Rogue Valley Transportation District

Ten-Year Long Range Plan

2007-2017

Providing and Promoting Efficient Transportation since 1975

Acknowledgements

Ten-Year Long Range Plan

Prepared for and by

Rogue Valley Transportation District

With assistance from

Rogue Valley Council of Governments

Jurisdictions Served in District

City of Medford

City of Central Point

City of Phoenix

City of Ashland

City of Talent

City of Jacksonville

The Unincorporated area of White City

Jackson County

Rogue Valley Transportation District

3200 Crater Lake Ave.

Medford, OR 97504-9075

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December 2007

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I. Executive Summary

Regional and Historical Context

The Rogue Valley Transportation District (RVTD) serves most of the urbanized area in Jackson County, OR with public transit and paratransit services. It also serves other roles such as providing medical-purpose transportation for Medicaid clients, coordination with other government agencies for transportation planning and houses the region's rideshare program.

The region served by RVTD has a rapidly growing urban population, with large areas recently re-designated as "urban" rather than "rural" by the federal government due to their population size. Population projections include higher than average senior and workforce demographics that may depend on public transportation. Historically, development has been at low and very low densities, creating a highly challenging environment for transit service. However, much of the region's development – particularly its commercial and industrial activity – has occurred along a corridor that follows the region's primary rail line. This pattern has enabled RVTD to provide access to the large majority of the region's jobs, and nearly half its households, with a surprisingly low number of route miles. However, strong development pressures elsewhere may significantly alter this centralized development pattern in the future.

RVTD is supported primarily by federal and state grants, augmented by a small property tax assessment of $0.17 per thousand, passenger fares, and a variety of additional minor revenue sources. Ridership has steadily increased for many years, but escalating operational costs has outpaced revenue growth, especially with regard to paratransit service. The budget was balanced by increasingly vigorous grant procurement until the 2006-2007 fiscal year, when budget limits forced two important routes to be discontinued. Projections anticipate a growing gap between costs and revenues, given the District's current revenue structure. (This is discussed in more detail in the body of this Plan.)

RVTD Mission and Goals

On August 23, 2006, the RVTD Board of Directors adopted the following mission statement to guide services, operations and staff goals through 2017.

> ***"Rogue Valley Transportation District's mission is to provide quality public transportation, viewed by residents and visitors as a realistic and viable alternative to the personal automobile, and to thereby improve the quality of life in the Rogue Valley."***

The Board of Directors also adopted four new goals in the categories of Social, Organizational, Economic and Environmental policies listed below in Figure 1.1. Each goal has an example implementation mechanism of how it could be achieved. Measurable objectives for this Ten-Year Plan are described in chapter XI and listed in Appendix N. The 2007-2017 goals replace the goals from the District's previous Ten-Year plan, which are summarized in Appendix A in conjunction with their accomplishments.

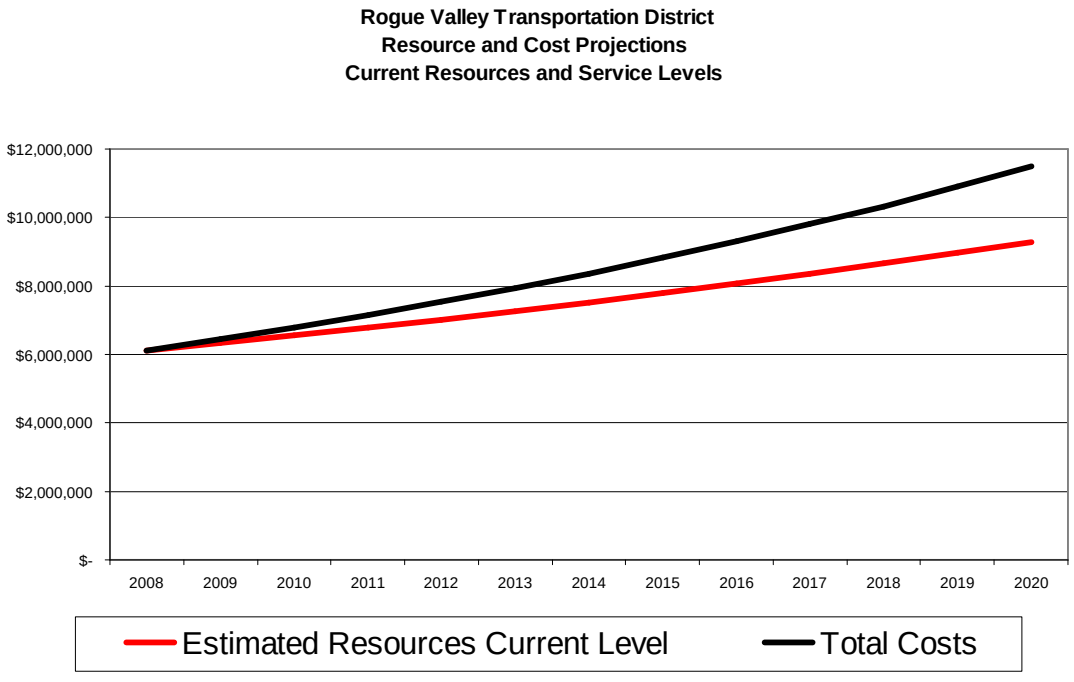
Figure 1.1 RVTD's Adopted Goals

GOAL CATEGORY	OBJECTIVE	IMPLEMENTATION EXAMPLE
SOCIAL	SUPPORT EQUITABLE ACCESS TO TRANSPORTATION	To consult with transportation-disadvantaged community.
	IMPROVE QUALITY OF LIFE	Improve transit access design standards, including bus stop and other passenger amenities.
ORGANIZATIONAL	ENSURE THE EFFICIENT USE OF TRANSIT INVESTMENTS	Comply with Federal Transit Administration guidelines regarding vehicle replacement, rehabilitation and expansion.
	MAINTAIN OVERALL SERVICE QUALITY WHILE INCREASING SERVICE LEVELS	Expand service hours to include earlier mornings and later evenings on appropriate routes. Preferred 4AM to 10PM.
	IMPROVE COMMUNICATION WITH KEY PARTNERS	Identify 'key partners' and establish working group to meet at least once per year.
	IMPROVE INTERNAL COMMUNICATIONS	Hold monthly staff meetings and Board Study Sessions.
	IMPROVE PUBLIC OUTREACH/ MARKETING	Install transit schedule and route information in all bus shelters.
ECONOMIC	SUPPORT ECONOMIC VITALITY	Collaborate with private sector to identify workforce transportation needs and transit solutions.
	ENHANCE RVTD'S FINANCIAL STABILITY	Secure a stable source of funding to continue current service levels and allow for expansion.
ENVIRONMENTAL	AIR POLLUTION / FUEL EFFICIENCY	Promote service improvements that will result in reduced reliance on the automobile.
	REDUCE SPRAWL	Adopt density standards for transit service extensions.
	REDUCE WATER AND OTHER POLLUTION	Continue the capture and recycling of contaminants from maintenance activities.

Revenue Projections

RVTD was established in 1975 as a state-chartered "Transportation District" under ORS 267.510. As such, it has a limited range of authority to assess certain taxes as well as fees for services rendered. The District also raises money from a variety of federal and state grant programs. Every tax, fee, and grant is governed by state or federal rules that set overall limits and define the uses for a particular revenue source. A description of RVTD's revenue sources is provided in chapter IV. RVTD is currently, and will continue to be, faced with difficult choices regarding the maintenance of service. At current revenue levels RVTD's Board and staff expect to reduce frequency or discontinue routes to maintain a balanced budget each year as required by Federal law. This Ten-Year plan establishes revenue projections which indicate the urgency in identifying and securing new funding sources. The projected revenue with current resources and costs of service within the time horizon of the Plan is shown in Figure 1.2.

Figure 1.2 Revenue and Costs Projection Through 2020



For the purposes of this Plan, four possible revenue scenarios were projected through 2017. The scenarios are intended to represent likely funding bases, and to illustrate a realistic range of revenue potential. Of the four new revenue sources, two include a new source, an employer payroll tax, to be used in addition to the current revenue stream. One of the scenarios includes a small property tax increase. All of the scenarios project a leveling-off of revenues from state and federal grants – a reasonable expectation given the experience of other transit districts as they have grown in size (see discussion in chapter IV – Revenue). Elements of the revenue scenarios are summarized in Figure 1.3. With the preparation of this Long Range Plan, the Board and staff will have a greater understanding of the district's revenue options. Once the Long Range Plan has been adopted, RVTD will discuss which revenue scenario will best serve the needs of the Rogue Valley community. A Strategic Business and Operations Plan will follow and be written to extrapolate on the preferred revenue option.

How the Long Range Plan prepares a Strategic Business Plan

Key differences exist between a Long Range Plan and a Strategic Business and Operations Plan. Possibly the most important difference is the governing structure of the District does not mirror that of a business structure. A business looks at profit, margins, feasibility, marketability and sales per square foot among other factors. RVTD examines instead federal and state funding that is either appropriated or competitive, ensuring each route is productive using passengers per mile analysis, understanding fare elasticities, balancing capital purchases and operation expenses to list a few. Many of these factors are cross compatible. For example starting a business can be similar to starting a new route. Just as a business would conduct a feasibility study, RVTD would project ridership demand. In many ways, RVTD conducts business, like a private enterprise.

Figure 1.3 Summaries of Revenue Scenarios

Source	Scenario 1 Existing Revenue Structure Figure 1.3	Scenario 2 Property Tax Assessment Figure 1.3	Scenario 3 One-time Local Payroll Tax Assessment Figure 1.3	Scenario 4 Implementation of Local Payroll Tax Assessment Figure 1.3
Property Taxes	Linear projection of Transit District assessment average annual dollar amounts from last nine years.	Assessment increase from $0.17 to $0.25 per $1,000. Forecast increase in asset valuations at rate of 3.55%/year.	No change from current $0.17 assessment. Forecast increase in asset valuations at rate of 3.55%/year.	No change from current $0.17 assessment. Forecast increase in asset valuations at rate of 3.55%/year.
Fares	Rate unchanged. Ridership growth based on '96-'05 experience.	Rate unchanged. Ridership growth based on '96-'05 experience.	Rate unchanged. Ridership growth based on '96-'05 experience.	Rate unchanged. Ridership growth based on '96-'05 experience.
Service Agreements*	Linear projection of growth over last nine years.	Increase to $200,000 by 2010, and then plateau.	Increase to $200,000 by 2010, and then plateau.	Increase to $200,000 by 2010, and then plateau.
Local Payroll Assessment	None.	None.	$0.003 assessment in 2008. OED forecast for job growth, plus 1% annual wage growth.	$0.003 assessment in 2008, increasing by 0.1% every four years until maximum $0.007. OED forecast for job growth, plus 1% annual wage growth.
State Payroll Assessment	Increase at 2%/year.	Increase at 2%/year.	Increase at 2%/year.	Increase at 2%/year.
State & Federal Grants	Grants will stabilize at about $3.1 million beginning in 2007.	Grants will stabilize at about $3.1 million beginning in 2007.	Grants will stabilize at about $3.1 million beginning in 2007.	Grants will stabilize at about $3.1 million beginning in 2007.

* Bus Leases, advertising, service subsidies, etc.

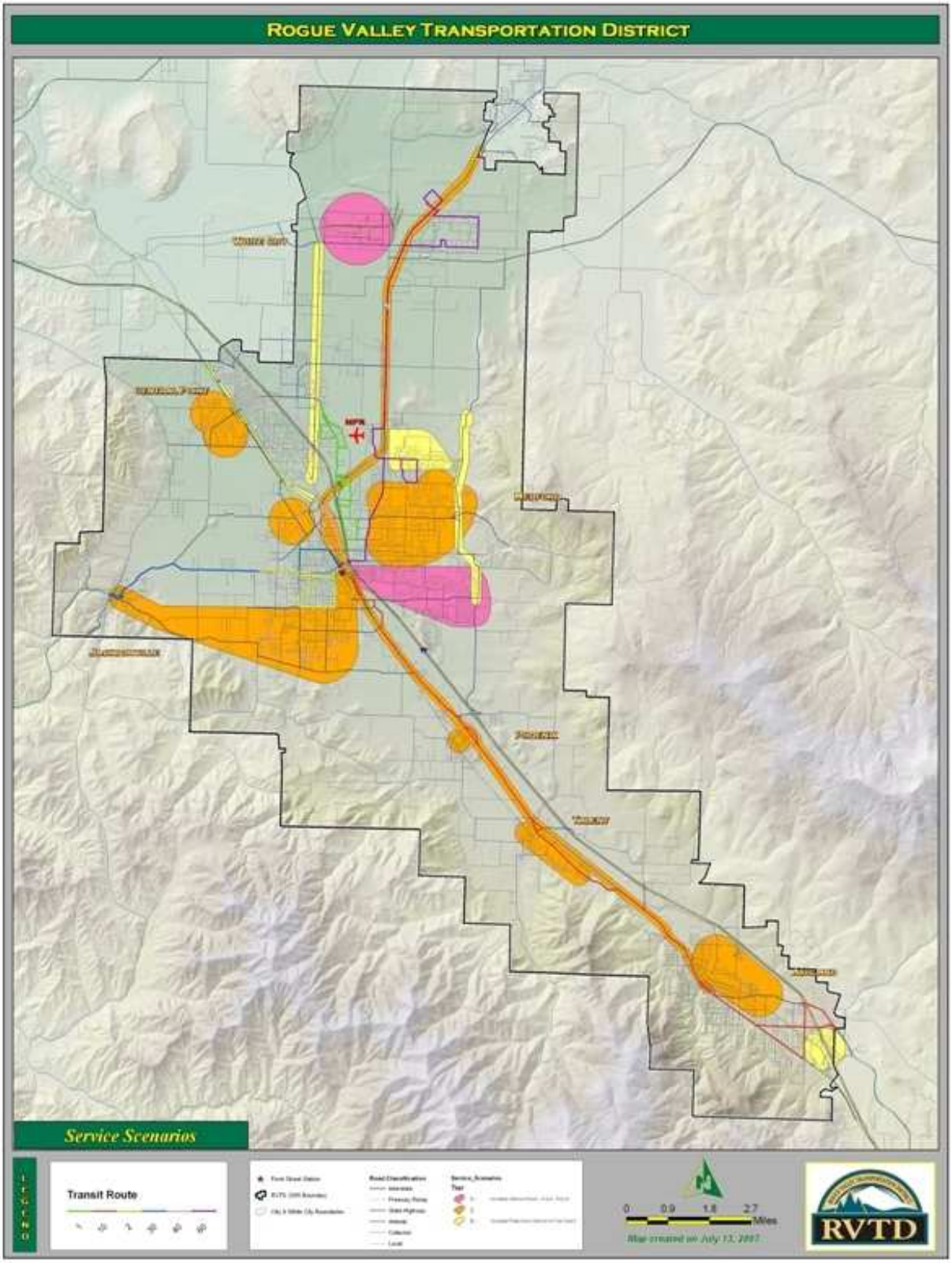
RVTD's Strategic Business and Operations Plan will focus on the service improvements provided through the revenue scenarios. As you will see, the Long Range Plan includes material that goes beyond revenue projections and would not be appropriate in a business plan. Conversely, the Strategic Business and Operations Plan will include material that is not appropriate for the Long Range Plan, such as the public and legislative process for securing the preferred revenue base to expand service. These documents will complement each other and the Strategic Business and Operations Plan could not occur without the Long Range Plan preparation. RVTD hopes to provide useful tools through these documents for the community to make an informed decision on RVTD's future.

Service Alternatives

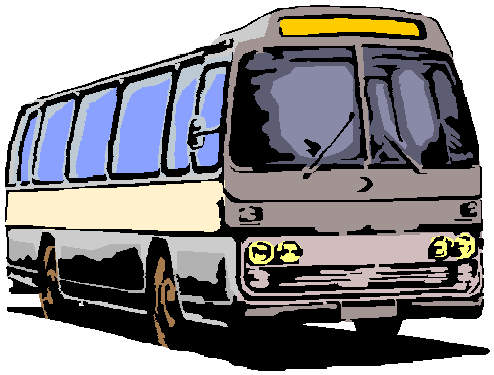
The extent and quality of transit service that RVTD can offer is, of course, dependent on the resources available. A computer model was developed for the ten-year planning horizon, designed to project the costs of various service scenarios. The model was based on cost units derived from RVTD's past experience and on federal rules for the provision of paratransit. Two fundamental cost units were used – hours and miles for fixed route service, and a factor based on a percentage of costs for the district's paratransit service.

For fixed route service, the cost units are based on vehicle miles, hours of service and operations. For paratransit, the cost unit is based on current demand and cost per route. All operational, capital, and administrative costs were calculated and projected to the plan horizon based on inflation, cost of fuel and personnel, depreciation of capital assets and the anticipated purchase of additional equipment as demand increases. The characteristics of prospective service scenarios (e.g. route miles, service hours) were input to the model, which projected costs for each service scenario to the time horizon for the plan. Figure 1.4 is a map reflecting the priorities for implementing future service enhancements, discussed more in chapter V.

Figure 1.4 Planned New Service Areas



II. Introduction



Purpose of the RVTD Long-Range Plan

RVTD completed its last long-range plan in 1996, entitled Ten-Year Community Transportation Plan for the Rogue Valley (1996-2006). Work began in the spring of 2005 to develop a scope of work for an update. In the meantime, development of the 2005-06 RVTD budget made it apparent to RVTD staff and the Rogue Valley Metropolitan Planning Organization (RVMPO) that a budget crisis was threatening the agency, because costs had been outpacing revenues. By the 2006-07 budget development process, RVTD was not able to continue the current level of services with existing revenue sources.

The RVMPO and RVTD coordinated to include an update to the Ten-Year Long Range Plan to be part of the region's 06-07 Unified Planning Work Program using 5303 Planning Funds. Their aim was to develop a new long-range plan that will be sustainable and meet the transit needs of the region. Work has been coordinated by RVTD, and conducted by RVTD staff and the RVMPO, guided by policy directives from the RVTD Board of Directors. Extensive effort was made to gather input for the plan from the public, the business community, jurisdictional stakeholders, and from the special transportation needs community.

2007-2017 Long Range Plan Key Elements

The RVTD Ten-Year Plan 2007-2017 is a multi-modal document focused on revenue forecasting, fixed-route and paratransit services, departmental needs assessment and establishing creative programs that have been successfully implemented at other transit agencies. It is designed to meet the community's public transportation needs as determined by the future revenue potential. Additionally, effort has been made to take a holistic look at how RVTD's departments work together, recognizing that if each department's needs are met the entire District will operate more efficiently.

The document begins with a review of the previous Ten-Year plan (1996-2006), an overview of RVTD's services and a description of the regional community the District serves. Next, the plan reviews the several workshops that were organized to receive public input from citizens, passengers, the business community, government staff and elected officials. The four projected revenue and scenarios and prioritized service enhancements are then presented followed by an evaluation mechanism for 2017 using performance measures. An in-depth analysis of the job and population densities within the service area is presented to show how RVTD is presently meeting the needs of the community. Next, the purpose of the Long Range Plan and its goals and objectives for future service are explained. Finally, the RVTD departmental long-term goals and needs are specified as well as planning for efficient operations. The document concludes with a recommendation from the Board of Directors on how RVTD should proceed with attaining the future service goal. A glossary is provided in the back fro reference.

Review of Previous Ten-Year Plan [1996-2006]

RVTD staff reviewed the goals and objectives of the previous Ten-Year Plan, entitled "*Community Transportation Plan for the Rogue Valley 1996-2006"*, to measure the District's performance over the last decade. Staff determined that

the previous plan was underutilized due to missing key elements such as creative funding mechanisms and programs and how to address departmental needs. The breadth of the previous plan's content was in establishing six goals and forty-two objectives. With the exception of providing seven-day a week service, the District has accomplished the large majority of the objectives established in the 1996 plan. A full description of the goals, objectives and the levels of achievement are provided in Appendix A.

Description of current RVTD Services

RVTD is Jackson County's regional public transit resource. From its fleet of buses on regular routes, to arranging carpools for employees commuting to and from the workplace, to providing specially equipped vehicles for people with disabilities, RVTD makes possible a variety of affordable and accessible services for people traveling in and between communities across the Rogue Valley. RVTD has four programs housed at its Crater Lake and Barnett offices including Fixed-route, Valley Lift, Way To Go, and Translink. A description of each department is provided below.

RVTD's Administrative Office in Medford

Fixed-Route Bus Service

RVTD currently operates regularly scheduled buses on routes serving Medford, Central Point, White City, Jacksonville, Ashland, Phoenix, Talent and Jackson County. The District covers 158.5 square miles and serves approximately 150,000 residents who live within its jurisdiction. RVTD operates regularly scheduled bus service and ADA paratransit service along a network of more

than 111 miles of "fixed" routes. More than 2.7 million passenger miles are traveled annually.

Service is available Monday through Friday with the first bus leaving Front St. Transfer Station at 5:00 a.m. and the last bus departing from the station at 6:30 p.m. With the exception of Route 30 to Jacksonville and Route 1 serving the Rogue Valley Airport, all routes have 30-minute frequency.

Passenger fares are $2.00 for full-fare paying passengers and $1.00 for reduced-fare paying passengers who are 62 years of age and older, 10-17 years of age or for persons with a disability. Children ages 0-9 ride for free with a fare-paying passenger. RVTD partners with the City of Ashland to subsidize fares down to $0.50 for passengers riding within the Ashland city limits. A fare increase went into effect July 1, 2006 that doubled most fare mechanisms.

Valley Lift

RVTD's Valley Lift Program is a paratransit service for people whose disability may prevent them from using the bus, i.e. those who are either unable to travel to a bus stop or use it once they arrive. The service is provided in compliance with the guidelines of the Americans with Disabilities Act (ADA).
Valley Lift is partially operated by Paratransit Inc. under contract with RVTD. The service costs passengers double the fixed route fare and is available within ¾ of a mile to either side of RVTD's fixed-routes. There is an application and screening process to determine eligibility.

Translink

TransLink provides transportation services to eligible Oregon Health Plan and eligible Medicaid clients traveling to authorized medical services within the Coos, Curry, Douglas, Josephine, Jackson, Klamath and Lake Counties. Transportation is

provided only to eligible OHP and Medicaid clients who have no other way to get to their medical services. Eligibility is verified by a client's valid Medical Card or being in the Translink database. There is no cost to eligible clients for OHP/Medicaid transportation services. This program is funded 100%, with no local match, by the Department for Health and Human Services. RVTD houses this program in the same building as Valley Lift.

Way To Go! Program

RVTD houses the region's Transportation Demand Management program that is funded through ODOT Region 3 and requires a small local match. The TDM program, branded the Way To Go! Program, provides detailed information, planning support, and technical assistance to residents and employers interested in reducing automobile travel. Services include community outreach and education programs, workplace trip reduction programs, collaboration with local government bodies, rideshare and vanpool assistance.

Brief History of RVTD

The Rogue Valley Transportation District continues a tradition that began in 1891 with a single-track passenger rail line connecting the county seat in Jacksonville with the railroad town of Medford.

Interurban Auto Line Co. 1921, Driver-Bill Lewis

By 1915 the White Pennant Auto Line had begun running nine-passenger touring cars four times a day between Medford and Ashland. In 1920 the Ashland-Medford Auto Line was charging 50 cents for the 34-mile journey and passengers were given "good, comfortable robes" to wear.

During the Second World War, Rogue Valley Transportation offered bus service for tens of thousands of soldiers and workers stationed at Camp White, where White City is today. "Save Tires and Gasoline" exhorted company ads, which reminded readers "Your car should be used sparingly as you probably won't be able to get a new one for a long time to come." The round-trip fare from Camp White to Medford was 40 cents.

Valley transit service during the 1950's and 1960's was offered through private firms such as Evergreen and Mt. Ashland Stage Lines. When Rogue Valley Transportation District was formed in 1975, it was the first of its kind in Oregon to be created under revised state law. Although RVTD existed in a legal sense, it would be another year-and-a-half of organizing, planning, and funding before the first two, leased vans would begin service.

On July 18, 1977, Rogue Valley residents had their own transportation network. However, with just two vans serving 90,000 people, service left something to be desired in those early days! RVTD's first five years saw a gradual expansion in transit service from the initial, two-vehicle schedule. By 1982, a zone fare system was adopted, standardized schedules were established, and hours of service were extended.

Today, RVTD operates a fleet of 28 fixed-route buses, including 14 powered by clean-burning compressed natural gas (CNG) – the first buses of their kind to enter service in Oregon. Every bus in the fleet is accessible to people with disabilities. In 2006, RVTD provided more than 1.3 million rides to people of the Rogue Valley.

III. Regional Expectations for Transit

RVTD's service is provided to seven communities each with their own distinct geography, culture and policies. Preparing a Long Range Plan that will meet the needs of each community is a challenging task but one that can be accomplished with diligence. The initial step is to hear from each community first-hand about their transit needs. Several channels of communication were established to allow agency and public comment. RVTD then found the common threads of each community's needs to formulate the service scenarios and priorities. The RVTD Board also participated in study sessions to provide guidance to staff on their long-term vision for the District.

Each workshop had slightly different formats. The public workshops had a more open dialogue and staff was directed to not respond to any comment but simply allow the public to voice their concerns and ideas. The agency workshops included extensive dialogue between City/County officials and RVTD staff, which resulted in a more focused discussion about our revenue projections and the potential for increasing service. The Board study sessions

were facilitated by a consultant, with Board and staff members working together to share ideas and create solutions.

While the larger community has wishes and desires for transit, RVTD continues to work with fiscal limitations that may not allow the agency to meet all needs. During the workshops and meetings, staff explained future revenue projections and the need to secure additional revenue to maintain service, and certainly to expand service.

This chapter demonstrates these public, agency and RVTD Board activities and the comments received. In addition, the chapter lists the state, regional and local transportation policies and then concludes with a zero transit forecast.

Comment Opportunities and Reference Documents

- Public Workshops
- Coordinated Human Services Plan and Committee
- State, Regional and Local Transportation Plans
- Agency Transit Conformity meetings
- Community Education and Outreach Project: Phase One
- RVTD Board Long Range Plan Study Sessions

Public Workshops

This section discusses input received from the general public during two public workshops held in April 2006. Many comments concerned passenger amenities, often requiring fairly modest capital and operational costs. On the other end of the scale, some suggestions concerned entirely new kinds of transit service, such as light rail and Bus Rapid Transit (BRT), and would require in-depth study and long-term funding solutions. The most frequent recommendations for service changes fit within the scope of existing RVTD services, but would require significant increases in operational and capital outlays. These included extended hours for weekday service, weekend service,

and increased frequency of service. Most of these service enhancement proposals were incorporated into the future service scenarios discussed in Chapter V. Suggestions about route changes were also fairly numerous, including changing or modifying the current "Spoke and Hub" system, extending routes at the northern edges of the current service area, and serving more areas with dense population clusters.

In addition to suggestions for service changes, participants offered a variety of recommendations relating to planning, marketing, and financing. One theme was increased coordination with local land use planners for such initiatives as establishing BRT lanes and making sure that Transit Oriented Development areas will be sufficiently transit-friendly. Another theme was to reach out to the public and to employers to encourage a more transit-supportive culture. Finally, several work groups voiced support for a major new revenue source to pay for better transit service – in particular a payroll assessment, though several other ideas were suggested. Comments from the 2006 public workshops are available in Appendix B.

Public Workshops Analysis – Service Focus

Recommendations were made to extend service to additional communities within the region (Applegate Valley, Prospect, Eagle Point) and connecting to neighboring regions (Grants Pass). Suggestions for route extensions also cited currently un-served neighborhoods such as Table Rock Road, north of Medford. Other route ideas concerned new modes of transit – a light rail connection the length of the region (possibly all the way to Grants Pass), BRT routes on major corridors, and a Valley Feeder service. Finally, several participants were concerned about the time-of-travel required for some trips, resulting from the "Spoke and Hub" design of the present system. The public comment was in line with what RVTD also discussed with each jurisdiction.

Agency Workshops

Having jurisdictional meetings to review city and county transit priorities was originally not part of the Long Range Plan update scope of work. A Senior Planner staff change enabled a fresh look at how the plan was bring prepared but it caused a delay in the completion of the plan. Although RVTD has provided service to the region's communities for more than 30 years, staff cannot assume their transit needs. To address this barrier, each jurisdiction was contacted through the MPO Technical Advisory Committee representative. They were asked to recruit at least one staff person and one Policy maker from their jurisdiction to attend a Transit Conformity meeting. RVTD hosted four workshops for city and county officials to comment during the months of April through July 2007. The meetings consisted of a brief presentation on RVTD's revenue projections, the main pieces of the Long Range Plan and then focused on what the jurisdictions saw as their transit priorities. Maps for job and population densities in 2005 were distributed to assist in highlighting areas of need and are in Appendix E. In general, RVTD relied on each jurisdiction's knowledge of current growth areas and future development plans to project future service needs.

RVTD staff met with Ashland and Medford separately due to their high demands for transit service. A multi-jurisdictional meeting was held for Talent, Phoenix, Jacksonville, Jackson County and Central Point. (Central Point representatives were absent and a separate meeting occurred on July 17, 2007). The Senior Planner met with Eagle Point separately to gauge their interest in becoming part of the District and their current transit needs.

The minutes from each meeting are provided in Appendix C.

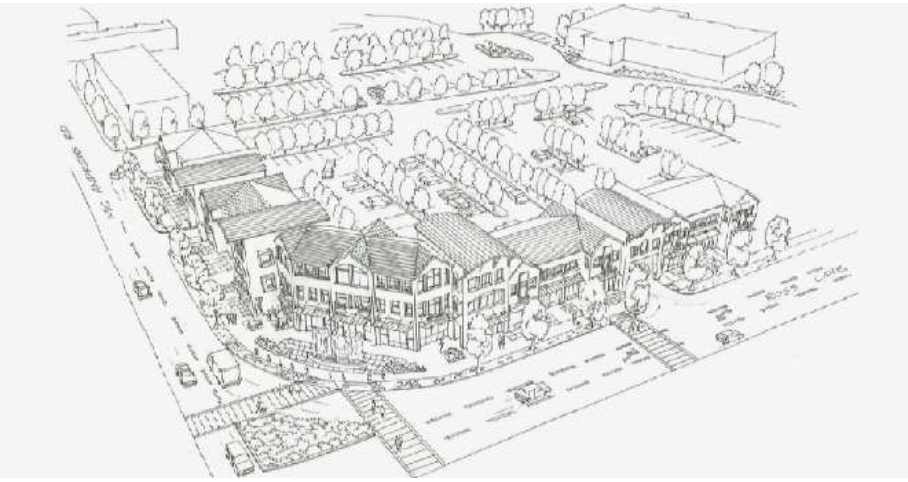
Medford

RVTD provides service to seven cities and currently each route starts and ends in downtown Medford. The Medford Transportation System Plan states that to meet City and regional goals of encouraging the development of public transit as a viable form of transportation in the Medford UGB, the City and RVTD will work cooperatively to identify specific actions involving the City that would encourage transit use. Please refer to the City of Medford Transportation System Plan for a full list of these actions.

The City of Medford addresses transit planning within the Transportation System Plan and through its Transit Oriented Development efforts. TOD's are being planned for the South East, West Main and Delta Waters areas with corresponding locations for names.

- The South East TOD has an adopted Neighborhood Circulation Plan and Master Plan and will utilize land that is primarily undeveloped.
- The West Main TOD is currently being planned with an expected Master Plan adoption date of November 2007.
- The Delta Waters TOD planning has not started.

Figure 3.1- Representation from West Main TOD study



Potential Mixed-Use Development Concept at Ross Lane/ McAndrews Ave. Intersection

Medford emphasized that the TODs are considered the highest priority for future service and it was apparent that RVTD has not coordinated enough with the City to determine service potential or strategies.

As the name implies, a Transit Oriented Development relies on frequent service in close proximity to major residential and commercial centers to be successful in reducing automobile trips. It is assumed that RVTD will provide service to these areas although RVTD has concerns about providing service to TOD's that will not be built out for several years. Once the TOD's are fully developed and they have high occupancy, RVTD feels that the areas should be able to support transit although further assessment is needed.

The interim period from 2007 to the estimated 2025 TOD build out date when the TOD's are 'complete' will likely not provide adequate funding to allow additional service. RVTD may require additional funding to start service sooner than 2025. Additionally, the boundaries of the TODs need to be within the transit district boundaries to ensure RVTD can collect property taxes accrued from the TOD. Additional funding strategies could be Surface Development Charges or Transportation Management Association subsidies earmarked for transit.

Beyond the TOD planning, the City of Medford has not completed additional transit planning studies or documents. The agency meeting culminated in this list of current and future priorities for transit.

Priorities and Immediate Needs

- Re-instate Route 4 to serve East Medford or a modified route.
- Establish a strategy for providing viable service to the proposed TODs.

Increase RVTD's involvement with land development review.
Increase the City's comfort-level with RVTD.

Future Needs

- Examine fareless routes to serve the downtown area.
- Establish control system for low-priority bus signal pre-emption.

Ashland

RVTD Bus in Ashland's Downtown Plaza

The City has several planning documents that provide transit goals: a Comprehensive Plan, the Transportation System Plan, Transit Options for a Livable Ashland, and Ashland in Action Committee; reports all compiled within the last ten years. Eight routes are proposed within these documents (routes named 5-12) including three that provide service along the main corridor of Ashland/Lithia and Siskiyou providing 7.5 minute service (routes 5, 6, 10); four that provide service to the outlying neighborhoods (routes 7, 8, 9, 11); and one that provides express service using the I-5 Freeway (route 12). Throughout these documents and reiterated in the meetings, the City of Ashland's main goal is to reduce reliance on the automobile by providing convenient and safe alternatives. In addition, the City of Ashland has stated on several occasions their frustration with the level of service they currently receive from RVTD. To support transit above what RVTD provides, the City has contributed a subsidy each year for additional service and decreased fare, within the Ashland city limits. RVTD and Ashland will continue to work together to provide the best service possible within the fiscal limitations of each agency.

Priorities and Immediate Needs

- Reinstate route 5, possibly re-routing it to serve other areas.
- Provide extended peak hour service until 10pm.

- Establish a feeder service from the neighborhoods to the main route. Coordinate with other agencies, employers, SOU, assisted living facilities, Visitors and Convention Bureau etc. to help provide the service.
- Reinstate 15-minute service on Siskiyou.
- A large established neighborhood and a youth center are located off of N. Mountain Ave. Mt. Meadows Assisted Living Facility is located at the end.
- The Ashland Community Hospital and surrounding Maple St. neighborhoods.

Future Needs

- An employment center and outlying neighborhood development is being planned for the Crowson Rd/ Oak Knoll area.
- An intermodal transfer station is planned near the A St. Marketplace to serve a proposed commuter rail and could be built before 2017.

The City of Ashland is considering funding a consultant to prepare a Transit Development Plan (TDP) that will outline options for the City and RVTD to coordinate local transit operations and administration. This plan should identify the responsibilities for capital program expenditures; future operations and administration of local transit service in Ashland and list Ashland's public transportation opportunities utilizing existing assets beyond RVTD service.

Jacksonville

The Rogue Valley Transportation District (RVTD) provides service for residents of this community connecting Jacksonville to larger shopping areas, medical facilities, cultural activities and work areas. Working cooperatively with social service agencies and through Paratransit Services, RVTD also administers a wide range of special transportation services for the elderly and people with disabilities. This plan recognizes the current and future importance of RVTD for an increasing number of persons, particularly senior citizens, people with

disabilities, low income and youth.

Yet, mass transit opportunities are limited in Jacksonville. The Rogue Valley Transportation District's Route 30 to Jacksonville makes nine trips per day with a loop around the museum serving nine bus stops in town. The passenger per hour rate for bus service has almost doubled since the Jacksonville route changed in 1994, although it is still the lowest ridership throughout the district.

The City can attempt to assure that a majority of new housing and jobs are served within a 5-minute walk of the primary transit network. Increasing densities near transit stops should also be evaluated. An Intermodal center in Jacksonville for buses, bikes, pedestrian routes, and park and ride facilities has also been recommended as part of the ISTEA project.

No study has been completed focusing on motorbus transit service, however a study on trolley service is in the beginning stages. It would utilize right of way that parallels Hwy 234 and is currently focusing on visitors use instead of commuters.

Priorities and Immediate Needs

- Improve service hours and frequency to allow commuters to arrive in Medford before 7:30 am and Britt visitors to use transit after 10pm.
- The Applegate Fellowship generates high traffic volumes and could greatly benefit from transit service. The Applegate Fellowship is currently not within the district.
- Increasing service around the Pioneer Village beyond 5th St.

Future Needs

- The Historic School, southeast of the Jacksonville Museum, will be renovated to house some type of major activity center.

Phoenix

The service offered in Phoenix is a small portion of that offered within RVTD's integrated system. The key service offered to Phoenix residents is the availability of fixed route service as part of the Route 10 from Medford to Ashland. Shelters are already installed at four stops within the City. Adding passenger amenities at these locations and upgrading other stops would significantly improve the overall quality of service.

Priorities and Immediate Needs

- Establish a feeder service or circulator route west of Hwy 99

Future Needs

- Service to the east side of I-5 with potential for connecting to the South East Medford TOD.

Talent

Previous Transit Planning

The service offered in Talent is also a small portion of that offered within RVTD's integrated system. The key service offered to Talent residents is the availability of fixed route service as part of the Route 10 from Medford to Ashland.

Talent worked with RVTD and State granting agencies to plan for, and construct, the Talent Depot project. The facility is available and has the potential to provide substantial new opportunities for Talent's residents located on the west side of the city for access to transit. In order for residents to take

advantage of this facility as a park and ride, RVTD will need to divert or expand service to this location. The City of Talent has not completed a transit specific study. However, they have spoke to RVTD on several occasions requesting service to the neighborhoods west of Hwy 99. The Talent Urban Renewal Agency also is preparing a Master Plan for extensive mixed-use development of the West Valley View Ave. area. That plan will incorporate increased transit service and is close to the existing route.

Priorities and Immediate Needs

- Establish a feeder service or circulator route west of Hwy 99.
- Provide service to a Jackson County work release facility located on Hwy 99 outside the city limits.
- Establish peak hour service for commuters.
- Coordinate transit service with the Urban Renewal Agency.

Future Needs

- Wagner St., Rapp Rd. and Belmont are collector streets and each connects to Talent Ave. where service is currently.
- There is potential for a school to be developed at a school designated site west of Talent but within the city limits along Colver Rd.

Central Point

Central Point is currently served by Route 40 of RVTD and has very strong ridership. Route 40 travels from Medford to Central Point and has received increased frequency from one hour to 30-minute headways. The Central Point Transportation System Plan includes Goal #9 stating the need for a transit system that provides convenient and

RVTD bus on Bursell Rd.

accessible transit services to the citizens of the Central Point urban area. Please refer to the Central Point Transportation System Plan for a full list of transit related goals objectives and policies.

Central Point is currently undergoing an update to their Transportation System Plan. RVTD will be providing comments throughout the process. Additionally, the City has adopted a TOD overlay District for the Twin Creeks area. Within this overlay district, City staff have located future transit facilities. RVTD will review the plans and provide further comment on these and additional facilities.

Priorities and Immediate Needs

- Service along Hwy 99
- Service to the Twin Creeks TOD
- Downtown reverse service (currently only the north side of Pine receives service)
- Expanded hours and increased frequency
- Express route that connects all City Centers
- Determine location for transfer station and major bus stops

Future Needs

- W. Vilas Rd. and Naples Dr.
- Area near the Haskell St. and Ash St.

Jackson County

RVTD provides service to thousands of County residents with five intercity routes (1 route begins and ends in Medford). Whenever the bus is outside of the city limits it begins to serve county populations. Transit service provides mobility to County residents who do not have access to automobiles, and provides an alternative to driving for those who do. Most significant is the unincorporated town of White City that has a larger population than the City of Phoenix and is considered to have a large blue-collar population. Route 60 serves White City from Medford; this route has the second highest ridership on

average in the district. Frequencies were increased from one hour to 30-minutes several years ago and this played a major part in the ridership demand seen today. Jackson County has not completed a transit specific study but has expressed a need for service to Eagle Point.

Priorities and Immediate Needs

- Establish an express route to serve the White City area.
- Provide service to the intersection of Table Rock Rd. and Antelope Rd. for employees of Amy's Kitchen, Kodak, Jackson County and RCC.
- Provide service for earlier morning and swing shift for White City commuters.

Future Needs

- Establish a route that uses Foothills Rd., which will be widened in the next few years as development is growing rapidly in this area.
- Increase service to the Airport and the surrounding industrial area.

Eagle Point


Business along Main St. Eagle Point

RVTD does not currently serve the City of Eagle Point, which lies just outside the district boundaries. When the district was first established in 1975, the southern portion of the city was within the district boundaries. Although residents benefited from service in nearby White City, no service was actually available within the city limits. An ordinance for the District was implemented that specifically precluded lands within Eagle Point from being part of the District. Over time, as additional properties were annexed into the City, they were also removed from the district. A 1993 Community Transportation Needs

Survey study conducted by the Rogue Valley Council of Governments and RVTD concluded there was a degree of interest in public transportation services by the residents of Eagle Point with 59% of those surveyed traveling to Medford three or more times per week. The Oregon Transportation Plan also identifies intercity bus service to Eagle Point as a need.

Based on the results of the study, it was recommended that RVTD and Eagle Point consider providing some sort of public/private mass transportation in the community. The key to meeting the current needs of the community would be to expand upon existing services. The study explains that there are two problems for consumers. The first is informing residents about availability of services. The second is the cost of those services. Both issues must be addressed if Eagle Point wishes to meet the public transportation needs of the community.

In 1994, RVTD published a document outlining public transportation alternatives for Eagle Point. RVTD suggests that communities use alternative modes to access RVTD's main fixed routes. The type of alternative mode a community wishes to use can vary. Examples might include adding Valley Feeder service or increasing citywide transportation using on-call volunteer-operated shuttles. Whatever type of service Eagle Point chooses to use, community participation is essential for its success.

Land use planning and transit-oriented development influences the success of an alternative transportation program. By implementing its own transportation alternatives, Eagle Point and all cities could tailor services and actively plan land uses (such as mixed-use developments) to meet the needs of the community and support alternative transportation. The City of Eagle Point has recently adopted a Town Center Master Plan and would be interested in coordinating with RVTD for future transit service. The priorities for service

reflect the work that would need to be completed before transit service can be provided.

Priorities and Immediate Needs

- Coordinate with City staff and Policy Makers to propose transit service to the citizens of Eagle Point.
- Assess the tax leverage of the City of Eagle Point.
- Prepare ballot measure to approve annexations into the District.

Future Needs

- Establish a route to serve Eagle Point along Crater Lake Hwy.
- Provide service in Eagle Point to Linn Rd, Royal, Nick Young and Main St.
- Establish a route between Eagle Point and Central Point.
- Provide service to Eagle Point using Foothill Rd.

A note on Gold Hill, OR- Gold Hill has also expressed an interest in service recently and RVTD will enter discussions about expanding the district boundaries once revenue and service stabilize. Similar actions as described above for Eagle Point would need to occur for Gold Hill, or any other community wishing to be served by RVTD not currently in the district.

Agency Workshops Analysis – Service Focus

RVTD has examined the agency comments to look for common threads. The service scenarios in Chapter V reflect, in as much as possible, the priorities of the communities RVTD serves. From the outset of the agency meetings, RVTD expressed that any increases in service requires an additional revenue stream. Staff also stated the importance for each agency to support RVTD as it seeks new revenue and to understand that new service will likely not occur before 2009.

Please see Chapter V for the service expansion scenarios based on the public and agency workshops.

Community Outreach Project Phase One - S.W.O.T Analysis

In March of 2007, RVTD contracted with the Densmore/Preister Group to better understand the issues, possible partnerships, and options for sustainable funding and transit support. The key findings regarding strengths, weaknesses, opportunities and threats from the report titled "Positioning the Rogue Valley Transportation District for Long-Term Stability; A Report Prepared for The Rogue Valley Transportation District" is provided in Appendix D with the full report available from the Administration Office upon request.

The Community Outreach project has provided the first building blocks for gaining a deeper understanding of how the community perceives RVTD as an agency and as a provider of a public service.

Special Transportation Coordinating Committee

RVTD has adopted a *Coordinated Public Transit/Human Services Transportation Plan*. It addresses the needs of the various transportation-disadvantaged populations in the region. A working group was established by the RVTD Board in November of 2006 as a part of the *Coordinated Public Transit/Human Services Transportation Plan*, and has been meeting since January 2007.

The Coordinating Committee is charged with:

- Improving access to transportation for special needs populations,
- Reducing wasteful duplicative efforts by special transportation providers,
- Coordinating the provision of human services with the provision of specialized transportation services to enhance access and increase efficiency, and

- Procuring state and federal grants to support specialized transportation in the region.

The Coordinating Committee was conceived as a body that would develop a detailed operational knowledge of the region's human service and special transportation providers. The knowledge will be used to craft coordination policies for special transportation providers to follow, to propose projects and programs, and to seek funding to implement the group's proposals. For example, one of the group's initial tasks is creation of a single application form, available at human services agencies throughout the region, which would determine an applicant's transportation needs and eligibilities. Applications would be processed at a single agency, such as Translink and any and all eligibilities would be determined. This would mean that an applicant need not know about any particular services to apply and qualify for them.

Implementation of the goals of the *Coordinated Plan* depends on the efforts of the working group. RVTD will continue to play a major part in this group as the agency is often assumed to be the lead paratransit provider. RVTD hopes that by coordinating with other transportation providers in the region operational efficiencies can be identified and implemented.

Additional Official Conformance

Regional Transit Planning

The Rogue Valley Metropolitan Planning Organization's (RVMPO) 2005 – 2030 Regional Transportation Plan (RTP) includes policies related to transit. Please refer to the RVMPO Regional Transportation Plan for a full list of transit related goals and policies. RVTD's Long Range Plan is consistent with these goals.

Oregon Department of Transportation Public Transportation Plan

The Oregon Public Transportation Plan for service level standards has RVTD at Level 1 by providing the following services:

1. Senior and disabled public transportation
2. Intercity bus service
3. Serve citizens dependent on public transportation
4. Serve citizens using public transportation by choice
5. Offer rideshare and transportation demand management
6. Thruway bus service (provided by connection to Greyhound bus line)

The foundation for the 1995 Oregon Public Transportation Plan is the Vision Concept and Goals, Policies and Strategies which were formulated by the Oregon Public Transportation Plan Advisory Committee. The resulting Goals, Policies and Strategies have been approved by the Oregon Transportation Commission to reflect its guidance with respect to the development of a public transportation system in the state of Oregon.

Oregon Transportation Planning Rule

The Oregon Transportation Planning Rule (TPR) implements Statewide Planning Goal 12. Transportation. The TPR encourages and supports the availability of safe and convenient access to transit. In urban areas with a population greater than 25,000, the TPR promotes the provision of transit service where feasible.

The TPR requires MPO areas to promote the use of transit as a means to reduce reliance on the automobile. The RVMPO adopted Alternative Measures including strategies to significantly increase transit service. These are available from the RVMPO and on their website, www.rvmpo.org.

Zero Transit Forecast: Impact of Loss of Transit Service

Having a viable transit system is important to our region in regards to maintaining air quality, achieving RTP goals and policies, reducing roadway maintenance costs, decreasing traffic congestion and improving quality of life.

Regional Transportation Plan Conformity

Zero transit forecast, or total loss of transit service in the region, would affect regional transportation plan (RTP) conformity. The RTP relies on transit to meet the TPR Alternative Measures requirements for increased transit service. Any significant reduction in transit service would result in non-compliance with State approved RVMPO strategies for reduced reliance on the automobile. Non-compliance with State transportation rules means that the MPO could jeopardize the region's ability to access federal transportation funds.

In addition, zero transit forecast would create an increase in vehicle miles traveled (VMT), as former transit riders would most likely have to drive cars to get to work, shopping and school. The increased VMT would create more PM10 and CO emissions (especially if the cars were older and in need of maintenance). Increased emissions would have an adverse effect on air quality in the valley and would have the potential to create a lapse in the region's air quality conformity. An air quality conformity lapse could also affect the MPO's ability to receive federal transportation funding. An increase in VMT would hasten roadway pavement deterioration, which would add to the cost of maintenance.

Economic Impact

- The vast majority of jobs in the region currently are accessible by transit.
- According to the 2005 RVTD Passenger Survey, 26% of respondents would not have made the trip if they had not taken the bus; of those 18% were using the bus for work reasons.

- Approximately 315,840 trips in 2005-2006 were for work reasons.
- Approximately 486,920 trips in 2005-2006 were for shopping, recreation, and medical trips.

Business community leaders at the public workshops expressed the desire for assurance that RVTD will address workforce transportation through route design, incentives, and other creative policies. Spatial analysis of job locations in the region shows that currently, 74.5% of all jobs are located within ¼ mile of a fixed transit route[1], and that 50.7% of the region's population lives within ¼ mile of a bus route. This represents an extraordinarily high concentration of development around bus routes, or, conversely, an ingenious configuration for the routes. It also hints at a wealth of opportunities to address employer issues without necessitating expensive route extensions. On the other hand, the economic geography of the region is not static. New job clusters are anticipated along Table Rock Road, in Central Point's west TOD, in Medford's north and east TOD's, and in Medford's Big X district. Continued job growth is expected in White City and in some other existing job clusters that are not yet served by transit. Job growth that occurs away from existing routes could increase the cost of transit service for the region's workforce.

Programs to address workforce transportation have long been policy at RVTD, and new programs are under development within the scope of the District's Transportation Demand Management (TDM) function. The new Transportation Management Association program may meet many employer needs, especially if the program is developed in concert with local jurisdictions. Easing of certain land use regulations (e.g. minimum parking requirements) for participating employers could sharply reduce opportunity costs embodied in some site design standards.

[1] Source: Oregon Employment Department, 2005 job location database for Jackson County.

It is clear that RVTD provides a useful, and often necessary, function for employer's day-to-day operations. Ideally, employers will locate their sites within walking distance to an existing transit route. However, this is not always possible and less likely with larger developments that require more than an acre of land. RVTD has a goal to continue providing workforce transportation but the agency cannot jeopardize existing, productive service with new routes. Alternatively, RVTD will be creating route subsidy formulas to provide an option to an employer who requests a new transit service. This strategy is used by several transit agencies nationwide and has provided temporary, private funding for transit service based on the productivity and passengers per mile of the route. RVTD has too often fallen into a trap of providing service for free when it was not fiscally responsible to do so.

Each day RVTD also provides transportation for consumers, people who shop or use services throughout the Rogue Valley.

- 37% of the respondents to the 2005 Passenger Survey were making their trip by bus either for shopping, recreation or medical purposes.

Several consumer errands are very compatible by bus, even light grocery shopping. For low-income and disadvantaged citizens, RVTD provides a link to public amenities. Public amenities are places like the post office, banking institutions, government offices and pharmacies where the public can complete errands. Passengers with goods are only limited to what they can bring on the bus in one boarding and that will not obstruct the aisle or be a safety hazard.

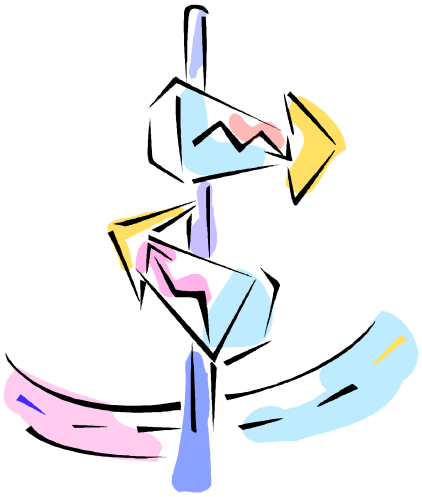
RVTD had a Senior Shopper Express program funded through a 3-year CMAQ grant. The service provided prior day scheduled rides for the elderly and disabled to various shopping centers, meal sites and community centers throughout the valley. Fares for the service were $1.00 per round trip and .50¢ for additional stops. This program was discontinued in 2004 when the grant sunseted with nearly 200 clients registered in the system. A similar program could be established once again with a different fare structure to ensure the costs are covered.

Social Impact

Mt. McLoughlin, Oregon

Public transportation provides independent mobility for thousands of Rogue Valley residents each year. Without transit, the economy, education, medical, government and especially transportation systems would take a turn for the worse. Many people would leave their employment, not attend school, have inadequate or no access to medical appointments and generally have basic services unavailable. The transportation system would experience more congestion from displaced riders who have access to a vehicle, air quality would worsen and infrastructure would fail sooner. Too often public transportation is taken for granted for what it provides to its passengers, and not the larger community. A strong community has an employed, educated, healthy, well-connected populace. There are several studies demonstrating the detrimental effect reliance on the automobile can have for a community both in urban planning and social well being. Without transit this would quickly become a reality for the Rogue Valley.

IV. Revenue Scenarios



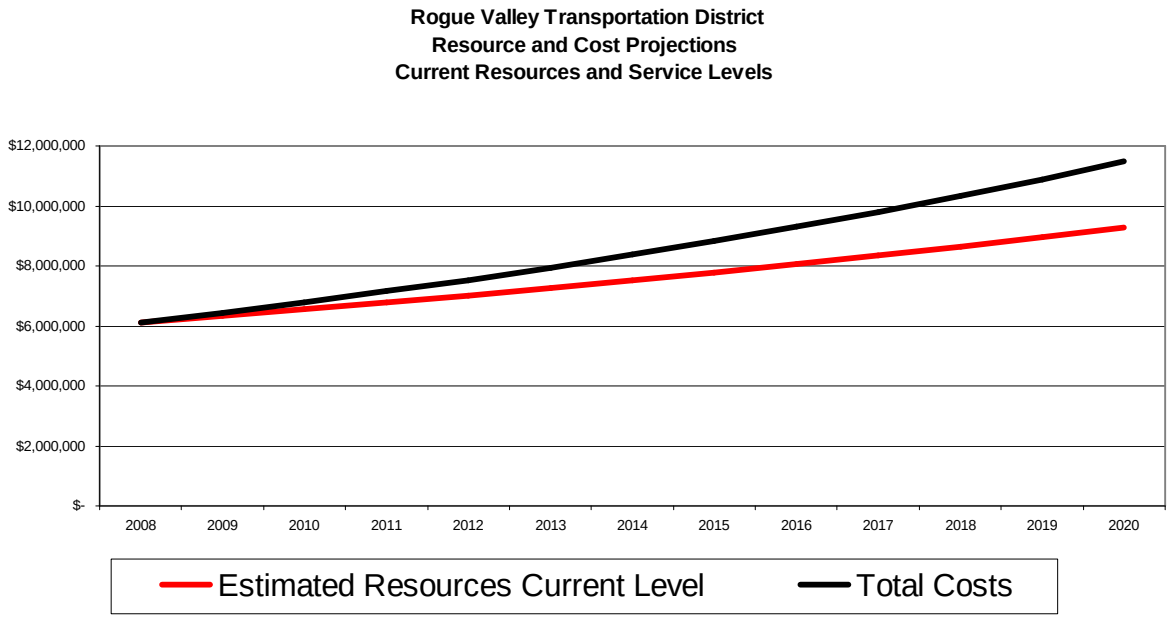
Trends in Transit Service Cost

- Costs are outpacing locally generated revenue.
- Federal grant funding is not likely to continue past growth rates.

Over the past decade, total cost for transit services has been increasing much more rapidly than the locally generated revenue streams for transit. As Figure 4.1 shows, the cost analysis projects that service costs will rapidly diverge from the revenue available with the current funding structure, beginning from the point in time when federal grant funding levels off.

To make up the difference, RVTD staff has worked hard to identify and acquire funding from federal and state sources, see Figure 4.3 for current resources. Federal and state grants have began to level off and to be limited as to what they can be used for.

Figure 4.1 Resources and Cost Projections



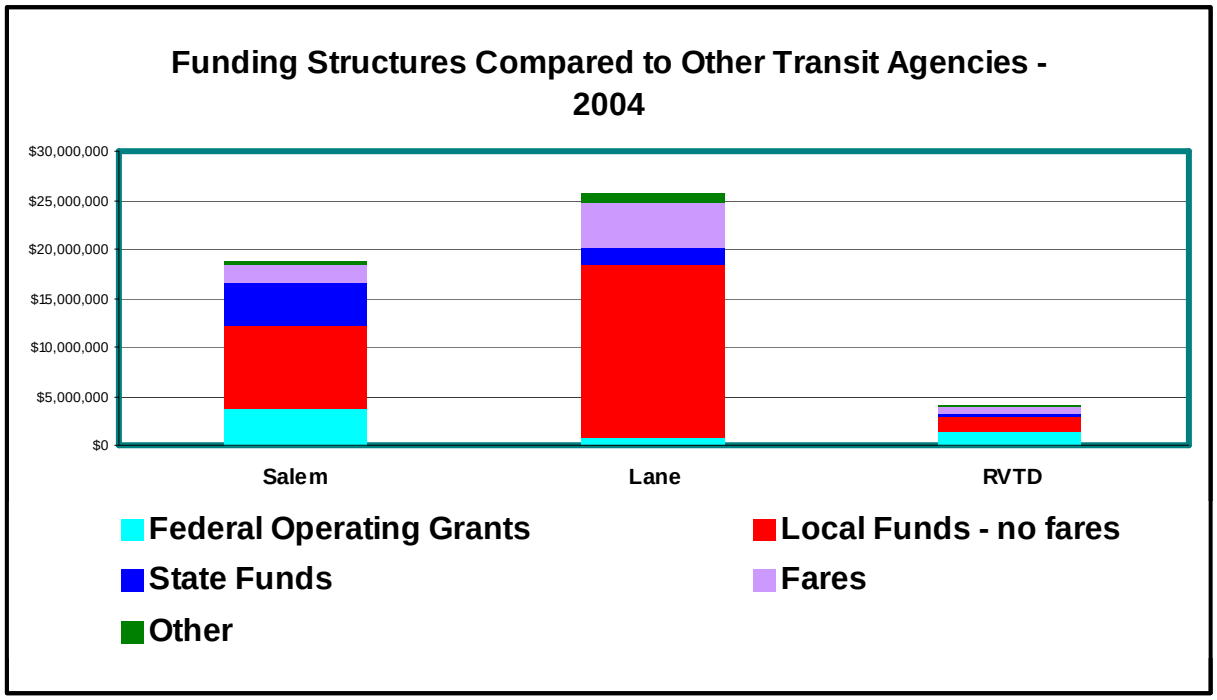
The cost analysis for maintaining the current level of service assumed the following:

- 5% annual inflation
- Real cost per passenger trip (calculated separately for bus service and for Valley Lift) would not change.
- Ridership would increase at the same average rate we've seen over the last decade. As mentioned above, this rate of increase far outpaces the rate of population growth.

These assumptions are quite conservative. Service costs may well exceed the general inflation rate, since fuel is an important component of the overall cost. Inflation rates have been stable since 1981, but could change. And ridership growth could increase radically given any number of factors, such as the wage structure of the economy, fuel costs, changes in land use patterns, etc.

It is reasonable to expect that federal grants to RVTD will reach a maximum soon, based on the experience of other transit systems. Small systems are typically heavily supported by federal grants, but that funding diminishes in importance as the systems grow. By way of comparison, Figure 4.3 depicts the 2004 revenue breakdown for the Salem-Keizer Cherriots system, and for the Lane Transit District (LTD) compared to RVTD (excluding federal capital grants).

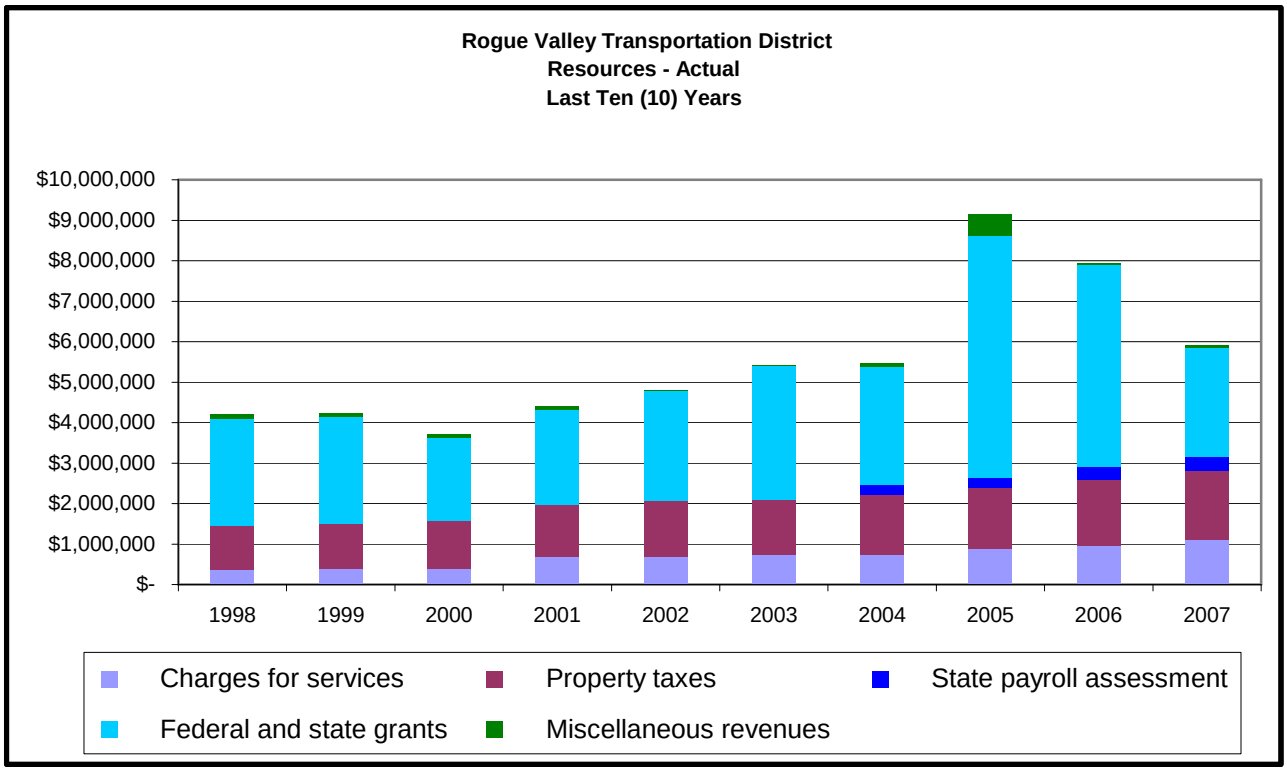
Figure 4.2 Transit Agency Revenue Comparison



The budget for Cherriots is more than 4½ times that of RVTD, and LTD's budget is almost 6 ½ times that of RVTD. For these agencies, federal assistance is about 20% and 3.5% of the overall budget respectively, and locally generated funds account for 55.9% and 84.9% of the budget. Cherriots receives about 2 ½ times the level of federal funding as RVTD. In 2004 RVTD received more that 1/3rd of its revenue from federal grants, whereas local support, including fares, accounted for 55.5% in 2004.

The following chart shows the total revenues by major source for RVTD over the last 10 years, including grants designated for capital outlay expenditures.

Figure 4.3 Current Resources



With the exception of 2005 and 2006 when RVTD received significant capital grant funding to acquire new natural gas powered buses the overall revenues have stayed fairly consistent from year to year.

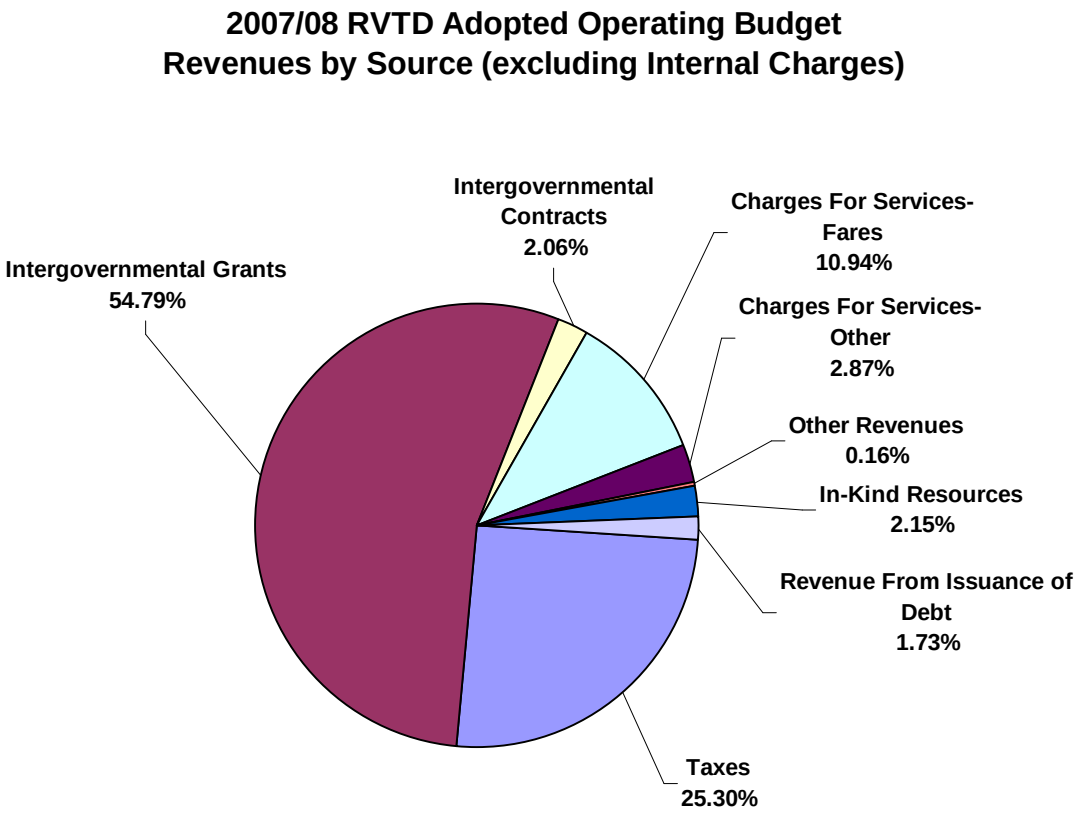
Existing Revenue Structure

All revenues fall into one of two classifications. There are those revenues that can only be used for specific purposes, designated, and those that can be used to fund any part of the operations of the District, undesignated. Examples of designated revenues would include capital acquisition, TDM and CMAQ grants,

and to a lesser degree capitalization of maintenance grants. Undesignated revenues would include fares, federal operating grants (5307), and most other revenues received by the District.

Based on the fiscal year 2007-2008 budget just over 91% of anticipated revenues come from three (3) sources, federal and state grants (54.8%), taxes (25.3%) and fares (10.9%). Of the total federal and state grants only about half can be considered undesignated. Please see Figure 4.4 for a pie graph of depicting RVTD's sources in the 2007-2008 adopted annual budget.

Figure 4.4 2007-2008 Revenue Sources



It is anticipated that the total dollar amounts of grant revenue available for day to day operations of the District in the next five (5) years will at best remain the same and may even decrease. Either of these situations places a greater demand on the locally generated revenues, taxes and fares, to fund the operation of the District. For more information on current revenue please see chapter IX.

Four Future Funding Scenarios:

Potential Funding Sources Available to RVTD:

As a Transportation District, RVTD has the following potential local revenue sources to fund operations:

- Voter approved property taxes
- Voter approved payroll taxes
- Vehicle registration fees
- Service charges and user fees
- Business license fees
- Voter approved income taxes.

These same funding sources are available to Mass Transit Districts. The difference between Transportation Districts and Mass Transit Districts is that Mass Transit Districts can impose property, income and payroll taxes without voter approval. Property and payroll taxes are discussed later in this chapter.

Vehicle registration fees are unavailable to RVTD since the maximum cumulative fee is already charged by other agencies.

An income tax is probably not a viable option because it would require voter approval and RVTD has no mechanism available to collect the tax.

There is a possibility of implementing a business license fee, however, the process of identifying the businesses located within the boundaries of RVTD and collecting the fees is monumental. In addition, the revenue potential is most likely rather small compared to other potential sources.

Service fees and charges would include fare revenues and charges for leasing of buses. Both of these sources are basically at their maximum potential since the District has the highest fare rate in the state at $2 per ride and there are limited opportunities to generate lease revenues because RVTD is not permitted to compete with private transportation entities. In addition, during the last tri-annual review by FTA, bus leasing was frowned on.

Description and Analysis of Funding Sources

Property Tax Assessment Increase

While it is possible to increase the property tax rate from the current $0.1772 per $1,000 of assessed value, the reality of doing so is highly in doubt. A doubling of the current rate would generate approximately $1.8 million. While this would help to maintain the current service levels over the next 4-5 years, there would be no additional resources generated that could be used to expand and enhance services. Another factor that needs to be considered is the possibility that the total assessed values in the District may cease to increase significantly from year to year and may even begin to decline.

Local Payroll Tax Assessment Option

A local payroll tax can be implemented through a vote of the registered voters within the District boundaries, or by ordinance after transitioning from a local

Transportation District to a Mass Transit District. The tax rate has a maximum limit of $0.007, or $0.70 per $100 of wages. Based on current information, a $0.001 payroll tax rate would generate and an estimated $1,235,314 per year in additional revenue.

One-time Local Payroll Tax Assessment

A one-time assessment would be semi-permanent, in that, an increase of the assessed rate must be passed again through a vote. This revenue option has some of the same problems that the property tax has, specifically, it is difficult to pass an increase in any tax, but more importantly the year to year increases in available revenues is dependent on the health of the economy, if total payroll in the District levels off or begins to decline the revenues generated could possibly cease to keep up with inflationary operating cost increases.

Full Implementation of Local Payroll Tax Assessment

To implement the local payroll tax at the maximum allowed rate would generate a significant amount of operating revenues for the District. While this would allow the District to provide significant service expansions and enhancements, it would be impossible to implement the levels of service necessary to justify the revenue levels in the near term.

A possibility would be to seek approval for the maximum rate and to implement it in stages over a number of years. This scenario would give the District adequate time to plan for the system expansions and enhancements and to implement these as the additional revenues become available in future years.

For purposes of this plan, preliminary projections have been made to assess the revenue potential that could be generated from a payroll tax. Figure 4.5

below presents these projections at five different tax rates between $0.003 and $0.007 for one year.

Figure 4.5 Potential Revenue from Payroll Tax Assessment

ROGUE VALLEY TRANSPORTATION DISTRICT
Payroll Tax Revenue Estimates

	Payroll Tax Rate = $0.003	Payroll Tax Rate = $0.004	Payroll Tax Rate = $0.005	Payroll Tax Rate = $0.006	Payroll Tax Rate = $0.007
Total 2006 County Payroll (Employment Department)	$ 2,778,483,982	$ 2,778,483,982	$ 2,778,483,982	$ 2,778,483,982	$ 2,778,483,982
Estimated total payroll within District (1)	$ 1,806,014,588	$ 1,806,014,588	$ 1,806,014,588	$ 1,806,014,588	$ 1,806,014,588
Less estimated exempt payroll (2)	$ (361,202,918)	$ (361,202,918)	$ (361,202,918)	$ (361,202,918)	$ (361,202,918)
Estimated taxable payroll	$ 1,444,811,671	$ 1,444,811,671	$ 1,444,811,671	$ 1,444,811,671	$ 1,444,811,671
Estimated payroll taxes levied	$ 4,334,435	$ 5,779,247	$ 7,224,058	$ 8,668,870	$ 10,113,682
Less 10% estimated delinquent collections	$ (433,444)	$ (577,925)	$ (722,406)	$ (866,887)	$ (1,011,368)
Estimated Taxes Available	$ 3,900,992	$ 5,201,322	$ 6,501,653	$ 7,801,983	$ 9,102,314
Administration & Collection Costs (3)	$ (195,050)	$ (260,066)	$ (325,083)	$ (390,099)	$ (455,116)
Estimated Taxes Available To District	$ 3,705,942	$ 4,941,256	$ 6,176,570	$ 7,411,884	$ 8,647,198

Assumptions:
(1) Based on 2006 data it is estimated that the total payroll within the District boundaries will be approximately 65% of the total for Jackson County
(2) It is estimated that 20% of the total payroll will be from organizations which are exempt from the payroll tax.
(3) The projected cost of collecting the taxes is 5%

As seen in the figure above, a payroll tax would provide a significant new source of revenue. With implementation of this source, RVTD could expand service to levels that would likely meet the overall community's needs. Furnishing the revenue source through a local payroll tax can also be seen as an equitable way to provide the community with increased transit service. Employers, employees and employee's families will all benefit.

What follows is a list of benefits that transit provides to the economic sector:

- Approximately 30% of all trips are work related. When looking at trips made solely by the employed, work related trips account for a much higher portion of daily trips; a portion of these trips are made by transit.
- Increased transit service along with demand management strategies will allow for many developments to qualify for construction of less parking, thus increasing the buildable land area and improving overall land value.
- High quality transit service is a recruitment tool for soliciting businesses to move and establish in our area.
- Having access to reliable transportation has shown to help provide high retention of employees and less absenteeism. Providing a bus pass program to employees can also be a recruitment tool.
- 74.5% of all jobs are located within ¼ mile of an RVTD transit route.
- A large portion of transit trips are for shopping and conducting business; 37% of the respondents to the 2005 Passenger Survey were making their trip by bus either for shopping, recreation or medical purposes.

Having a broad understanding of how transit benefits the economy and the greater community is essential. A forecast for zero transit is within Chapter III with careful considerations for what the Rogue Valley would look like without any public transportation including impacts on air quality, workforce transportation and non-conformance with regional planning to name a few.

Individual employers will likely want a greater understanding of how a payroll levy would impact them. Figure 4.6 shows the hourly cost to employers for the payroll tax at rates between $0.003 and $0.007. The tax is collected from the

employer, likely through the Department of Revenue or other third party. No direct costs are borne by the employee. With the $0.003 rate for one employee with an hourly wage of $12.00, the collected levy would be approximately $0.036 per hour, or $74.88 per year. This is less than the workers compensation deduction for this same employee and provides and immediate and direct benefit.

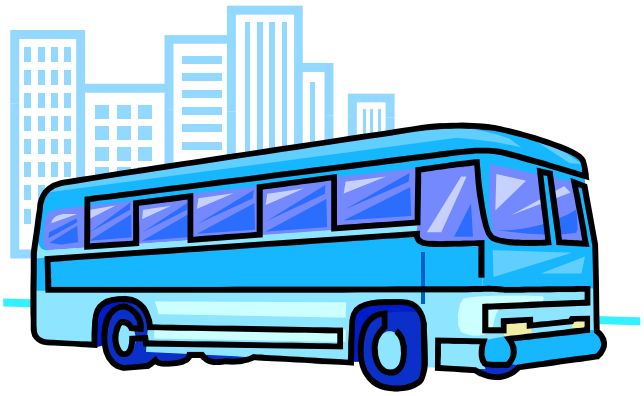
Figure 4.6 Payroll Tax Employer Cost Example

ROGUE VALLEY TRANSPORTATION DISTRICT
Payroll Tax Employer Costs Example at Various Wage Rates

	Payroll Tax Rate = $0.003	Payroll Tax Rate = $0.004	Payroll Tax Rate = $0.005	Payroll Tax Rate = $0.006	Payroll Tax Rate = $0.007
Oregon Minimum Hourly Wage = $7.80	$ 0.023	$ 0.031	$ 0.039	$ 0.047	$ 0.055
Hourly Wage = $8.00	$ 0.024	$ 0.032	$ 0.040	$ 0.048	$ 0.056
Hourly Wage = $10.00	$ 0.030	$ 0.040	$ 0.050	$ 0.060	$ 0.070
Hourly Wage = $12.00	$ 0.036	$ 0.048	$ 0.060	$ 0.072	$ 0.084
Hourly Wage = $15.00	$ 0.045	$ 0.060	$ 0.075	$ 0.090	$ 0.105
Hourly Wage = $20.00	$ 0.060	$ 0.080	$ 0.100	$ 0.120	$ 0.140
Hourly Wage = $30.00	$ 0.090	$ 0.120	$ 0.150	$ 0.180	$ 0.210
Average Annual Earnings per Oregon Employment Department = $31,677	$ 95.031	$ 126.708	$ 158.385	$ 190.062	$ 221.739
Hourly Cost (2080 hour work year)	$ 0.046	$ 0.061	$ 0.076	$ 0.091	$ 0.107

This chapter described RVTD's current funding sources, potential funding sources and the feasibility of providing additional service. A Strategic Business and Operations Plan is underway where more analysis is being given to the varying funding sources. At this time, the payroll tax seems to be the most promising funding mechanism that could support transit service levels that meet the needs of the community, discussed in the next chapter. The Strategic Business and Operations Plan will take a closer look at what levels of service each funding source could provide and the strategy for implementing service over time.

V. Service Expansion Scenarios



Second to the revenue scenarios, RVTD's service expansion is the most talked about topic in the community. Serving seven cities, each with different needs, and having numerous employers and other destinations request service over the years has placed RVTD in a position where diplomacy is crucial. This chapter reviews the methodology for prioritizing transit service expansion and describes how RVTD will determine the ability to implement the new services with additional revenue.

Board, Public and Jurisdiction Service Priorities

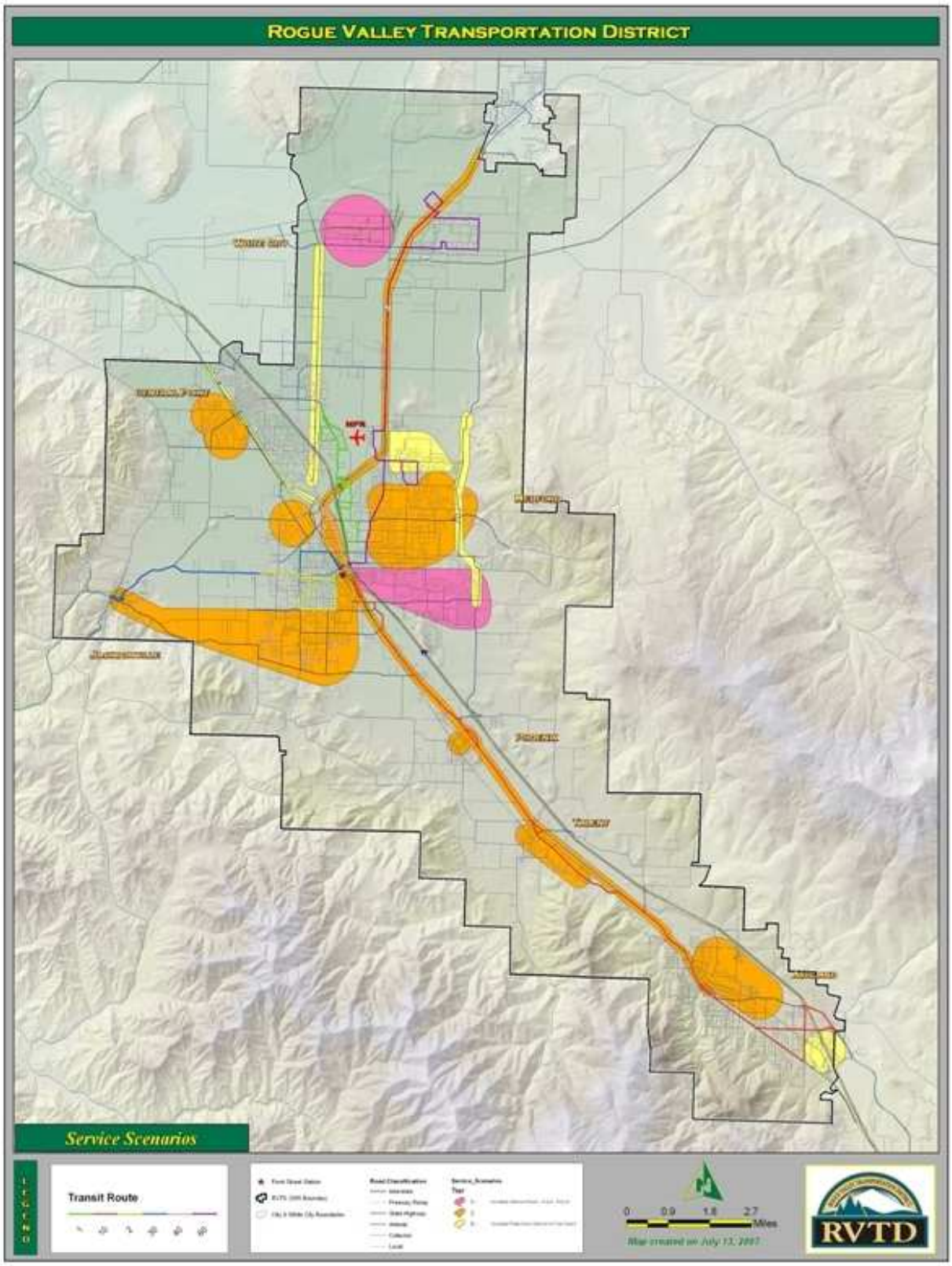
RVTD staff held community workshops, agency meetings and a Board goal setting session to culminate a list of service priorities for the region. Everyone involved agreed that the current level of service is inadequate and both extended hours and new service areas need to be implemented. Common threads of expressed needs were reviewed after the meetings were complete. With RVTD staff guidance and reference to the community discussions, a tiered list of service priorities was created and is in Figure 5.1. To see the comments of each stakeholder group refer to Chapter III. Each tier of service has been evaluated based on these priorities to see if they are sufficient. A summary table of the Board, Agency and Public priorities is in Figure 5.3.

RVTD has several options to pursue regarding securing additional revenue, covered in the previous Chapter IV Revenue Scenarios. Each revenue source has its limitations for the service it could provide but funding will be first directed toward service listed as the highest priority. *Tier One- Extended Hours and Minor Service Expansion* includes the service with highest priority; *Tier Two- Includes Tier One, Additional Routes, Express Routes, Peak Service* has the second highest priorities and finally *Tier Three- Includes Tier Two, Additional Routes/ Grid System* has the service enhancements that were listed as a priority but not as high as tiers one and two. A map of the service areas is provided in Figure 5.2.

Figure 5.1. Tiered Service Expansion Prioritized List

Tier One. Extended Hours and Minor Service Expansion	
Region	**Major Destination**
Southeast Medford	Barnett Rd. x N. Phoenix Rd./ RVMC
Expand service hours~4am to 10 pm	All Routes except low productivity routes
West White City	Table Rock Rd. x Antelope Rd.
Saturday Service	Base service from 8am to 6pm
Tier Two. Tier One, Additional Routes, Express Routes, Peak Service	
Region	**Major Destination**
West and southwest Central Point	Twin Creeks TOD.
East Medford	McAndrews Rd. x Foothill Rd.
Ashland Talent Phoenix Circulators	West of Hwy 99 in Talent and Phoenix/ East of Hwy 99 in Ashland
4 Hour Peak Service	All Routes except low productivity routes
Southwest Medford/ Jacksonville	Stewart Ave. x Lozier Rd.
Express Routes (15 min.) to Ashland and White City	Front St. to Ashland Plaza and Front St. to Cascade Shopping Ctr.
Northwest Medford	Sage Rd. x Rossanley Dr. (North Gate Centre)
Tier Three. Tier Two, Additional Routes/ Grid System	
Region	**Major Destination**
Foothills Rd.	Corridor from Barnett to Coker Butte
Table Rock Rd.	Corridor from Midway Rd. to Antelope Rd.
Hwy 99	Corridor from Table Rock Rd. to Scenic Ave.
Delta Waters TOD	Region not yet defined
South Ashland	Region not yet defined

Figure 5.2 RVTD Service Expansion Scenarios



Service Expansion Methodology

The service expansion methodology started with a staff meeting to discuss potential new service areas and hours of operation. Although the Board, agency and public workshops provided guidance for the service priorities, staff has had a fairly accurate and adept prediction for several years. The difficult task was identifying service areas more specifically and then drafting routes throughout the district to generate the new miles of service for cost estimation.

When creating a route several staff members work together to produce the final product. Routes are primarily created based on the popular destination in a given area, the hours of operation for those major destinations and the ability to navigate the street system in the area. The route typically starts in the Planning Department where the destination and hours are drafted. This is then given to the Operation Department who examines the street network and the ability for the bus to safely travel in the area. Finally the route is scheduled to synch with the rest of the system and assigned driver shifts to accommodate Union contracts and regulations. Creating a route is not a simple procedure and an incredible amount of forethought must also be given to whether the route will be productive, i.e. whether the passengers per mile will be high enough to warrant service. The majority of the tiered service expansions have been drafted for purposes of costing out the new service but more work is needed before the route can be considered ready for service. In examining the overhead and capital needs outlined in this plan it is apparent that even with full revenue capture, new service would need to be implemented over the course of 18 to 24 months.

Evaluating Whether the Service Scenarios Meet the Service Needs

The service scenarios have been evaluated to see how well they meet the Board, Agency and Public priorities for service. The first Tier meets only a small

portion of priorities and as the service increases more priorities are met. Tier three service scenario meets all of the priorities for service, however also requires the largest revenue stream. Please see Figure 5.3 for the evaluation of how each tier meets, or does not meet, the Rogue Valley's expressed needs for service.

Figure 5.3 Ranking and Evaluation of Expansion Scenarios

Service Expansion Scenarios	Tier One - Extended Hours and Minor Service Expansion	Tier Two – Tier One, Additional Routes, Express Routes, Peak Service	Tier Three – Tier Two, Additional Routes/ Grid System
Board Priorities [Goal: Objective: Performance Measure]			
1:1:1			X
1:2:5	X	X	X
2:2:1	X	X	X
2:1:2		X	X
2:1:3			X
2:1:2			X
Agency Priorities			
Extend Hours	X	X	X
Peak Service		X	X
Circulators			X
TOD service			X
Increase Coverage		X	X
Express Service		X	X
Public Priorities			
Increase Coverage		X	X
Extend Hours	X	X	X
Express Service		X	X

Calculating the Cost of Service

Cost estimation of new service can be examined in two ways: an incremental cost and a fully allocated cost. The difference is really found in the overhead for Administrative staff and cost of capital purchases. For example, if RVTD added one route to the system, the administrative costs per route would likely not go up but instead go down as each route absorbs less costs on average; this would reflect an incremental cost. A fully allocated cost would be needed when estimating the cost of expanding service hours throughout the system; staff levels would need to be increased and possibly additional buses would need to be purchased.

A more detailed cost estimation will be conducted and included in a Strategic Business and Operations Plan to ensure there are no overruns. For the upcoming Strategic Business and Operations Plan, cost estimations will be calculated based on the service mile, service hour and cost of equipment. These calculations are described below.

Cost per mile and hour

For the fixed route system the best method for determining the cost of service expansions and enhancements is the cost-per-mile. The cost for extending hours of service would be calculated by assessing the additional miles per service hour the route travels. Historical data is available to provide the information needed for the cost-per-mile calculation of operations for expanding hours on current service. Service expansion, or adding additional routes requires in the field data collection to determine where the route will travel and then calculating the number of 'new' miles to the system.

RVTD has calculated a cost per mile of $5.74 based on 2006-2007 FY Operating costs. At the beginning of each Fiscal Year, which starts July 1st, the cost per mile will be re-assessed based on previous year actual costs.

If RVTD is unable to provide an expansion of service either because additional revenues are not secured or due to the cost being higher than monies available, subsidizing service is an option. Staff can provide the cost of the service based on the cost-per-mile factor described above and work with parties who can finance additional service.

Cost of Overhead

Overhead costs are primarily related to the administrative functions within the District operations. While the total overhead costs are likely to increase as a function of the expansion of the fixed route service levels, these costs are not significant in relation to the costs of providing the direct services.

Cost of Equipment

As service levels increase, either by the addition of new routes or the enhancement of existing routes, capital equipment acquisition will be necessary. Capital costs are not included in the cost-per-mile and will be calculated separately.

In addition, at some point the existing physical facilities used to store and maintain the bus fleet will need to be expanded. These costs must be reflected in any plan to expand and enhance the level of services provided. Before these points can be determined a more exact expansion and enhancement plan must be developed which will be part of the Strategic Business and Operations Plan.

Finalizing the Service Scenarios

RVTD is creating a Strategic Business and Operations Plan expected to be complete by the beginning of 2008. Within this document the revenue scenarios will be explored in more detail to determine the viability of the available resources. The service expansions will have costs associated with each enhancement and will be viewed as incremental improvements. This will give RVTD and the overall community a more black and white picture of how the revenue can support new service. An operations analysis of current service is also needed to make preparations for adjustments throughout the system to increase efficiency and to plan for additional service.

A full operations analysis will be conducted in 2008 that is basically a system wide audit to look at where adjustments should be made to the current system and how new service will increase efficiency. The last operations analysis occurred almost a decade ago and was performed by a consultant. The Federal Transit Administration and the National Transit Database provide guidance on how to conduct an operations analysis and RVTD has recruited an intern from the University of Oregon's Resource Assistance for Rural Environments program to conduct the analysis. The study includes on-board and off-board surveying, GIS analysis and locating peak load points. Once this analysis has been completed, a recommendation for system modifications will be made and the service scenarios will be finalized.

Valley Feeder

A Valley Feeder program, or demand-response service available for all citizens, has been discussed as a priority by several agencies and the public at large. This service is quite different than a fixed-route making costs more difficult to project so this service has not been included within the service expansion scenarios. However, there is high potential for a Valley Feeder service to establish the ridership demand before a regular fixed-route is implemented, such as with the circulators in Talent and Phoenix.

A Valley Feeder service could develop along two avenues. The first avenue would be to utilize the extra capacity within the Valley Lift vehicles. Although an option, Valley Lift trips will take precedence over general public requests and this may not provide the reliability and convenience to make it an attractive choice of travel. Once the Valley Lift capacity has reached a peak, the Valley Feeder service would need to be transferred to a more dedicated system. The Valley Feeder service would acquire its own fleet of vehicles and have support staff separate from Valley Lift. As stated in this document, starting service is not an overnight operation. Vehicles need to be located and purchased, staff needs to be hired and trained and of course funding needs to be secured for long-term success. RVTD is interested in keeping this option as part of the overall service expansion plan, however further study and staff discussions need to occur in the following year to create a strategy.

VI. Demographics of Transit Demand

Demographics of service area and regional culture:

The reasons that passengers use transit vary widely, and an understanding of patron needs is vital in prioritizing the characteristics of the service offered. Public transportation is essential for those who are income-constrained to connect with employment and job-training opportunities, health and medical services, educational services, and the community at large. A transit system designed to serve this group well would connect affordable housing clusters with commercial employment centers, college campuses, social service agencies, health-care centers and other amenities. Because “trip-chaining” (traveling to multiple destinations in a single trip, such as during the work-to-home commute) can be much more difficult on transit, availability of workforce housing in mixed-use neighborhoods is an important transit strategy for this population.

Alternatively, a small but growing group of passengers choose transit for reasons that may not be derived directly from financial reasons but instead for quality of life reasons. For a commuter traveling from Ashland to Medford each day for example, RVTD would provide a safe and comfortable alternative to the automobile and the passenger can use their time more efficiently than driving. For this population transit is used for some but often not all trips and the choice often depends on external factors such as length of trip, parking contraints and cost and the stress of the commute.

This chapter describes the demographics of Rogue Valley's citizens and construes the demand for transit based on certain characteristics, such as access to a vehicle. Additional information about the regional demand for transit can be taken from RVTD's Passenger Surveys, conducted every three years.

Figure 6.1 Demographics in Jackson County: U.S. Census Bureau

Demographic Category	Percentage of Population
Age 2005	
Under 18	22.2%
19 to 64	61.6%
65 and Older	16.2% (PSU 2006 estimate)
Education 2000	
High school graduates	85.0%
Bachelor's degree or higher	22.3%
Disabilities and Other 2000	
Population 5 to 20 years with a disability	8.2% (Oregon 8.2%)
Population 21 to 64 years with disability	19.1% (Oregon 18.0%)
Population 65 years and over with disability	41.0% (Oregon 41.5%)
Language other than English spoken at home	7.7% (Oregon 12.1%)
Transportation 2000	
Mean Travel time to work	18.9 minutes
Commute to work, drive alone	77.4% (Oregon 73.2%)
Commute to work, carpool	10.9% (Oregon 12.2%)
Commute to work, public transportation	0.7% (Oregon 4.2%)
Commute to work, walk	3.6% (Oregon 3.6%)

Work at home	5.6% (Oregon 5.0%)
No vehicles available	5,006
1 vehicle available	26,038
2 vehicles available	29,195
Housing 2000	
Home ownership rate	66.5%
Grandparents responsible for grandchildren	39.6%
Population living in same house in 1995	46.5%
Population living in same county in 1995	30.4%
Income 2004	
Median household income	$38,481 (Oregon $42,568)
Persons below poverty	14.0% (Oregon 12.9%)
Persons unemployed	4.2%
Households with income less than $24,999	33.2%
Households with income more than $75,000	16.4%

Current Transit-user Demographics

RVTD has conducted passenger surveys tri-annually since 1991. The following is a summary of some key findings from the 2005 Passenger Survey. The full survey report is available at www.rvtd.org.

Figure 6.2 RVTD 2005 Passenger Survey Household Income Data

Income	**2005**	**2001**
< $15,000	50% (225)	44%
$15,000 - $24,999	19% (86)	20%
Prefer not to answer/Refused	17% (75)	20%
$25,000 – $44,999	9% (39)	11%
$45,000 +	5% (25)	5%

Figure 6.3 RVTD 2005 Passenger Survey Trip Purpose Data

Reason for Trip	Per Cent
Work	24%
Shopping	17%
Other	15%
School	12%
Recreation	13%
Home	12%
Medical	7%

Additional Passenger Demographics

74% are between the ages of 19 and 64

69% do not have a valid driver's license

24% are using the bus to get to work

26% would not have made the trip, if they had not taken the bus;

of those 18% were using the bus for work reasons.

83% use the bus 3-5 days per week

54% use the bus 5 days per week

50% say their combined annual household income is less than $15,000

73% walk to catch the bus

69% travel no more than 3 blocks to connect with the bus system and

74% travel no more than 3 blocks to their final destination from the bus

Relationships Among 2005 Passenger Survey Data

The data suggested the following relationships:

• The higher a person's annual combined household income; the more likely that person is to have a valid driver's license.

• Passengers in the 65+ age category are most likely to be using the bus for recreational or shopping purposes.

• Passengers' incomes tend to reflect socio-economic trends in the neighborhoods served by that route.

• Reasons for the trip vary with age. The youngest (10-18) tend to be using the bus mostly for school and getting home; the eldest (65+) are using the bus

mostly for shopping or recreating; and those aged 19-64 are more likely to be using the bus to get to work.

2005 Passenger Survey Impressions Excerpt

"RVTD is providing an indispensable service for its passengers. People using the bus seem dependent upon it. They often do not have viable options to taking the bus. Most people use the bus from 3-5 days per week, meaning that it is an important constant in the routines of their lives. The majority of people travel no more than 3 blocks to the bus system and then approximately the same distance from the bus to their final destination. This strongly suggests that convenience has a lot to do with using the bus system. Yet other data suggests that having a lower annual income encourages use of the bus system. Passengers are clamoring for weekend bus service and service into evening hours during the week."

***Population size and locations*:**

The largest metropolitan area in the Rogue Valley is the City of Medford, considered to be the center for commercial and economic activities. To this end, RVTD sees Medford as a natural place for all routes to begin and end their service days. Although additional transit centers may be built throughout the District, Medford is considered the best location for the regional transfer station.

RVTD seeks to serve the primary commercial and residential centers of the valley and the heart of each urban area. As with sewer, water and other types of municipal owned and operated infrastructure, the cost of transit service also grows as each route lengthens, especially if it travels through areas that are under-populated

CNG New Flyer Bus at Front St. Station

New Service Locations:

Three new areas outside of the District boundaries have expressed interest in receiving service: Grants Pass, Gold Hill and Eagle Point. A route to Grants Pass would likely use Hwy 99 and provide an opportunity for Gold Hill and Rogue River to also receive service. Eagle Point service would likely occur via Crater Lake Hwy. These jurisdictions, and the areas in between, would need to pass a levy for becoming part of RVTD's Transportation District. This would enable the district's current taxing instruments to be leveraged in these areas and for the Board to exercise the district's limited authority. Although it is unlikely that the existing property taxing base alone would fully fund new routes, RVTD could either match the service to the available tax revenue (which could be less than needed for attracting high ridership) or be partially subsidized to provide adequate service. Either direction would need the support of jurisdictions that are currently in the District. There is no doubt that areas outside the district are experiencing high levels of growth and significant numbers of commuters travel to and from Medford each day. For more information on the transit needs of each community, please refer to chapter III.

Characteristics of Current Riders

"Dependent" Riders

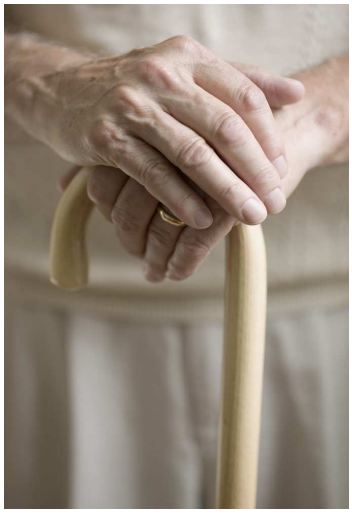
RVTD's primary transit ridership demographics are based on what is known as a 'dependent' rider, someone who either has limited or no access to an automobile and relies on public transportation for long-distance trips. Although we cannot generalize who would be a dependent rider based on income or age, we can assume who will be less likely to have access to an automobile. These are people who do not have a driver's license, are of lower incomes, and have not attended secondary education. From the community profile above, a few key statistics should be considered to establish the value of

transit for the greater Rogue Valley area. In addition, this information provides suggestions for ways to improve service.

Age:

26% of the passengers in 2005 were children or seniors. Senior citizens with decreasing abilities to drive and children are often dependent on family and friends for their mobility needs. Some can also walk or bike but it is difficult to rely solely on these forms of transportation as they are primarily for short distances. RVTD is the region's lead provider for long-distance, non-auto trips.

Senior Citizens



The Census projects that by the year **2015**, the state of Oregon will have 741,000 people who are 65 and over. Jackson County currently makes up approximately 5.3% of Oregon's total population and is expected to continue experiencing higher population growth than the state on average. Oregon's Office of Economic Analysis projects Jackson County will have 40,987 people who are 65 and over by 2015. This was based on 2000 data and could be higher with recent growth trends.

If only half of the expected 65 and over population in 2015 uses the bus 3 days per week (6 trips), RVTD could expect 6,393,972 rides from this population that year alone. (20,495 x 52 weeks x 6 trips= 6,393,972)
Those who are functionally able will most likely rely on public transportation and we should ensure that the facilities are adequate for them to do so. A major obstacle to someone who relies on public transportation is the walking surface, accessibility and surrounding environment. RVTD's staff feels that a portion of Valley Lift clients would be able to use the bus system if they had

sidewalk connectivity. This subject has been brought up to all jurisdictions, who are responsible for the built environment RVTD serves, as one way to alleviate the demand on the Valley Lift Program. For instance, if 20% of the total 92,335 Valley Lift trips made between July 2005 and June 2006 were diverted to the bus system due to sidewalk connectivity, RVTD could have saved an estimated $369,420 (using an approximate trip cost of $20.00). Please note that only certain disabilities allow an individual to qualify for Valley Lift service. A lack of sidewalk connection to a bus stop partially determines if someone qualifies for Valley Lift. However due to the high percentage of the Jackson County population 65 and over with a disability, currently 41%, we can assume that many will continue to rely on Valley Lift.

To prepare the senior population for using the transit system, RVTD offers a free class to show them how to use the bus. Students learn to read a bus schedule and the class includes a bus ride. Additionally, RVTD has preferential seating for seniors at the front of the bus. When a senior boards the bus, the driver will respectfully make a general request for others occupying the front seats to move to another. In addition, all RVTD's drivers are trained for emergency response and have dispatch capabilities to the area's emergency response system. Valley Lift is also available for qualified people who cannot use the regular bus system due to physical limitations.

Children and Transit

Children ages 0-9 can ride RVTD for free with an accompanying adult. Although a rare occurrence, children are allowed to ride the bus without an adult but they would need to pay the reduced fare of $1.00. For several years RVTD provided the School District with transportation and had several "tripper routes" established for this purpose. As RVTD's costs for providing the service to the school increased, the School District decided to contract with Laidlaw for their transportation obligations. RVTD was then able to focus more on

commuters rather than school aged riders who have very different transportation needs.

Today, RVTD reaches over 7,000 Rogue Valley students through the Interactive Programs called Gus Rides the Bus and Mike and his Interactive Bike. These programs teach traffic rules of the road and the benefits of using alternative transportation. The Gus Bus class also has a bus ride.

Although RVTD is not the primary transportation provider for the region's school districts, 31 of 72 schools (both public & private) are located within ¼ mile of the current routes. Or, approximately 14,938 K-12 students out of 31,000 total students have convenient access to public transportation.

Special Needs Riders

Special needs populations may require services such as: wheelchair accessible demand-response van service, shared-ride taxis, vanpools, carpools, etc. Many federal programs authorize use of funds to provide transportation for transportation-disadvantaged people so they can access government programs. Programs that provide incidental transportation include health and medical programs, job-training programs, and programs for the aged. The coordination of these transportation services through pooling resources, consolidating trips provided by various agencies under a single agency, scheduling service according to client residential location, or sharing information between programs, has been found to improve the quality and cost-effectiveness of service.

Clients of social and medical service agencies are fortunate to have numerous providers of specialized transportation in the Rogue Valley. RVTD's adopted *Coordinated Public Transit/Human Services Transportation Plan* includes comprehensive inventories of specialized transportation providers and human service agencies with clienteles dependent on specialized transportation.

Income:

According to the 2005 Passenger Survey, 69% of RVTD's passengers (household) have an annual income of less than $25,000. Households with less than $25,000 incomes comprise 33.2% of Jackson County's total households.

Additionally, 16% of households in Jackson County have one or no vehicles available. As the cost of vehicle ownership increases, the percentage of one or no vehicle households is also expected to increase. Often this population makes a conscious effort to live and work in areas where public transportation is available, however affordable housing is increasingly difficult to find.

Transit Fare:

RVTD can ensure an affordable alternative to car ownership by keeping fares at their current level of $2.00. RVTD has the highest fare in the state of Oregon [outside of zone fares] as a result of a fare increase established in July 2006. The 2006 fare increase was abrupt, doubling fares overnight. Typically transit agencies make small adjustments to the fare, often no more than 25% per year. The effect on RVTD's ridership was lower than expected which provides an insight into the ability for passengers to use an alternate means. The fare increase caused ridership to decrease but is recovering. It is expected that other transit agencies in the state will continue to experience internal pressure to increase fares to keep up with the growing costs of transit service. However, the fare is very reasonable when compared to vehicle registration, insurance, maintenance, fuel, depreciation, and other car ownership costs. At the sunset of this plan in 2017, many of these agencies may have increased fares putting RVTD's fare in a more competitive light.

If a fare increase is considered again it should not be in more than 25% increments. The Board should also consider whether the current

demographics of passengers, who may be choice riders as described below, will decide to drive their cars again faced with a fare increase.

'Dependent' Riders:

Even transit systems offering the lowest levels of service can expect regular ridership from passengers who have few other transportation options. These "dependent" riders may include students, the aged, people who cannot afford private transportation, and non-drivers. This is a very diverse group, with diverse needs. These riders are less likely to benefit from a park-and-ride, and more likely to benefit from bike racks and connections to pedestrian-oriented activity centers, such as schools, health centers, and social services. Amenities useful to this group include covered bus shelters to provide a safe, dry, and lighted waiting area, secure bike racks for cyclists who use transit, and route information. While regular riders of a bus system may be familiar with routes, information is often still desired for reassurance purposes, or when a regular rider is taking a trip at a new time or to a new location. Bus stop information tends to inspire confidence in transit passengers.

***'Choice' Riders*:**

In larger metropolitan areas, public transportation is also used regularly by what is known as a 'choice' rider, someone who has access to an automobile but chooses to use public transportation for a variety of reasons, such as parking fees, congestion, conservation of fuel or environmental benefits. The rising cost of fuel is a large factor, although volatile, in shifting what would be a choice rider to become a dependent rider. The choice rider has historically been considered a stable population, often falling within the middle and upper classes. Recently, the middle class has also felt the impacts that fuel costs have on household budgets. Fuel costs are only expected to increase pushing more households to become dependent on public and non-auto transportation.

The viability of transit service could also shift someone from using an automobile to public transit. Reliability, convenience, cleanliness, safety and user knowledge are a few of the primary reasons people view transit as viable. RVTD seeks to increase the 'choice' ridership because this population has the largest impact on per capita Vehicle Miles Traveled (VMT), congestion and air quality. If commercial and housing developments in the Rogue Valley become more accessible to transit and if using an automobile continues to be less convenient, we can expect to see both dependent and choice ridership grow.

Major Destinations and 'Campus' Transportation

It is very typical to have transit serve major origins and destinations that generate high volumes of trips. Locations that have higher than 2,000 occupants on a typical day are hospitals, lower and higher education institutions, employment centers and manufacturing plants to name a few. A campus is a term that describes a piece of property that has several buildings conjoined together but having different uses. The typical campus is thought to be a school however it could also be a hospital or production plant.

Below is a description of the types of campuses that have higher trips than the average destination and then a fairly comprehensive list of all the major destinations served by RVTD.

Southern Oregon University – The SOU campus in Ashland has approximately 5,000 students enrolled and approximately 700 faculty and staff. The City of Ashland has nearly 20,000 residents and SOU can be considered to generate approximately 1/3 of Ashland' daily trips. RVTD has

dedicated a considerable amount of time and resources toward automobile trip reduction at SOU with several unsuccessful years, more so recently.

SOU's Student Senate and the Business Administration decided to discontinue participation in a long-standing bus pass program in 2004. In 2004, the fare in Ashland was free, which could have been the main drive behind dropping the program as students could take advantage of the free fare without a pass. However when the free fare program was established, the City, RVTD and SOU had an understanding that the University would provide a portion of the cost to provide the free service due to the high trip generation of the campus. Unfortunately, this agreement was not binding and with a rotating Student Senate and unsupportive Administration, SOU quickly dropped the program due to what is likely a misunderstanding and miscommunication.

Although SOU is currently not participating in a bus pass program, RVTD has continued to advocate for automobile trip reduction through its TDM Department. In 2004-2005 several presentations were given to the Student Senate and the Business Administration to support trip reduction programs, including adoption of the bus pass program but to no avail. Then, in the 2005-2006 academic year, RVTD mentored a group of five students, three of whom were Ecology Capstone students. This group coordinated a year long project that not only regenerated a fledgling bicycle lending program but also established transportation kiosks in two campus locations, conducted a campus-wide survey and participated in Senate discussions regarding transportation. The survey found that 37% of students and 29% of faculty/staff would ride the bus more if a bus pass program were implemented. Additionally, 65% of students and 73% of faculty/staff would support a $10.00 parking fee increase to fund the program. The Student Senate reviewed the work of this group and decided to not take any action to the disappointment of all involved. The Capstone group helped to establish a greater awareness of auto trip reduction on campus and planted a seed for what would become

today a Commuter Services Office in the Non-Traditional Student Affairs Department where students can receive transit information learn about the bike lending program, and find carpool partners.

In addition to the present day student and faculty trip needs, SOU and RCC are building a joint campus in downtown Medford to be completed and open for enrollment by Fall of 2008. SOU expects an enrollment of 1,500 students that will need inter-campus transportation. Although each campus will have choices for closed degree completion programs (the ability for a student to only attend one campus) the majority of students may need to attend both campuses at some point in their school career. Classes will be offered in the evening with the last class ending at around 10:00pm. RVTD is currently considering extending hours until 10:00pm as part of its service expansion.

Rogue Community College – The RCC campus in downtown Medford has approximately 2,000 students enrolled and the Table Rock campus in White City has approximately 1,000 students enrolled. RCC also has a campus in Grants Pass that has approximately 2,000 students enrolled. Similar to SOU, RCC has several students and staff that need inter-campus transportation. The only campus that is currently served within 1/4 mile of a route however is the downtown Medford campus, which has incredible access to all of RVTD's routes due to the campus being two blocks from the Front St. Transfer Station. RVTD plans to extend service out to the Table Rock campus area as part of the service expansion scenarios which will allow inter-campus transportation and general commuting transit.

The students at RCC have had access to a bus pass program for over a decade. Up until the 2004-2005 the program was offered for free and it allowed any student to show their student ID to the driver to board the bus for free. Currently, RCC charges students interested in receiving bus pass privileges $15.00 per term for a sticker that is placed on the front of their pass. Although

this is an added disincentive for a student to use transit, it is considerably less expensive than the $210.00 the student would otherwise pay for a term's worth of Full Fare passes. So far, this program still seems to have high participation.

Rogue Valley Medical Center – RVMC is part of Asante Health Systems and is located in east Medford. Together with the Three Rivers campus in Grants Pass, Asante has over 3,200 employees and several hundred patients. RVMC was served directly by Route 4 but as part of the 2006-2007 service adjustments Route 4 was discontinued. Before 2006, RVTD offered a bus pass program several times to RVMC and met with the Human Services Director but they felt that with the limited hours of service and virtually 24-hour shifts at the hospital, a bus pass program would not be worth the cost.

Re-instating Route 4 to the east Medford area is in the first tier as part of the service expansion scenarios. With service to the campus again and an extension of hours, RVMC is likely to adopt a bus pass program for their employees.

Providence Hospital – Providence Hospital is part of Providence Health and Services. Their campus in Medford is located along Crater Lake Ave. and has over 1,100 employees and several hundred patients. Providence is served by Route 60 which has 30-minute service. RVTD has offered a bus pass program several times to Providence and met with the Human Services Assistant but they too felt that with the limited hours of service and virtually 24-hour shifts at the hospital, a bus pass program would not be worth the cost. With an extension of service hours, Providence is likely to adopt a bus pass program for their employees.

Rogue Valley Mall – Rogue Valley Mall is the region's shopping mall with over 200 stores and 7 Million visitors per year. RVTD has provided service to the mall since it's opening with door front service to its main entrance along

Riverside Ave. until 2005. Parking lot navigation, insufficient surface materials and time constraints within the RV Mall route led the district to discontinue door front service and limit stops to Riverside Ave. Each year RVTD partners with RV Mall's J.C. Penny, Red Robin and Central Point Rotary to treat disadvantaged students of Central Point Elementary School District to a Christmas Shopping spree that includes a bus trip, meal, haircut and new clothes.

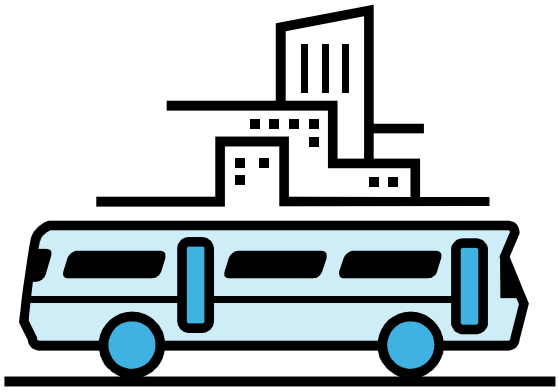
Veterans Affairs Southern Oregon Rehabilitation Center & Clinics-
The VA-DOM campus is located in White City and has over 500 employees and approximately 800 patients. The VA-DOM is served by Route 60 and enters the campus to turn around before heading back to Medford. The population living at the VA-DOM is considered at-risk with very few residents owning an automobile. Residents rely on RVTD to provide them with long and short distance transportation.

Major Destinations served by Transit:
RVTD provides service to the majority of visitors and commercial destinations in the District. Also see the Population and Job Density maps in Appendix E. Often when encouraging citizens to try transit, staff highlights the several destinations they can reach by bus. A list is provided in Appendix F.

Plan for quality of life, not just quality of travel

Successful transit system design begins not with operational plans, but with consideration of the overall goals of the communities the system serves and the needs of the citizens, workers, and business interests. This section examined the role of transit in helping communities achieve their goals and meet the needs of their members.

VII. Land Use Context for Transit in the Rogue Valley



This chapter describes how land use affects RVTD's transit productivity, or how efficient each route performs based primarily on the number of passengers. This chapter also describes standards and land use characteristics that need to exist before transit services are implemented.

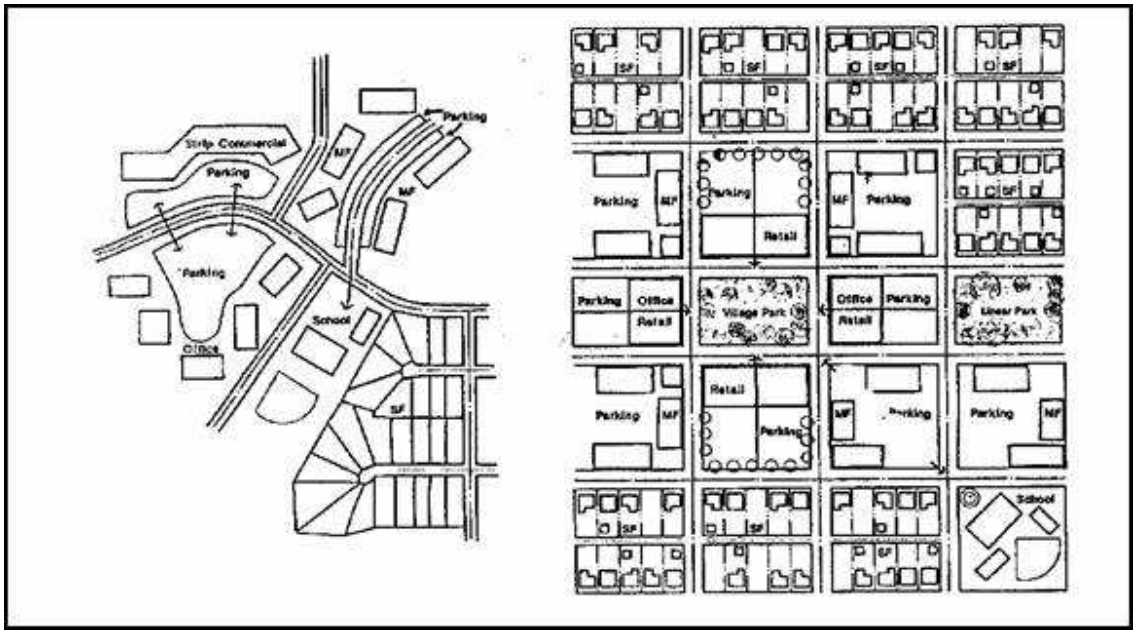
District Area, Street Systems and Urban Forms

The jurisdictional authority and geographic extent of the Rogue Valley Transportation District's tax base is 158.5 square miles of urbanized area. Within this area RVTD serves seven cities and large portions of rural land types. Transit both competes with and complements other modes of travel in this type of land configuration. Its relationship with automobile travel tends to be competitive, not just for passengers, but also primarily because the urban forms that support automobile travel are less compatible with efficient and convenient transit service, and vice versa. In many ways transit complements walking and cycling because urban environments that are conducive to walking and cycling are also transit-supportive. People who make walking and cycling trips instead of automobile trips are also most likely to be transit users.

Street Systems

Urban forms and rural travel patterns have an incredible impact on the viability of a transit system to work efficiently and effectively. Compact development often incorporates a street system established along a grid network providing more direct travel and frequent links. Conversely, low-density development and arterial-based street systems often create obstacles to walking, cycling and ultimately limits access to the transit system. An example in the Rogue Valley is in east Medford where neighborhoods have very few connected streets and rely primarily on arterials for travel. For someone using an automobile, out of direction travel to reach an arterial may not be an inconvenience and would likely not deter them from making the trip. However, this will have a much greater impact on someone who relies on their own two feet for getting around. Figure 7.1 demonstrates these two urban forms with a disconnected road system illustrated on the left, having many dead-end streets requiring travel on arterials for most trips. A well-connected road system, illustrated on the right, allows more direct travel between destinations, offers more route options, and makes non-motorized travel more feasible.

Figure 7.1 Arterial Based versus Grid Road Systems[2]



[2] Victoria Transport Policy Institute, Roadway Connectivity, March 2008

Communities adopt policies to reduce sprawling growth patterns for fiscal reasons, purposes of community identity and design and economic development strategies to name a few. Many local and state governments, including Oregon, actively pursue policies to discourage sprawl. Typically, funding for infrastructure, including transportation, is limited outside of urban areas. The public expenditures associated with building and maintaining transportation systems in particular are very sensitive to the compactness of a region's development patterns. Transit can be both a cause and an effect in the patterns of urban development.

Transit is affected by land development patterns in many ways. Service efficiency is very sensitive to the intensity of development along transit corridors. Since transit is most accessible by foot and by bike, the ratio of route miles to the population being served is inversely proportional to land use intensity. The effect on service cost per passenger is magnified by the fact that lengthier transit routes increase travel times, reducing convenience and reducing ridership.

Transit service impacts development patterns as well. Far-flung route extensions – especially if they serve low-density communities – can facilitate sprawl and higher land values, which could cause gentrification. RVTD currently provides service along primary corridors and more rural areas. Only in recent years has the pressures been felt to serve destinations more than 5 miles off a route line, yet within the district. Although 5 miles may seem nominal, it is approximately 35,000 more miles of travel per year. At $5.74 per mile (system-wide 06-07 Operating costs) this 5-mile detour costs more than $200,000.

Carefully designed standards for transit corridors can encourage development of compact urban and suburban nodes, with consequent savings on public expenditures and increases in prosperity.

Economic Development

Because transit can be used as a tool to help increase the intensity of land use, it is commonly a component of a community's economic development strategy. This is typically done by trading automobile access, which requires large dedications of land, for transit access. Sufficiently dense (and well-designed) development can bring about a "critical mass" of economic activity, increasing the opportunity cost of non-productive land uses, such as parking and multiple vehicular travel lanes. That is, the opportunity to use that space for more profitable pursuits would have to be forfeited to make room for automobile access, unless enough workers and residents could use transit instead. Parking and street width have an enormous impact on the degree to which automobiles dominate an area, and how much room there is for other forms of human activity. Reducing the amount of geographic space dedicated to automobiles can greatly reduce walking distances and improve the attractiveness of an area, and is therefore a key strategy for increasing economic activity and quality of life. In most cases, the amount of land devoted to automobiles can be greatly reduced without reducing auto access. An example of such a compromise is the use of multi-story parking structures or underground parking and charging for the use of parking will act as an incentive to walk or take the local transit system.

2005 Rogue Valley Population and Job Density Analysis

A key indicator of how accessible a transit system is, would be to look at the population working or living within ¼ mile of a transit route. Six maps have been created to accomplish this and are within Appendix E: Job Densities for North, Central and South Rogue Valley of 2005 and Population Densities for North, Central and South Rogue Valley of 2005. Inspection of the job and population density maps indicates locations of clusters that are not currently

served by transit routes. A location is considered "served" if it is within ¼ mile of a fixed route.

Transportation Demand Management

RVTD houses the region's Transportation Demand Management program whose mission is to minimize private automobile travel to improve air quality, decrease congestion, improve health and mobility and enhance community. TDM is implemented in various forms from education and outreach to facility design and location. For the purposes of this chapter, in context with land use, TDM provides facility design that is compatible with transit access and convenience.

Several municipal codes exist at the city and county levels to support TDM design. However, the codes need to be enforced for the impact of TDM design to be realized. An example TDM code is to site buildings that are along transit routes closest to the street. This provides better access for pedestrians entering this building from a bus stop and creates a more aesthetically pleasing area to walk, thereby encouraging pedestrian trips. TDM assists in creating direct pedestrian and cycling facilities and can improve the livability and safety of a street by implementing traffic calming techniques. There are several locations that may not receive transit service where TDM still can improve travel for alternate modes. The majority of RVTD's transit routes serve places with high trip generation and there is a common element seen at each of these: parking.

Parking is a finite resource for many business owners. The more limited the parking, the more important managing that resource becomes. Expanding parking is usually very expensive, making parking management a far more economical option. Free parking is the single most powerful incentive for an employee to drive to work alone. Parking, of course, is never free. It is being paid for by either the employees, often indirectly, or the employer.

Business owners can choose to manage parking demand in the following ways:

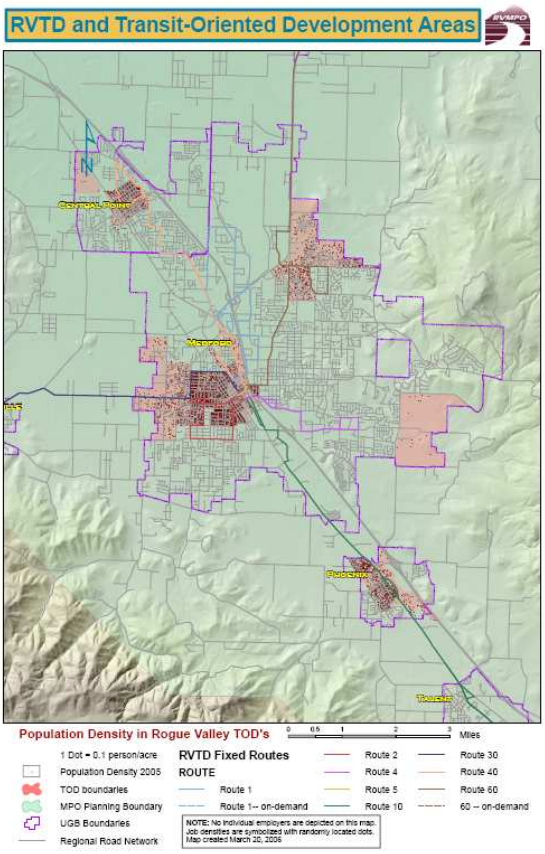
- Encourage employees to use alternatives to driving solo.
- Shift work hours and work arrangements to ease demand.
- Use pricing to discourage employee parking.
- Employers might provide preferential parking for carpools and vanpools, and facilities that support bicycle commuting. Employers may also allow flexible schedules and telecommuting for their employees.

Transit Oriented Development

The basic elements of Transit Oriented Developments (TOD) include mixed-use development centered around public spaces featuring transit facilities and high frequency service. TOD's are intended to be very pedestrian-friendly, provide a variety of attractive commercial and/or civic destinations, and de-emphasize automobiles as the dominant mode of transportation. Generally, the densest housing is located in or adjacent to the commercial core. These kinds of development standards have been adopted for two of the TODs shown in the Regional Transportation Plan – the rest are either existing traditional downtowns, or are still in the conceptual stage. Besides expected benefits to the transportation system, localities can promote TOD areas for economic development, neighborhood revitalization, and community identity. Subsequently it is likely that transit will become an increasingly integral part of the fabric of community development.

Although a TOD conjures the expectation that transit service will be provided, several factors need to be in place before a TOD is in all actuality *developed to*

orient people to use transit. A term has been coined recently to describe a growing problem. Transit Adjacent Development or TAD, simply means that a TOD was envisioned but not developed correctly. Creating a TOD is in many ways a science; it cannot be made with half-hearted attempts or negligence of pedestrian amenities. It is because of these factors that RVTD cannot guarantee that transit service will be provided simply because an area has the acronym TOD associated with it. With proper density levels at nearly full occupancy, safe and direct pedestrian and cycling facilities and incentives to use transit (such as charging for parking) RVTD will consider transit service as viable and it will likely be provided.



The map above right shows designated TOD areas throughout the Rogue Valley. Many of these are already served by transit or are planned for service. This map is also in Appendix G.

Transit Access Standards

The fleet of vehicles RVTD manages and operates has its own set of standards for determining where, and sometimes when, a bus can navigate an area. Many larger transit agencies have an entire document dedicated to bus stop design, locations and transit accessibility. This section gives a brief overview of what RVTD staff looks at when determining whether buses can or will travel in certain areas for new bus routes, temporary detours or bus leases. A comprehensive description of the access standards is provided in Appendix H.

Local coordination: land development, architectural review

RVTD currently receives proposed land developments from each jurisdiction. The RVTD Planning Department coordinates with the Operations Department to look for opportunities to enhance the bus stop facilities along existing routes. When a route is planned for future service, or when a Transportation Oriented Development is being planned, staff requests preservation of right of way for future service when transit service may not be active yet.

Each jurisdiction is slightly different in its land development review and approval process. RVTD staff should become more involved at the first planning level, which is often at the architectural site review meetings. Jurisdictions have also requested more detailed bus stop placement and future plans for transfer stations. If RVTD staff can prepare and submit more details on future transit needs, the jurisdictions could provide more assistance and prepare the developers for this particular condition of their proposed development.

How Cities Can Plan For Transit

Prioritize primary corridor service so that the highest level of transit service is given to the most transit-supportive land uses.

To be a primary corridor, a street must be able to support transit service that is efficient and attractive to potential riders, to the degree of being competitive with the automobile for at least some trips.

The street corridor should ideally feature a mixture of residential, commercial, employment, and institutional destinations so that there is transit demand at all times of day. Development must be especially intense at the ends of primary corridors. Ideally, primary corridors end at nodes of commercial activity or at major institutions such as universities or regional hospitals.

The street corridor must have reached a threshold intensity of development, or be zoned for intense development, so that there are many residents or activities within walking distance of the transit route. For residential areas, an average density of at least seven (7) units per acre within 1/4 mile of the corridor is ideal. Typically, a primary corridor has a mixture of apartments, duplexes, and small-lot single-family homes, with highest densities adjacent to the transit street. Figure 7.3 is a chart from the Urban Land Institute showing the desired land use densities to support a transit route.

Figure 7.2

MINIMUM DENSITIES FOR SUPPORTING TRANSIT

	Local Bus, Intermediate Service[1]	Local Bus, Frequent Service[2]	Light Rail[3]	Transit[4]
Dwelling units per acre	7	15	9	12
Residents per acre	18	38	23	30
Employees per acre	20	75	125+	N.A.[5]

Since primary corridors are where transit will be used most intensively, they would deserve a higher priority for amenities such as passenger shelters, direct pedestrian access, multi-modal facilities and pedestrian scale street amenities.

RVTD serves a unique geographic area and has challenges that are only intensified by planning and development that is not transit-friendly. With cooperation and coordination among cities and RVTD, the greater Rogue Valley should prioritize where TOD developments and nodal developments occur early on. This will allow RVTD to become involved in the process and determine whether the location works well within the existing system, or if additional resources would be needed that may prove to be too costly to implement service.

The most important point this chapter has tried to convey is that creating livable communities, and multi-modal communities is a two-way street. RVTD relies on each city to encourage developments that foster non-automobile travel and to disallow developments that are auto-oriented, at least within proximity to transit. Cities rely on RVTD for providing viable transportation to populations that do not have access to an automobile, to relieve congestion and for minimizing the need to provide automobile infrastructure, such as parking. The more cooperation among the cities in providing sidewalks and transit-friendly developments, the better our entire community will be, and the viability for RVTD to provide superb service.

VIII. District Governance and Organization

The Rogue Valley Transportation District is an Oregon Special District governed in accordance with the provision of the Oregon Revised Statutes 267.510 through 267.650, "Transportation Districts."

Summary of Federal and State rule conformity requirements

The following is a list of the Oregon Regulatory Statutes that govern RVTD's operations and authority. A full text description is provided in Appendix I.

267.510 Definitions for ORS 267.510 to 267.650

267.515 Application of ORS chapter 255 to district

267.517 Use of alternative fuels for certain district vehicles; exceptions; annual report; application to all district vehicles

267.520 Method of forming district

267.530 Establishment of permanent tax rate limit at time of formation

267.540 Governing body; term; vacancies; chairperson; rules of procedure; report to legislature.

267.550 Status of district

267.560 General powers

267.570 Powers relating to public transportation

267.575 Preparation of public transit system plan; contents; revision

267.580 Employees

267.590 Interagency agreements

267.600 [1974 c.9 §3; repealed by 1983 c.350 §331a]

267.610 Exemption from public utility regulation

267.615 Financing methods

267.620 Power to levy taxes

267.622 Filing boundary change with county assessor and Department of Revenue

267.630 Issuance of bonds

267.640 Refunding bonds

267.650 Finance elections

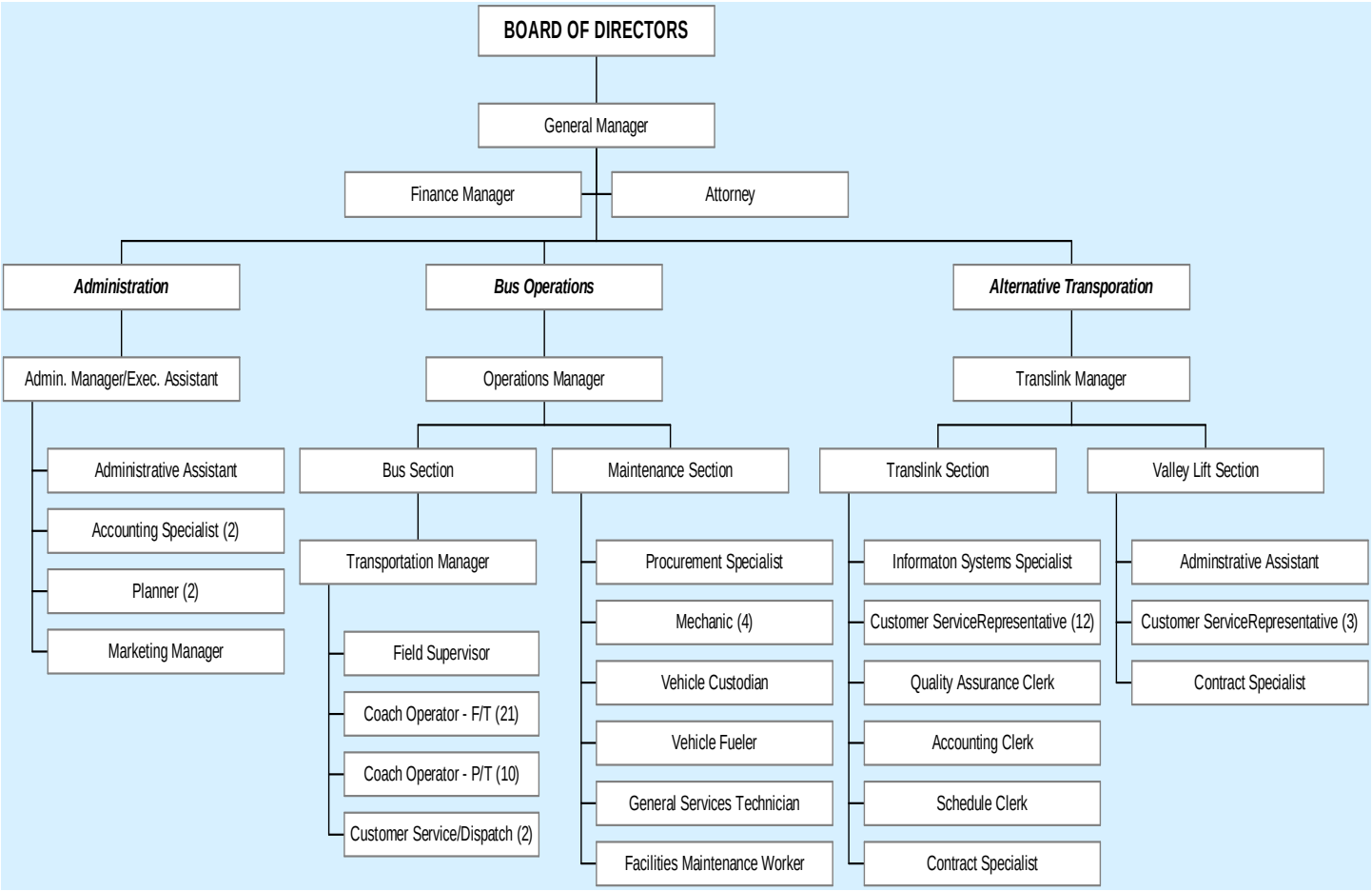
267.990 Penalties

Board Governance

The District is governed by a seven-member board of directors elected to four-year terms. RVTD currently has approximately eighty staff members including the General Manager, Department Managers, Administrative and Accounting staff, Planning and Marketing staff, Bus Operators, Customer Service Dispatchers, Mechanics and Valley Lift Agents.

In recent years, RVTD has decreased its staff levels by more than 30% to minimize labor costs. Although the Board has inadvertently decided to decrease staff levels to maintain service levels, it is apparent that the number of employees is less than adequate to provide quality service. If new service is added, restoring the appropriate staffing to complement the service should be a first priority. An organizational chart is provided in Figure 8.1, below.

Figure 8.1 RVTD Organizational chart



IX. Long Range Planning

The natural progression of transit agencies often includes a change in organizational structure within the existing laws to meet the escalating service needs of the community. This transition can allow the collection of a new revenue source to support the addition of service and can provide different types of regulatory abilities. RVTD hopes to make this transition or a similar change before 2009 that would provide the stepping stones for expanding service. Below is a discussion of the different types of organizational structures allowed under Oregon State Statute. A table summarizing the below structures is provided in Figure 9.2.

Statutory context for Revenue

ORS & OAR Relevant to Transit District Structures and Authority

Rogue Valley Transportation is one of several transit agencies in Oregon. Each agency falls under one of four statutory guidelines listed below:

- Transportation District (ORS 267.510)
- Metropolitan Service District (ORS 268)
- Mass Transit District (ORS 267.085)
- Mass Transit District (ORS 267.107)

RVTD is currently organized under ORS 267.510 – *Transportation Districts*. This law defines the powers and obligations of the district. Under this formation, RVTD can collect property taxes, vehicle registration and business license fees and with voter approval, collect payroll and income taxes. RVTD has the authority to call elections, pass ordinances, review land development applications, plan independently (and with jurisdictions) and change district boundaries with voter approval. Transportation Districts must set permanent rate limits to the operating taxes they can assess at the time of their formation.

A description of the different organizational structures, their revenue and authority abilities and the process by which they govern is provided in Appendix I.

Revenue Discussion

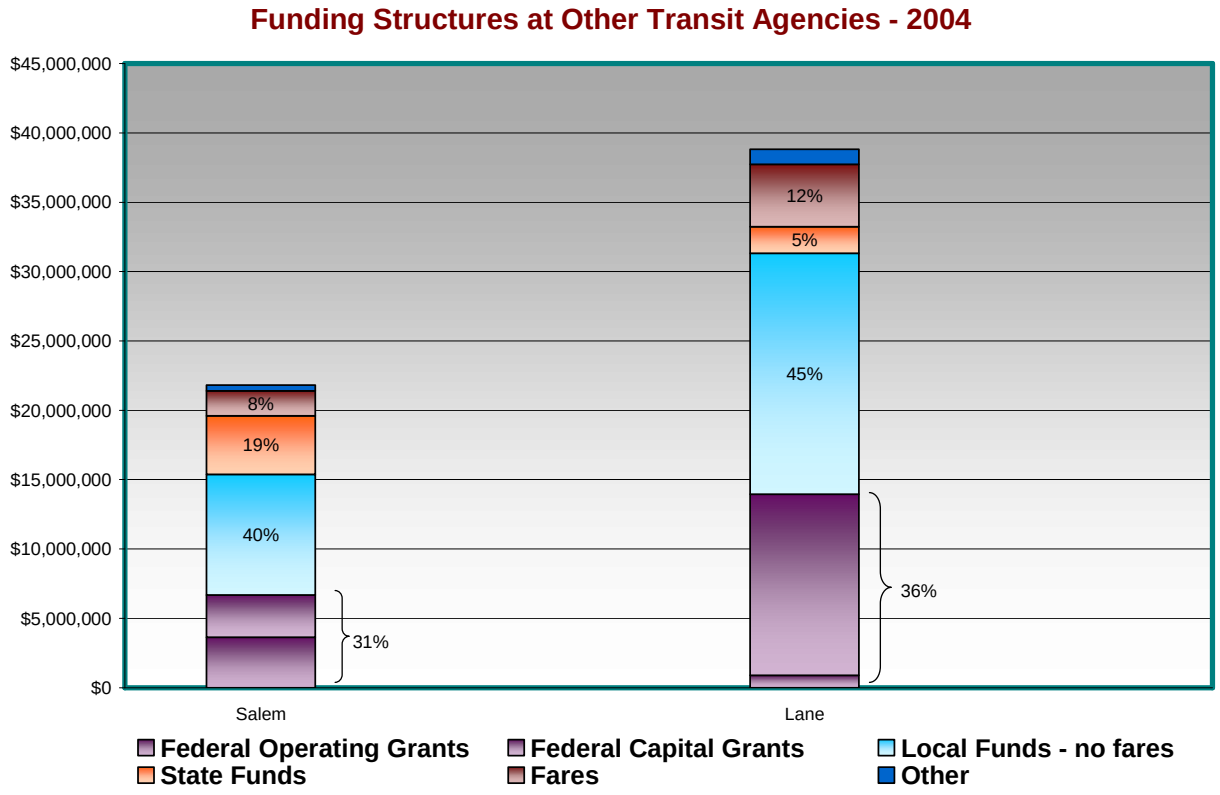
Some of the revenue options for the differing districts are much more valuable in some areas than others and are discussed further in Chapter IV. For instance, vehicle registration fees have no revenue potential in the Rogue Valley, since the maximum cumulative fee is already charged by other agencies.

As will be shown in the Strategic Business and Operations Plan, the revenue potential from a payroll tax is high. Public support for a payroll tax may be strong as well, because of the linkage between the levy providing increased workforce transportation. The community may also support such a levy that increases transit access and therefore benefits land development that seeks to reduce automobile trip generation; minimizing the need for excessive parking.

It is important to understand the difference between a payroll tax and an income tax. A payroll tax assessed may not be passed directly to employees, so

no deduction would appear on employee paychecks. Income taxes are charged to employees (and companies), and are deducted from each paycheck. Transit agencies may assess income taxes under both ORS 267 and ORS 268. The revenue potential from an income tax was not modeled in this study because the political barriers to such a tax are thought to be very high. The graph in Figure 9.1 demonstrates the funding structures of Tri-Met in the Portland region and Lane Transit District serving the Willamette Valley.

Figure 9.1



A considerable amount of work and planning must be invested in the preparation for transitioning from one statutory authority to another. RVTD's Board will need to have a clear understanding of what each structure can provide, and cannot provide, for the long-term health of the district. Although the financial opportunities are currently the focus of most discussions, the authority of the district to implement changes and coordinate local land uses

should also be considered. A further discussion of these issues will be presented in the Strategic Business and Operations Plan.

Authority Discussion

The basic distinctions between Transportation Districts and ORS 267.107 Mass Transit Districts are (1) the Governing Board is elected at large rather than by sub-district, and (2) the tax authority of the initial Governing Board is not subject to voter approval.

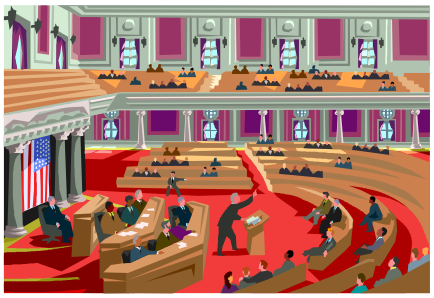


Figure 9.2 – Summary of Organizational Options

	Authority	Transportation District	Metropolitan Service District (ORS 268)	Mass Transit District (ORS 267.085)	Mass Transit District (ORS 267.107)
Finance	Ad valorem taxes (voter approval required)	√	√		√
	Ad valorem taxes (no voter approval required)			√	
	Vehicle registration fees	√	√	√	√
	Service charges and user fees	√	√	√	√
	Business license fees	√		√	√
	Income tax (voter approval required)	√	√		√
	Income tax (no voter approval required)			√	
	Employer payroll tax (voter approval required)	√			√

	Authority	Transportation District	Metropolitan Service District (ORS 268)	Mass Transit District (ORS 267.085)	Mass Transit District (ORS 267.107)
	Employer payroll tax (no voter approval required)			√	
General Powers	Pass ordinances	√	√	√	√
	Call elections and referenda	√	√	√	√
	Acquire property by purchase or condemnation	√	√	√	√
	Enter into contracts and agreements with private and public parties	√	√	√	√
Land Use Powers	Engage in review of land development applications in overlapping jurisdictions	√	√	√	√
	Engage in planning and coordination independently or in conjunction with other jurisdictions	√	√	√	√
	Adopt land-use planning goals and objectives for the district (required for Mass Transit Districts)	√	√	√	√
	Review the comprehensive plans adopted by the cities and counties within the district and recommend that cities and counties make changes	√	√	√	√
	Adopt functional plans to control metropolitan area impact on transportation (required for MTD)	√	√	√	√

	Authority	Transportation District	Metropolitan Service District (ORS 268)	Mass Transit District (ORS 267.085)	Mass Transit District (ORS 267.107)
	Require cities and counties to make changes in comprehensive plans		√		
Land Use Powers	Require local comprehensive plans and implementing regulations to comply with the [District's] regional framework plan within two years after compliance acknowledgment		√		
	Require adjudication and determination by the district of the consistency of local comprehensive plans with the regional framework plan.		√		
	Require each city and county making land use decisions within the district to make those decisions consistent with the regional framework plan.		√		
	Require changes in local land use standards and procedures if the district determines that changes are necessary for consistency with the regional framework plan.		√		
	Designate service areas	√	√	√	√
	Change district boundaries (with voter approval)	√		√	√

Funding Strategies and Grant Programs

RVTD is eligible to receive several types of funding. The majority of the operations and capital purchase dollars come from federal sources and require a local match. RVTD also applies for competitive sources of funding, has experience with "New Start" programs and also has an innovative education program and a marketing program that generates modest revenue. In recent years, the Board of Directors has been confronted with the reality that many agencies face: a lack of funding. Short of going to local stakeholders to directly solicit funds, RVTD staff have exhausted all known sources of funding that are both realistic and within the parameters for providing a local match. Below is a brief description of the funding RVTD receives or has received in the past.

RVTD's revenue sources are:

(a) Service charges and user fees collected under ORS 267.570 (1)(d).

(b) Levy ad valorem taxes under ORS 267.620.

(c) Use of a revolving fund as authorized for mass transit districts under ORS 267.310.

(d) Acceptance and use of any contributions or loans from the United States, without limitation by any other provision of ORS 267.510 to 267.650 requiring approval of indebtedness.

RVTD receives three primary sources of funding from the Federal Government including:

(a) 5303 Metropolitan Transit Planning funds distributed to the RVMPO based on urbanized area formula to address transit planning needs and requiring a 20% match provided through RVTD in-kind staff work.

(b) 5307 Operations funding based on an urbanized area formula for areas below 200,000 population and requiring a 50% local match.

(c) 5309 Capitalization funding earmarked by Congress requiring a local match between 10-20% depending on type of purchase.

The *5307 Federal Operations* apportionment must be closely followed. RVTD and other transit agencies have had tenuous years when federal monies arrived 9-15 months after the expected award date. The apportionments are based on population from 50,000 to 200,000, and 200,000 and over.

When the population within RVTD's boundaries exceeds 200,000:

- Operating assistance will not be an eligible expense, but the funding will still be available for other uses through the capitalization process.
- At least one percent of the funding apportioned to each area must be used for transit enhancement activities.

The apportionment formula for areas with more than 200,000 in population are based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles as well as population and population density.

The *5309 Capitalization* funding is not based on an apportionment but instead is based on discretionary, competitive, and earmarked funds. In 2004, RVTD received an earmark to purchase eleven CNG buses and in 2006 an earmark provided funding for a CNG refueling station.

RVTD applies for several discretionary funds each year through a competitive process with other regional and state jurisdictions and transit agencies. These funds are not guaranteed and cannot be considered a primary source of funding. RVTD's success rate has been low to average in leveraging funds through state-wide competitive processes.

The primary competitive funds RVTD applies for are:

(a) Special Transportation Fund
(b) Congestion Mitigation and Air Quality Fund
(c) Job Access Reverse Commute

RVTD has the statutory authority to implement the following *new* revenue sources with voter approval:

(a) *Levy of business license fees as authorized for mass transit districts under ORS 267.360.*
(b) *Levy of a tax measured by net income as authorized for mass transit districts under ORS 267.370.*
(c) *Levy of a tax measured by employer payrolls as authorized for mass transit districts under ORS 267.380 and 267.385.*
(d) *Sale of bonds under ORS 267.630 and 267.640.*

New tax levies, such as those described above, adjustments to the rates, and bond issues are all subject to voter approval. The District's governing board has limited jurisdiction over new revenue sources but has authority to determine service charges and fees, such as the passenger fare. RVTD's fare increases went into effect July 1, 2006, the first fare adjustment in over a decade.

Innovative Funding

Several of the nations most renowned programs and services started with an innovation grant. RVTD has applied for and received funds to improve service and to start a new kind of service. In 2002, RVTD and the City of Ashland started a program to create a fareless system and add Route 5, a circulator. In 2003 RVTD began the Senior Shopper program that provided trips for seniors to reach common commercial destinations for $2 per trip. In the late 90's RVTD also provided Saturday service that generated 3,000 trips each Saturday. All of these programs relied solely on a limited time grant and a match from RVTD. With the exception of Ashland, all of these programs were discontinued because local funding could not be secured to maintain the service. The ramifications of discontinuing the service when the grant funding expires has led the agency to be hesitant in applying for these limited funds. RVTD would

be more willing to use this funding if a Memorandum of Understanding or similar promissory document could be committed to by local stakeholders for providing supplemental funding if the new service proved to be successful. After all, that is the purpose of the funding, to demonstrate a need and then leverage local dollars to maintain it.

Rolling Stock- Bus Advertising

RVTD employs one half-time staff person to manage the advertising on the buses. Marketing sales generate approximately $200,000 each year. A portion goes toward trade advertising to air RVTD's TV and radio ads. Trade advertising has a tremendous value, RVTD would not be able to support this level of marketing with its general budget. The district sees approximately $75,000 of trade in cash-value. The other half of this staff person's time is paid under the TDM program to conduct public outreach and education activities. A joint program that crosses both the general marketing and education activities is the Interactive Bus. One of RVTD's buses displays a full 'wrap' with several local and national sponsors such as McDonald's, Safe Kids Coalition and Umpqua Bank to name a few. The 'wrap' is essentially a sticker material that lasts several years and has a theme intended for children. The current Interactive Bus is the Safe Kids Bus, which promotes safety and is seen at several community events throughout the year and used for the Gus Rides the Bus classes.

Interactive Safe Kids Bus

Transit Theory

Ridership Strategies

The use of transit declined nationwide from 1960 until 1990. Only in 2000 did transit use regain the level of use that was reached in 1960. And as a percentage of the population, of jobs, or of the total transportation system, transit is still far below the 1960 levels.

RVTD's ridership experience has reflected national trends, if at a somewhat lower level. A principal objective of the federal, state, and local transportation policy is to increase transit ridership. This is intended to accomplish a large array of goals, including air quality improvement, congestion mitigation, fiscal sustainability of road networks, improved access to jobs and services by transportation-disadvantaged groups, and, increasingly, urban revitalization. From the perspective of a transit agency, increased ridership generally helps defray service costs and strengthen public support.

The level at which transit is used is driven by many factors, though they can be grouped into several principal categories:

1. Access: Are the places that people need to go served by transit? This factor has a complex inter-relationship with the intensity of land use, sprawl, and the geographic separation of the home from work and other activities. Measuring access by transit can involve extremely complex analysis.

2. Cost: When all the perceived costs of travel are considered – including time of travel, fuel and other vehicle costs, parking fees, etc. – how does the transit mode choice compare?
3. Convenience: How pleasant is the overall travel experience in comparison with other modes? This factor is influenced by the level of investment in facilities for different modes of transportation. Many of the suggestions made at the public workshops reflect a desire for increased convenience. These suggestions include amenities, such as improved signage, schedule posting, and bus shelters. At the more expensive end of the scale, service frequency is also a measure of convenience.

4. Culture: Transit is a social activity when compared to driving, and although American culture has emphasized the private sphere over the public for the last half-century, many people report that they enjoy the transit experience.

Of course, these categories overlap to a high degree. But they show how RVTD service can be evaluated. Access, in particular, lends itself to quantifiable measurement. Through the use of mapping technology, we can see how many of the region's jobs are accessible by transit, and how many people can easily access transit from their homes.

Evaluating Transit Need

- Need as defined by local and regional transportation policy
- Need as defined by stakeholder input

Since the District's high level of ridership growth occurred over a period when RVTD operated at something close to the current level of service, one may

expect a similar rate of growth in the future if current levels of service[3] are maintained. Increased service can be expected to increase the rate of ridership growth. This expectation is reasonable given the experience of other transit agencies. Lane Transit District, with a service area population of about 272,000, has a per capita ridership of about 30 trips per year. Salem's Cherriots transit system (service area of about 207,000 people) delivers about 27 trips per person per year. RVTD, with a service area population of about 150,000, delivers about 9 trips per resident per year. While there are many differences among these regions, service levels are clearly a major factor. Thus, *transit need cannot be inferred from ridership trends*, since there is likely a latent need that would manifest if service levels, such as hours of operation, service frequency and service area were increased.

The region's transit need must therefore be determined by examining local and regional policies regarding transit, and through input from stakeholders. Both the Regional Transportation Plan (RTP) and Medford's Transportation System Plan (TSP) call for increased levels of transit use, and give some specifics about how that might be achieved. The state Transportation Planning Rule (TPR) requires that local and regional transportation plans be evaluated periodically for progress toward not relying on one principal transportation mode, and transit is an important strategy in these plans.

Who does transit benefit? Opportunity costs & parking

The Role of Transit in the Rogue Valley

In Southern Oregon's Rogue Valley, there is reason to feel optimistic that transit usage in this community can, and is about to, increase.

[3] "Level of service" is used here to refer to the passenger experience – available destinations, service frequency, etc.

- As the Rogue Valley continues to grow, so do our less-mobile populations, such the aged. And this segment of our populations is growing at a higher rate than our population as a whole.
- Many of the local government jurisdictions in the Rogue Valley are increasing their focus on development that is designed to integrate land-use and transportation planning. Transit Oriented Developments in Medford, Talent, and Central Point are prime examples of this.
- Many of these same jurisdictions are making the "walkability" of their downtown areas a priority.
- As the Rogue Valley's economy grows, businesses face increased employment demands. Delivering qualified employees to the jobsite becomes an essential challenge for Rogue Valley businesses.
- There is a growing realization that an over-reliance on single-occupant vehicle transportation is inefficient. It is expensive in terms of both consumer costs and natural resources.

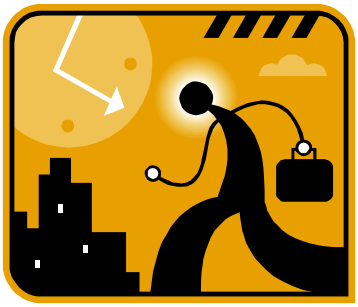
Addressing Transportation Issues in the Rogue Valley

A reliable, efficient, user-friendly transit system is not a silver bullet for any community. It can, however, alleviate many of the transportation-related problems within a community:

- Traffic congestion
- High parking demands
- Issues of traffic safety
- High transportation infrastructure costs
- Consumers' high costs of driving
- Mobility issues for non-drivers
- High energy consumption
- Pollution emissions

Benefits to the User

Levels of economic opportunity are increased for people who have access to transit and paratransit. Transit and paratransit also increase access to other basic services, such as medical services. For dependent users, the primary benefit of transit is that it affords them a level of mobility they would not achieve without access to transit.



Choice users are defined as those for whom transit is a choice. Professionals, who could opt to drive to work but instead choose to ride transit, are discretionary users. For these users, transit is sometimes a choice motivated by economics. It is simply much less expensive to ride transit than it is to drive. The expense of driving, in terms of fuel costs and maintenance costs, is offset by transit use. And if car ownership costs can be offset by transit access, the benefit to the user becomes much greater. Choice users cite an economic savings as their benefit. Some also say they avoid stress associated with driving when they ride transit.

Dependent users tend to cite mobility as the primary benefit they experience as a result of transit access. This mobility means access to jobs, health care, and other services. RVTD's 2005 Passenger Survey suggests that the majority of RVTD passengers are dependent users. For example, 65% of passengers surveyed said they did not have a valid driver's license at the time.

Benefits to the Transportation System

The extent to which transit decreases road traffic congestion in the Rogue Valley in 2007 is probably negligible compared to larger urbanized areas in the nation. Transit ridership of 1,000 passengers per hour on surface streets during peak hours equates to an extra lane of traffic in terms of reduction in congestion, according to transportation analyst Todd Litman. But RVTD does

not yet serve this volume of passengers on any route at any given time. And with the majority of RVTD users being dependent users, most trips taken on RVTD buses do not completely offset automobile trips.

As the Rogue Valley grows, RVTD ridership is expected to increase, particularly among choice riders. So there is at least the potential for transit to mitigate traffic congestion to a larger extent in the future. As it does so, transit can also diminish the need for capital improvements to the transportation system, such as adding travel lanes to roads for automobiles.

Demand for parking spaces is reduced in areas served by transit. As customers and employees are delivered by transit to commercial or retail areas, the need for parking diminishes. Transit-oriented developments being planned for the Rogue Valley, for instance, provide more transit service and less parking. It is a cost-effective trade-off.

Benefits to Business

A primary challenge to southern Oregon businesses, according to business advocacy and recruitment groups, is the lack of qualified, reliable workers to fill skilled positions. Delivering these workers to their job-sites is a priority at RVTD. In this way, transit benefits the business community, and the economic vitality of the Rogue Valley.

Many Rogue Valley businesses take advantage of RVTD's discounted group bus passes to transport employees to worksites. This is cost-effective for the business and for the employee, and can make scarce parking spaces available for customers and clients, as opposed to parking being used by employees.

And further, transit provides many employees with a means to get to work that they would not otherwise have. In essence, this increases the size of any business's pool of labor.

Benefits to the Community

In the Rogue Valley -- with the majority of transit and paratransit users relying on RVTD to access jobs, health care, and other basic services -- it is the community at large that experiences what is perhaps the most important benefits of transit. Transit access for reliant users can decrease rates of unemployment and, consequently, homelessness. Like access to health care, transit's ability to match up workers and jobs is very much in the public interest.

Pedestrian traffic adds to the vitality of a central business district, both economic and aesthetic. This is being realized by many Rogue Valley cities that are focused on improving pedestrian access and safety in their downtowns. Pedestrians are made possible, in part, by transit access. Transit can deliver residents, workers, and tourists to a central business district.

Transit can provide much more to Rogue Valley communities. Better transit access to our communities could attract more choice users and, in turn, add further to the livability of the Rogue Valley by transporting passengers in an environmentally sound, efficient manner.

Types of Public Transit

Internationally, advocates have worked to promote differing forms of public transportation. Over the past two decades some new advances have become mainstream and considered acceptable for cities built within this past century, like Seattle and Portland. The FTA has innovative grant funding for 'New Starts' that while funding only lasts for three years, can 'test' a new service to see if it's productive. Before the service can be implemented, several factors must be considered. Facilities needed for a particular vehicle type, the ability to operate several makes models and types of vehicles, and the geographic

demand when looking at origins and destination must be considered. A brief overview of the types of public transportation that could be seen in the Rogue Valley today, or in the near future is provided in Appendix K.

Transit Industry Variables

While RVTD seeks to keep costs and service manageable and to foresee factors that might impact operations and costs, there are several factors that are not within the agency's control. These are summarized below, although it is certain additional factors exist.

Economic factors

- Cost and availability of fuel.
- Cost of Health Care for employees.
- Predominance of 'dependent' population due to higher costs of living.
- Employers with swing and graveyard shifts.
- Locating large employment sites beyond walking distance of current route, or within a largely undeveloped area.

Seasonal factors

- Adverse weather conditions such as ice that will prohibit vehicles from servicing certain areas.
- Historically, ridership is higher during winter months; warmer weather permits walking and cycling trips to replace transit trips and ridership decreases during these months.
- RVTD is part of an emergency response team to provide evacuation during emergencies.

Technological factors

- Two-Way Radio Communication Failure – The two-way radio system is essential to district business. Transit operators rely on its function for communicating with the dispatch office. Issues include but are not limited to hardware / power failure to main radio equipment attached to radio tower, hardware / power failure to radio equipment housed at RVTD district offices, and any natural disaster causing communication between the two pieces of equipment to fail.

- Computer Network Failure – Loss of network communication due to power outage, hardware failure, or software issues preventing users from accessing work related files. Catastrophic loss of network data from a destructive virus or natural disaster could also severely impact RVTD district business.
- Telephone System Failure – Telecommunications plays a key role in district business. Although loss of the phone system would not shut down operations, communication between employees and the community would be strained immensely. Hardware failure, provider issues and power outages would be the most likely causes of the telephone system failing.

Regulatory issues

State of Oregon Funding

Special Transportation Funds

The STF Formula Program is a state-funded program, defined by Oregon Revised Statute (ORS) 391.800-.830 and Oregon Administrative Rule (OAR) Chapter 732. The funds are composed of cigarette tax and other state-source funds approved by the Legislature.

Many agencies use these funds for local match for federal transportation grants. STF Agencies are designated by statute. The program purpose is to provide an ongoing source of financial support to 42 designated counties, transit districts, and Indian tribes for transportation services benefiting elderly individuals and individuals with disabilities. The majority of STF funds (75 percent) are allocated on a population-based formula. ODOT Public Transit Division distributes the remaining funds, through a discretionary grant process.

All projects funded with STF funds must be derived from a "locally developed coordinated public transit-human service transportation plan."

Last year RVTD and other Governing agencies received approximately 10% decrease in funding. The Governor is proposing a program called the Healthy Oregon Act and proposing an increase in the cigarette tax to fund. ODOT and STF agencies anticipate a drop in funds if the Governor funds this new program.

Federal Funding

Job Access and Reverse Commute Federal 5316

The purpose of JARC Program is to finance projects benefiting low-income individuals to access work and work-related opportunities. Oregon receives an annual apportionment by formula from Congress for 5316 programs in the small urban (populations greater than 50,000 and less than 200,000) and rural areas of the state. Since other state and federal funds are available for a similar purpose and at the same match rate, JARC funds will add flexibility in the discretionary grant process, especially where more funds are needed to finance qualified projects with merit.

All projects funded with 5316 must be derived from a "locally developed coordinated public transit-human service transportation plan."
Once we reach 200,000 in population and are designated an urbanized area we will not be eligible under the small urban program. Funds are allocated on a discretionary basis as follows: 60 percent to areas over 200,000 population; 20 percent to areas of under 200,000 population; and 20 percent to non-urbanized areas. The Federal/local share is 50/50.

Elderly Individuals and Individuals with Disabilities 5310

The Elderly Individuals and Individuals with Disabilities Program provides funding for capital purchases benefiting elderly individuals and individuals with disabilities. Oregon receives an annual apportionment by formula from Congress for the 5310 program. Public Transit Division allocates the funds through a biennial discretionary grant process. Eligible sub-recipients are counties, mass transit districts, transportation districts, transportation service districts, Indian tribal governments, cities, councils of government and private nonprofit organizations. Private companies may participate through purchase of service agreements with an eligible sub-recipient. All projects funded with 5310 must be derived from a "locally developed coordinated public transit-human service transportation plan."

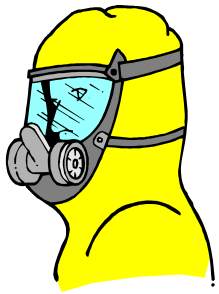
The funds may be used in all areas of the state—urban, small urban and rural. Oregon is one of seven pilot project states that are being allowed to use up to 33 percent of each annual apportionment for operations at a 56.08/43.92 percent match rate. Funds are not based on population and are a pass through from the Federal government to the State. In Oregon, funds can be used in urban areas and there is no expectation of decrease in funding levels.

Large Urban Cities 5307

This program makes Federal resources available to areas and to Governors for transit capital, operating assistance and transportation related planning. For urbanized areas with 200,000 population and over, funds are apportioned and flow directly to a designated recipient selected locally to apply for and receive Federal funds. For urbanized areas under 200,000 in population, the funds are apportioned to the Governor of each state for distribution. RVTD has not been designated an urbanized area by the Department of Commerce, Bureau of the Census. A few areas under 200,000 in population have been designated as transportation management areas and receive apportionments directly.

For urbanized areas with populations of 200,000 or more, operating assistance is not an eligible expense. In these areas, at least one percent of the funding apportioned to each area must be used for transit enhancement activities such as historic preservation, landscaping, public art, pedestrian access, bicycle access, and enhanced access for persons with disabilities.

Safety and Security



There are limits to what the District can provide in response to a disaster. RVTD is not mandated to provide first defense or response to major disasters but could still have a role in emergency management. The following is a list of obstacles and opportunities. A detailed safety and security plan is part of RVTD's Unified Planning Work Program in 2008.

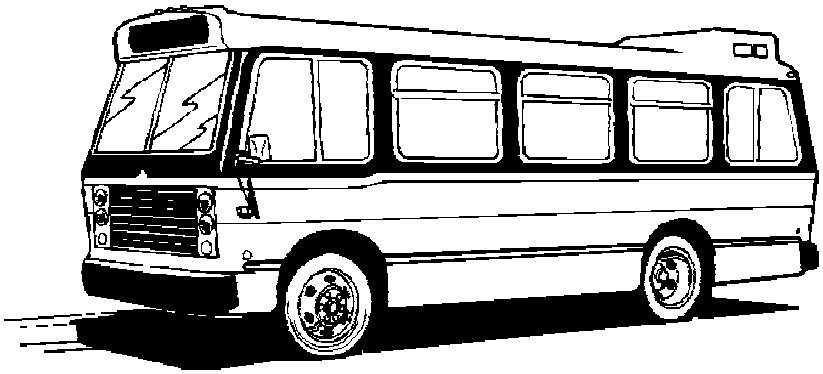
Response time will fluctuate depending on whether we are currently in service; if buses are in-service, a response could be generated within 15 minutes however response time during non-service hours would be up to two hours.

Bus Operators will likely place higher priority to ensure the safety of their own families before making an initiative to attend work. All maintenance staff as well as the Field Supervisor, Transportation Manager, and Operations Manager carry Commercial Drivers Licenses and can be used to respond to initial calls for help.

Depending on the level of emergency the District has a list of routes prioritized from which service would be suspended in order to respond to the situation. RVTD is included in the emergency preparedness plans of Jackson County, the Rogue Valley International Medford Airport, and Asante Hospitals in the Rogue Valley.

This chapter described the types of considerations for long range planning of public transportation. This can include land use, government coordination, regulatory tracking and understanding RVTD's revenue capabilities and authority. This chapter also described the benefits transit has to the greater Rogue Valley for the economy and quality of life.

X. Operational Efficiency Planning



This chapter describes several ways for RVTD to improve the efficiency of the district and its operations beyond staffing levels. Considerations need to be made on a regular basis to the essentials that make transit possible and making investments today that could save money over time. The topics discussed in this chapter are fuel, the type of vehicle that is in service, resource efficiency, service technology, leased space opportunity and paratransit service.

Fuel Security

As the cost of petroleum continues to rise and infrastructure to transport fuel ages or is threatened, RVTD should prepare for diversifying its fuel supply. Relying 100% on one type of fuel could cause a complete operational shut down if the fuel supply becomes stagnant. Several advances in the transportation sector have brought new technologies forward; such as cleaner burning diesel engines, hybrid and electric engines and the use of biodiesel or ethanol either as additives or the primary fuel source. There are advantages and disadvantages to each fuel source. Ideally the district should limit the fuel

types to two in an effort to minimize equipment and maintenance training needs.

The district currently has 23 transit coaches and 25 paratransit vans listed by model year make and fuel source in Figure 10.1 below.

Figure 10.1 RVTD's Fleet in 2007

Number of vehicles	Model Year	Model make and length	Fuel type
6	1980	GMC 35'	Diesel
2	1990	Gillig 35'	Diesel
3	1995	Bluebirds 29'	CNG 3000 psi
10	2004	New Flyer 35'	CNG 3600 psi
2	2006	New Flyer 35'	CNG 3600 psi

Fuel Equipment Capability

RVTD currently has two electric powered, 100 hp compressors that run independently from one another for the purpose of backup. They were designed to fuel vehicles at 3000 psi capacity. A new CNG fueling facility being installed in 2008 will enhance the psi capacity from 3000 to 3600 psi capability, will add a second fuel dispenser and increase storage. This will increase vehicle range and fueling efficiency as we can currently only fill one bus at a time and have to fill some vehicle types twice a day. If our compressors both fail due to electrical or other type of reliance failure, we can temporarily fuel at the Jackson County Motor Pool using their single compressor. RVTD has the ability to pump diesel fuel manually with an air diaphragm pump in the event of a power outage.

Current cost of fuel for CNG is $1.77 per gasoline gallon equivalent (includes electricity for compression); Diesel is $2.21 per gallon.

In previous chapters, a Valley Feeder program is discussed where smaller vehicles are put into service on routes with lower passengers per mile. Using a smaller vehicle on regular routes can cause several issues. The schedule and driver shifts depend on the availability of full size buses throughout the day. This flexibility is necessary for interlining, or a driver operating several different routes with the same bus. An additional consideration needs to be given to passenger demand being unpredictable. Although there are patterns for passenger demand, RVTD experiences several anomalies throughout the year. It is against our policy to leave passengers behind and a smaller type of vehicle in service could heighten this occurrence. To give a comparison of the differences between a smaller vehicle compared to a full size bus we can look at the passenger occupancy and fuel efficiency.

RVTD currently has several vans that are in service for Paratransit, or the Valley Lift operations. These vehicles would work well for fixed-route service because they are accessible for people with disabilities, but this also decreases the number of seats within the vehicle. The average seat capacity of a Paratransit van is 13 occupants with a fuel consumption of approximately 11 miles per gallon of gasoline. The average bus passenger capacity is 60 persons (30 seated and 30 standing). The average bus consumes 4-5 miles per gallon of either diesel or CNG. Although RVTD is considering a Valley Feeder service as part of future expansion, the type of route and system configuration will require adequate planning to ensure quality service is still being provided.

Alternative Fuel Types

With any leading edge technology there will be infrastructure costs associated with its adoption such as larger transformers, charging systems and storage. Adequate planning needs to occur before any new fuel type is adopted. Compressed Natural Gas (CNG) has been the primary fuel source for RVTD's fleet of buses since 2004. CNG is natural gas, which is comprised primarily of methane, compressed to a pressure at or above 2,400 pounds per square inch and stored in special high-pressure containers. It is used as a fuel for natural gas powered vehicles. Although CNG has served the District well over these past few years, and improved air quality by replacing older diesel buses, it still has its shortfalls. The primary concerns for the District's future CNG fueling needs are the cost and supply of natural gas products.

It is unclear whether the cost of natural gas has risen in recent years due to the industry's capital investments in production facilities or if it is due to market supply and demand issues. According to the Energy Information Administration, wellhead natural gas prices and U.S natural gas vehicle fuel consumption have both nearly tripled in the last decade. RVTD's costs have increased from $0.59 in 1995 to $1.77 in 2007 per gallon equivalent including electricity for compression.

Clean diesel technology has come a long way since RVTD committed to CNG several years ago. Diesel engines achieve better fuel economy, have lower carbon dioxide (CO2) emissions and produce higher levels of power than conventional gasoline engines. However, diesel engines also emit higher levels of oxides of nitrogen (NOx) and particulate matter (PM) emissions. The use of older diesel buses could exacerbate the Rogue Valley's air quality issues. At the request of several community stakeholders, RVTD started to replace the older diesel buses with CNG buses. Today, RVTD still has six 1980 diesel buses with a grant to replace three in 2008. Clean Diesel Combustion (CDC)

technology is making its way into the market with most diesel engines built after 2000 incorporating some type of the technology. According to the Environmental Protection Agency, "the method of CDC encompasses a series of design changes to the diesel engine, which decrease Nox emissions while maintaining or improving engine efficiency. The key concept of CDC technology is the development of in-cylinder NOx control, where Nox emissions are reduced in the engine combustion chamber without penalizing the engine's efficiency". RVTD will likely look to CDC first in its planning to diversify the fleets fuel sources. CDC could also incorporate a blend of biodiesel that has shown to improve emissions even more and provide lubricity that extends the engines life and reduces maintenance costs. CDC could be a great complementary fuel type to CNG, especially due to the infrastructure (storage and fuel pumps) already established on RVTD's property. RVTD can store up to 45,000 gallons of diesel on site which allows the ability to buy diesel in large quantities when prices are low; enough for an entire year.

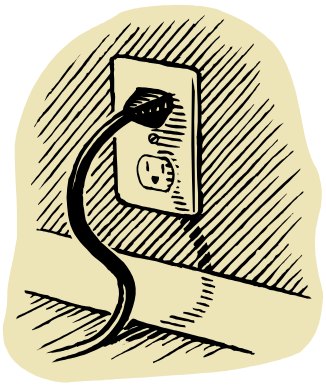
A biodiesel blend is an alternative to straight diesel. Biodiesel adds lubricity to the engine and can be used with the new ULSD (ultra low sulfur diesel). This fuel comes in quantities of B5 (a blend of 5% biodiesel/95% diesel), B30, B50 and B99. Biodiesel's greatest benefit is its ability to further reduce emissions.

Hybrid and electric technology is still in the infancy stage of its development and after CDC would most likely be the next avenue RVTD would consider as this technology becomes dependable, efficient and affordable. A hybrid electric vehicle combines an internal combustion engine and an electric motor powered by batteries, merging a combustion engine car with an electric vehicle. The combination allows the electric motor and batteries to help the conventional engine operate more efficiently, cutting down on fuel use. According to the

Union for Concerned Scientists however, Hybrid Diesel Buses have not shown major improvements in emissions or fuel economy. Hybrid gas powered transit bus technology is starting to produce higher torque power, seen as the primary shortfall for using this type of bus in the past. The cost of a hybrid bus or electric bus is often twice that of a CDC bus and at this time would not be cost effective for RVTD.

Facilities

Energy Conservation and Efficiency



On June 28th 2007 RVTD, in cooperation with The Energy Trust of Oregon and RHT Energy Solutions, participated in an energy audit of its' Crater Lake Ave location. The purpose of this audit was to identify key areas where energy and natural resources could be used more efficiently.

A list of recommendations with generalized locations, which could benefit from current conservation practices in provided in Appendix L.

Adopt-a-Shelter Program

RVTD has considered establishing an Adopt-a-Shelter/Stop program for several years but has not due to staff limitations. An Adopt-a-Shelter program enlists individuals or groups who volunteer to adopt a bus stop. These volunteers agree to remove litter and report any problems such as vandalism and graffiti at the bus stop. Volunteers receive incentives such as transit passes for each stop they adopt. A program would need to be formalized with an application form, an identification of which stops could be part of the program, purchasing and providing materials to the volunteers, establishing a regular schedule for cleaning the stop and providing limited supervision.

Not only would this program provide cost effective maintenance of the stop facilities it would foster community 'ownership' and potentially reduce graffiti and vandalism.

Leased Space Opportunity

RVTD owns the Front St. Station and 3200 Crater Lake Ave. properties and leases the Valley Lift building. A new building is being planned to replace Front St. Station that will provide space for vendors.

Front St. Station leases parking spaces to the public. Eight spaces are reserved for Park and Ride patrons (three daily and five monthly), people who will be using the transit system. A daily permit costs $4.00, and if using the bus the patron receives two explorer passes valued at $2 each making the Park and Ride day parking essentially free. Front St. also has 33 spaces available for monthly lease at $25 per space. Parking occupancy averages between 15-20 spaces per month. Two bicycle lockers are available at Front St. at $5 per month (locker must be leased in 3-month increments) with a $30 refundable deposit and a $10 non-refundable start up fee.

When Front St. Station is replaced with a new station, conceptually called the Medford Intermodal Transfer Center (MITCh), this will bring the largest lease opportunity for the district. MITCh is conceived to be a two-story building with approximately 16,000 square feet and will have the ability to lease approximately 4,000 square feet. At $1.50 per square foot per month, this space could generate $72,000 per year.

RVTD occasionally has an auction for surplus equipment and vehicles. Although the auctions occur infrequently, the sales can generate anywhere from $1 to $10,000.

Bus leasing can occur only if the bus will not be taken out of regular service. Bus leases generated $45,873 in the 2005-2006 FY.

RVTD has advertising space on each of its buses and will be establishing a marketing program for the paratransit vans. Bus advertising generated $83,236 in non-trade value in the 2005-2006 FY. Many transit agencies also allow advertising at shelters or stops, which RVTD has considered in the past. Management at the time did not want to contribute to 'visual pollution' or the bombardment of signs and ads along the roadway.

Vehicle Improvements

A list of planned vehicle improvements using Information Technology Systems is provided in Appendix M.

Paratransit Service

Travel Trainers

Travel training would allow the District to provide one-on-one, interactive instruction on using the fixed-route bus system. Some people who rely solely on paratransit service may be able to use the fixed-route system for some or all of their trips after having had some basic instruction. In this light, travel training increases the population of empowered and independent riders.
The District does not currently have a travel training program. A plan had been coordinated with an area Community Partners Team and a DHS Volunteer program for a travel training program to be instituted in 1998. However, the program was not established as the funding for the DHS Volunteer program was reallocated.

Pierce Transit established a travel training program based on referrals from other agencies. An example of the cost savings experienced by Pierce Transit can be seen through these case studies.

John received 36 hours of personal travel training at a cost to Pierce Transit of $720. John uses the bus for his work trip only as this has been determined to provide the infrastructure and access he needs that other trips do not have. He uses the bus 6 times per week, or 300 times annually, which is a service hour reduction of 136 hours to the paratransit service. The cost savings are approximately $7,200 based on a cost of $24 per trip.

Kelly received 60 hours of personal travel training also for her work commute. She uses the bus for this trip now approximately 15 times per week creating a paratransit service reduction of 339 hours saving $18,000.

The District would benefit from having a travel training program. Planning is needed to define the program and to identify sufficient and stable resources in order to establish and sustain the program. It would be available for anyone to participate in and participation would be completely voluntary.

Eligibility Process

The ADA eligibility determination process matches riders to the most appropriate transportation service offered by the District. The process employs ADA-specific guidelines regarding eligibility categories which qualify a person for paratransit service. Whether an applicant qualifies for a conditional or an unconditional eligibility category, or if an applicant does not qualify for paratransit service, is based on his/her functional abilities.

In the current system an applicant, or someone on his/her behalf, must submit an application to the District. The application includes a series of

questions regarding the applicant's health and functional abilities and a professional verification section. The professional verification section addresses the applicant's functional abilities and must be completed by a qualified professional who is familiar with the applicant's condition(s). Applications are reviewed by the program coordinator. The coordinator may make contacts to address any questions s/he may have. The coordinator makes an eligibility determination and notifies the applicant by mail. Clients must re-certify every three years.

While the current eligibility determination process is functional it could be improved. The process could stand to be more interactive. The possibilities of in-person interviews and restructuring the professional verification process could be investigated.

Sidewalk Accessibility

An area's sidewalk infrastructure affects the accessibility and often determination of paratransit service. An inconsistent sidewalk infrastructure can make eligibility determinations, on a trip-by-trip basis, difficult at best. Also, it can be the lone barrier, which prevents a person from using the fixed-route bus system.

Currently the area sidewalk infrastructure is inconsistent. As such, some people have had to rely solely upon the District's paratransit service for transportation instead of being able to use the fixed-route system independently and at their discretion.

The District cannot dictate the future of the sidewalk infrastructure. However, the District is conducting in-depth bus stop assessments so that accessibility is better documented and can be more easily ascertained on a trip-by-trip basis.

Vehicle Capacity and Scheduling

Paratransit riders call in and schedule their trips with the District's call center. The District has the ability per ADA to negotiate a time with the client when s/he calls in to schedule a ride. The more information a call taker has about vehicle routes and available capacity at the time of the client's request the greater the call taker's ability to effectively negotiate a reservation time, which will allow for an efficient route.

The District's call center is using software to manage client ride requests and reservations. The reservations are redirected to a contracted provider's system to be placed on vehicle routes. The District call center's current software does not provide the call taker with enough information to enable call takers to effectively negotiate reservation times.

Software which could provide call takers with information regarding vehicle location and availability would allow for more effective negotiation.

Accessibility on Buses

Accessibility on the fixed-route bus system is vital so that the District can truly serve the community as a whole, not just a few select demographics. Having an accessible system means more than just having buses that can load and unload a wheelchair if necessary.

Our buses can become more accessible in many ways, both for people with recognized and unrecognized disabilities. Persons with visual and cognitive disabilities would be hard-pressed to use the current system. Automated stop announcements would allow access for a whole group of people who, for the most part, have to rely on paratransit service to rejoin the community and regain their independence.

XI. Priorities and Performance Measures for Transit Goals

The 2007 Long Range Plan will only be successful if RVTD's Board of Directors and staff can implement the programs, policies and directives set forth in the Priorities and Performance Measures created for this plan. The measures were considered on several levels. First, the Board created a list of goals with an example objective. Then staff strategized and drafted a list of possible performance objectives to achieve the goals. Lastly, twenty-seven members of Board and staff held a combined Goal Setting Session in July 2007 facilitated by Sue Densmore and Kevin Preister. In this meeting, the majority of the performance measures were reiterated without the Board having seen what staff had created. This outcome provided a checks and balances system to ensure everyone agreed with the next steps for improving the District and improving service. In 2017, RVTD will analyze whether the performance measures were achieved and to what level. The Performance Measures are challenging, yet achievable with determination and having the necessary tools. A full list of the performance measures is provided in Appendix N.

XII. Departmental Planning

It is important to understand that the purpose of this Long Range Plan is to provide the community with a vision for future service and to be used as a guiding document for *the employees of RVTD* who will be responsible for carrying out the actions of this plan. This document should be used as a reference tool on a regular basis and the only way to achieve that is by involving employees at every level in the planning process.

RVTD has several departments and each rely on one another for the day-to-day operations to run smoothly. It is common knowledge that without the proper tools it is nearly impossible to accomplish a task, at least without wasting a tremendous amount of time. Several employees have worked for RVTD for nearly 20 years and many advances in technology and system processes have occurred in that time with only a portion being adopted. A common stumbling block for any organization is to lose sight of the forest through the trees. RVTD has often been trying to simply 'keep up' and neglected the big picture.

The relative way of conducting business at RVTD has been to ask only for what you absolutely need, not what could accomplish the task in a faster or more efficient manner. Additional constraints have been placed on staffing levels, professional training, maintenance of facilities and other crucial activities to minimize service cuts. At some point everyone needs to take a step back and realize where we are today and where we want to be tomorrow to see what the overall objective is without these constraints looming above.
For the purposes of this Long Range plan, a simple question was asked of each department. What does this department need to have its duties accomplished in a more efficient manner and to improve collaboration with other departments? Additionally, each department was asked, where do you see each of RVTD's departments in 10 years? There were no false promises made as to the viability of implementing any of the requests, simply exploring ideas and putting together a larger puzzle of who RVTD is internally and what it can become. The full list of departmental goals is provided in Appendix O.

Any additional revenue that is generated to support additional service will also be used to improve the overall internal operations of RVTD as well. Many of the items are not resource intensive and can be implemented with minimal costs. Other goals require more staff time and will require grants and other subsidies to accomplish them. With this list, grants can be leveraged and work scopes created. Although it is important to know where you are going it is also important to see how you will get there. This part of the planning process has provided these stepping-stones, generated by RVTD's own employees.