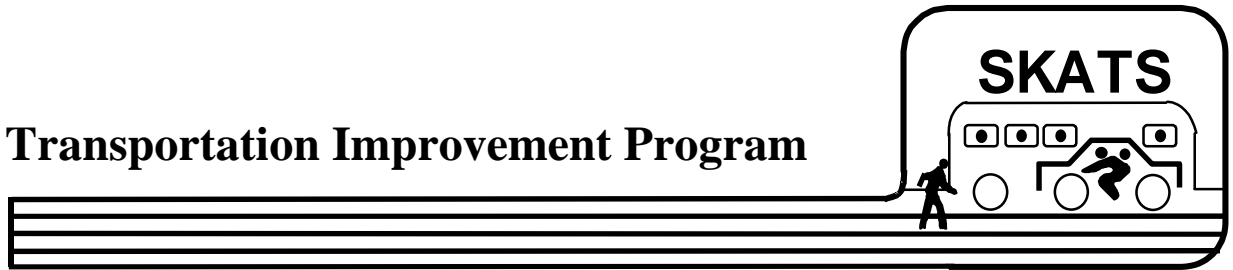


Transportation Improvement Program



FY 06 through FY 09

Adopted by the Policy Committee on

June 28, 2005

prepared by:

Salem-Keizer Area Transportation Study

administered by:

**Mid-Willamette Valley
Council of Governments
105 High Street SE
Salem, Oregon 97301
(503) 588-6177**

www.mwvcog.org

Salem-Keizer Area Transportation Study (SKATS)

The Salem-Keizer Area Transportation Study (SKATS) is the Metropolitan Planning Organization (MPO) designated by the Governor to develop and implement a coordinated, comprehensive, and continuing planning process that addresses issues related to the transportation systems of regional significance in the urban area.

SKATS is governed by a policy committee made up of elected officials from the jurisdictions within our (the cities of Salem, Keizer, and Turner and Marion and Polk counties) and representatives of agencies, such as the Oregon Department of Transportation (ODOT), and the Salem Area Mass Transit District (SAMTD), which are responsible for building and operating our transportation infrastructure. The SKATS Policy Committee provides the a valuable forum in which to consider the issues, develop coordinated strategies, and recommend prudent investments in our system to solve the transportation challenges we face in the . Inasmuch as most of the significant improvements to our transportation system require a pooling of many types of federal, state, and local dollars, no single jurisdiction has either the authority or the financial resources to "go it alone." The SKATS Policy Committee provides the means for us to develop the "community of interest" that we must have to coordinate our transportation planning and investments to solve our current and expected problems, and to create a workable system for our future.

SKATS Policy Committee:

Troy Nichols	City of Keizer
Dan Clem	City of Salem
Jim Thompson.....	City of Turner
Sam Brentano.....	Marion County
Tom Ritchey.....	Polk County
Jane Lee	Oregon Department of Transportation
Lloyd Chapman.....	Salem Area Mass Transit District
Michael Parker	Salem-Keizer School District

The Policy Committee considers recommendations from several SKATS advisory committees as an integral part of its decision-making process: the SKATS Citizens Advisory Committee (CAC) made up of representatives from a broad range of constituencies in our community; and the SKATS Technical Advisory Committee (TAC), made up of jurisdictional staff, agency representatives, and other interested parties. In addition, there is an extensive public involvement process associated with each of the major planning, programming, and project decisions made by the SKATS Policy Committee.

Transportation Improvement Program

FY 06 - FY 09

Adopted by the Policy Committee on

June 28, 2005

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INTRODUCTION

The SKATS Transportation Improvement Program (TIP) identifies the transportation projects within the SKATS MPO area expected to utilize federal and state funds during the four-year period (FY 06 through FY 09).

The TIP authorizes project funding levels within fiscal years. The precise scheduling of the projects listed may change over time due to delays or alterations in funding distributions, project slippage or modification, and/or other unforeseen circumstances arising during the planning period.

The projects associated with the TIP are "financially constrained"; that is, only those projects for which funding is reasonably anticipated are listed. No projects that involve funds that are not either reasonably anticipated to be available or currently committed are programmed for the first two years of the TIP. All known regionally significant transportation projects, regardless of funding source (federal, state, local, private), are included in the Air Quality Conformity Determination (AQCD) for the TIP and are listed in that portion of the AQCD document. As the amount of federal money coming into the SKATS MPO area may vary substantially as a result of congressional actions, the revenues anticipated in this TIP represent the best estimates possible at any given time. Programmed projects may need to be delayed or phased over two or more years if the SKATS MPO area receives less federal funding than originally forecast.

This TIP was prepared as a coordinated and cooperative effort of the jurisdictions participating in the Salem-Keizer Area Transportation Study (SKATS). In addition to the regular committee meetings at which progressive drafts of the TIP were discussed, advance notice was given to the public, private providers of transportation, and other interested parties, and the draft document underwent a 30-day public review and comment period as required by the *SKATS Public Involvement Framework Plan for the Regional Transportation Systems Planning Process*, adopted by the SKATS Policy Committee in August 2001. Input received from the foregoing process was considered by the Policy Committee prior to the adoption of this TIP.

Projects included in this TIP are drawn from the adopted long-range SKATS Regional Transportation Systems Plan (RTSP). All of the projects selected and scheduled for implementation in this TIP are consistent with the adopted Regional Plan. While both the adopted RTSP and this TIP have been found to meet air quality conformity requirements over a 20-year rolling horizon related to regional emissions, individual projects may require additional project-level air quality "hot spot" analyses as determined through the regional consultation process conducted by the SKATS Technical Advisory Committee (TAC). In that the Salem-Keizer-Turner area is currently designated as a nonattainment area for carbon monoxide and is also a Transportation Management Area (TMA), projects that significantly affect SOV capacity must be derived from the established CMS in order to be included in the TIP.

PROJECT SELECTION AND PRIORITIZATION

Purpose

The SKATS Transportation Improvement Program (TIP) authorizes the allocation of federal, state, and matching local funds for transportation activities and improvements within the Salem-Keizer Urban Area during the period October 1, 2006 through September 30, 2009 (Federal fiscal years FY 06 through FY 09).

The TIP represents a policy document for the SKATS MPO area describing which projects will be given funding priority in the time period covered and conforms to United States Department of Transportation (USDOT) and Oregon state requirements. The federal regulations state that a program of transportation investments for the urban area covering at least three years shall be prepared at least every two years under the direction of the Metropolitan Planning Organization (MPO). The TIP must contain all the transportation projects which either: a) use federal funds; or b) use state and/or local funds and are deemed to be "regionally significant." In addition, the TIP must describe the selected projects and identify the funding, both amount(s) and source(s), necessary to accomplish the improvements.

The TIP represents the formal programming mechanism by which funds are committed to specific transportation projects by the affected jurisdictions in the SKATS MPO area.

Projects and funding schedules in the TIP are developed through a cooperative process facilitated by SKATS (the MPO) and involving active participation by representatives from the cities of Salem, Keizer, and Turner; Marion and Polk counties; the Salem Area Mass Transit District (SAMTD); the Oregon Department of Transportation (ODOT); and the Salem-Keizer School District. Funding levels adopted by the SKATS Policy Committee in the TIP represent regional commitments to specific dollar amounts, not necessarily the completion of projects. Cost overruns remain the responsibility of the implementing jurisdiction(s).

The purpose of the TIP is to serve as the mechanism that focuses and prioritizes the near-term schedule and funding programming for the improvements identified in the adopted 20-year Regional Transportation Systems Plan (RTSP). It provides the vehicle by which the incremental implementation of the overall RTSP is monitored, managed, and reviewed. Setting these priorities involves: a) considering both local and regional needs; b) recognizing that the TIP must address deficiencies associated with both short-term, small scale improvements as well as major, multi-year, long-range projects; and c) allocating investments among the various modes of transportation.

Regional Priority Setting Process

The process to establish regional transportation investment priorities has been developed by the affected jurisdictions in the SKATS MPO area and is implemented through the decisions of the SKATS Policy Committee. This process represents an important consensus among the jurisdictions in the SKATS MPO area concerning the identification and implementation of priority transportation improvements. Among the criteria established in the adopted RTSP for the determination of overall transportation investment priorities are the following:

- The development of a financially constrained TIP requires that adequate resources be made available to ensure the continuing preservation of the existing system of transportation facilities in the urban area. This means that a high priority should be given to investments necessary for the adequate maintenance and operation of the existing system, including capital replacement requirements.
- Should they become necessary, activities required to implement Transportation Control Measures (TCMs) contained in the approved State Implementation Plan (SIP) for air quality will be given the highest priority.
- Improvements that correct severe existing problems (mobility, safety, or air quality) will be given a high priority.
- Improvements that correct severe problems anticipated within the next five to ten years will be given a high priority.
- Improvements in major regional travel corridors will give priority to options that are cost effective and increase people- and goods-moving capacity in the most efficient manner, utilizing techniques and strategies drawn from the Regional Transportation Systems Efficiency Management section of the RTSP. Examples of this type of improvement are transit operations and facility improvements, signal interconnections, access control measures, ramp-metering, etc.
- Large projects will be broken into manageable sections where possible so that the most critical portions of the overall project are given priority for implementation.
- Projects that significantly affect SOV capacity must demonstrate consistency with the CMS evaluation process established in the adopted RTSP. This ensures that significant SOV capacity is only affected if other activities have been shown to be ineffective, and also ensures the protection of any significant capacity added to the system.

Project Selection Criteria

Within the framework of the overall priorities established in the adopted RTSP, a range of criteria have been historically used to determine which specific projects would be programmed

in the TIP for a given year. These criteria are reviewed by the SKATS TAC and Policy Committee each time the TIP is adopted.

As part of the project selection process, the following criteria are considered in a two-tiered process. The first tier is a set of mandatory criteria subject to a Pass/Fail test; the second tier consists of a set of more subjective criteria that are applied to projects that survive the first tier evaluation.

Tier One (Mandatory Criteria)

- consistency with the RTSP, ODOT and local TSPs
- affordability within the parameters of financial constraint and available funding
- obligational ability
- sufficiency of funding for completion of the project or specified phase
- availability of matching funds
- air quality impacts
- CMS considerations

Tier Two (Subjective Criteria)

- severity of the problem
- near-term need
- modal diversification
- geographic distribution
- safety issues
- perceived cost/benefit outcomes
- freight issues
- economic development considerations and opportunities
- relative overall priority among other candidate projects

By adopting this document, the SKATS Policy Committee has prioritized and selected the projects identified in the FY 06 through FY 09 "Four-Year Schedule of Transportation Projects" for implementation and funding as scheduled. No additional action by the Policy Committee is required for the funding of these projects up to the dollar amounts programmed in this TIP. The schedule of projects utilizes all of the anticipated federal funds as quickly as possible. If additional funds become available or if a project experiences an unexpected delay, the Policy Committee may select other projects from the first three years of the schedule to take advantage of the additional funds or to replace a delayed project. The selection of projects by the Policy Committee shall require a unanimous vote of the Policy Committee members attending a Policy Committee meeting. The selection of projects takes into consideration the improvement's overall importance, its cost relative to its benefits and the types and amounts of funds available, its eligibility for the various sources of funds, and the total amount of funds available to the SKATS MPO area.

Public Involvement Process

As established in the adopted *SKATS Public Involvement Framework Plan for the Regional Transportation Systems Planning Process*, prior to its adoption by the SKATS Policy Committee, the proposed TIP is reviewed and approved by the standing SKATS advisory committees and undergoes a publicized 30-day public review and comment period. Public, agency, other provider, and interested party comments received during this process, as well as staff recommendations for changes to the proposed TIP arising as a result, are considered by the Policy Committee at the time of adoption. If significant changes to the proposed TIP are recommended as a consequence of the community review process, a revised final draft document will be resubmitted to the public for an additional 30-day review and comment period.

TIP Adjustments and Amendments

By adopting this TIP, the SKATS Policy Committee reaffirms its established procedures governing the TIP management process. These procedures ensure appropriate visibility and deliberation for significant TIP amendments, while at the same time allowing for an expeditious routine adjustment process. The procedures streamline the overall TIP process and maintain compliance with federal, state, and local requirements related to the preparation and management of the document.

Minor Adjustments

Although still requiring Policy Committee adoption, the following activities are not considered to represent significant TIP amendments and do not require a redetermination of air quality conformity nor a 30-day public involvement process:

- Actions related to projects not significantly affecting roadway capacity, vehicle volumes, or travel speeds, such as:
 - safety improvements;
 - same site bridge replacements not exceeding \$3 million;
 - signal interconnection, installation, or removal projects;
 - resurfacing or rehabilitation improvements not requiring significant additional right-of-way;
 - bike lanes;
 - bus purchases;
 - projects determined through the SKATS TAC consultation process to be exempt from transportation conformity under federal and state rules;
 - projects that implement ADA requirements and paratransit requirements;
 - emergency projects involving imminent public safety hazards; and
 - previously approved "generic" projects (such as bulbouts, bus shelters, etc.);
 - MPO planning support; and

- Adjustments to previously approved projects that transfer funds between different phases of a project or different program years **within previously adopted funding levels**.

Carry Forward Projects

All projects programmed prior to FY 06 are expected to have been obligated by September 30, 2005. Any projects whose funds have not been considered to have lapsed or their obligational authority to have expired are considered to be automatically carried forward into the first program year (FY 06) of this TIP.

SUMMARY OF FY 06 - FY 09 TIP PROJECTS

Overview

The TIP identifies all transportation projects (or phases of a project) expected to be implemented within the SKATS MPO area using federal or state funds during the period FY 06 - FY 09.

Description of FY 06 through FY 09 Projects

NHS/IM Projects

- **Interstate 5 (N. Santiam - Kuebler Boulevard) (Kuebler - Illahee Crossing) --** The final environmental impact statement on the entire project to widen I-5 to six lanes through Salem has been completed and the improvement is being constructed in phases.
- **Interstate 5 N. Santiam - Kuebler Boulevard --** Widen to 6 lanes, replace 6 bridges, repair 1 bridge, construct a soundwall & interchange ramps. Includes preliminary engineering (FY 05), right-of-way purchase (FY 05) and construction (FY 06) of the project. The I-5 (Marietta Street Bridge) project programmed in FY 03 is actually a subset of this project.
- **Interstate 5 Kuebler - Illahee Crossing --** Widen to 6 lanes. Securing funds for the actual construction of this project (post-FY 07) is a high priority for ODOT 2 and the TIP may need to be amended at a later date if these additional funds are secured earlier or are not available.
- **I-5 at Kuebler --** Add a NB ramp in the NE quadrant of the intersection – construction in 2006.

Surface Transportation Program - Urban (STP-U) Projects

- **Regional Rideshare and Transportation Demand Management Programs**

These are continuing programs operated by the Salem-Keizer Transit District that provide services to the entire SKATS area. The Rideshare Program provides a computerized matching service for carpools/vanpools and other efforts focused on encouraging the use of modes of transportation other than the single-occupant automobile. The Transportation Demand Management Program works with employers and groups of employers to develop coordinated programs to encourage employees to use alternative means of transportation. Funding for these programs comes from state STP funds, SKATS STP-U funds, and Salem-Keizer Transit funds.

It should be noted that the combined actual annual operating costs for these programs amount to approximately \$50,000 more than the STP, STP-U, and required match allocated to the programs in the TIP. This additional cost is currently borne by the Salem Keizer Transit District.

- **Regional Traffic Signal Control Center Operations**

Salem constructed the Traffic Signal Control Center in 1995 using general obligation bond funds. This project provides operating funding for the center. Currently, one-half of the regional signal system is controlled through the center. Ultimately, all the urbanized area signals will be controlled through the center. The optimized, coordinated control of the regional signal system is one of SKATS' ITS strategies and will result in less vehicular delay and reduced emissions concentrations.

- **Regional Signal System Upgrade**

Also part of the SKATS ITS strategy, this project furthers completion of the regional system with the upgrade and connection of 26 traffic signals along seven major corridors within the SKATS area: 12th/13th (Mission to Hoyt); Center St (12th to Hawthorne); Cordon Rd (Silverton to State St); Lancaster Rd (Hagers Grove Rd to Cordon Rd); Lockhaven (River Rd N to I-5); Silverton Rd (Brown to Cordon, Lancaster to 45th); and West Salem (Edgewater/Wallace).

- **Regional Traffic Count/Congestion Management System**

Another piece of the SKATS ITS strategy, this is a multi-year project to convert traffic signal control boxes at various locations in the Salem-Keizer area to collect traffic counts and to send this data to the Regional Traffic Control Center. The data will be used in meeting the requirements of the Congestion Management System. Approximately 75 signals are scheduled for conversion over the next five years.

- **Regional Planning Project**

MPO Support

The MPO transportation planning program is essential for the coordination of local planning and implementation of activities, as well as the receipt of federal transportation funding. In addition, the MPO performs required air quality conformity analyses in addition to establishing transportation system needs.

- **Cordon Road at Gaffin & McCleay**

This project involves a minor realignment of the intersection of Cordon Road at McCleay with turn lanes and signalization. The project also includes the installation of a southbound to eastbound left-turn pocket on Cordon Road at Gaffin Road.

- **3rd Street and Denver Street Realignment**

The realignment of 3rd Street will reroute traffic away from Chicago Street, thereby removing one turning movement as traffic goes through the central part of Turner. The project also includes bike and pedestrian improvements, landscaping, and urban design features on 3rd Street.

- **Bus Purchases**

SKATS has programmed a portion of its STP-U funds for transit bus purchases (see New and Replacement Buses under Transit Funds).

- **High Priority Transportation Corridor Implementation**

This project will implement methodologies and technologies to relieve congestion and improve transit service in the North River Road/Broadway corridor, such as signal priority (extended green time) for buses, queue jumps, and other transit-friendly treatments.

- **Center Street Ramp/Northbound Front Street Signal**

Replace the existing stop sign at the end of the ramp with a signal and improve the radius for right turns by minor geometric changes.

- **Lancaster Drive Access Management**

Access management techniques will be implemented along Lancaster Drive from State Street to Silverton Road.

- **OR 99E Business**

Verda to Cherry Intersection improvements including signing and signal modifications

- **Cordon Rd at Auburn**

Add traffic signal and turn lanes on Auburn

ODOT-Sponsored Projects

- **OR 22 W – Greenwood to Doaks Ferry Rd**

Conduct environmental, design and public involvement activities necessary to prepare an EIS on construction activities associated with improving safety and operations in this segment of the facility; purchase necessary right-of-way.

- **OR 22 – Willamette River Bridge**

Repair of bridge cracks and surfaces to the approach spans EB and WB of the existing bridges.

- **OR 22 at OR 51 Interchange Development**

Conduct environmental, design and public involvement activities necessary to prepare an EIS on a project to construct an interchange between Hwy 22 and Hwy 51.

Bridge (HBRR) Funds

- **Mill Creek (Cottage Street) Bridge and Mill Creek (Capitol St NE) Bridge**

These projects to replace the bridges on Cottage Street and Capitol Street NE in Salem are necessary due to the age and condition of the existing bridges.

Transit Funds (FTA/STP-U Transfer and Federal “Earmark” Projects)

Several projects are programmed in the FY 06 - FY 09 TIP that are specifically designed to implement the Salem Area Mass Transit District's adopted Americans with Disabilities Act Transit Plan (1996 Update). Many of the transit funds are "earmarked" by their source for either capital or operations. The continuation and expansion of transit services in the area to levels envisioned in the adopted RTSP are currently hampered by the lack of a stable, long-term source of transit system operating funds.

- **Shelter Construction**

Adding shelters at bus stop locations throughout the transit system.

- **Preventive Maintenance and Special Transportation**

Each of the four years in the TIP document contains funding for continued transportation preventive maintenance and special transportation activities related to the transit system.

- **Capital Projects**

Each of the four years in the TIP document identifies funding of capital projects necessary for the continued operation of the transit system. Specific activities will vary on an annual basis, and include such capital items as IS (Information System) upgrades, replacement of office equipment; computer upgrades, new fareboxes, etc.

- **New and Replacement Buses**

The district needs to replace buses that are approaching or over 20 years in age, and also needs to add new buses to provide increased service on arterial corridors. This project will use Section 5309 funds to purchase new CNG buses to replace older diesels in the fleet. In FY 2003, the district purchased 26 CNG buses, bringing their total CNG fleet to 36 buses.

In FY 2004, they purchased eight CNG buses. In subsequent years, the district plans to purchase three CNG buses in FY 2005, and two each in FY 2006 through FY 2009.

- **Jobs Access Reverse Commute**

Provision of services to assist welfare-to-work program participants in traveling to work and work training opportunities. JARC is currently funded with a grant from FY 2005, however the Transit District is lobbying for additional earmarks in the years covered by this TIP.

Until such earmarks are allocated they cannot be included in the project list, but the TIP will be amended once the funds are available.

- **Transit Station Construction**

The Transit District will design and construct three additional transit stations to serve as hubs for the connection between corridor trunk service and neighborhood collector service.

FY 06 - FY 09 PROGRAM OF TRANSPORTATION IMPROVEMENTS

This TIP document represents a financially constrained estimate of the projects that can be expected to be built with existing sources of revenue. No revenue sources beyond those that are expected to be readily available and that can be historically justified are required to construct or operate the projects programmed in this document.

The amount and sources of funds for each project in the FY 06 - FY 09 TIP are included in **Tables 1-4**. The SKATS area has discretion over the use of approximately \$2.5 million of federal STP-U funds each year, but this funding fluctuates as a result of the actual federal appropriations process. This TIP (as detailed in the tables) programs the use of all of these funds, sometimes by spreading the project implementation and cost in logical phases over a multi-year period. Additional state and federal funds may become available to the area on a project-by-project basis if the is successful in competing for those funds. The local jurisdictions and sponsoring agencies have committed to providing the required local match for the projects as shown in the tables. Other locally funded, regionally significant projects are identified in the Air Quality Conformity Determination for the TIP. The bulk of state gas tax revenues available to local jurisdictions in the MPO area have traditionally been dedicated to maintaining the existing transportation system, and are expected to continue to be used in that fashion.

Although outside the horizon of this TIP, the final phase of the I-5 widening project through Salem (Kuebler – Illahee Crossing) is included in the regional emissions analysis for air quality conformity determination purposes. These improvements are illustrated in **Table 5** (post-FY 09).

**Table 1
Funding Sources - SKATS Transportation Improvement Projects - FY 2006**

STIP Key #	PROJECT	FEDERAL FUNDS		LOCAL FUNDS		TOTAL
		Source	Amount	Source	Amount	
12545	Mill Creek Bridge (Cottage St) Salem				\$21,930	\$213,000
12745	Regional Rideshare Program					\$160,500
13949	Regional TDM Program	STP-U	\$108,300			\$108,300
		STP	\$48,000			\$48,000
		STP-U	\$12,500	Transit District	\$6,925	\$67,425
12607	Regional Traffic Signal Control Ctr Oper.	STP-U	\$105,000	Salem	\$12,018	\$117,018
11626	Regional Traffic Signal Control Ctr Oper. (FY 05 carryover)	STP-U	\$100,000	Salem	\$11,446	\$111,446
12608	MPO Support	STP-U	\$350,000	State Hwy Funds	\$5,723	\$5,723
				Salem	\$5,723	\$5,723
				Keizer	\$5,723	\$5,723
				Marion Co	\$5,723	\$5,723
				Polk Co	\$5,723	\$5,723
				Transit District	\$5,723	\$5,723
				Other	\$5,723	\$5,723
						\$390,061
12609	Regional Traffic Count/Congestion Management System Program	STP-U	\$50,000	Salem	\$5,726	\$55,726
12602	Regional Traffic Count/Congestion Management System Program (FY 05 carryover)	STP-U	\$50,000	Salem	\$5,726	\$55,726
13335	High Priority Corridor Implementation	STP-U	\$1,000,000	Salem/Keizer/ Transit District	\$57,228	\$1,114,456
12117	High Priority Corridor Implementation (FY 05 carryover)	STP-U	\$1,157,000	Salem/Keizer/ Transit District	\$66,212	\$1,289,424
12610	Purchase 2 CNG Buses	STP-U	\$530,000	Transit District	\$132,500	\$662,500
12615	MPO Reserve	STP-U	\$13,000			\$13,000
11617	MPO Reserve (FY 05 carryover)	FY 04 STP-U (carryover)	\$23,826		\$3,299	\$27,125
12606	Preventative Maintenance/Special Transportation	Transit - Sec. 5307(9)	\$2,682,720	Transit District	\$670,680	\$3,353,400
13329	Transit Enhancement - Shelter Construction	Transit - Sec. 5307(9)	\$34,992	Transit District	\$8,748	\$43,740
13333	Capital Projects	Transit - Sec. 5307(9)	\$781,488	Transit District	\$195,372	\$976,860
	Reserve for Extending Required Ped/Bike Access to Keizer Rapids Park	STP-U	\$200,000	Keizer	\$22,900	\$222,900
14126	OR 22: Willamette River Bridges (Salem) - concrete repair (PE)	HBRR	\$1,437,000	ODOT	\$164,470	\$1,601,470
13284	I-5 N. Santiam - Kuebler (Phase 3) construction	NHS IM NHS (carryover)	\$12,911,250 \$4,050,000 \$11,216,250	OTIA 3 ODOT	\$26,700,000 \$3,211,500	\$58,089,000
14315	Cordon @ Pennsylvania Int. (PE, ROW)	HEP	\$33,000	Marion Co	\$3,777	\$36,777
13622	Salem Bridge EIS	FY 05 earmark (carryover)	\$750,000	Salem	\$0	\$750,000
13057	Cordon Rd @ Gaffin & McCleay (FY 05 carryover)	FY 04 STP-U (carryover)	\$140,000	Salem	\$16,020	\$156,020
13453	Center St Bridge to NB Front St Ramp Signal (FY 05 carryover)	FY 04 STP-U (carryover)	\$180,000		\$20,602	\$200,602
14192	Jobs Access (JARC) (2005 earmark) (FY 05 carryover)	Transit - Sec. 3037	\$198,236	Transit District	\$198,236	\$396,472
14193	Maintenance Facilities Expansion & Modification (2005 earmark) (FY 05 carryover)	Transit - Sec. 5309	\$2,500,000	Transit District	\$625,000	\$3,125,000
10356	Pringle Creek (Liberty St.) Bridge (Construction) (FY 04 carryover)	Bridge (HBRR) Funds	\$808,000	Salem	\$192,000	\$1,000,000
12116	Chemawa Road Upgrade (FY 04 carryover)	STP-U	\$918,000	Keizer	\$105,070	\$1,023,070
13037	Madrona & Liberty Rd S (FY 04 carryover)	HEP	\$200,000	Salem	\$15,000	\$215,000
13323	Jobs Access (JARC) (2004 earmark) (FY 04 carryover)	Transit - Sec. 5307	\$396,504	Transit District	\$396,504	\$793,008
14460	Capital Purchase	STP transfer to 5307	\$41,600	Transit District	\$10,400	\$52,000
14462	Capital Purchase	STP transfer to 5311	\$340,077	Transit District	\$85,019	\$425,096
14463	Elderly & Handicapped Services	STP transfer to 5310	\$480,000	Transit District	\$120,000	\$600,000
TOTAL						\$77,337,822

Click here for most current funding tables

**Table 2
Funding Sources - SKATS Transportation Improvement Projects - FY 2007**

STIP Key #	PROJECT	FEDERAL FUNDING		LOCAL FUNDS		TOTAL	
				Source	Amount		
12746	Regional Rideshare Program	Click here for most current funding tables					\$165,900
13950	Regional TDM Program						
		STP-U	\$13,000	Transit District	\$6,980	\$67,980	
12617	Regional Traffic Signal Control Ctr Oper.	STP-U	\$110,000	Salem	\$12,590	\$122,590	
12618	MPO Support	STP-U	\$370,000	State Hwy Funds	\$6,050	align="right"> \$412,350	
				Salem	\$6,050		
				Keizer	\$6,050		
				Marion Co	\$6,050		
				Polk Co	\$6,050		
				Transit District	\$6,050		
				Other	\$6,050		
12619	Regional Traffic Count/Congestion Management System Program	STP-U	\$50,000	Salem	\$5,726	\$55,726	
12620	Purchase 2 CNG Buses	STP-U	\$530,000	Transit District	\$132,500	\$662,500	
12623	Lancaster Dr Access Management	STP-U	\$250,000	Marion Co	\$28,614	\$278,614	
12624	Signal Interconnect Lockhaven: River Rd to I-5	STP-U	\$100,000	Keizer	\$11,450	\$111,450	
12625	Signal Interconnect Silverton Rd: Brown to Cordon, Lancaster to 45th	STP-U	\$90,000	Marion Co	\$10,301	\$100,301	
11109	West Salem Signal Interconnect	STP-U	\$293,000	Salem	\$33,535	\$326,535	
12660	Signal Interconnects on Lancaster Dr N and S	STP-U	\$175,000	Marion Co	\$20,030	\$195,030	
12604	Cordon Rd (Silverton to State St) Signal Interconnect	STP-U	\$80,000	Marion Co	\$9,156	\$89,156	
12626	MPO Reserve	STP-U	\$219,000			\$219,000	
12616	Preventative Maintenance/Special Transportation	Transit - Sec. 5307	\$2,897,337	Transit District	\$724,334	\$3,621,671	
13330	Transit Enhancement - Shelter Construction	Transit - Sec. 5307	\$37,791	Transit District	\$9,448	\$47,239	
13334	Capital Projects	Transit - Sec. 5307	\$844,007	Transit District	\$211,002	\$1,055,009	
12601	Center St. (12th - Hawthorne) Signal Interconnects (PE)	STP-U	\$56,000	Salem	\$6,710	\$62,710	
	Cordon @ Pennsylvania Int. (construction)	HEP	\$385,000	Marion Co	\$44,065	\$429,065	
TOTAL						\$8,022,826	

Table 3
Funding Sources - SKATS Transportation Improvement Projects - FY 2008

STIP Key #	PROJECT	FEDERAL FUNDING		LOCAL FUNDS		TOTAL	
				Source	Amount		
		Click here for most current funding tables					
13678	Regional Rideshare Program					\$171,595	
13951	Regional TDM Program						
		STP-U	\$13,500	Transit District	\$7,040	\$68,540	
	Regional Traffic Signal Control Ctr Oper.	STP-U	\$115,500	Salem	\$13,250	\$128,750	
	MPO Support	STP-U	\$388,500	State Hwy Funds	\$6,350	\$432,950	
				Salem	\$6,350		
				Keizer	\$6,350		
				Marion Co	\$6,350		
				Polk Co	\$6,350		
				Transit District	\$6,350		
				Other	\$6,350		
	Regional Traffic Count/Congestion Management System Program	STP-U	\$50,000	Salem	\$5,726	\$55,726	
	Purchase 2 CNG Buses	STP-U	\$550,000	Transit District	\$62,950	\$612,950	
12601	Center St (12th - Hawthorne) Signal Interconnects (construction)	STP-U	\$200,000	Salem	\$22,890	\$222,890	
	Reserve for Travel Behavior Survey	STP-U	\$100,000		\$11,450	\$111,450	
	Preventative Maintenance/Special Transportation	Transit - Sec. 5307	\$3,129,125	Transit District	\$782,281	\$3,911,406	
	Transit Enhancement - Shelter Construction	Transit - Sec. 5307	\$40,815	Transit District	\$10,204	\$51,019	
	Capital Projects	Transit - Sec. 5307	\$911,528	Transit District	\$227,882	\$1,139,410	
	Ward Dr. (Ward Court - Lancaster) Intersection Improvements & Urban Standards	STP-U	\$900,000	Marion Co	\$675,000	\$1,575,000	
14054	I-5 @ Kuebler Interchange add NB ramp in NE Quad. (construction)	IM	\$4,845,420	ODOT	\$554,580	\$5,400,000	
14126	OR 22: Willamette River Bridge(Salem) - concrete repair (construction)	HBRR	\$5,000,000	ODOT	\$1,250,000	\$6,250,000	
14242	Mill Creek (Capitol St NE) bridge replacement (PE, ROW)	HBRR	\$100,000	Salem	\$25,000	\$125,000	
TOTAL						\$20,256,686	

**Table 4
Funding Sources - SKATS Transportation Improvement Projects - FY 2009**

STIP Key #	PROJECT	FEDERAL FUNDING		LOCAL FUNDS		TOTAL
				Source	Amount	
13679	Regional Rideshare Program					
13952	Regional TDM Program					
		STP-U	\$14,000	Transit District	\$7,100	\$69,100
	Regional Traffic Signal Control Ctr Oper.	STP-U	\$121,000	Salem	\$13,850	\$134,850
	MPO Support	STP-U	\$408,000	State Hwy Funds	\$6,675	\$454,725
				Salem	\$6,675	
				Keizer	\$6,675	
				Marion Co	\$6,675	
				Polk Co	\$6,675	
				Transit District	\$6,675	
				Other	\$6,675	
	Regional Traffic Count/Congestion Management System Program	STP-U	\$50,000	Salem	\$5,726	\$55,726
	Purchase 2 CNG Buses	STP-U	\$550,000	Transit District	\$62,950	\$612,950
11110	12th/13th Signal Interconnect	STP-U	\$150,000	Salem	\$17,200	\$167,200
	Reserve for Travel Behavior Survey	STP-U	\$100,000		\$11,450	\$111,450
13591	OR 22 Greenwood - Doaks Ferry Rd Development: EIS and ROW	NHS	\$951,138	State Hwy Funds	\$108,862	\$1,060,000
	Preventative Maintenance/Special Transportation	Transit - Sec. 5307	\$3,379,455	Transit District	\$844,864	\$4,224,319
	Transit Enhancement - Shelter Construction	Transit - Sec. 5307	\$44,800	Transit District	\$11,020	\$55,820
	Capital Projects	Transit - Sec. 5307	\$984,450	Transit District	\$246,113	\$1,230,563
	Hawthorne (Center - Midway)	STP-U	\$510,000	Salem	\$58,375	\$568,375
	Cordon Rd. @ Auburn	STP-U	\$400,000	Marion Co	\$45,800	\$445,800
13659	OR 99E Bus. (Verda - Cherry)	STP		ODOT		\$1,238,000
14242	Mill Creek (Capitol St. NE) bridge replacement (construction)	HBRR	\$1,025,000	Salem	\$256,250	\$1,281,250
TOTAL						\$11,887,128

Click here for most current funding tables

Table 5
Funding Sources - SKATS Transportation Improvement Projects - Post FY 2009

STIP Key #	PROJECT	FEDERAL FUNDING	LOCAL MATCH		TOTAL
			Source	Amount	
	I-5 (Kuebler - Delaney) Widening		wy Funds		\$120,000,000
	TOTAL				\$120,000,000

Click here for most current funding tables

FINANCIAL CONSTRAINT

Background

In urban areas, a financial plan covering proposed transportation investments is required by federal regulations associated with the Intermodal Surface Transportation Efficiency Act of 1990 (ISTEA) to be produced by the Metropolitan Planning Organization (MPO) as part of the planning process for the development of the TIP. This financial plan must be developed in cooperation with the local jurisdictions and other affected agencies, such as the Oregon Department of Transportation (ODOT) and the Salem Area Mass Transit District (SAMTD), and reviewed by the community through the public involvement process associated with the respective TIP of which it is a part. The financial plan must demonstrate which projects can be implemented (annually) using current revenues and funding sources and which projects are to be implemented (annually) using proposed new revenue sources, while at the same time demonstrating that the existing system of transportation facilities is being adequately operated and maintained. Credible cost estimates and replacement schedule(s) must support this determination.

Adequate Maintenance and Operation of the Existing System

In order to produce a financial plan that demonstrates that the necessary resources are reasonably available to implement the TIP, the financial plan must also demonstrate that the responsible operating agencies have the capacity to finance the operations, maintenance, and capital replacement activities required to preserve the existing system of transportation facilities. Although SKATS, as the MPO for the Salem-Keizer urban area, has no direct operations or maintenance authority, its responsibilities related to the production of coordinated, comprehensive transportation plans for the urban area (such as the RTSP and TIP) involve the cooperative development of a financial statement indicating the ability of the various operating jurisdictions to adequately maintain, operate, and provide for capital replacement of their respective facilities.

The Salem Area Mass Transit District has submitted a financial statement that is included in the TIP (see **Statement of Financial Capacity**). The Oregon Transportation Commission has adopted a policy that preservation of the existing system is its first priority and has directed the increase of funds to that purpose statewide; the TIP projects on the ODOT system reflect that commitment and ability. The local jurisdictions within the SKATS area (Marion and Polk counties, and the cities of Salem, Keizer and Turner) all have expressed commitments to established minimum levels of facility maintenance. This is generally defined as the level of maintenance required to stop further deterioration of the street pavement, bridges, and non-traffic control system components.

Available and Committed Revenues and Funding Sources

For years 1 and 2 of the TIP in nonattainment and maintenance areas, such as SKATS, the funds for identified projects must be available or committed. Available funds means those funds derived from an existing source of funds dedicated to or historically used for transportation purposes which the financial plan in the TIP approved by the MPO and the Governor shows to be available to fund projects. In the case of state funds that are not dedicated to or historically used for transportation purposes, only those funds over which the Governor has control may be considered to be committed funds. In this case, approval of the TIP by the Governor will be considered to be committed funds. For local or private sources of funding involved in regionally significant projects, those not dedicated to or historically used for transportation purposes (including donations of property), a commitment in writing or letter of intent by the responsible official or body having control of the funds is needed to establish a commitment. If these commitments cannot be demonstrated, the state, local, or private funding source should be treated as a "new" funding source and must be demonstrated to be "reasonably available." With respect to federal funding sources, "available" or "committed" means authorized and/or appropriated funds generally available to the on an annual basis. Federal funds distributed by formula can be extrapolated beyond the current authorization period based on historic authorizations and considered "available" or "committed." Federal funds distributed on a "discretionary" basis, such as Section 5309 and "demonstration" funds, should be regarded as a "new" source and must be shown to be "reasonably available."

Federal STP-U funds are the only source of funds over which SKATS has sole discretion. SKATS can veto the use of other types of federal transportation funding within the MPO area, but can neither compel their use nor direct their allocation. **Table 6** illustrates the discretionary allocation of SKATS federal STP-U funds for the period covered by this TIP, and demonstrates sufficient anticipated revenues to fund the selected projects.

Reasonably Available Revenues and Funding Sources

For periods beyond years 1 and 2 of the TIP in nonattainment and maintenance areas, funding must be shown to be "reasonably" available, but does not need to be currently available or committed. Such funding sources may not currently exist or may require some steps (legal, executive, legislative, voter approval, etc.) before a jurisdiction, agency, or private party can commit such revenues to transportation projects. The financial plan must identify strategies and a specific plan of action that describe the steps that will be taken to ensure the availability of such funding sources within the timeframe shown in the plan.

The plan of action should provide information on the actions that will be taken to obtain the new funding, such as how the support of the public, elected officials, the business community, and special interests will be obtained. Past experience (including historical data) with obtaining this type of funding, e.g., success in obtaining legislative and/or voter approval for new bond issues, tax increases, special appropriations, etc., should be included. Where efforts are already

Table 6**Summary of Proposed Use of STP-U Funds FY 06 through FY 09**

STP-U funds are the primary category of federal funds over which SKATS has discretion of their use. Federal share only - does not include local match.

PROJECT	FY 06	FY 07	FY 08	FY 09	TOTAL
Regional Rideshare Program	\$108,500	\$113,900	\$119,595	\$125,000	\$466,995
Regional TDM Program	\$12,500	\$13,000	\$13,500	\$14,000	\$53,000
Regional Traffic Signal Control Ctr. Oper.	\$105,000	\$110,000	\$115,500	\$121,000	\$451,500
MPO Support	\$350,000	\$370,000	\$388,500	\$408,000	\$1,516,500
Regional Traffic Count/Congestion Management System Program	\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
West Salem Signal Interconnect		\$293,000			\$293,000
12th/13th Signal Interconnect				\$150,000	\$150,000
High Priority Corridor Implementation	\$1,000,000				\$1,000,000
Purchase Buses	\$530,000	\$530,000	\$550,000	\$550,000	\$2,160,000
Signal Interconnects on Lancaster Dr N & S		\$175,000			\$175,000
Signal Interconnects Center Street: 12th to Hawthorne		\$56,000	\$200,000		\$256,000
Cordon Rd (Silverton to State St) Signal Interconnect		\$80,000			\$80,000
Lancaster Dr Access Management		\$250,000			\$250,000
Signal Interconnect Lockhaven: River Rd to I-5		\$100,000			\$100,000
Signal Interconnect Silverton Rd: Brown to Cordon, Lancaster to 45th		\$90,000			\$90,000
Regional Bike/Ped Access to Keizer Rapids Park	\$200,000				\$200,000
Hawthorne (Center-Midway)				\$510,000	\$510,000
Reserve for Travel Behavior Survey			\$100,000	\$100,000	\$200,000
Ward Dr (Ward Ct - Lancaster) Intersection Improvements and Urban Upgrade			\$900,000		\$900,000
Cordon @ Auburn				\$400,000	\$400,000
MPO Reserve	\$13,000	\$219,000			\$232,000
TOTAL	\$2,369,000	\$2,449,900	\$2,437,095	\$2,428,000	\$9,683,995

Notes and Disclaimers: All funds for FY 06-09 guess that we will get approximately the same amount as in 03, with a one-year increase in 04, and are totally dependent upon reauthorization and the amounts are likely to change.

underway to obtain a new revenue source, information such as the amount of support (and/or opposition) for the measure(s) by the community should be provided.

For "innovative" financing techniques, the plan of action should identify the specific actions that are necessary to implement these techniques, describing the responsible parties, actions to be taken, and a timetable. An indication of the degree of commitment by the responsible parties should be provided.

Revenues and Funding Sources Not Considered to be Reasonably Available

The following are examples of specific cases where new revenues and funding sources should not generally be considered to be "reasonably available" and, as such, none of these types of fund sources are used to finance any of the transportation improvements programmed in the SKATS TIP.

- Those cases where past efforts to enact new revenue sources have generally been unsuccessful.
- Those cases where the extent of current public, elected official, business community, and/or special interest support indicates that the passage of a pending funding measure is problematic and/or doubtful.
- Those cases where no specific plan of action exists for securing the new funding source and/or a lack of other information that would demonstrate a strong likelihood that the funds will be secured.

FUNDING SOURCES PROGRAMMED IN THE FY 06 - FY 09 TIP

Overview

A variety of federal, state, regional, and local funding sources are used in programming the transportation system improvements called for in this TIP. The remainder of this section of the TIP describes each of the funding sources available to the for implementing projects.

National Highway System (NHS) Funds

NHS funds are primarily designed to fund the upgrading and improving of the Interstate facilities and US numbered routes, such as Interstate 5 (I-5) and State Highway Route 22 in the SKATS area. Interstate maintenance is considered part of the program funding total. The NHS will become the new focus of the Federal Aid Program following the completion of the Interstate Highway System. Up to 50% of program funds can be transferred by the state to the more flexible Surface Transportation Program (STP), or 100% if approved by the U.S. Secretary of Transportation.

NHS funds are now being used in the SKATS to upgrade and widen Interstate 5 and certain of its interchanges with regional arterials. The match rate for NHS projects is 88 percent federal and 12 percent local.

Surface Transportation Funds

TEA-21 continues the Surface Transportation Program (STP), which is a flexible, intermodal block grant-type program that provides funds for a broad range of transportation uses and consolidates the former functions of the Federal Aid Interstate Secondary, Urban, and Primary programs.

- **ODOT STP Funds**

In the SKATS MPO area, STP funds allocated to the State of Oregon through ODOT are primarily used to fund improvements to state highways such as State Highway 22 and Wallace Road (OR-221). STP-funded projects generally require a 10.27% nonfederal match.

- **Federal Earmarks**

Recent federal legislation has specifically “earmarked” federal STP dollars to individual projects. These funds are identified by the fiscal year and section of the legislation in which they are designated, i.e., “FY 0X Sec. 11X earmark.”

- **SKATS STP-U Funds**

ODOT allocates a portion of its STP-U funds to the Metropolitan Planning Organizations (MPOs) in the urban areas under a cooperative process. SKATS receives approximately \$2 million annually in federal STP-U funds.

STP Enhancement Funds

Under TEA-21, each state must set aside 10 percent of its yearly STP revenues for Transportation Enhancement Activities, which comprise a broad range of environment-related projects. These Enhancement funds are allocated to local jurisdictions throughout the state on a competitive basis.

Enhancement Program projects must demonstrate the following:

- They go above and beyond normal transportation and funding activities and have a direct relationship to the intermodal surface transportation system;
- They are consistent with local, state, and federal plans and programs;
- They can be started within two years of project approval and completed within two years of initiation; and
- They must include a 10.27 percent nonfederal match.

When and if additional funds are again awarded to the , the appropriate program years of the TIP will be amended to include these expenditures.

STP Safety Funds

Each state must set aside 10 percent of its base STP funds for safety construction activities, i.e., hazard elimination and rail-highway crossings. The match rate is 80 percent federal, 20 percent state or local.

Federal Transit Administration Funding

The Federal Transit Administration (FTA) carries out the federal mandate to improve urban mass transportation. It is the principal source of federal assistance to help urban areas (and, to some extent, nonurban areas) plan, develop, and improve comprehensive mass transportation systems. The transit formula and discretionary program requirements and program structure for FY 06-09 are assumed to remain basically unchanged from previous law.

The FTA's programs of financial aid have historically included, but were not limited to, the following:

- Section 5309 (formerly Section 3) Discretionary and Formula Capital Grant Program
- Section 5303 (formerly Section 8) Transit Planning
- Section 5307 (formerly Section 9) Formula Grant Program

Transit Section 5309 (formerly Section 3) Funds

Nationally, funds for the Section 5309 Discretionary and Formula Capital Program are split 40 percent for New Starts, 40 percent for Rail Modernization, and 20 percent for bus and "other." These are competitive grants and are not considered committed until awarded.

New Starts projects must be:

- based on the results of alternatives analysis and preliminary engineering;
- justified based on mobility improvement, environmental benefit, cost effectiveness, and operating efficiency; and
- supported by an acceptable degree of local financial commitment.

Rail Modernization Funds are allocated by formula rather than on a discretionary basis. Recipients of these funds are the 11 historic rail cities and cities with fixed guideways.

Bus and "other" capital funds are generally used for bus purchases and other related equipment.

The basic matching ratio for capital projects is 80 percent federal, the same as for highway projects in the FHWA program.

The matching ratio is 90 percent federal for the incremental costs of bus-related equipment needed to meet the requirements for the Clean Air Act and Americans with Disabilities Act.

The matching ratio for operating assistance remains at 50 percent of net operating costs.

Transit Section 5303 (formerly Section 8) Funds

Transit Section 5303 funds are part of the new Transit Planning and Research Program under the

Federal Transit Act Amendments of 1991. Of these funds, 45 percent went for Metropolitan Transit Planning, 5 percent for the Rural Transportation Assistance Program, 10 percent to states for planning, research, and training, 10 percent for a Transit Cooperative Research Program, and 30 percent for a National Planning and Research Program.

The metropolitan planning funds are allocated to the states under a formula apportionment on behalf of MPOs based on a state formula cooperatively developed with MPOs and approved by the Secretary.

Transit Section 5307 (formerly Section 9) Funds

The Section 5307 Formula Grant Program made funds available on the basis of a statutory formula to all urbanized areas in the country. For capital projects, the match rate is 80% federal, 20% state or local. Capital funds are used for transit maintenance, i.e., replacing buses, as well as other projects. For operating assistance, the match rate is 50% federal, 50% state or local. Operating assistance is capped at a percentage of the total Section 5307 apportionment for each urban area.

Transit Section 5310 (formerly Section 16(b)2) Funds

FTA dedicates certain funds for use in the provision of paratransit services. In the SKATS , some state STP funds will be flexed through FTA Section 5310 and are programmed for the purchase of paratransit buses and related equipment.

State Special Transportation Funds (STF)

ODOT's Public Transit section administers a discretionary grant program (Community Transportation Program) derived from state cigarette tax revenues that provides supplementary support for selected transit-related projects. In the SKATS , STF funding will be programmed for the purchase of paratransit buses and related equipment.

State Highway Funds

The major source of funding for transportation capital improvements and activities statewide is the State Highway Fund. The Highway Fund derives its revenue through fuel taxes, weight-mile taxes, licensing and registration fees. Approximately 40% of this Highway Fund is distributed to cities and counties for developing and maintaining transportation facilities. ODOT retains the remaining 60% for improving and maintaining the state system. County shares of the Fund are based on the number of vehicle registrations, while the allocations to the cities are based on population. These funds are used as a local match for NHS projects, STP funds, and SKATS MPO planning.

Local Funding

- **City of Salem Funds**

- City of Salem State Highway Fund Allocations

- Allocations from the State Highway Fund to cities are based on population size. It is assumed that the city's allocation will continue to increase as the population grows. In most cases, the city uses their State Highway Fund allocations as a local match to leverage other federal and state monies available for projects identified in the TIP and for maintenance activities.

- City of Salem General Obligation Bonds

- The city of Salem uses voter-approved general obligation bonds to fund street improvements. The taxing authority of the city is pledged to pay interest and principal to retire the debt. These bonds are backed by the city's full faith and credit, and in Salem's case, are repaid by property tax revenues.

- **City of Keizer Funds**

- City of Keizer State Highway Fund Allocations

- The city of Keizer uses State Highway Fund allocations as a local match to the STP, STP Enhancement, and STP Safety projects identified in the TIP, and for maintenance activities. Annual highway fund allocations to cities are based on population size. It is assumed that the city's allocation will continue to increase as the population grows. The city also relies on Urban Renewal District financing for transportation improvements within the district.

- **Transit District Funds**

- The Salem Area Mass Transit District uses its General Fund monies as local match for the Federal Transit Funding described earlier. The district's General Fund consists of the following sources:

- 1) Property tax base. A portion of the property tax revenue (.76 cents per \$1000 assessed valuation) collected by the state goes to the Salem Area Mass Transit District.
 - 2) Transit in-lieu payments. The state does not pay property tax, but provides compensation to the transit district through transit in-lieu payments.
 - 3) Farebox revenues and bus pass sales.
 - 4) Investment income. The transit district invests funds in a local investment pool managed by the state.

- **Marion County Funds**

Marion County State Highway Fund Allocations

The county uses State Highway Fund allocations as a local match to the STP, STP Enhancement, and STP Safety projects identified in the TIP. Highway fund allocations to counties are based on the number of vehicle registrations.

- **Local Agency Resources**

The Section 5310 and STF program funds (described earlier) provide transportation services for elderly and disabled persons. These funds generally go to private nonprofit organizations that provide services to the elderly and disabled. These organizations are required to provide a local match in order to receive the Section 5310 funds.

- **Other "Reasonably Anticipated" Funds**

Reasonably anticipated funds are programmed in the TIP to match the Regional 2015 and TMA Reserves. Although specific responsibilities for these amounts will not be determined until project sponsors are identified, based on past experience, it is reasonably anticipated that these matching funds can be secured.

Funding Flexibility

Under current ISTEA legislation and Oregon constitutional restrictions, transportation funds are somewhat flexible as to use (**Table 7**), however, the possible applications are relatively limited. For example, transit operations and TDM/Rideshare activities are eligible under only three categories of funds, and many fund sources are restricted entirely to highway-related uses.

**Table 7
Funding Flexibility Matrix
General Guidelines for the Use of Transportation Funding**

POTENTIAL USES	Transit			Highway					Other
	Transit Operations	Capital Improvements	ADA/Elderly & Handicapped	Maintenance & Operations	Roadway Capacity	Bicycle	Pedestrian	Rideshare/TDM	Passenger Rail and Facilities
FUNDING SOURCES									
Federal									
(a) National Hwy System (NHS)	no	no	no	yes	yes	yes	yes	no	(b)
Federal Sec. 11X earmarks	(c)	(c)	(c)	(c)	(c)	(c)	(c)	(c)	(c)
ODOT STP	no	yes	yes	yes	yes	yes	yes	yes	yes
STP Enhancements	no	yes	yes	no	no	yes	yes	no	(d)
FTA Section 5307 (formerly Section 9)	yes	yes	yes	no	no	no	no	no	no
FTA Section 5309 (formerly Section 3)	no	yes	yes	no	no	no	no	no	no
(e) FTA Section 5310 [(formerly Section 16b(2))]	no	no	yes	no	no	no	no	no	no
(f) FTA Section 5303 (formerly Section 8)	no	no	no	no	no	no	no	no	no
(g) Marion County Nat'l Forest Revenues	no	no	no	yes	yes	yes	yes	no	no
State									
Gas Tax Revenues	no	no	no	yes	yes	yes	yes	(h)	no
(j) Special Transportation Fund (STF)	yes	yes	yes	no	no	no	no	no	no
Transit in Lieu Payments	yes	yes	yes	no	no	no	no	no	no
Regional									
SKATS STP-U	no	yes	yes	no	yes	yes	yes	yes	yes
Local									
Salem G.O. Bonds	no	no	no	yes	yes	yes	yes	no	no
(i) Salem SDC	no	no	no	no	yes	yes	yes	no	no
Gas Tax Revenue	no	no	no	yes	yes	yes	yes	yes	no
Keizer Urban Renewal	no	yes	no	no	yes	yes	yes	no	no

- (a) Up to 50% of NHS funds can be transferred to STP funds; 100% if approved by U.S. Secretary of Transportation.
- (b) May be used for passenger rail facility use if resulting improvements to NHS facilities can also be demonstrated.
- (c) Specific earmarks for individual projects.
- (d) STP Enhancement funds can be used for the rehabilitation and operation of historic railroad facilities.
- (e) Limited to private, nonprofit organizations or public bodies that coordinate transportation services for the elderly and disabled persons.
- (f) FTA Section 8 is dedicated for transit planning activities.
- (g) National Forest Revenues are allocated for roads (75%) and schools (25%).
- (h) Potential uses may include park-and-ride facilities only as part of eligible highway improvements projects.
- (i) May be used for transit capital improvements and ADA/elderly & handicapped operations; cannot be used for transit system operations.
- (j) Limited to roadway capacity projects. Bicycle and pedestrian facility improvements may be included as part of roadway capacity projects.

STATEMENT OF FINANCIAL CAPACITY

In accordance with FTA Circular 7009.1, issued March 30, 1987, it has been found that Salem Area Mass Transit District's (SAMTD) financial condition is good and they have the financial capacity to carry out the capital, operating, planning, and maintenance activities listed in the TIP.

Financial Condition

The positive finding on SAMTD's financial condition is based on the Certified Public Accountant's Auditor Report of SAMTD for the period July 1, 2003 to June 30, 2004. SAMTD's financial condition in terms of current assets versus liabilities, capital reserves, debt levels, trends in costs compared to revenues and economic indicators is stated below.

- **Current Assets versus Current Liabilities:** Assets equal \$34,657,910 while liabilities equal \$2,388,219 for a ratio of 15 to 1.
- **Capital Reserves:** Accumulated depreciation currently is \$32,269,691.
- **Long Term Debt:** SAMTD's current long-term debt level is 0.
- **Trends in Costs Compared to Revenues:** On a service hour adjusted basis, operating expenditures were \$18,195,363 for the year end 2003 and \$23,885,826 for the year end 2004, for an increase of 32% for the year. Operating revenues (which include FTA operating assistance) were \$17,248,123 (\$1,824,705 in farebox revenue and \$2,662,341 in federal operating assistance) for the year end 2003 and \$21,764,205 (\$1,948,334 in farebox revenue; \$3,074,315 in federal operating assistance) for the year end 2004.
- **Economic Indicators:** The economic indicators for the Marion/Polk County are generally positive. The is experiencing steady growth in the location of new manufacturing, service, and retail industry. Marion County continues a slow, but steady, growth. Most of that growth is centered in the Salem-Keizer urban area, where the majority of SAMTD services are provided.

Financial Capacity

SAMTD has the financial capability to carry out the capital, operating, planning, and maintenance activities listed in the Transportation Improvement Program. The district utilizes a local property tax base as its primary source of local revenue. The tax base is a continuing revenue source and does not have to be approved by the voters each year. Other revenue sources include the state of Oregon and the Federal Transit Administration and the farebox. The Board

of Directors is committed to the projects listed in the TIP and have budgeted and committed funds for the transit improvements authorized in the TIP. SAMTD has demonstrated its ability to control costs, and has a system in place to track all costs and keep them in line with revenues.

PRIVATE ENTERPRISE AND PUBLIC PARTICIPATION

Transit District Activities

Since the issuance of FTA Circular 7005.1 in December 1986, the Salem Area Mass Transit District has made an ongoing effort to comply with private sector participation requirements. Previous TIPs have contained a chronological summary of private participation activities. Listed below is a summary for 1996 to date.

January 1996	List of all private providers in the district area is updated.
February 1996	Notice sent to all providers of the district's service review process, including notification of possible new and restructured service.
June 1996	Final public Board meeting of FY 96, providing opportunity for public input.

To this date, there has been no expression of interest from the private sector in the new or restructured service proposals. There have been no new services begun since October 1991. The district is aware that certain private sector requirements have been rescinded. It remains our policy, however, to maintain an updated list of private providers and to notify them of service increases.

As for the use of Section 5303 funds in support of private sector work, the following tasks have been completed with Section 5303 funds:

- Updating the list of active private sector transportation providers
- Outreach to private providers, with an invitation to participate in the planning and review process
- Annual cooperative effort with the Council of Governments to invite private sector comment and participation in the TIP development process

In May 1996 the district was successful in passing an updated property tax base. The additional funding obtained allowed the district to implement evening service to 10:15 p.m., express park-and-ride service, shorter headways between trips, and Americans With Disabilities Act Paratransit Service. Private providers were notified and were given the opportunity to participate in these service additions.

Transit improvements contained in the TIP are consistent with the adopted Salem-Keizer Transit Strategic Plan and have been approved by the Salem Area Mass Transit District Board of Directors at a regularly scheduled and publicly announced public meeting.

MPO Activities

Private and Public Sector Process

The SKATS Transportation Improvement Program (TIP) was prepared following these formal steps:

The SKATS Technical Advisory Committee (TAC) reviewed the document and submitted suggested updates and changes. The SKATS TAC then forwarded the draft TIP to the SKATS Policy Committee, which reviewed the draft and formally released it for public and agency review.

In addition to these SKATS meetings, a notice was published in the local newspaper soliciting the involvement of private providers and the general public in the development of the TIP and announcing a 30-day public review and comment period. The SKATS Policy Committee held an appropriately publicized public hearing on the draft TIP. Comments (if any) received from the public, and staff responses to those comments, were reviewed by the SKATS TAC and the SKATS Policy Committee, who directed changes to the document as necessary.

The TIP was then formally adopted by the SKATS Policy Committee by resolution at a regularly scheduled and publicly announced public meeting.

Private Sector Proposals

No proposals were received from the private sector.

Impediments to Holding Service Out for Competition

There are no known impediments to contracting out.

Private Sector Complaints

No complaints have been received from the private sector.

Significant Public Comments

No significant comments were received from the public or private providers during the 30-day review and comment period.

Certification

The SKATS Policy Committee hereby certifies that the local process for private enterprise participation in preparing the Transportation Improvement Program has been followed.