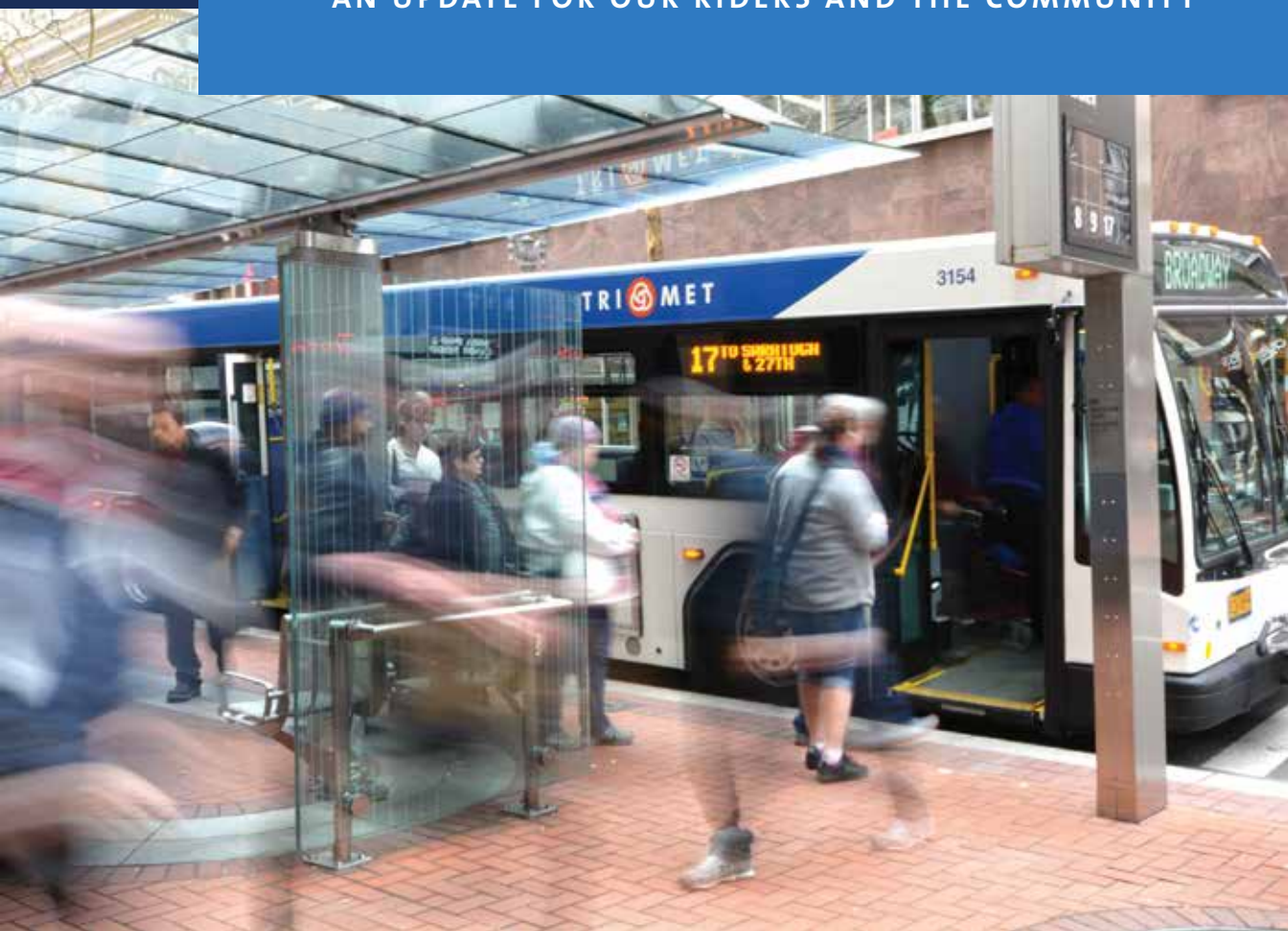


2014 | ANNUAL REPORT

AN UPDATE FOR OUR RIDERS AND THE COMMUNITY



FROM THE GM

Dear Riders and Stakeholders,

2014 marked a pivotal year for TriMet, our riders and the region. The Portland area continues to experience solid employment growth and new housing expansion—It even welcomed a few new companies. The economy is clearly improving, and so is TriMet.

This last year, we delivered on our promise to restore more service. We also invested to increase bus and MAX service, including expanding Frequent Service on our 12 busiest bus lines.

And most importantly, we've put the agency on firm financial footing for the future. We reached much-needed labor stability with the signing of a four-year labor agreement that puts us on a sustainable financial path for years to come as we continue to support our employees with competitive benefits and family wage jobs. We also approved a Strategic Financial Plan that provides direction to significantly reduce our long-term financial obligations.

The year ahead looks even brighter. By the end of June 2015 we will have more service on the street than before the recession began. In September, the MAX Orange Line will open on time and on budget, bolstering service



in the fast-growing Portland-Milwaukie corridor. With our continued accelerated bus replacement program, we added 90 new cleaner-running buses in 2014, and we'll see 34 new buses this year. We also continue the investment in our rail system to improve reliability and service to riders.

With the solid progress of this past year, we are now poised to look to the future to deliver on a growing demand for transit. We don't take your support for granted. We will continue to work with you, our riders and partners, to help connect our region and make it one of the best places to live in the country. Thank you.

Sincerely,



Neil McFarlane, TriMet General Manager

Line 43, 12 and 17 Rider



MAKING TRANSIT BETTER

FREQUENT SERVICE RETURNS

In March 2014 buses on 10 of our popular lines began arriving more frequently during the day. Thanks



to an improving budget outlook, we restored 15-minute Frequent Service—which had been cut over the last few

years due to the recession. This means less waiting, shorter travel times and better connections. Many of our riders depend solely on transit to get around, so we know that better frequency makes a big difference. As more resources become available, we will continue improving frequency on these and other lines.

IMPROVING MAX

Thanks to the Federal Transit Administration's State of Good Repair Grants Program, we're completing track repair and replacement projects along parts of the nearly 30-year-old Eastside MAX line. Over the next few years, sections of track and switches will be replaced in the Rose Quarter, in the Lloyd District and at the Gateway Transit Center. Additional upgrades will include better lighting, pedestrian safety features, improved rail crossings and side-

walk improvements. We're also adding up to 40 new arrival information screens that show when the next trains are due. In addition to improving MAX's reliability, this work will result in smoother and safer travel for riders, bicyclists and pedestrians.

A STRONGER FLEET

We added 90 new lower-emissions buses to our fleet in 2014, replacing older buses that were less reliable and more costly to maintain. We are testing four new hybrid-electric buses, which are up to 50 percent more fuel efficient, emit less pollution and feature longer-lasting parts. We're improving the quality of rides, too—This year, 85 percent of our fleet will be low-floor accessible and almost all will be equipped with air conditioning.

As part of the Portland-Milwaukie Light Rail Transit Project, we are adding 18 new light rail vehicles, known as the "Type 5s." While they look similar to the Type 4s, they represent the next generation in light rail transit—Each vehicle features more seating and legroom, new ADA boarding ramps, better air conditioning and energy-efficient lighting.

"I take TriMet to school."

—Zaneta

I RIDE



MAKING TRANSIT BETTER

MOBILE TICKETING TAKES OFF

In its first year, the TriMet Tickets app amassed more than 100,000 regular users and was used for over 2 million rides, shattering our initial expectations. The free smartphone app allows riders to pay their fare instantly anytime, and to store tickets for future use. TriMet was the first U.S. transit agency to offer mobile ticketing system-wide.

RELIABLE TICKET MACHINES

In the last two years we focused on improving the reliability of our ticket vending machines, starting with replacing more than half of our 213 machines. We upgraded the software and changed our maintenance practices to speed up repairs and prevent breakdowns. We replaced the card readers so fewer cards are declined, and we upgraded the bill acceptors to reduce problems with rejected bills. As a result, overall reliability has improved—it's now consistently over 95 percent—and rider satisfaction has increased.



TWO GREAT STREETS

The Portland Transit Mall—comprising 1.2 miles and 57 blocks along 5th and 6th Avenues in Downtown Portland—has been recognized nationally as a “Great Street” by the American Planning Association.

BETTER FARES

Last September, in an effort to make transit a more viable option for families with children, we lowered Youth fares to \$1.25 for a single-ride ticket and \$28 for a 1-Month Pass. This makes transit an easier choice when kids need to get to school, jobs and other activities.



In March 2015, we are extending transfer times on single-ride tickets to 2½ hours in response to requests from the community. This will give riders more time to complete trips and transfer between buses and trains.



A SAFER RIDE

FEWER CRIMES, MORE CAMERAS

Reported crime on TriMet dropped in 2013, and preliminary statistics show this trend continuing last year—even while we've added bus and MAX service. Most reported crimes involved property and were not crimes against people.

This year we're beginning a \$7.5 million upgrade to our onboard security camera system. Cameras are an invaluable tool in crime prevention and prosecution, so we're replacing older units and making onboard cameras accessible for remote, real-time monitoring.

FOCUSING ON SECURITY

In 2015, with the help of three grants from the Transportation Security Administration, we're increasing the number of Transit



Police officers patrolling our system, developing improved security measures and creating a service that allows riders to anonymously report suspicious or inappropriate behavior from their mobile device.

In addition to increasing patrols over the last year, Transit Police officers have reached out to youth to encourage safe and

courteous behavior on our system—including a contract with the City of Portland's Youth Violence Prevention Office.

KEEPING OPERATORS INVOLVED

For the fourth year in a row, every one of our bus operators completed a recertification class. "Personal Safety and Security" was one of the featured topics, and two new working groups were launched to complement the Bus Operator Safety Committee: the Bus Operator Continuous Improvement Team and the Operator Restroom Committee. These groups inform decisions like layover locations and bus improvement projects.



“It’s really important for our customers to have easy access to the store, and using mass transportation is something we support as a company. We just think it makes sense business-wise.”

– Claudia Knotek, Community Relations Manager at New Seasons Market

OUR FINANCIAL PICTURE

STRENGTHENING OUR FINANCIAL FOUNDATION

In July our board of directors adopted a Strategic Financial Plan that establishes our ongoing commitment to growing service and ensuring long-term financial health.

The Strategic Financial Plan established guidelines for keeping costs in check, dedicating a revenue stream to increase service, maintaining appropriate financial reserves, protecting TriMet assets and creating a plan to fully fund long-term liabilities.

TriMet's finances are well managed, earning the agency Standard & Poor's A to AAA ratings. The Strategic Financial Plan will ensure that the agency continues to receive high marks on its financing status.

SECRETARY OF STATE'S AUDIT RESULTS

In 2013, the Oregon Secretary of State conducted a six-month comprehensive review of TriMet's financial condition,

transparency and operations. The audit highlighted the need to address the cost of health care benefits for current and retired employees. Our new labor contract reduces the cost of those benefits to a manageable and affordable level.

We're implementing all of the auditor's other recommendations, most of which involved increasing communications with employees and the public. We've since expanded our transparency and accountability website and we're asking the public for input on the service improvements they would like to see.

A FAIR LABOR CONTRACT FOR OUR FUTURE

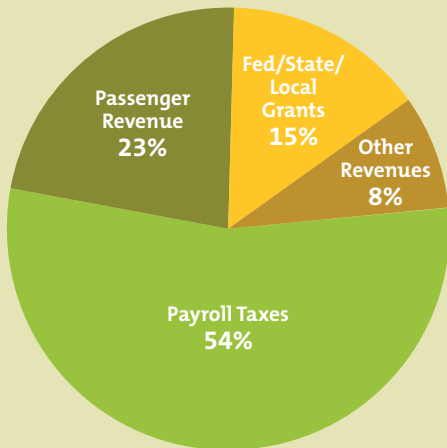
In October 2014, a new labor agreement with Amalgamated Transit Union Local 757 (ATU) was ratified. The four-year contract brings employee wages and benefits to a competitive level and puts TriMet on a financially sustainable path forward.

“TriMet is crucial for my company to grow and thrive in Oregon City.”

– Paul Culp, CEO of SuperGenius



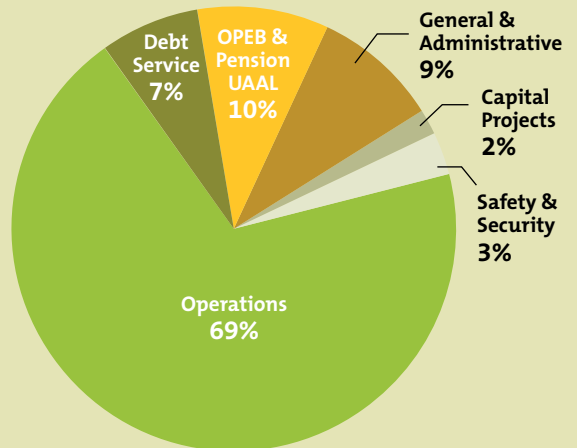
Where our money comes from



FY15 Budget Operating Revenue

We receive most of our funding from an employer payroll tax. Fares are another significant revenue source, making up 23% of our total funding.

Where our money goes



FY15 Budget Operating Expenses

Most of our expenses are associated with providing daily transit service. This includes everything from the tires on the bus to an employee's salary to paying the electricity bill for MAX.

Total operating budget for Fiscal Year 2015: \$494 million



KEEPING OUR REGION MOVING

A recent study by the Portland Business Alliance and others points to the importance of investing in our region's roads and transit service. Expanding transit and funding our regional transportation plan will save us billions in reduced congestion and create thousands of jobs, according to the report. We are working with our partners to help grow jobs while preserving our region's quality of life.

DOWN THE ROAD

MAX ORANGE LINE OPENS

On September 12, 2015, the new MAX Orange Line makes its debut, connecting Portland State University and inner Southeast Portland to Milwaukie and Oak Grove in north Clackamas County. Along the Orange Line's 7.3-mile route are 10 new MAX stations, as well as road and intersection improvements. More than \$65 million has been invested in bike and pedestrian facilities to provide easier connections with transit. We've kept the environment in mind, too: The new line showcases the nation's first eco-track, eight eco-roofs and 286 bioswales to capture and filter stormwater, among many other sustainable elements.

trimet.org/pm

A NEW TRANSIT BRIDGE OVER THE WILLAMETTE

For the first time in 40 years, a new bridge spans the Willamette River in Downtown Portland. Tilikum Crossing, *Bridge of the People*, is the largest car-free transit bridge in the U.S.—It will carry light rail trains, buses, streetcars, cyclists and pedestrians. The public will have an opportunity to walk and bike across the bridge on August 9, 2015, during its debut at Providence Bridge Pedal.

THE FUTURE OF TRANSIT—WHAT DOES IT LOOK LIKE TO YOU?

We're talking with riders, residents and businesses about ways to improve service and adapt to our changing region. Along the way, we're partnering with cities, counties and private sector groups to collaborate on near-term improvements. Looking further ahead, we've partnered with the communities we serve to help develop a long-term vision for transit service in the region. These discussions go beyond improvements to bus and MAX service—We're also listening for ways to increase bicycle and pedestrian access. And we're already responding to the growth in new residential areas across the region, new jobs centers and new travel needs. Get involved by letting us know what you'd like the future of transit to look like in your community!

trimet.org/future



DOWN THE ROAD

GROWING WITH THE SOUTHWEST CORRIDOR

We're considering ways to improve transit in the busy corridor from Tualatin to Sherwood to Tigard to Southwest Portland. Light rail and bus rapid transit are two options in the Southwest Corridor Plan, led by Metro, which aims to improve transportation options in these growing communities. Along with transit, this comprehensive plan includes roads, pedestrian and bike infrastructure, parks and natural areas.



INTRODUCING E-FARE

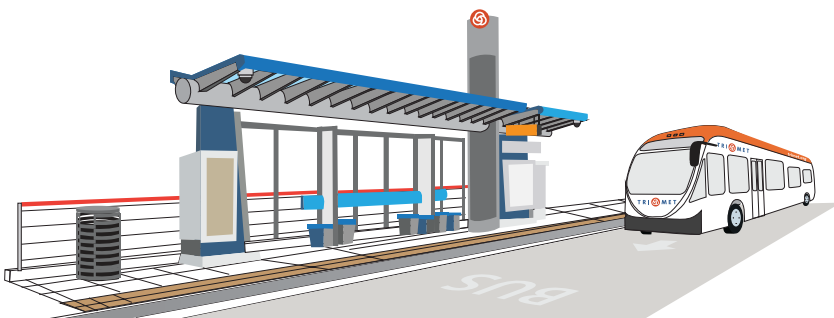
We're building a new, state-of-the-art electronic fare system that will make riding the bus or train faster, easier and more convenient. Beginning in 2017, riders will be able to pay instantly with a fare card, debit/credit card or smartphone. Riders will see new perks with the e-fare system, including lost-card protection and easy account management by phone, on the web or at grocery and convenience stores. It will also feature daily and monthly pricing caps, which translates to free rides and savings for frequent riders.

trimet.org/efare

BUS RAPID TRANSIT ARRIVING SOON

The Powell-Division corridor is one of the region's busiest transit routes, carrying some 18,000 riders each day and stretching from Portland State University and OHSU all the way east to Mt. Hood Community College. We've chosen to develop the Portland area's first Bus Rapid Transit (BRT) system to improve service on these congested streets. The upgrades could include dedicated bus lanes and MAX-like stations. BRT will make for a faster and easier commute between Portland and Gresham. New service could begin by 2020.

oregonmetro.gov/powelldivision





We want your feedback

Do you have questions or comments
about the topics in this Annual Report?
We want to hear from you:

trimet.org/annualreport



TriMet Riders Club members get the latest rider news and have an opportunity to weigh in a variety of transit topics. (Plus, enter to win some great prizes!)

Sign up today at *trimet.org/club*.

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