.2 million TransitTracker arrival inquiries by phone and text per month.

Information Development Program (IDP)

The IDP team's primary responsibility is customer information, on street, online and in print. Using static and dynamic communication channels, IDP provides customers the information they need to navigate the system safely and reliably. Understandable service information is a key pathway to encourage ridership by making it inviting and easy to use the TriMet system. IDP works closely with Customer Service, Media

Relations/Public Information, Rider Communications, Creative Services, Scheduling, Information Technology, GIS, Safety and Field Operations to guarantee the best possible outcomes for our customers. Additionally, IDP acts as service content experts for all public facing service information. Throughout their work, IDP supports the expectation to communicate service information through an integrated approach supporting the TriMet brand -- safe, dependable, inviting and easy to use.

On-Street Service Information

TriMet continues to improve on-street service information by updating language and displays, following industry best practices and implementing changes based off customer research. With the completion of large system maintenance projects the MAX, staff was able to explore new display opportunities to improve readability, highlight the most important components, increase pictograph usage and streamline display standards.

On a quarterly basis, staff successfully created, proofed, edited and installed:

- 475 bus shelter schedule displays
- 650 light rail schedule displays
- 4,900 bus stop pole mounted displays
- 62 Transit Mall bus displays

For service disruptions and special events, staff created and produced various on-street temporary postings. This includes wayfinding plans integral to achieving a positive customer experience. In addition, staff developed and published content for the digital information displays at bus stops and MAX/WES stations for most planned and special events. Examples of events from FY2017 include:

- Rose Quarter MAX Improvement Project (BRRST)
- Morrison-Yamhill MAX Improvement Project (BRRST)
- Blue Line station rehabilitation
- Track maintenance projects
- Shamrock Run, Race for the Cure and other local runs
- Rose Festival and other local festivals and parades
- Portland Timbers matches
- Portland Thorns matches
- Portland Trail Blazers games
- Localized construction projects

Online Service Information

On a quarterly basis, staff overhauled all 80+ online timetables and provided weekly maintenance of Time Table Publisher to ensure all online schedule information was correct, footnotes were helpful and understandable and all information displayed correctly and consistently. Additionally, staff performed quarterly content updates for *trimet.org*, including the route and service information pages.

For service disruptions and special events, staff coordinated with Rider Communications to prepare service related email notifications, SMS updates, twitter and Facebook posts and Service Alerts (*trimet.org/alerts*).

In-print Service Information

The IDP team is responsible for creating and producing customer-facing service-based print pieces. This includes schedule brochures, special event brochures, service changes brochures, maps and similar items.

For FY2017, staff produced, proofed and edited about 150 unique brochures, including special pieces for major events like the Morrison-Yamhill MAX Improvements project and Rose Quarter MAX Improvements project.

Distribution Center

Staff maintained the agency's rotating inventory of 1.5 million pieces of collateral (service, general information and promotional), including mailing out nearly 1,100 packages to ticket sales outlets and other organizations. In addition, staff regularly delivered and stocked brochure supply for internal customers including bus and rail yards, the TriMet Ticket Office, as well as external partners like local Transportation Management Associations, Greyhound, Amtrak, Metro, ODOT, PSU and OHSU, among many others.

The department also oversaw blade route stickers, bay signs, bus stop blades and other on-street customer facing signage, including temporary and permanent stock.

Fare Policy & Programs

The department's efforts focused on fare policy development and program coordination, ensuring that new fare programs and projects facilitate the agency's business objectives and implemented on schedule. A special emphasis continues to be placed on activities that simplify the fare structure, with the objective of making the system equitable, simple to understand and easy to use. The department also sought to make the purchase process more convenient for customers by leveraging emerging technologies. Activities this year focused on completing the design, development and implementation of the region's Hop Fastpass™ fare payment system.

Hop Fastpass™ Electronic Fare Collection System

TriMet is progressing with the development and implementation of Hop Fastpass™, an electronic fare collection system that will become available to the public in July 2017. The system is a next generation account-based payment system intended to replace visually inspected media and allow riders to pay their fare quickly by tapping a contactless payment media at an electronic reader. System features include stored value, online account management, fare capping and automatic "best" fares, and convenient customer purchase options using multiple retail channels (including an extensive retail network, mobile app, by phone and online with automatic payment options).

Activities this year focused on completing the procedures necessary for the implementation of the new system (which the TriMet Board of Directors adopted in February 2016), as well as finishing system design and development. Key milestones included successfully completing rigorous testing in several phases, including testing with project staff during the last half of 2016, testing with TriMet employees and other transit agency staff, and then a gradual rollout to public Beta testers beginning in February 2017. Testing has also begun with several institutions (such as employers and schools) that currently participate in group pass programs.

The Hop Fastpass™ system is well received by the public so far and is on schedule for a July 2017 release, following the successful public Beta test.

Mobile Ticketing

The TriMet Tickets mobile ticketing application continues to perform as an important part of TriMet's fare collection system, providing a convenient and easy customer experience for purchasing fares. Launched in September 2013, the TriMet Tickets mobile ticketing app was one of the first multimodal mobile ticketing

apps in the country. Mobile ticketing has helped modernize TriMet's fare system, streamlines fare collection processes and reduces the costs associated with cash collection and printing/distributing paper tickets and passes without the additional investment of on-board equipment. Reducing the number of customers who pay with cash helps speed boarding and creates operational efficiencies. With the rise in mobile ticketing adoption, TriMet continues to see a decline in cash paid at fare boxes and at ticket machines. The TriMet Tickets mobile ticketing app was an important precursor to the development and introduction of the Hop Fastpass™ fare collection system.

Portland Public Schools Student Pass Program

The Student Pass Program is a collaborative partnership among TriMet, Portland Public Schools (PPS) and the City of Portland since September 2009, providing free TriMet Youth passes to nearly 13,000 high school students in the PPS district each year. PPS is the only school district in the TriMet service area that does not provide regular yellow school bus service for their high school students.

Historically, the program was funded through the State of Oregon's Business Energy Tax Credit (BETC) program, as well as contributions from PPS. Due to action by the state legislature; however, BETC funding was discontinued and is no longer available for student passes. For the 2017-2018 school year, TriMet, PPS and the city have agreed to fund and provide Youth passes to all PPS high school students for the school year, with each agency providing one third of the funding for the program. The agreement will allow high school students to continue to access free transit to get to school, after school activities and access employment opportunities. Benson High School served as important early tester for the Hop Fastpass™ system, as Benson students received their student IDs printed directly on a Hop Fastpass™ card, allowing them to tap at card readers to ride transit.

Research & Analysis

Market Research

Research methods, including telephone surveying, on-board surveying with tablets, online surveys, mail, and in-depth interviews were employed on the following:

Customer Research

The general public was asked their opinions via the annual Attitude & Awareness telephone survey. This survey tracked public mood, regional approval of the agency's performance, services, new projects, and ridership.

Finding out why people ride TriMet more, the same, or less than a year ago was asked of riders and non-riders in four types of surveys: telephone, online, on-board and by mail. This study informed management about reasons for ridership fluctuations.

In an effort to track passengers' attitudes on a regular basis, members of TriMet's Riders Club were surveyed on a quarterly basis. This survey asked about our overall performance as well as satisfaction in certain areas, including reliability. This survey also asked questions about a particular topic or questions that relate to the time of year. Results were posted on the website.

A system-wide on-board survey was conducted using TriMet's tablet surveying method. This survey asked origin and destination locations, trip purpose, ridership patterns, satisfaction and demographic questions. Information obtained informed service planning, marketing, and Title VI reporting.

Employee Research

As part of the effort to improve bus on time performance, operators were asked questions about leaving the end of the line late, how often, what route and reasons why. Surveys were completed during recertification classes.

To inform TriMet's Quarterly Pulse Surveys, Human Resources recruited a sample of employees to take part in research to understand how employees feel toward their work environment.

Product Research

Hop Fastpass™ card testing took place with employees and the public.

Alpha test. 200 employees of TriMet, C-TRAN and Portland Streetcar tested in September. Feedback was obtained during and after testing was complete.

Beta test. About 5,000 customers tested Hop Fastpass™ cards. Beginning in February new testers were added every two weeks until June. Most of the customers were recruited through TriMet's Riders Club. Other customers were recruited through outreach, including limited English-speaking communities. Both recruitment and feedback surveys were available in English and Spanish.

One on One interviews were conducted where participants tested website usability.

Other

A Transportation Research Board paper was submitted and published, conducting onboard transit rider surveys with electronic handheld tablets.

A Mobility on Demand Sandbox Grant evaluation plan was designed.

Planning began for the Oregon Household Survey taking place in 2020.

A peer review was conducted to gain knowledge of paratransit best practices. The purpose of this study was to learn better ways of providing safe, reliable, high quality and cost-effective ADA paratransit service.

TriMet is conducting a survey to gain knowledge of paratransit best practices from our peer agencies. We are facing present and future challenges of increasing ridership demand, shrinking budgets, rapidly changing technology and rising customer expectations. We want to learn better ways of providing safe, reliable, high quality and cost-effective ADA paratransit service. TriMet is conducting a survey to gain knowledge of paratransit best practices from our peer agencies.

GIS & Location Based Services

Electronic Survey Enterprise Program

TriMet migrated all on-board rider surveys from paper to electronic tablet data collection during the 2014-2015 Orange Line Before Study. The survey budgets were consolidated and a position was created to manage and oversee the implementation of electronic surveys at an agency-wide level. The new approach included the recruitment of local college students to conduct on-board surveys and the utilization of robust and affordable open source software. This strategy resulted in significant time and cost savings, provided more accurate and reliable data, offered a more eco-friendly approach and improved customer relations.

All on-board surveys are now conducted with tablets and managed centrally in IT-GIS by the Electronic Survey Developer & Analyst.

This past year, the following surveys were successfully conducted on-schedule and under budget, demonstrating a significant cost savings: Timbers Survey; Operators Survey; Rider Satisfaction Survey and Fare Evasion Survey.

The following paper regarding TriMet's approach to survey data collection was published by the Transit Research Board: "Conducting On-Board Transit Rider Surveys with Electronic Handheld Tablets: An Agency-wide Consolidated Approach" TRB 17- 0449. Authors: Bibiana Kamler McHugh, Baofeng Dong, Joseph D. Recker and Virginia Shank.

FTA MOD Sandbox Grant

In the Fall of 2016, TriMet was 1 of 11 agencies to be awarded an FTA MOD Sandbox Grant in the amount of \$678,000. The budget exceeds \$1 million with in-kind contributions. Project start was January 2017 and the end date is December 2019. TriMet's Mobility on Demand (MOD) Sandbox grant will enable the agency and its partners to extend the OpenTripPlanner (OTP) platform, which was first released by TriMet in 2009 and has ever since enjoyed widespread adoption. With this support from the Federal Transit Administration (FTA), we will incorporate additional mobility options, such as Lyft, Uber, car2go and BIKETOWN into OTP so that riders can easily plan mixed-mode trips. Some of the additional project elements will include development of a robust, open source geocoder, improvements to the base map to support better walking and wheelchair trip plans and a new mobile-friendly interface for OTP. Throughout the project, we will be focused on making it as easy as possible for other transit agencies to implement this powerful, open source trip-planning toolkit.

Open Street Map (OSM)

Open Street Map (OSM) data maintenance and improvements continue in the seven county area in support of TriMet's Bus Dispatch CAD/AVL system, the scheduling system for on-street service, the multimodal Trip Planner, LIFT and data analysis. This data supports several Metro regional projects and Salem-Keizer transit. In addition to street data for transit, TriMet has led an effort to increase bike, pedestrian and accessibility features within OSM. Development of these features is critical to support full navigation to and from transit for alternative modes and equity for persons with disabilities.

Contact Management System

CiviCRM, for Marketing and Government Affairs, was implemented in Summer 2012. Work continues in support of this system and its users. It now supports and manages contacts for advocacy groups and has expanded to include Policy and Planning and, most recently, Capital Projects. Integration with external systems such as employer listings is scheduled.

C. Safety & Security Division

Safety, Security and Environmental Services

Organizational Change

The Transportation Training department moved from the Transportation Division to the Safety, Security, and Environmental Services Division on January 1, 2017. This was initiated by the Chief Operating Officer to better align Training with the safety initiative. The Transportation Training department is responsible for all initial and recurrent training of bus and rail operators, field supervisors and bus dispatchers and rail controllers. The department is led by the Director, Transportation Training, who reports directly to the Executive Director of the division.

The division filled the position of Manager, Emergency Management and Security. With the Manager position filled, additional emphasis is being directed towards employee training in the Incident Command System, emergency preparedness for employees and the agency and the Continuity of Operations Plan (COOP).

Safety

Safety Management Information System

TriMet continues to use a Safety Management Information System (SMIS) to capture safety related data, which includes employee injury data, workers' compensation data, inspections of facilities and infrastructure performed by Safety staff, corrective actions tracking and the production of monthly safety dashboards and reports. TriMet directors and managers were educated on how to interpret and use the data in making risk-based decisions. This is all in an effort to strategically allocate TriMet resources for continuous safety improvement.

Safety Management Training

SMS workshops continued for directors, managers and frontline employees. The aim of the workshops was to enhance TriMet's safety culture by modifying attitudes and actions of personnel to provide for a safer workplace and operation. It emphasizes the promotion of continuous improvement of safety through specific methods to predict, analyze, assess and control safety risks and monitor risk controls for effectiveness.

Roadway Worker Protection

TriMet continues to explore the use of technology to enhance the Roadway Worker Protection (RWP) program. Research and testing of several products took place over the past year. TriMet continues to search for a system that warns wayside workers of the approach of train; informs light rail Operators when employees are in the ROW; and best fits TriMet's needs. Research and testing will continue in 2017.

Internal Safety and Security Audits

During the past fiscal year, TriMet Safety and TriMet Internal Audit staff performed audits of the TriMet System Safety Program Plan elements. Audits were performed of the following areas:

- Process to Control Change
- Facility and Equipment Inspections

- Safety Management Structure
- Drug and Alcohol Abuse Program
- Rail Signal and Rules Compliance
- Roadway Worker Protection

Tracking of audit findings is performed through the SMIS, which allows TriMet and ODOT and Rail Safety division to monitor progress and timeliness in implementing the corrective actions. Additional information regarding each audit performed can be obtained from Safety department staff.

During Fall of 2016, a comprehensive rail rule violations audit was performed. The focus of the audit was on red signal violations, speed violations and wrong-side door openings. The audit resulted in 41 recommendations. A comprehensive corrective action plan and schedule was developed for each item and forwarded to ODOT, Rail Safety Division for review and approval. The SMIS is being used to track the corrective actions, to ensure all are closed out properly. In addition, a follow-up audit of the correction actions is planned for mid-2017.

The Transportation Security Administration (TSA) performed an audit, BASE (Baseline Assessment and Security Evaluation) of TriMet’s security program. The findings and recommendations were considered Sensitive Security Information (SSI). Accordingly, the findings and recommendations were reviewed only by assigned staff.

Emergency Management - Continuity of Operations Planning

Development and implementation of TriMet’s Continuity of Operations Plan (“COOP”) continued during the past fiscal year. The COOP is designed to ensure that the primary mission of TriMet continues to be performed during a wide range of emergencies, including acts of nature, accidents and technological or terrorist related emergencies.

Incident Command System (ICS)

ICS training was provided to all new field supervisors, controllers and dispatchers. Additionally, ICS training for Transportation Managers was initiated.

Drills and Exercises

Throughout FY2016, TriMet conducted and participated in various exercises ranging from tabletop exercises (TTX) to full scale exercises (FSE). These exercises were held as internal or external exercises, which included participation with various stakeholder partners from all levels of government and the non-profit community. Listed below is a summary of the exercises that were conducted:

- TSA EXIS Tabletop Exercise
- Cascadia Rising Full Scale Exercise
- Ruby Yard Rail Equipment Maintenance Fire Drill (Functional Exercise)
- CONNECT Service Disruption Incident Management (Tabletop Exercise, two each)
- Rose Quarter Construction Project Incident Management (Tabletop Exercise)
- Winter Operations Plan Implementation and Validation (Tabletop Exercise)
- DHS/TSA Off-Airport Large-Scale Aviation Accident Response (Tabletop Exercise)
- Portland Bureau of Emergency Management/EMSC Coordination, Direction, and Control Plan (Tabletop Exercise)

Emergency Services Training

TriMet held several training sessions TriMet personnel and for police and fire department personnel from several jurisdictions that are served by TriMet operations.

- ICS training sessions (IS-100, IS-200, IS-700) were adapted for TriMet use. These courses are scheduled to be delivered to rail operators, in addition to supervisory and management level employees.
- First responder training materials were completed in 2016 and were delivered in 2017. The objective is to provide rail specific emergency response training to first responders.
- Light rail vehicle and rail transit system orientation, active shooter and tunnel training sessions were held for transit police personnel.
- Emergency Operations Center (EOC) Operations training provided to EOC Situation Unit and new EOC Directors.

Transportation Training

Bus Transportation Training conducted 13 Initial Bus Operator Training Classes with a total of 242 trainees going through the training program. The pace of the training still remains high to keep up with the demand for operators who are retiring, being promoted and for service enhancements.

Bus Transportation Training also conducted the annual Recertification Training for all Bus Operators, Road Supervisors, Dispatchers and support staff. 117 classes were conducted. The first class was held 10/17/16 and the last class was held 5/4/17. A total of 1,410 employees went through the training: 1,287 operators, 18 dispatchers, 44 field supervisors, 33 station agents, 23 trainers, 3 operations managers and 2 support staff.

Rail Transportation Training conducted seven initial operator training classes with a total of 82 trainees going through the training program. The pace of the training still remains high to keep up with the demand for operators who are retiring, being promoted and for service enhancements.

Rail Transportation Training also conducted the annual Recertification Training for all Rail Operators, Rail Supervisors, Controllers and Rail Managers. A total of 268 employees went through the training: 193 Operators, 32 Controllers, 27 Supervisors and 16 Managers.

A new department within Training was formed after the first of the year. Three Training Supervisors have been selected to perform training for Field Operations. They have been tasked to perform initial and recurrent/recertification training for Dispatchers, Controllers, Road Supervisors and Rail Supervisors. They will be enhancing the initial training programs already developed, as well as developing recurrent/recertification training programs for each of the disciplines. To date one initial Rail Control Class has been conducted, one initial Bus Dispatch class is underway and another initial Rail Control Class is scheduled.

Security

Transit Police Division (TPD)

TriMet continues to maintain four police precincts under the command of a Portland Police Bureau Commander. The precinct locations are spread across the service network from downtown Portland in the

Old Town district, to Gresham in the Gresham City Hall next to the MAX platform, to Hillsboro in the Hillsboro Police East Precinct offices and to Clackamas Town Center in the Clackamas Town Center Transit Center park and ride garage.

A new police precinct for the current Central Precinct was approved by the TriMet Board of Directors. The new precinct will be located on the ground level of the new Convention Hotel Parking Garage. The new precinct will relieve current overcrowding and provide for expansion as the TriMet Transit Police Division grows.

Crime Analyst

A crime analyst supports the Transit Police division. The analyst brings problem-oriented policing and data-led methods for improved efficiency and effectiveness in policing.

In 2016, the Federal Bureau of Investigation (FBI) replaced the Uniform Crime Reporting (UCR) with the National Incident Based Reporting System (NIBRS) for tracking crime. TriMet followed suite and adopted NIBRS for crime reporting. The transition to NIBRS will improve the accuracy and timeliness of TriMet's crime statistics. It also provides a standard process for law enforcement agencies to report crime statistics.

Anti-Terrorism Team

The team continues to focus on anti-terrorism activities and adds a layer of security, responding to trends or targeting specific crime and inappropriate behaviors. Officers of the team deploy in plain clothes or go undercover to conduct patrols or surveillance on the TriMet system.

Operation RailSafe and Operation BusSafe

Three Operation RailSafe and four Operation BusSafe missions were held during the fiscal year. These missions provided highly visible operations to deter and detect criminal activity and disrupt terrorist pre-attack surveillance and other suspicious activity on both bus and rail transit services. Each of the missions were performed in close coordination with each of TriMet's jurisdictional police partners.

Active Shooter Training

To address the active shooter threat, TPD continues to conduct active shooter training for all TPD officers. The training included a classroom session on threat and counter threat tactics and a field exercise.

Canine Teams

TriMet continues to maintain its canine teams through a TSA grant.

Security Improvements - Closed Circuit Television (CCTV)

TriMet continued to upgrade its CCTV network from an analog system to an Internet Protocol (IP) system. TriMet also continues the transition to IP cameras in buses, which will provide for increased video retention time and remote upload capability, eliminating the need for field retrieval of the video data packs. These live cameras, along with the security cameras on all MAX trains and buses serve as a valuable tool to deter crime and to capture video that is critical in locating, tracking and prosecuting those who commit crimes on or near TriMet property and vehicles.

Facility Security Improvements

Controlled access improvements continued at all TriMet facilities.

Department of Homeland Security Grants

A Homeland Security Grant was provided for the transit police's overtime and TriMet's anti-terrorism team.

Security CIT

A Security Continuous Improvement Team was created to address assaults and aggressive behavior against TriMet employees. The team is comprised of bus operators and supervisors, Dispatchers, Transit Police Commander, the Multnomah County District Attorney's office, Transportation and Security managers.

Environmental Services

Development and implementation of the Environmental and Sustainability Management System program continued. The program is designed to develop a program that goes beyond compliance and conforms to the requirements of ISO 14000 Environmental Management.

D. Information Technology Division

Information Technology Initiatives

Implemented improvements to the data center infrastructure that support internal and external applications, including redundancy for mission critical systems, adding storage capacity and upgrading the backup system.

Upgrades to desktop infrastructure that include Office 2016 rollout, installing cameras in all conference rooms and huddle rooms for videoconferencing and moving over 600 devices into mobile device management system.

The AIM Rail Control System upgrade, in support of the Portland-Milwaukie Light Rail Project (“PMLR”) was completed and put into production. In addition to the foundational software upgrade, the PMLR alignment work was completed on time.

A new radio tower in Hillsboro was erected on a TriMet signal room, filling small coverage holes along the light rail alignment in Washington County.

The CCTV replacement project has been successfully installed with a new CCTV system on most of the bus fleet. Light Rail vehicles and platforms will be added in the coming year.

Web Maintenance Management Information System (MMIS) for Maintenance of Way has been deployed to three of the four disciplines including a new simplified mobile user interface, which was developed for the field mechanics to capture work in real time.

A new Rail Operator Sign In, Rail Yard Management and a Train Order application was deployed before the Orange Line opening. Since November 2015, system features and performance dramatically improved.

The TriMet Ticket Office (TTO) Point of Sale system is operational at TTO within the new Hop Fastpass™ electronic fare implementation schedule. It will be fully integrated with the Hop Fastpass™ system.

A new web MMIS module was deployed, this application automates a manual spreadsheet process that Rail Maintenance used to communicate the status of the trains in terms of service, e.g., trains that are not available due to maintenance.

A new real-time application for Rail Operations has been developed and implemented to support improved on time performance. The Portable Data Device is an 8” tablet equipped with GPS that will display time points for the rail operator as well as actual time and number of minutes the operator is off schedule.

A real-time application for Rail Control is in the development stages. This will let controllers have real-time information about actual and scheduled train location by controller area of responsibility. The real-time location data collected by the tablets will also update all customer-facing applications with the real-time and greatly improving the customer experience.

The Hop Fastpass™ electronic fare system is on schedule to be successfully implemented as of Q1 FY2018.

Started initial phase of inventory control project to include a new Oracle module for Bill of Materials and Work in Progress. This will allow Stores to deliver all relevant parts to repair technicians at one time. This includes better visibility into quantities of parts required to perform repairs, as well as improved inventory

control and stock levels all of which will improve the efficiency for the Stores department and Maintenance. This is needed to maintain the bus and rail system and provide safe and reliable service.

Designed and implemented multiple projects at key sites and in the primary and secondary data centers in support of the Hop Fastpass™ and CCTV systems.

Improvements to network to allow for increased security of TriMet systems, including implementing SSL decryption, OpenDNS, 2-factor authentication and a network assessment of TriMet communications and security systems.

Designed and implemented multiple communication system projects in support of ongoing maintenance of agency communication systems including but not limited to: communication system and design of new Powell Lift site and Ruby BOCC, upgraded call center systems and implementing redundancy for network monitoring to protect against network failure.

Implemented improvements to wireless communication including:

- Upgraded Wi-Fi equipment in support of CCTV project
- Performed wireless system analysis for all agency sites

E. Finance and Administration Division

Financial Services

Financial Services includes the functions of the Accounting, Payables, Receivables, Grants, Debt Management, Cash Management, Investments, Pension/Retirement and Payroll.

Summary of certain financial activity for fiscal year 2017 and 2016 is noted includes the following:

	Fiscal Year 2017**	Fiscal Year 2016
Number of invoices processed	44,462	45,563
Average number of invoices processed/month	3,788	3,714
% of employees on direct deposit	93%	90%
Number of retiree payments	2,066	2,000
Number of retirements during the fiscal year	106	104
Total federal awards	21	27
Number of grants awarded	7	10

During the current year, the Accounting department published monthly financial statements within a three week period after month end. The department accounted for 27 grants during the year with total grant, including establishment of accounting for 10 new grants.

In August 2016, TriMet received a scheduled grant payment under the Full Funding Grant Agreement (FFGA) for the Portland to Milwaukie Light Rail totaling \$100.0 million. Under the terms of the interim financing for the project, these funds were used to pay down \$100.0 million in bonds issued as part of the project financing. TriMet was notified by FTA that we expect to receive another \$100.0 million under the FFGA, which will again be used to pay down the long term debt on the 2013 payroll tax and grant receipt revenue bonds.

In June 2017, TriMet received approximately \$74.5 million in Federal operating grants for preventative maintenance.

TriMet issued \$97,430 million in Senior Payroll Tax Revenue bonds in February 2017. The proceeds of the bond issuance will finance transit-related capital projects from FY2017 through FY2019 including purchasing buses, relocation of the Powell LIFT paratransit facility, new Gresham operations facility and building renovation, funding a portion of the Hop Fastpass™ and other qualifying projects. In connection with this bond issue, Moody’s Investor Service has reaffirmed TriMet’s Aaa – “Triple A” rating. TriMet is the only tax-backed transit agency to achieve an Aaa rating from Moody’s and Standard & Poors Global Ratings, which reflects the credit worthiness of government bonds.

TriMet received an unmodified audit opinion related to the fiscal year ending June 30, 2016, with the audit report issued in September 2016. The audited financials are available on TriMet’s website under Transparency and Accountability – Audit Reports at: <http://trimet.org/about/accountability.htm#financial>

Budget & Grants Administration

Budget and Grants administration is responsible for financial forecasting, budgeting, debt planning and issuance, capital planning, grant applications/compliance and administration, fare analysis, Capital

Improvement Program preparation, performance reporting and analysis, grant administration, annual National Transit Database (NTD) reporting and submission and coordination of the FTA Triennial Review. In addition to these ongoing activities, the department participated in a range of special projects and assignments.

Highlights were:

The FY2018 Financial Forecast was completed and presented to the Board in February. The forecast provides the agency with a 10-year outlook of all resources and requirements in addition to various statistical information.

The FY2018 Adopted Budget continues to provide resource and requirement detail along with summary information regarding grant activity and detailed capital program activity by division.

The department also maintains the annual Program of Projects (POP), including coordination of human transportation service providers in addition to existing private transportation providers. Continued coordination of POP with annual budget process.

A total of 14 federal grants were executed by the Budgets/Grants department in FY2017, totaling \$235,735,830. Funding included both discretionary and formula funds as well as funds for FY's 2016 and 2017. Federally restricted resources are to pay for costs that have been incurred for rail and bus preventive maintenance, purchase of buses, debt payments and construction of capital related projects and elderly/disabled transportation services, to name a few. Another \$97,610,103 of combined funds (seven applications) are still awaiting execution by FTA.

Budget and Grants staff have also worked with other TriMet departments to submit state and local grant applications during the year. Of the five grants awarded and four executed during the year, the largest of these (\$8,441,117) was from ODOT's FY2018-2019 Biennium Special Transportation Fund (STF) Formula funds. Funds are to reimburse TriMet for its LIFT revenue replacement vehicles (match), LIFT operations and grant administration costs as well as to reimburse pass-through agencies (\$7,804,814) receiving this same funding. TriMet also received \$2,883,250 of the \$7,442,981 awarded under ODOT's FY2018-2019 Biennium Special Transportation Fund (STF) Formula 5310 funds program.

Completed the FY2016 monitoring of four separate sub recipients as required by Uniform Administrative Requirements for Federal awards. Minimum responsibilities include ensuring funds spent were for authorized purposes, complied with Federal statutes, regulations and terms and conditions of the sub award and achievement of any performance goals.

Prepared, submitted and closed out 2016 NTD Report. Continued coordination with City of Portland related to Streetcar reporting and Ride Connection related to community job connector reporting.

FTA Triennial Review. Coordinated all activities between TriMet and the FTA in completion of the 2017 Triennial review, covering the period of 2014, 2015 and 2016 within 17 different audit areas. Preliminary results of the audit identified six deficiencies; however, through communications with auditors and TriMet staff, final report reflected only one deficiency that will be resolved by end of September 2017, resulting in a clean audit.

Capital Improvement Program (CIP) continued refinement to meet existing and new service and expansion needs. Evaluation of projects included in the FY2018 budget to better represent capacity to deliver the projects. Identified projects associated with State of Good Repair (SSGR), safety & security, enhancements and expansion.

Capital Program Committee (CPC). The CPC has been in place for two years and continues to be managed at the executive level. The committee meets regularly (monthly) to discuss capital program projects, their funding sources and the coordinated effort between all departments. The committee also has the responsibility to assist and recommend to the General Manager a 5-year Capital Improvement Program Plan. For the FY2018 Budget, the CPC approved 135 projects with a total budget of approximately \$210.8 million.

Budget Module – Hyperion. The Budget team, in coordination with a contractor, undertook the design and development of the automated budget module. The module integrates with the financial accounting system. Parallel implementation has occurred with the FY2018 Budget and refinements continue.

Asset Management Plan. FTA final rule (pending) requires a Transit Asset Management Plan (TAM Plan). TriMet has hired an outside contractor with extensive experience in TAM Plan development and implementation. Significant efforts have been completed in the development of the TriMet TAM Plan including inventory of major assets in facilities, revenue and non-revenue vehicles, guideway elements, systems and stations. Implementation of new software to track and report assets to identify TriMet's State of Good Repair backlog is underway. Implementation was projected to take approximately 18 months and is currently ahead of schedule.

ATU Negotiations. The team has completed various analysis in support of bargaining for a new union working and wage agreement.

Insurance Programs

Claims

The Claims department continues to work closely with both Safety and Finance to ensure accounting controls are maintained in the liability claims process. The emphasis on claims continues with strong investigative and timely processing procedures, which include daily monitoring of information regarding potential claims, timely contacts with claimants, requests for and reviewing the data packs from district vehicles and thoroughly reviewing all information regarding incidents. The thoroughness of these procedures, as well as working closely with the Legal department, has generally resulted in resolutions of claims at an early stage.

Workers' Compensation

In FY2017, there were 228 workers' compensation claims filed. The incurred cost (paid, plus reserves) of those claims is \$3,468,991. The State of Oregon reimbursements for our Early Return to Work program for injured employees totaled \$153,133.39. Approximately 81 injured employees were able to benefit from this program by returning to productive work in a modified capacity throughout the agency. These employees provided coverage and participated in functions that included bundling schedules, coverage in the park and ride monitoring program, customer service assistance at the Portland Airport, coverage in the security program at the Center Street garage, as well as assisting several departments within TriMet by performing a variety of tasks.

Procurement and Contracts

TriMet's contracting activity totaled more than \$269,284,333 during FY2017. The department awarded 323 new contracts as well as participated in the negotiation of numerous contract modifications and change orders during the year. Major contracts that were awarded during the year included a contract for

replacement and expansion fixed route buses; several contracts for multicultural outreach and engagement services; a contract for LIFT supplemental transportation services; a design services contract for replacement of the Powell Garage; a Construction Manager/General Contractor (“CM/GC”) contract for replacement of the Powell Garage; a CM/GC for Washington Park station improvements; a CM/GC for elevator refurbishment and replacement; a CM/GC for the Powell LIFT facility replacement; a CM/GC for Steel Bridge transit improvements and track rehabilitation and a design services contract for the Division Transit Project.

TriMet’s small purchases activity during FY2017 was \$28.9 million with a 96.5% focus on the procurement of repair and maintenance parts and materials in support of the district’s revenue equipment. There were 12,379 purchase orders and/or blanket purchase order releases issued for transit-related parts.

Purchasing card (“P-card”) activity was \$2.2 million, with 9,555 transactions in support of low dollar purchases for repair and maintenance materials for vehicle, equipment and facility maintenance, as well as for other minor purchases in support of TriMet operations. As a supplement to the P-card program, Procurement and Contracts established business accounts with The Home Depot and Amazon.com that provide rebates in addition to those provided by the P-card program.

The department continues to work closely with the office of Diversity and Transit Equity promoting award of contracts to Minority-owned, Woman-owned, Emerging, Service Disabled Veteran and Disadvantaged Business Enterprises.

The department continues to utilize a web-based vendor/contractor registration system, which notifies registrants via email of current contracting opportunities relevant to their lines of business and allows for electronic downloading of solicitation documentation. In FY2017, this system continued to provide both processing efficiencies and improved competition for TriMet business. There are currently over 12,700 contractors and vendors registered in the system.

During the first half of FY2018, Procurement and Contracts will be implementing a new electronic procurement and contract management system that will streamline the procurement process and eliminate redundant input into multiple systems. All requests will be transmitted electronically, thereby further increasing process efficiency and reducing paper consumption.

Fare Revenue

Revenue Operations

Overview

The Fare Revenue department is focused on fare sales, distribution, revenue collection & processing, controls, Ticket Vending Machine (TVM) maintenance and payment card processing.

Fare Revenue Processing

Advances in fare collection technology continued in FY2017, including the continual growth of the new mobile ticketing app for smart phones, supporting bus, light rail and commuter rail and collecting more than \$35 million in revenue. Fare Revenue contracted with several companies to develop an account-based, regional, open architecture fare collection system. Whereby, customers will use smart cards, contactless debit and credit cards and mobile wallets, equipped with Near Field Communication to tap a contactless validator to board vehicles. This project, called Hop Fastpass™ is launching in Summer 2017.

With the reorganization of the Fare Revenue department, increased focus was given to fare collection technology, including TVM maintenance, a mobile ticketing app, bus ticket printers and the early stages of developing a comprehensive electronic fare collection system. In FY2016, the Fare Revenue department began overseeing maintenance of the rail and bus communication systems to improve reliability of CCTV's, information displays and fare collection of current systems and the future of electronic fare collection.

TriMet Ticket Office

The TriMet Ticket Office (TTO) served over 100,000 customers, representing approximately \$5 million in fare sales. A large portion of customers assisted were Honored Citizens, those ages 65 or older, or persons with disabilities and customers visiting Portland on business or tourism. TTO oversees Online Sales, the Annual Photo Pass program, Field Trips, the Honored Citizen photo ID program, the Bike Locker Rental program and the Retail Outlets Program and is responsible for over \$35M in annual fare revenue.

Field Equipment Maintenance

Field Equipment Maintenance maintains 247 TVMs, processing approximately \$20 million in fare revenue annually, including the maintenance of 246 paper ticket validators. Reliability of TVMs increased to an average of 99.2% in FY2017.

F. Labor Relations and Human Resources Division

The Labor Relations and Human Resources (“LR/HR”) division’s mission is to create a workplace where diverse and talented people want to come, stay and thrive. To accomplish its mission, LR/HR has key strategic objectives around pursuing respectful labor and employee relations, recruiting a talented and diverse workforce, fulfilling its regulatory and statutory compliance obligations and enhancing workforce engagement.

In aid of fulfilling its mission, the LR/HR division has redoubled its ongoing efforts to build a high performance culture within the division by enhancing professional competencies and aligning the team around a common strategy and a balanced scorecard. Meanwhile, LR/HR is taking care to honor the district’s values and to place safety at the forefront of its everyday thinking. LR/HR is making critical contributions to the district’s financial stability by ensuring total compensation for represented and non-represented personnel is competitive with the market, bargaining to ensure the collective bargaining agreement aligns with the district’s strategic financial plan, managing healthcare costs closely and making wise investments in staff training and development.

Strategic Alignment

The LR/HR division has been a leader within the district during the last fiscal year in piloting and deploying balanced scorecard techniques and utilizing key metrics to manage its business. The division strongly supports the district’s recent adoption of a Business Plan, together with its focus on measuring strategic advancement.

Respectful Labor and Employee Relations

The collective bargaining agreement between the district and the ATU expired November 30, 2016. The parties have been engaged in successor negotiations since January 9, 2017. Little progress has been made toward settlement. ATU has offered approximately 150 bargaining proposals -- the district has offered eight. Many of the ATU’s proposals relate to wages and benefits and seek to restore concessions made during the last two contracts. Based upon its research, the district has great confidence that wage and benefit programs for the represented workforce is highly competitive with its public transit comparators.

The district and the ATU also are engaged in a number of matters scheduled for mid-term binding interest arbitrations relating to the district’s proposals to create new job classifications. The parties have pending, before ERB, an unfair labor practice charge filed by the district relating to the seniority of the limited number of journey workers the district has a right to hire from outside the agency. Finally, the district argued an important case before the Oregon Supreme Court on June 14, 2017, relating to collective bargaining and the open public meetings law.

Other labor relations matters continue apace. Over the last year, labor and management collaborated on two new job descriptions and three mid-term bargaining agreements. The district also prevailed in an interest arbitration regarding the new job classification of Customer Experience Agent, but lost a petition by the ATU for certification of Field Outreach & Community Relations Representatives to be part of the bargaining unit. The district received 155 grievances filed by the ATU or its members. The Labor & Employee Relations staff worked closely with management in reviewing 93 Step 1 and 56 Step 2 grievances responses. Staff also managed four ULP charges filed by either the district or the ATU. In addition, there were two full grievance arbitrations heard. The district lost one and the other is pending. Arbitrators decided five expedited grievance arbitrations. The district prevailed in three with one being a split decision.

Managing Healthcare Costs

The district implemented a self-funded healthcare plan effective January 1, 2017 for both represented and non-represented employees. The new plan design is achieving the intended financial results while providing high quality care it builds upon the cost containment concessions bargained with the ATU during the last labor contract.

The district's Other Post Employment Benefits ("OPEB") liability increased 1.13% to \$768,903,680, effective January 2017. Prior to bargaining changes to the collective bargaining agreement, that liability was \$949,592,434 in January 2014. The district has experienced incremental increases in the liability since 2014, but the rate of increase has slowed considerably.

Ongoing annual healthcare plan costs have stabilized, but at a relatively high level. The district's aggregated PPO monthly medical insurance cost per covered employee is \$1,344 (through March 2017) compared to \$1,370 for calendar year 2014, a decrease of 2% over the period. Looking just at the represented employee PPO plans, costs are \$1,333 compared to \$1,561 for calendar year 2014, a 17% decrease over the period. While the trend is positive, compared to other organizations, the district's per member, per month PPO plan claims paid for represented employees in calendar 2016 was 35% higher than the PPO benchmark -- the non-union plan was 0.4% higher. The per member, per month claims paid for the HMO plan in 2016 was 17% higher than the benchmark, while the non-union active employee Kaiser HMO plan was 11% higher.

Achieving a sustainable business model over time will require additional healthcare cost containment. To some extent, however, the district's investment in healthcare reflects the demographics of the covered population. The average age of employees participating in the district's PPO plan is 50.1 years old, compared to 43.2 for the carrier's benchmark. The average age of all lives covered under the PPO plan is 37.6 years old, compared to 33.5 for the benchmark. The gender split is 52%/48% male/female on the PPO plan, compared to 50%/50% for the benchmark. The average age of all lives covered under the HMO plan is 36.4, compared to 34.5 for the benchmark. The gender split is 51.8%/48.2% male/female, compared to 48.8%/51.2% for the benchmark.

Non-Represented Employees

Pursuant to Board approval, the district utilized a 3% salary pool in FY2017 to administer non-represented employee merit increases, promotions and market adjustments. The district awarded 399 employees a merit increase, with an annualized cost of approximately \$976,255. In January 2017, the district also implemented a Move Ahead Compensation salary adjustment ("MAC Money") for eligible non-represented employees. The salary expense for the MAC Money adjustment was approximately \$300,586. Awards varied based upon employee salary as a percent of salary range midpoint and 2016 performance ratings. Approximately 177 of 397 non-union employees received a one-time salary adjustment, which ranged from \$1,000 to \$4,000. The district funded MAC Money adjustments from existing personnel expense appropriations.

For over a year, the district has used a compensation assessment tool ("Salary Placement Form" or "SPF") to determine the appropriate salary for new hires, or internally promoted or transferred employees, based upon their demonstrated knowledge, skills, ability and experience compared to the requirements stated in the job description. An algorithm recommends a starting salary range based upon assessment of those factors. This tool is being refined and expanded to better comply with the Oregon Pay Equity Law of 2017 as it becomes effective.

Represented Employees

The collective bargaining agreement between the district and the ATU expired on November 30, 2016. Consequently, represented employees did not receive a wage increase on December 1, 2016. However, the district has continued to award step and longevity increases during the hiatus period. Even without the wage adjustment, the average wage rate for all represented employees increased by 4.67% (\$27.85/hr. to \$29.15/hr.) from January 1, 2016 to January 1, 2017 due to step and longevity increases.

HR-Related Technology Tools

To assist in reducing the time to fill for open positions, the district's Talent Management Department implemented new technology tools in FY2017. First, the district increased its use of social media tools, primarily LinkedIn Recruiter, in order to access networks of passive job seekers from all industries and professions. Second, the district implemented SkillSurvey, an automated, web-based reference-checking tool. This tool not only has increased the quality of reference feedback, but also has substantially reduced the turnaround time and response rate for reference checks. Moreover, SkillSurvey allows the district to build a database of reference contacts, which is another source of passive candidates for future recruitments. Finally, the district completed the final phase of the NeoGov onboarding implementation. The final module adds functionality to create an online Personnel Order and obtain requisition approvals, which integrates with the Oracle payroll system. This onboarding software also has streamlined the new hire process by forwarding new hire documents to new employees for electronic completion prior to the first day of work.

Employee Development and Succession Planning

Following a downturn in staff training during the Great Recession, in FY2017 the district developed a Learning and Development Program – E3 (Engage, Empower, Expand). The program provides offerings in the area of management and professional development, citizenship, computer skills training and leadership development. To date, Talent Management has delivered over 25 classes and learning events. Employee participation and feedback has been strong. The district also implemented a tuition reimbursement program effective January 1, 2017, which allows employees to complete an academic degree, certification, or take professional courses at an accredited university with substantial financial assistance from the district.

In FY2016, the district initiated a formal succession plan. In FY2017, several identified successors moved into senior positions that have a significant impact upon the ongoing governance of the district. Activity has begun to update the succession plan, including confirming and incorporating new positions and potential successors, as well as beginning to prepare and implement more formal development plans for potential successors.

Regulatory and Statutory Compliance

The district supports a respectful workplace and recognizes differences. The district is committed to a workplace that is free of harassment, discrimination and retaliation. The district has and distributes policies that inform the workforce about unlawful discrimination and harassment, including a policy that outlines the complaint procedure for employees to submit complaints of harassment and discrimination. LR/HR responds to all reports of alleged workplace harassment or discrimination, including conducting prompt and thorough investigations.

Recruitment and Turnover

Due to opening the Portland-Milwaukie Light Rail transit line, district headcount has grown significantly. As of June 30, 2017, core employee headcount totaled 2,825, up from 2,773 a year ago. Core headcount includes all regular full- and part time union and non-union employees. By contrast, core non-union headcount increased marginally to 421, compared to 417 one year ago.

Despite a continued economic rebound and a firming job market, district-wide turnover through May 2017 stood at 8.53%, annualized, compared to 9.03% for the same period in FY2016. Non-represented employee turnover through May 2017 was 11.66%, compared to 9.81% in 2016.

Employee Engagement

To assist in developing a culture that engages employees to contribute to the district's goals, we implemented a quarterly "Pulse Survey" to augment the district's bi-annual "Your Voice" engagement survey. Beginning in FY2017, the district conducted quarterly surveys to obtain the pulse of the workforce more frequently. The survey includes a sample of 50 employees representing a cross section of tenure, represented and non-represented employees and divisions. Participants respond to a subset of questions from the bi-annual engagement survey. The district tracks results for progress against the bi-annual survey results and will conduct its third bi-annual "Your Voice" engagement survey in January FY2018.

G. Legal Services Division

General Counsel

Overview

In FY2017, the Legal department continued to offer agency-wide legal support by anticipating, responding to, and providing leadership on complex issues of legal compliance, reduction of agency exposure, innovation and process improvement and ethical work practices. Attorneys are integrated into all aspects of the agency and work directly with every division to provide advice and coordinate agency response on a wide variety of contract, procurement, liability, employment, intellectual property and governmental issues. These include lawsuits, intergovernmental agreements, public records, public meetings, and legislative, administrative and regulatory matters. For example, the Legal Department worked closely this year with the Hop Fastpass™ team on legal agreements, negotiations, a revised internet terms of service and privacy policy and intellectual property protections related to Hop Fastpass™. The department also administers the Employee Ethics Hotline and provides employee training on public records and ethics rules.

Capital Projects

One attorney is assigned to the Capital Projects division to provide legal services to support the division's work on a variety of capital projects. Legal work includes procurement, contracting, drafting intergovernmental agreements and reviewing Capital Project-related board materials. In addition, the attorney assigned to the division works as Director of Real Property and in that capacity oversees the acquisition, management and disposition of real property for the agency. FY2017 included much work disposing of excess property, consisting mostly of remnants of parcels acquired for Orange Line construction, providing revenue to TriMet while also encouraging transit-oriented development along the light rail alignment.

Civil Litigation

Three attorneys and two paralegals are exclusively assigned to represent and defend TriMet on tort claims, employment matters and a variety of other legal issues in both state and federal court at the trial and appellate levels. As a result, TriMet has been instrumental in developing case law that has a direct impact on the agency. The litigation attorneys also work with other departments to identify and minimize risks. This includes working closely with the Claims department to provide legal advice at an early stage and regularly attending Transit Change Review Committee (TCRC) meetings to identify and reduce legal risk. The litigation attorneys also rotate attendance on the LIFT appeals panel to participate in the certification process and regularly engage with Safety and Operations in a proactive capacity. Substantial agency-wide savings are realized by this in-house program, both by significantly limiting the cost of outside counsel and by implementing proactive changes to minimize legal risks. Additionally, by maintaining an in-house legal department, TriMet's litigation attorneys are deeply familiar with TriMet's business and with other TriMet employees, creating a significant advantage for the agency that does not exist with outside counsel.

In FY2017, the litigation department handled a revolving caseload of approximately 40 active lawsuits, resulting in successful outcomes in state court and the appellate courts, including resolving multi-million dollar cases with little or no financial impact to the agency.

Employment and Operations Matters

One attorney is assigned to the Operations division to provide legal services on a wide variety of issues involved in operating TriMet revenue vehicles. This attorney also partners with the Director of Labor

Relations and Employee Relations in complying with the Working and Wage Agreement (WWA) and responding to information requests by employees represented by the Amalgamated Transit Union (ATU). Work also included close coordination with Human Resources and Operations on internal investigations, record confidentiality and representing TriMet's interests with respect to Equal Employment Opportunity Commission (EEOC) and the Bureau of Labor and Industries (BOLI) claims. Federal and state legislative and administrative rules are closely monitored and, when changed, agency policy and practices are promptly adapted to be in compliance.

Public Affairs

In FY2017, the Legal department supported the Public Affairs division on a wide variety of agency policy initiatives and proposed state legislation. This included reviewing hundreds of proposed bills for potential impact on TriMet, as well as drafting, reviewing and testifying in support of key TriMet bills such as HB 2777 (administrative resolution of citations) and HB 3202 (SW Corridor land use final order).

Records Governance

The Legal department is responsible for developing and implementing TriMet's Records Governance Program, which is facilitated through the agency's Records Governance Manager and Records Analyst. The Records Governance Program implements state and federal laws and regulations as well as TriMet policy with respect to the management of TriMet records. Staff provided ongoing records governance guidance as well as developed/delivered educational training and resources via TriMet's E3 Program and TriNet.

The Legal department continues to support TriMet's commitment to transparency and accountability through the timely and efficient processing of public records requests.

- Processed 641 requests
- Acknowledged 99% of all requests within 1-3 business days (54% acknowledged the same business day received)
- Produced records within ten (10) business days in nearly two-thirds of all completed requests, with over a third produced either the same or next business day
- Provided records to the public free of charge in 62% of completed requests

Records Governance is also responsible for advancing the Records Governance Initiative ("RGI") – an agency-wide effort to improve overall governance of TriMet's records and information. FY2017 activities included:

- Vital Records Project: TriMet board records, including resolutions and ordinances spanning nearly five decades, were scanned into text searchable, archival PDF/A files. The digital files serve as a backup for disaster recovery purposes and make Board records more readily accessible to staff.
- The Classification Plan: Records Governance staff completed work with all TriMet divisions on the development of standardized agency and divisional file classification plans. The new structure is aimed at providing consistent standards of naming, classifying and organizing records across the agency, which will make it easier to locate records over time, despite changes in staff or organizational restructuring.
- Records Governance Liaison (RGL) Network: The Legal department worked with Human Resources and Capital Projects to develop a Lead Records Governance Liaison. The Lead oversees a cross-divisional RGL network, which was launched in January 2017. Divisional RGLs are an integral part of TriMet's RGI Team and play a crucial role in its projects.

- Shared Drive Project: Legal is collaborating with the IT Division on a shared drive project, which generally involves the following:
- Analyzing and cleansing TriMet’s shared network drives of “ROT” (redundant, obsolete, and trivial data)
- Restructuring them in accordance with the agency’s standardized file classification plan
- Improving data security by reviewing and setting appropriate folder access rights and privileges. A pilot project with the Legal division was completed in FY2016. In FY2017, work continued with the Information Technology, Capital Projects, General Manager, and Safety, Security and Environmental Services divisions.

H. Operations Transportation and Maintenance Divisions

Service Enhancements

For each of the service changes listed below, the Transportation division prepared service change schedules and operator assignments and trained additional operators over and above training requirements for replacement of existing operators. The Maintenance division updated and increased as necessary bus vehicle pullout and servicing commitments from the affected garages.

Service Change Date	FY2017 Service Enhancements
Fall 2016: 9/4/16	<ul style="list-style-type: none"> ▪ Bus service enhancements: lines 4, 32, 36, 63. ▪ Line 71 bus service enhancement: this line was split into two lines, the 71 - 60th Ave. line, and the 73 - 122nd Ave. line, with additional weekday rush hour trips. ▪ Schedule reliability (runtime) improvements for more predictable arrival times: on lines 1, 8, 17, 18, 39, 44, 55, 63, 85, 92, and 152. ▪ Additional trips to meet rider demand: lines 14, 15, and 17.
Winter 2016: 12/4/16	<ul style="list-style-type: none"> ▪ For the first time in 12 years, line 99 was re-routed over the new Sellwood Bridge, servicing new stops on SE Tacoma and SW Macadam, as well as in the South Waterfront, and connecting with the OHSU Aerial Tram. ▪ Schedule reliability improvements: lines 30, 34, 35, and 57.
Spring 2017: 3/5/17	<ul style="list-style-type: none"> ▪ Additional trips to meet rider demand: lines 20, 21, and 79. ▪ Line 155 was extended to SE 172nd Ave. to serve the Happy Valley Crossroads development.
Summer 2017: 6/4/17	<ul style="list-style-type: none"> ▪ Schedule reliability (runtime) improvements for more predictable arrival times on line line 99.

In addition, TriMet's FY2018 Adopted Budget will increase bus service 3.6% over FY2017 levels, including:

	Fall 2017	Spring 2018
Service enhancements	lines 33, 44, 52, and 77	lines 87 and 152
Route changes	line 6	lines 81 and 152
New lines		lines 42, 74, and 82
Additional trips to meet rider demand	lines 4, 12, and 17	lines 15 and 19

Field Operations Review

In FY2016, Chief Operating Officer (COO) Doug Kelsey conducted an assessment and review of TriMet's Operations Command Center (OCC). This was followed in FY2017 by an assessment and review of transportation field supervisor functions of the Field Operations department. Work plans to implement improvements to training, procedures, IT tools and management support were enacted following both assessments.

Light Rail Service Reliability Continuous Improvement

On January 6, 2016, COO Kelsey launched an action plan and named action teams from Safety, Transportation, Maintenance and Capital Projects for improving light rail service reliability and on time performance. The initial six months of the effort, during the second half of FY2016, focused on stabilizing and increasing service reliability and MAX on time performance (OTP). By June 30, 2016, MAX OTP increased from 78.3% to 83.7%. During FY2017, a second generation light rail continuous improvement program was launched, with an objective to increase MAX OTP to between 85.5% and 86.5% by June 31, 2017. As of June 2017, MAX OTP is trending at or above 86%. While this improvement is a result of incremental improvements in many areas of light rail operations and maintenance, major contributing factors are providing real-time OTP data displays to rail operators in the light rail vehicle cabs, correcting trackway conditions requiring slow orders and increased light rail vehicle mean distance between failure (MDBF).

Bus Service Reliability Continuous Improvement

On August 30, 2016, COO Kelsey launched a similar action plan and team for improving bus service reliability / on time performance, with an objective to increase bus OTP to between 84% and 85% by June 31, 2017. At the time, Bus OTP was trending at about 81.1%. As of June 2017, Bus OTP is trending at or above 84%. Just as with the light rail OTP improvement, the bus OTP improvement is a result of incremental improvements in many areas of bus operations and maintenance, with major contributing factors including tightened oversight of operators leaving the yard on time, buses being on time at time points and operators with chronic performance issues.

Service Emergencies Due to Winter Weather and Citizen Protests

FY2017 was a more challenging year than normal for TriMet transportation and maintenance operations, due to severe winter weather and citizen protests. Winter precipitation was at record levels. Over a five-week period in December 2016 and January 2017, five separate winter storms hit the Portland metro area. On December 14, 2016, traffic throughout the metro area was gridlocked during a severe snow/ice storm. From January 11 to January 18, 2017, heavy snow blanketed the metro area. TriMet operators, maintenance personnel and operations supervisors demonstrated extraordinary commitment to report for duty day after day and under difficult working conditions to keep the system moving. Due to political issues surrounding the November 2016 presidential election, citizen protests were more numerous, larger and therefore disruptive to TriMet lines passing through downtown Portland, with the most significant events occurring on January 20, 21 and May 1. TriMet applied its Winter Operations Plan to the severe weather events and its incident command system (ICS) to each service emergency.

TriMet applied its special event service plans and ICS to numerous large civic events during FY2017 at Rose Quarter, Providence Park and Waterfront Park, as well as during the June 3 and June 10, 2017 Rose Festival parade days.

MAX Operating Rules Compliance

At the beginning of FY2017, COO Kelsey requested an independent third party audit of operating rules compliance on the MAX light rail system, following several years of increases in operating rule violations. A former railroad accident investigator for the National Transportation Safety Board was engaged to perform the audit, which was conducted September 2016. Specific tasks included a review and analysis of rule violation data, an onsite review of rail signal and overspeed locations in relation to rule violations, reviews of rail operator training, rules compliance program, operating rule book and standard operating procedures and technical support on signaling and communication systems.

The audit report was issued December 12, 2016. Recommendations focused on rule violation investigation processes, interdepartmental communications and coordination, field training and coaching of operators, data analysis and distribution, rail operating rules, rail operator training, staff resources and engineering and equipment improvements. COO Kelsey launched an action plan and named an action team from Safety, Transportation, Maintenance and Capital Projects to address all 39 of the recommendations and achieve ongoing reduction in rail rule violations as soon as possible. Results are being tracked by monitoring the trend in rule violation rates per million miles in a number of categories. Significant reductions in violation rates in all categories were achieved by the end of FY2017. TriMet's Business Plan, adopted May 2017, included an objective to complete implementation of all 39 recommendations from the audit by the end of FY2019.

Fixed Route Buses

During the second half of FY2017, a total of 50 new fixed route buses were placed into service, replacing 24 buses and expanding TriMet's bus fleet by 26 buses for service enhancements.

TriMet views each new bus purchase as an opportunity to make improvements for safety, comfort and convenience of bus operators and riders in addition to improving reliability. The Maintenance division works with the Transportation division's training department, with the Safety & Security division and with an ongoing Bus Operator Continuous Improvement Team (BOCIT) to determine bus safety and operator improvements, which are incorporated into each new bus purchase.

Accessible Transportation Programs / LIFT Vehicles

During FY2017, a total of 26 new replacement LIFT mini buses were placed into service and 15 replacement LIFT minivans were procured for delivery early in FY2018.

MAX Track Reconstruction Projects

Maintenance division staff work closely with TriMet's Finance and Capital Projects divisions to develop and implement State of Good Repair capital replacement projects across the TriMet system. Among these many projects, a highlight is a series of FY2015-20 projects to reconstruct paved track and switches in central Portland for the original Eastside MAX Blue Line, which turned 30 years old in 2016. During FY2017, two projects continued the program:

- Reconstruction of track switches in the Rose Quarter area in August of 2016.
- Reconstruction of track switches on SW 11th Avenue at Morrison and Yamhill Streets and replacement of curved rails at SW 1st Avenue at Morrison and Yamhill Streets in May of 2017.

Also in FY2017, development work proceeded for remaining projects in this program, which will occur in FY2019 and FY2020:

- Reconstruction of track on the lift span of the Steel Bridge, combined with reconstruction of track switches on NE Holladay Street between NE 9th and 11th Avenues is currently scheduled for August 2018.
- Reconstruction of track switches on SW 18th Avenue at Providence Park is currently scheduled for May 2019.
- Reconstruction of track on the approaches to the Steel Bridge is currently scheduled for August 2019.

Each of these projects require MAX service to be “bridged” with buses during the reconstruction, which in turn requires major cross-divisional efforts within TriMet to develop and implement the special bus bridge and MAX service plans during the work, including comprehensive customer information and assistance plans. The May 2017 MAX track reconstruction project (SW 11th Avenue / Morrison and Yamhill Streets) was also coordinated with Multnomah County’s rehabilitation of the Burnside Bridge, which resulted in suspending MAX service along SW 1st Avenue so that rehabilitation of the underside of the Burnside Bridge at Skidmore Fountain station could be performed.

Facilities Network Strategic Plan

On March 30, 2016, COO Kelsey chartered a multi-divisional staff team to prepare a TriMet facilities network strategic plan. The scope of this assignment was to identify TriMet operations, maintenance and administration facilities development needs through 2025 and beyond due to TriMet’s September 2015 enactment of an increase in the TriMet transit district payroll tax by 1/10 of 1% over 10 years (2016-2025) to fund increases in TriMet transit district service in fulfillment of the Portland metropolitan area’s Regional Transportation Plan. This includes general growth of fixed route bus, LIFT paratransit and light rail service as well as corridor transit service improvements including the Division Bus Transit and Southwest Corridor Light Rail projects.

The Facilities Network Strategic Plan assignment was completed in December 2016. Findings from the review resulted in a number of facilities development decisions:

- TriMet will completely redevelop its Powell bus operations facility by 2021, replacing currently undersized and deteriorated facilities according to a new master plan for that site, which will maximize bus capacity and accommodate the Division Transit Project’s articulated buses (as well as future increases in articulated buses expected on other TriMet bus lines in the future).
- To allow for the Powell master plan redevelopment, TriMet’s eastside operating base for LIFT paratransit will be relocated from the Powell site to a new location just west of the I-205 freeway, by mid-2018.
- As bus service continues to incrementally increase while TriMet’s Center and Powell facilities are at or near capacity, more bus service will be based out of TriMet’s Merlo (westside) bus garage, beginning in 2018 and continuing into the next decade.
- Light rail operations facilities development needs were determined for the Southwest Corridor Light Rail project, as well as for future increases in service on the existing light rail system.
- Long range planning will begin in FY2018 for development of a 4th TriMet bus operations facility, which will be needed during the next decade as fixed route bus service is projected to exceed ultimate capacities of TriMet’s Center, redeveloped Powell and Merlo facilities.

eFare (Hop Fastpass™)

During FY2017, the Transportation and Maintenance divisions worked closely with the Finance division’s Fare Revenue department for eFare implementation. Implementation began in FY2015 and continued through FY2016 and FY2017, with eFare readers installed on all MAX and WES platforms as of the end of FY2016 and installed in all fixed route buses as of mid-FY2017. In FY2017, all Bus Transportation department employees were trained on eFare system operation, while Bus Maintenance employees and Field Equipment technicians were trained on eFare equipment maintenance.

Division Bus Transit Project and Southwest Corridor Light Rail Project

During FY2017, the Transportation and Maintenance divisions worked closely with the Public Affairs division's Planning and Policy Development department and with the Capital Projects division for planning the Division Bus Transit Project (DTP) and the Southwest Corridor Light Rail Project (SWC). For the DTP project, Transportation and Maintenance representatives assisted in evaluating the type of articulated buses for the service and designs for the DTP stations and stops. For the SWC project, operations plans were prepared for the project's alignment alternatives and operations and maintenance facility needs as alternatives were developed.

I. Capital Projects

Capital Operating Projects

Portland-Milwaukie Light Rail Project - Orange Line

The Portland-Milwaukie Light Rail Transit Project (“PMLR”) opened on schedule on September 12, 2015. Due to timing of federal permission to proceed with certain project elements, TriMet elected to defer some activities until after opening:

- TriMet purchased a warehouse on SE 20th Street to house displaced facilities management staff and programmed the space for facilities’ management plant mechanics and storage for the public art program and customer information services. Invitation to Bid on construction documents is scheduled for completion in June 2017.
- A redundant backup command center will be located at Ruby Junction in a space formerly occupied by rail control staff. Design was completed and submitted to Transportation Division leadership for final review.
- TriMet installed 14 additional shelters at 10 stations with all work completed in time for Rose Festival in June 2017. Punch list, contract closeout and final payment are expected to complete by September 2017.
- Weatherizing the new wash rack at Ruby Junction to ensure winter operations was completed in June 2017.
- At Ruby Junction, design work for remodeling maintenance bays, which will handle truck rebuilding for the newest light rail vehicles is underway.
- Early project development work began for a bike and pedestrian overcrossing spanning light rail tracks, UPRR tracks and SE Gideon at SE 14th.

Capital Projects

On the Willamette Shore Line between Lake Oswego and Portland’s south waterfront, TriMet is rebuilding the Riverwood and Boundary Street crossings and is proceeding with culvert and drainage improvements at five locations within the Powers Park vicinity.

In anticipation of remodeling Powell Garage, LIFT facilities will be relocated to the Green Line Powell park and ride. Design is complete and TriMet awarded the contract for construction management/general contractor services. Construction is expected to be completed in March 2018.

Working with Safety and Security, the division is constructing safety enhancements at high priority at grade light rail crossings. Construction of the first group is underway and expected to be completed this Fall in Gresham at NW Division Street and NE Hood Avenue; in Hillsboro at SE 10th & Washington and SW 185th Ave; in Beaverton at SW 170th and SW 21st and Jefferson in downtown Portland.

The Blue Line station rehabilitation project uses a station by station sequence of work. Refurbishment of Gresham City Hall station reached substantial completion in early June and is expected to be completed in mid-July. Design work for the East Burnside/122nd Avenue station began in March.

Construction to retrofit walls and lighting at the underground platforms at Washington Park began in May and is expected to be completed in August.

The rail systems team is assisting with the agency's response to the December 2016 rail safety audit recommendations and is also providing ongoing on time performance support and analysis. Other ongoing efforts include track switch replacement and upgrading wayside and bus CCTV cameras.

Design is complete for the new bike parking facility within the existing Gateway park and ride garage. Following approval by the City of Portland Design Review Commission, a construction contract is expected to be awarded by the end of the calendar year.

To reduce delay and enhance reliability for light rail transit across the Steel Bridge, TriMet is studying near- and long term capital and maintenance improvements. The near term encompasses the next four years through FY2020 and combines trackway improvements with turnout replacement near the Lloyd Center. TriMet is studying four alternatives for possible long term improvements.

TriMet continues to make improvements to bus stops and surrounding environments, addressing changes from service adjustments, adding shelters to improve established lines, adding rapid flashing beacons at non-signalized intersections or midblock crossings and adding ADA access features, bus pads and signage.

An assessment of the condition of TriMet's elevators was completed in April 2016 with 19 elevators identified for significant repair or replacement in the next five years. The elevators are at TriMet stations, maintenance facilities, offices and parking garages. TriMet's Financial Forecast includes an overall plan to design and construct improvements through 2020. The first package addresses elevators at NE 42nd (Hollywood), NE 60th and NE 82nd Avenues.

The Division continues to work on constructing or improving operator break facilities:

- The permanent operator restroom at SE Flavel is expected be complete in mid-July.
- Separate buildings for operators and signal/communications will replace the existing water damaged building at Cleveland. The location for the operators' building will be coordinated with the Division Transit Project. Construction documents are scheduled to be ready by the Spring of 2018 with completion the following Summer.
- TriMet submitted plans to the Design Review Commission for an operator break room at Hollywood Transit Center.

After the events of May 26, 2017, TriMet is reconsidering all work contemplated at the Hollywood Transit Center. The current schedule anticipates groundbreaking for a memorial on May 26, 2018.

TriMet will relocate the Transit Police Central Police from Old Town to a storefront space in the future Oregon Convention Center hotel parking facility. Under the January 2017 purchase and sale agreement with the Portland Development Commission (PDC), TriMet purchased real property in the form of condominium ownership. PDC will construct the core of the building and shell of TriMet's space and TriMet will be responsible for tenant improvements. Design will begin in November 2017 with construction in early 2019.

The Federal Transit Administration (FTA) awarded TriMet a \$3.4 million Low or No Emission grant to purchase five electric buses. TriMet supplies an additional \$3.8 million in local matching funds, which are budgeted in the Capital Improvement Program.

WES Commuter Rail

TriMet continued developing the Positive Train Control system for the WES Commuter Rail to comply with the revised Federal Railroad Administration (FRA) deadline of December 31, 2018. The FRA confirmed the single point of contact and railway worker in charge requirements in April. TriMet submitted the draft revenue service demonstration plan. TriMet applied (and has preliminary approval) for a \$2.7m Federal Transit Administration (FTA) grant to help offset the cost of these requirements.

The division is pursuing the purchase of two Rail Diesel Cars (RDC) from AllEarth Rail in Burlington, Vermont to improve on time performance and improve the spare ratio. Purchase is budgeted in FY2018.

Division Transit Project

The 14-mile Division Transit Project (DTP) will connect downtown Portland, southeast Portland, east Portland and Gresham. Longer, high capacity buses will travel on Division to the Gresham Transit Center. Buses will offer boarding at multiple doors and benefit from transit signal priority, traffic signals which prioritize buses. Approximate station locations have been identified. The total budget is estimated to be \$175 million. TriMet will apply for \$100m in funding from the FTA.

Design work is underway and is expected to conclude in 2019 with construction following. The project is scheduled to open for revenue service in 2021.

Southwest Corridor

The Southwest Corridor project will connect light rail service between downtown Portland and Tigard or Tualatin. The project is preparing the Draft Environmental Impact Statement (DEIS), which is expected to be completed later in 2017. The Steering Committee, which is composed of representatives from the affected cities, TriMet, ODOT and Metro, will engage in public comment prior to adopting the DEIS.

TriMet and the community continue to study alignment choices and are addressing questions regarding the location of the terminus, connections with the campuses of Oregon Health and Science University and Portland Community College at Sylvania, and station and park and ride locations. Selection of a locally preferred alignment alternative is expected in early 2018.

In November 2018, regional voters will be asked to authorize the local share of the estimated \$2.4 billion needed to fund the project, which could open for revenue service in 2025.