

Chapter 1 – CTS 2005

1.1 HISTORY

The City of Corvallis assumed the responsibility for providing public transportation on January 5, 1970 when the City contracted with the Corvallis Transit Company. In the mid-1970s, the public transportation system became the Corvallis Transit Authority and operated one multi-passenger van (with one van as a back-up) running on five routes originating from NW 3rd Street and Madison Avenue, Monday through Saturday, 7:40 a.m. to 5:26 p.m. As the result of both a federal operating grant and a local property tax levy, the Corvallis Transit System (CTS) began and has existed since 1981. But the city operated transit service is not the first transit service in Corvallis. That distinction belongs to a horse-drawn streetcar line which operated during the 1890s from the railroad depot at 6th and Western to downtown along 2nd Street, and - until 1893 - out to new houses at the edge of Corvallis at 16th and Taylor. After the streetcar line ceased operation, individual hotels operated horse-drawn “hacks”. Later, a gasoline-powered bus operated from the late 1920s until the Great Depression. Following World War II, Hancock Bus Lines began operations that continued until the late 1950s, by which time most Corvallis residents had access to private automobiles. Afterwards, a number of owner-operated bus lines tried unsuccessfully to operate.

The City established the Citizens Advisory Commission on Transit (CACOT) in September, 1977. The Commission advises the City Council on all transit-related matters. The eight members of CACOT are appointed by the Mayor, with the advice and consent of the City Council. The make up of CACOT was changed May 3, 2004⁶ to add two new voting members to reflect the relationship between CTS, Oregon State University (OSU), and the Associated Students of Oregon State University (ASOSU). The ASOSU member is appointed by the Mayor based upon a recommendation by ASOSU, and the OSU member is appointed by the Mayor based upon a recommendation by OSU Administration. Some of CACOT’s first tasks in 1977 were to review a draft transit development plan, consider an application for a federal grant for transit capital costs, and recommend the scope of a special property tax levy dedicated to transit. CACOT’s activities include reviewing the fare structure, participating in transportation funding alternatives discussions, reviewing route changes, considering advertising on buses, and participating in discussions regarding designated stops.

In February 1980 Corvallis voters passed a 3-year serial levy to fund the operation of a city-owned bus system. This levy, which charged 31 cents per thousand dollars of assessed value, passed with nearly 62 percent of the vote. The City subsequently received a federal grant to purchase three 40-passenger GM buses and received a small, annual operating grant through the Oregon Department of Transportation (ODOT). The City contracted with Dorsey Bus Lines⁷ to maintain and operate the buses, and the Corvallis Transit System began operation in February, 1981. Local funding for CTS operations continued through a series of 3-year transit levies until 1996 when State Measure 47 and then Measure 50 limited serial levies. The transit levy, as well as other special levies, were consolidated into the City’s property tax rate in the General Fund. It should be noted that property tax levies to support transit levies were generally approved by Corvallis voters by a more than two-to-one margin in favor.

⁶ Ordinance 2004-05

⁷ Dorsey Bus Lines was already operating school bus transportation for the Corvallis School District 509J.

1.2 OPERATIONS

1.2.1 Fixed Route

CTS provides service six days a week within the Corvallis city limits between approximately 6:15 a.m. and 7:15 p.m. on weekdays and 9:45 a.m. and 4:45 p.m. on Saturdays. No service is provided on Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, or Christmas. Six buses operate eight routes that originate at the Downtown Transit Center at 5th Street and Monroe Avenue. Four buses alternate between two routes. Three buses leave downtown and after entering a section of Corvallis on one primary street, make a loop and then return downtown on a different primary street. One route travels directly out and back to downtown along the same streets and has the highest ridership per hour of the system. Two buses are dedicated to one route each with a large loop at the outer end of the route and travel in both directions on the same street for most of the route.

As a consequence of the route structure, the number of buses, and the resources available, six routes operate 60-minute headways and two routes operate 30-minute headways. Two buses per hour serve some locations (e.g. OSU, the Good Samaritan Regional Medical Center, Timberhill Shopping Center, Technology Loop, and south Corvallis). Because of differences between routes, service to these locations does not necessarily occur every 30 minutes or in the same direction of travel. Some streets have portions of two routes on them, including portions of 9th Street, Circle Boulevard, Technology Loop, Highland Drive, Jefferson Avenue, 26th Street, and Satinwood Street.

The route structure has three main constraints: (1) City policy, which calls for transit service to be provided within five (5) blocks of all residences wherever possible; (2) the desirability to return downtown every 30 minutes or hourly to facilitate transfers and simplify the schedules; and (3) street pattern constraints. As a result, CTS service has tended to emphasize coverage over service frequency or intensity, although extra peak-hour service has been provided to OSU in the past. Depending on one's definition of a "block", CTS is generally successful in meeting the service coverage goal except in newly developed areas in northwest and southwest Corvallis.

Other constraints to providing service within the City include: inadequate pavement structure to support buses on some streets, inadequate roadway widths, and residential areas with only one viable way in and out (for example, Ponderosa Avenue and Village Green). These limited access areas often provide no way for buses to turn around.

The fixed-route service and bus maintenance continues to be contracted out. The 2004-05 contractor is Laidlaw Education Services, Inc. under the terms of a 3-year contract with two 1-year extensions.⁸ The current contract expires in 2008.

1.2.2 Paratransit Service

As a fixed route service provider, the City is required by the Americans With Disabilities Act (ADA) to provide complementary paratransit service to those persons who are unable to use the fixed-route service. CTS is

⁸ Dorsey Bus Lines was sold to Mayflower Contract Services, Inc, and Mayflower was purchased by Laidlaw Education Services, Inc. These businesses have provided the City's fixed-route transit contract service since its beginning in 1981.

required to provide paratransit service during the same hours and days as the regular fixed-route bus service. The City's paratransit contractor is Dial-A-Bus, which is operated by the Senior Citizens Council of Benton County, Inc. This demand-responsive service has its own management, 8 full-time paid drivers and 27 volunteer drivers⁹. Dial-A-Bus also provides and maintains the paratransit vehicles. The service is provided through an annual contract.

Dial-A-Bus also provides its own, distinct services for seniors and persons with disabilities in partnership with Benton County.

1.3 VEHICLES, FACILITIES AND EQUIPMENT

1.3.1 Vehicles

Since the original three buses were purchased in 1981 to begin transit service, CTS has been able to replace buses and add buses to its fleet over the years and maintains spare/back-up buses as per the Federal Transit Administration (FTA) policy. The following describes the current fleet:

- 1 1991 35-foot Gillig Phantom Bus (planned replacement in 2005-06)
- 3 1994 35-foot Gillig Phantom Buses
- 1 1996 Heritage Street Car Trolley
- 2 1997 35-foot, Gillig Phantom Buses
- 2 2002 low-floor, 35-foot Gillig Phantom Buses
- 9 total

All of the system's existing buses are accessible and meet ADA requirements. Seven of the 35-foot Gilligs have a wheelchair lift, two wheelchair tie-down positions, and a kneeling feature. The trolley has a wheelchair lift and two wheelchair positions. The 2002 35-foot Gilligs are low-floor models, with a wheelchair ramp instead of a lift. The low-floor vehicles are becoming an industry standard because of their accessibility for all customers and faster boarding and deboarding times. The life expectancy of the Trolley and 35-foot Gillig buses is 500,000 miles or 12 years, whichever comes first. The City has a vehicle replacement schedule based on those criteria and requests Congressional grants for the replacements.

The City is adding an automatic stop announcement/automatic passenger counting/global positioning system to its bus fleet in the spring of 2005. In addition to providing enhanced service to the riders by announcing the stops, it will also provide accurate, on-going information to assist in management decisions regarding route design and stop locations and facilities.

1.3.2 Facilities

The Downtown Corvallis Transit Center was completed in January 2003 with the majority of the funding coming from a Federal Transit Administration (FTA) Section 5309 capital grant. Space is available for 5 buses

⁹ As of June 29, 2004

internal to the site and 2 buses on the street. The Transit Center has created a positive image for transit in addition to providing a safe, sheltered, and convenient place for customers to wait for a bus or transfer to another bus.

The City has received another FTA Section 5309 grant for \$257,482 to fund the preliminary design and environmental process for development of a City-owned transit operations and maintenance facility. The 80-percent grant would be matched with 20-percent (\$64,370) of local Transit Funds and is a planned expenditure within the 2004-05 capital improvement program. The City will seek additional federal grant funds for land acquisition and construction.

The City has 75 passenger shelters located throughout the community. Some were purchased through capital grants, some were required to be provided as a condition of private development projects and, more recently, some have been partially funded through Corvallis Systems Development Charges. Bus shelters are key transit infrastructure facilities and should be provided as funds allow and as a condition of private development where appropriate.

1.3.3 Bus Stop Equipment

Bus stop signs have been replaced or added throughout the community in recent years. The designated stop system was fully implemented in 2004 and resulted in approximately 280 designated bus stop signs. Corvallis received a state grant to purchase and install the new bus stop signs.

1.4 FUNDING

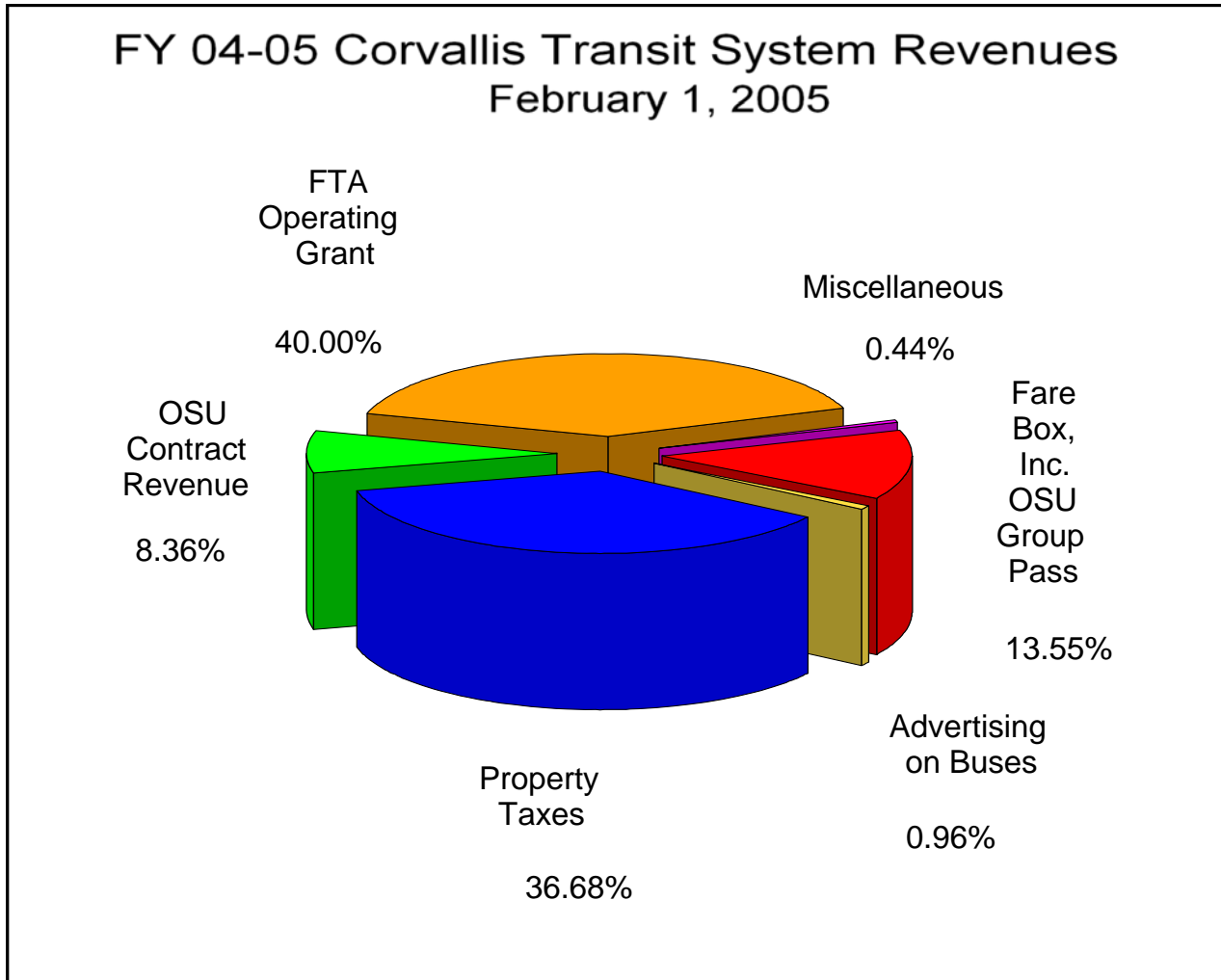
1.4.1 Operations

Fixed Route. Operating fund sources for CTS come from several sources, including City General Fund (property taxes), federal government (FTA 5307 grant), Oregon State University (group-pass program and support contract), Associated Students of Oregon State University (group-pass program), fares, and some miscellaneous funding such as revenue from bus advertising space sales, pass-through business energy tax credits (BETC), interest earnings and donations. The operating fund sources have experienced two major changes since 2003. The Corvallis area was designated as an urbanized area (UZ) as a result of the 2000 census and a Metropolitan Planning Organization (Corvallis Area Metropolitan Planning Organization) was formed in 2002. Federal transit funding is from the FTA's Section 5307 fund for urbanized areas. Previously CTS was funded through the FTA's Section 5311 small city/rural program, administered through ODOT. This change to Section 5307 funding has resulted in significantly more federal transit operating dollars, increasing from approximately \$144,000 in FY 2002-03 to an estimated \$588,000 in FY 2004-05. Additionally, Oregon State University (OSU) has agreed to contribute toward transit operations in addition to its group-pass program for OSU faculty and staff. OSU will continue to provide \$20,000 for the group-pass program for faculty and staff in 2004-05 and additionally will provide a direct contribution of \$130,000 for operations. The ASOSU group pass program covers rides provided to OSU students. Students pay a for the group-pass program through their incidental fees, estimated at \$105,000 for 2004-05. The OSU group-pass and transit support contracts and ASOSU group-pass contract are negotiated annually.

The increased federal and OSU funds have allowed a reduction in the City's General Fund contribution to transit from about 65% of operating revenue to about 37% and allowed continuation of the same service level in 2004-05 as existed in 2003-04. See Figure 1-1 for FY 04-05 revenue sources.

Figure 1-1 2004-05 Revenues

The City increased CTS passenger fares in 2004 and is considering other revenue enhancements. The City Council has a policy of requiring transit users to contribute toward the operation of the system, while remaining sensitive to the fact that many of the system's users are those who have limited financial resources.¹⁰ CACOT



adopted a policy which would establish a target for farebox recovery percentage rate of 14-15%. Another revenue enhancement takes advantage of the State's Business Energy Tax Credit (BETC) program through the Oregon Department of Energy. Under this program, an entity with an Oregon business tax liability can become a partner with the City of Corvallis and dedicate a portion of their state income taxes as a "pass-through" to help fund the operation of CTS. This program could generate up to \$400,000 annually for operations. The City has a partner for this program and its application has been approved by the State. While this program can provide some much needed new revenue for CTS, the BETC program could be eliminated at any State Legislative session and put the transit system at risk of major reductions in future years without replacement revenue. Because the long-term viability of this source is questionable, the current level of General Fund support should be maintained and fund reserves built up for the time when the BETC credits are not available.

¹⁰ 1994 Transit Strategy, adopted by the City Council on May 2, 1994

Although the revenue is small, the City recently entered into a contract with Lamar Advertising for advertising on the buses that provides about \$25,000 per year in additional funding. The funding level from this source is expected to remain level into the future.

Paratransit Service. The City's paratransit service is supported through a partnership between the City of Corvallis, Dial-A-Bus, and Benton County. Benton County receives Special Transportation Funds from the State of Oregon, through ODOT, to support transportation for seniors and persons with disabilities.¹¹ Most of that funding has been used to fund the Dial-A-Bus operation in Benton County. The City provides some additional funding to support this service. Originally, the amount of Corvallis funding was to pay for the hours needed to provide paratransit during CTS service hours which exceeded the regular Dial-A-Bus operating hours. Currently, Dial-A-Bus hours exceed those of CTS.

1.4.2 Capital

Capital purchases for buses, bus equipment, the transit center, bus shelters, and other capital equipment have generally been funded through federal funds at a rate of 80 percent federal funds and 20 percent local match. In the early years, some of the federal funds (FTA Section 5311 funds) were secured through the State of Oregon, Oregon Department of Transportation. The City now uses the FTA's Section 5309 discretionary grant program, administered directly by the FTA but subject to earmarking by Congress, to fund capital purchases. Because of the significant costs, the City relies upon federal grants to accomplish bus replacements.

As noted above, the addition of some bus shelters has been accomplished through grants, private developments, and the City's Systems Development Charges.

1.4.3 Funding Stability Issues

While the City has been able to increase revenues from sources outside of the city's General Fund, several of those revenue sources rely upon annual contracts and a State program (BETC) that is subject to biennial review. The City began a community dialogue regarding the establishment of a transportation district in 2002, in part to address long-term funding stability. For several reasons, primarily to expand the discussion to consider transit from a regional perspective, the lead role for this discussion was assumed by the Benton County Board of Commissioners. Little has been done to date to continue that discussion.

1.5 RIDERSHIP

CTS ridership has more than tripled from its first full year of operation. Figure 1-2 shows 2004-05 ridership compared to the five-year average ridership by month from 1999 to 2004. The system carried over 50,000 passengers during its first half-year (February 1981-June 1981) and 153,735 during its first full year operation, 1981-82. Ridership was over 300,000 during 1994-95 and set a ridership record of 525,021 in 2001-02 that stood until the 2004-05 ridership that established a new record of 530,287 rides.

¹¹ The Special Transportation Funds are generated by a portion of cigarette taxes and is distributed to transportation/transit districts for senior and disabled transportation. If there is no transportation/transit district, the funds are distributed to the local Special Transportation Fund agency as designated by ODOT. Locally, this STF agency is Benton County.

Two ridership surveys are conducted annually to determine who is riding CTS. See Figure 1-3 for ridership breakdown. One survey is conducted to determine OSU ridership by student, faculty or staff. The second provides information regarding ridership by seniors, youth, and persons with disabilities. The 2005 OSU survey indicates that OSU ridership makes up 49 percent of total CTS ridership. Not surprising, monthly ridership is higher during the “regular” OSU school year (Fall, Winter, and Spring terms) and reaches its highest levels during winter. However, the variance between summer and winter months has lessened over the years with the increase of non-OSU rides. Some of this leveling can be attributed to summer ridership programs through the City’s Parks and Recreation and Library youth programs.

The 2005 senior, youth, persons with disabilities survey shows that seniors make up 7.1 percent, youth 14.2 percent, and 11.4 percent persons with disabilities. These percentages of total CTS riders in each category have not significantly changed during the time that the annual survey has been conducted (2000 through 2005).

Two main factors have affected ridership in the past: (1) the OSU/ASOSU group-pass program (for students, faculty, and staff) and (2) changes in fares. Additional factors that may be contributing to increased ridership during FY 04-05 is the increased cost of fuel and the recent redesign of the bus schedules. In years when the OSU/ASOSU group pass programs were in effect, ridership was substantially higher than when the program was not in effect. Two of the largest increases in ridership, in 1989-90 and 1994-95, coincided with the first year of the group-pass program and the reinstatement of the OSU group-pass program. The comparatively lower ridership of 1993-94 coincided with a hiatus in the program.

Generally, ridership varies inversely with fares, dropping when fares increase and rising when fares decrease. The amount of change is impacted by the percentage increase. Ridership fell 17 percent in 1982-83 when adult fares increased from 25 cents to 50 cents, but surpassed previous records when fares returned to 25 cents two years later. Ridership dropped 4 percent when adult fares increased from 25 cents to 35 cents in 1992-93. A fare increase from 35 cents to 50 cents coincided with the restoration of the OSU group-pass program in 1994-95, resulting in a net increase in ridership for the year. Fares were increased in February 2001, with the adult fare increasing from 50 cents to 60 cents and again to 75 cents in 2004. There was no apparent impact on ridership as a result of these increases.

Figure 1-2 2004-05 Annual Riders/Month

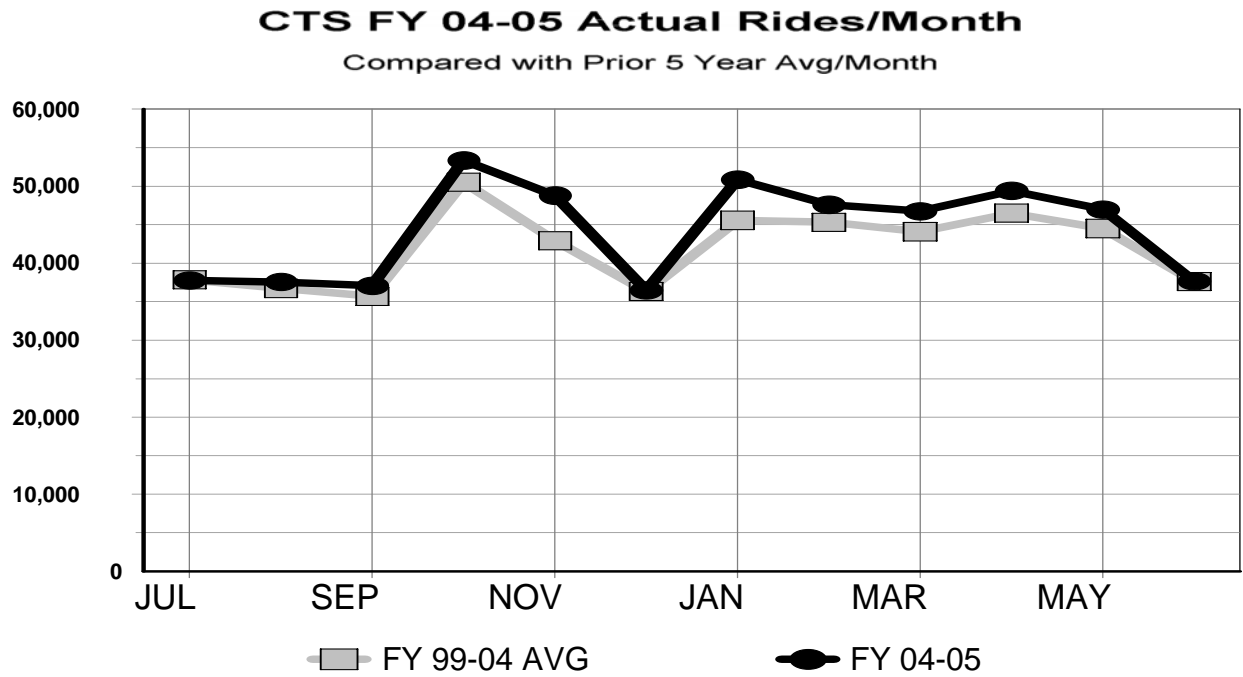
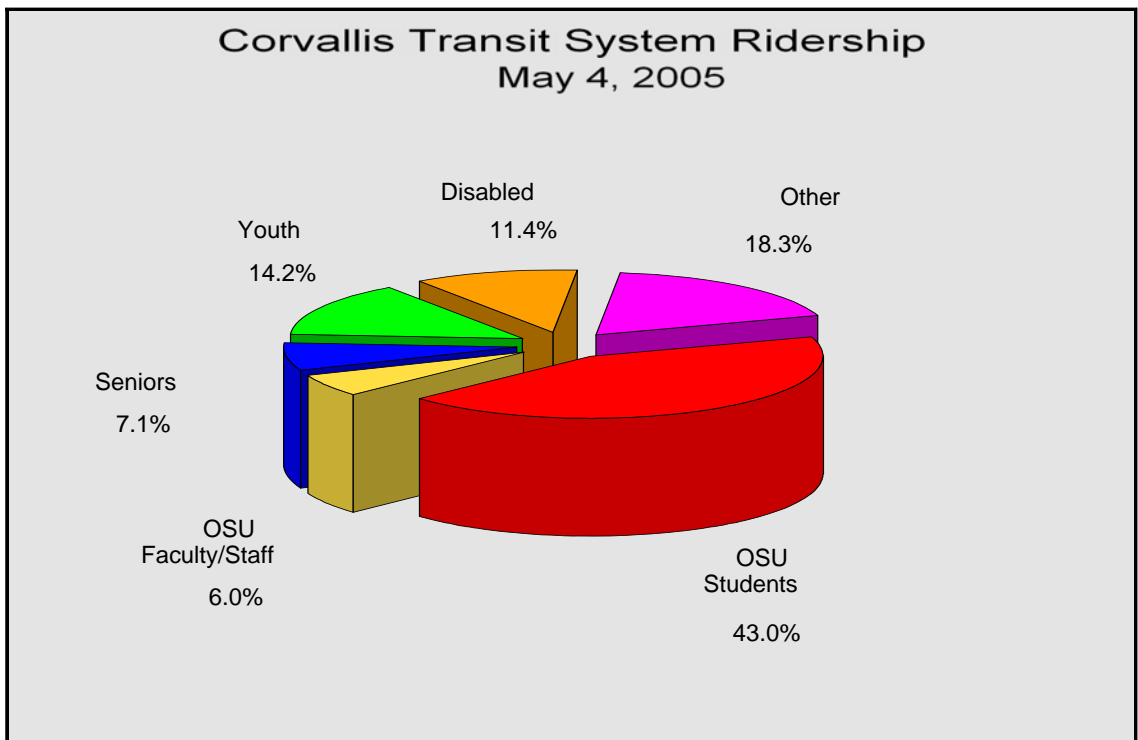


Figure 1-3 2004-05 Ridership by Type



1.6 **MARKETING EFFORTS** (see Chapter 7 for more on marketing)

CTS has participated in a number of special programs throughout the year to maintain visibility in the community. Special events that have included a CTS presence are:

1. Cor Biz - a booth at the annual Chamber of Commerce event to market transportation alternatives to local businesses
 - Earth Day - free transit service and a booth on the OSU campus
 - daVinci Days - expanded service Saturday and Sunday and free transit rides
 - Benton County Fair - free trolley shuttle service connecting the County Fairgrounds with downtown Corvallis and park-and-ride lot (costs have been shared by the County and City and supported by a local sponsor - Evanite Fiber Corporation)
 - Fall Festival - expanded service Saturday and Sunday and free transit rides
 - University Day - a booth at the annual OSU event for faculty and staff
 - Where It's @/Community Fair - a booth on the OSU campus during new student week to introduce students to Corvallis area and campus services and merchants
 - Try Transit Week - free transit rides during the first week in October, with daily themes and activities
 - Holiday Trolley - free shuttle service between participating merchants (who contribute to cover the costs) during the holiday season. Days and hours of operation are subject to available resources.
 - Special Celebrations - advertisements and local news coverage for special successes (e.g. ridership records)
 - Parks and Recreation use - summer youth programs (CTS is reimbursed)
 - Library Programs - summer youth programs (CTS is reimbursed)
 - School District - field trips in which groups board the regular route service
 - Beaver Express - for OSU football games (discontinued)
 - Transportation Demand Management (TDM) Group - participant in this monthly meeting to promote alternative transportation modes
 - T(ea) for Transit - an outreach/educational effort to adult living facilities in cooperation with the STF program manager.

CTS also has maintained on-going promotions in various locations:

- Information in "the City" newsletter (mailed to every residence in Corvallis)
- A quarterly CTS newsletter "What's New", which provides information regarding transit service. The publication is directed at CTS customers and is distributed on the buses, in the library, through the TDM group, and at City Hall.
- OSU Daily Barometer campus newspaper ads during orientation week and the first week of classes each quarter
- An advertisement in the OSU campus directory
- An advertisement in the Qwest Dex yellow pages
- Route map/schedule at local merchants, library, several OSU campus locations and other major employers - distributed free and posted on the city's web site
- Special program for customers of downtown merchants (no participants at the current time)
- Day passes for conference attendees made available through the Corvallis Tourism Center (cost is shared between CTS and Corvallis Tourism Center)

- Free passes for “Honored Citizens” aged 80 and over

For future efforts, Corvallis is considering other opportunities to maintain visibility. Possible efforts include:

- Expansion of group-pass programs to other employers than those now participating
- Establishing a group-pass program for the 509-J school district (students, faculty and staff)
- Establishment of Friends of Transit (volunteers who work to encourage use of transit and support for the system)
- Establishing a “bus buddy” program in which volunteers train people to use CTS