TriMet
2026-27 Hearing Minutes

April 22, 2026
8:00 a.m.
TriMet Board Room
101 SW Main Street, 2nd Floor
Portland Oregon 97204

Present

TSCC:

Chair Matt Donahue,
Vice Chair Dr. Rita Moore,
Commissioner Tod Burton,
Commissioner Dr. Will Terry,
Commissioner Erik Kvarsten,
Executive Director Allegra Willhite,
Budget Analyst Brittanie Abayare
Absent: None

TriMet:

TriMet Board Members:

President Dr. LaVerne Lewis
Thomas Kim
Robert Kellog
Tyler Frisbee
Erin Graham
JT Flowers
Kathy Wai

TriMet Staff:

General Manager Sam Desue
General Counsel/Executive Director of Legal Services Shelley Devine
Chief Financial Officer Nancy Young-Oliver
Chief Safety and Security Officer Andrew Wilson,
Chief Operations Officer Inessa Vitko
Chief Labor Relations and Human Resources Kim Sewell,
Executive Director for Capital Project Delivery Jamie Snook,
Executive Director of Public Access and Innovation John Gardner,
General Counsel Shelley Divine,
Acting Chief Information Officer AJ O'Connor,
Executive Director of Maintenance John Weston
Executive Director of Public Affairs JC Vannatta
Director of Budget and Forecasting Michael Don,
Senior Director of Business Planning Alan Lehto
Eileen Turvy, Director of ATP

Opening Remarks and Introductions

Chair Matt Donahue called the annual TriMet Budget Hearing to order and welcomed attendees. He stated that the TSCC is a community oversight commission established by the Oregon Legislature over 100 years ago that oversees the budgets of all TSCC member taxing districts, conducts thorough budget reviews, and holds public hearings to provide opportunities for public comment before budget adoption.

The TSCC commissioners and staff then introduced themselves, with all confirming they had no conflicts of interest regarding the district and shared their regular transit routes. The TriMet Board of Directors also introduced themselves and their preferred transit lines.

Board President Lewis provided brief introductory remarks. She stated that the FY 2027 budget holds the line with no increases beyond what is necessary for essential contractual obligations such as rising electricity costs and inflationary pressures. She noted that the district continues to invest in operations, maintenance personnel, safety and security, state of good repair, and capital programs, including bringing FX frequent express to historically disadvantaged high-crash corridors.

General Manager Sam Desue started by having the executive team introduce themselves. Then added that the FY 2027 budget reflects the agency's continued commitment to providing reliable, safe, and accessible core transit service while navigating ongoing economic pressures. The budget outlines $1.2 billion in spending, including nearly $938 million for daily operations, just over $213 million for capital investments, and about $53.5 million for non-operating requirements. He stated the budget reflects initial measures taken to address an estimated annual deficit of $245 million. He noted that while smaller service cuts went into effect in November 2025 and March 2026, and spending and staffing cuts were made in fall 2025, the proposed budget does not reflect additional upcoming cost-cutting efforts. Further service changes proposed for August, 2026, as well as another round of internal spending cuts and a staffing reduction, would be voted on by the board later that morning. He clarified that these reductions would be included in the adopted budget in May, meaning the final FY 2027 budget will be less than the current proposed budget to resize the agency and preserve core transit services.

Chief Financial Officer Nancy Young Oliver provided additional details, noting that the initial deficit of $300 million a year ago actually grew to $526 million due to a reduction in revenues and an increase in expenses. She explained that employer payroll tax growth dropped from historical 4-5% levels to 2-3%, the Oregon Department of Transportation projected decreases in STIF funding, and passenger fare revenue plummeted due to the work-from-home trend, and a 36% downtown office vacancy rate. Simultaneously, expenses grew faster than inflation, including decisions to go forward with a hydrogen fuel source for the 82nd Avenue bus rapid transit (BRT) project, safety and security expenses, and the accessible transportation program. She noted they pulled the deficit down to $245 million by pulling back discretionary spending, enacting previous service cuts, pausing the "Forward Together" service plan (which would have added a tremendous amount of new service), and reducing the pace of the general fund contribution to their state of good repair program.

Public Comment

Doug Allen

- He expressed concern regarding ridership not meeting long-term regional transportation and land-use goals, noting these failures go back decades before the pandemic. He questioned the financial justification for TriMet issuing 30-year long-term bonds paid out of the payroll tax for capital projects. He specifically cited a recent $150 million bond package that included purchasing $89 million in new light rail vehicles (costing $6.6 million each) to replace 1997 Type 2 cars, and $25 million for ERP software. He asked why TriMet does not do its own mid-life overhaul of these vehicles instead, noting older Type 1 cars lasted 40 years. He concluded by noting he hates to see bus service cut, stating the bus he rode that morning had a standing load.

Commissioner Questions and District Responses

Question 1: Asked by Chair Matt Donahue: This first question is for the Board - it has been a year of difficult decisions as TriMet works to address a significant budget deficit. Looking back on the budget process so far, what values did you apply to guide your decisions, and what successes would you like to share from this challenging process?

- **President Lewis** answered that the board approached these difficult decisions grounded in the values of fiscal responsibility, equity, transparency, and service to riders. She acknowledged that every decision carries real impacts and sometimes hardships for riders, the workforce, and the district. She stated they prioritize maintaining core transit services, especially for highly reliant and vulnerable populations. She highlighted successes such as strengthening overall governance and decision-making capacities, and enhanced decision-making tools via a scorecard monitoring system implemented by the CFO that gives clear insight into the financial performance and operational impacts of all departments. They increased board education sessions, deepened engagement between executive leadership and the finance/administrative team, and refined monthly financial reports to be more meaningful and transparent. She emphasized their public outreach, noting they rode MAX and bus lines and walked routes with Metro and PBOT, stating "no rock was left unturned" to stay grounded in the reality of the people they serve. She quoted Director Tyler Frisbee, noting that while the decisions are very hard and they try not to get emotional, the board understands the impact of what happens if they don't act.

- **General Manager Sam Desue** added that the board's clear guiding priority is preserving as much service as possible and protecting the core of what they deliver to riders. Their mission is taking people to opportunities, and they do not want to eliminate or reduce any service. Facing a significant deficit, he emphasized focusing on maintaining essential service, minimizing impacts on reliant riders, and delivering reliable, accessible, and sustainable service. He referenced public testimony given earlier by Mr. Allen and reiterated that service cuts are the very last option considered to arrive at a balanced budget.

Question 2: Asked by Commissioner Tod Burton: The budget message identifies a projected $300 million annual structural gap between recurring revenues and expenditures. A "fiscal cliff" is forecasted for FY 2029. What long-term structural changes are being evaluated to reach a balanced position? Which of those changes are reflected in this budget, and which are planned for future years?

- **Chief Financial Officer Nancy Young Oliver** answered that the FY 2027 approved budget currently reflects the service adjustments made in fall 2025 and spring 2026. What is not yet in the budget are upcoming service changes and general/administrative cuts across every division, which are pending board approval and will be reflected later in the adopted budget. She mentioned an ordinance for "pretty big service changes" would be getting its second reading at the board meeting later that day. For general and administrative cuts, they are looking at what they will stop doing and what they will do differently. She outlined three long-term options being evaluated to balance the budget over a three-year period: 1) general, administrative, staffing, and materials/services cuts; 2) service cuts, which are the last resort and require public outreach to evaluate impacts; and 3) increasing existing revenues or identifying new continuing revenue sources. TriMet has an internal team dedicated to evaluating revenue options like an employer payroll tax increase or a fare increase in a couple of years, though these require legislative or board approval. She emphasized the necessity of securing continuing revenue streams, noting that one-time revenues merely delay the issues.

Question 3: Asked by Commissioner Will Terry: Payroll taxes account for 58% of TriMet's budgeted revenues. Please walk us through the assumptions underlying your FY 2027 payroll tax revenue forecast, including whether you are forecasting any shift in the composition of employment — e.g., higher-wage vs. lower-wage sectors — that could impact the wage base beyond just headcount?

- **Chief Financial Officer Nancy Young Oliver** answered that they have dropped employer payroll tax growth expectations from historical 4-5% levels down to a more modest 2-3%, realigning with FY 2025 growth. Wage growth continues modestly even as employment levels declined compared to last year, and they are working directly with ECONorthwest on projections. A major impact is employers picking up and moving out of the district's footprint (like Dutch Brothers and Columbia Sportswear) or to more remote locations within the footprint. She explained that if an employer moves from downtown to Hillsboro and offers a huge free parking lot, it directly hurts ridership, but as long as they stay in the footprint, it doesn't diminish the payroll tax base. They closely watch the Worker Adjustment and Retraining Notification (WARN) Act report (ed note: the WARN report shares impending mass layoff information) for reductions in force, closures, wage freezes, and wage reductions.

- **Director of Budget and Forecasting Michael Don** added that they look at lots of data from ECONorthwest and do their own analysis of local and national economic trends, factoring in things like recent fuel price increases.

Commissioner Will Terry asked a follow-up question: With Oregon's unemployment rate rising to over 5% and regional job growth slowing, how confident are you in these assumptions? And if economic conditions are worse than expected, what contingencies do you have?

- **Chief Financial Officer Nancy Young Oliver** answered that they maintain a contingency set at 3% of operating costs, which is sometimes increased if there are major unknowns, like a working wage agreement negotiation. Shortfalls trigger transfers from contingency pending board approval. She stated she feels dropping the growth projection to 2-3% is being very conservative.
- **Director of Budget and Forecasting Michael Don** noted that payroll tax proved to be a very stable source even during the pandemic when it stayed flatlined. However, sustained high unemployment for a year or more would undoubtedly hit them. While fund balances can sustain the district in the short term, they would eventually have to cut expenditures to reduce the impact.

Question 4: Asked by Commissioner Tod Burton: How much of your structural deficit is affected by overall ridership trends, particularly changes in commuting patterns? Are you seeing a difference in trends for downtown office workers versus other areas of the city?

- **Chief Financial Officer Nancy Young Oliver** answered that passenger revenues have dropped from upwards of $100 million pre-pandemic to between $55 and $60 million now. She noted that during the federal stimulus period, they were able to preserve service, but expenses are now increasing at a much higher rate than inflation.
- **Executive Director of Planning Alan Lehto** added that ridership returned rapidly but is now plateauing at 70% of pre-pandemic levels, with growth slowing to 1-2%. Changes in downtown are driven by the high office vacancy rate (over 30%) and hybrid schedules where commuting 2-3 days a week results in a 40-60% drop in trips. He noted MAX ridership has recovered less (closer to 60%) compared to bus ridership (just short of 80%). He stated regional population growth has slowed and the economy is sluggish, while federal immigration crackdowns resulted in fewer

trips, retiring Baby Boomers are traveling less, and some commuters are shifting to electric bicycles. Conversely, he noted robust rebounds in high school ridership, large event ridership, weekend ridership (hitting 97.2% of pre-pandemic numbers in March), and frequent service lines (15-minute intervals), which are close to equal to pre-pandemic demand.

- **Commissioner Tod Burton** asked a follow-up question: How do you plan to change service and/or infrastructure based on shifting ridership patterns? How is light rail being impacted specifically?
  - **Executive Director of Planning Alan Lehto** answered that they knew commuting patterns were changing even before the pandemic, so the "Forward Together" long-term service vision accounts for this by spreading frequent service throughout the region rather than concentrating it heavily in downtown. Regarding infrastructure, he mentioned the two large FX line planning projects, as well as very small projects like adding short bus lanes to help buses be more reliable, emphasizing that these improvements improve the quality and experience of service to retain current riders and attract new ones.

Question 5: Asked by Commissioner Rita Moore: You are facing the difficult process of making service cuts in this current budget cycle, with more cuts projected. When determining where to make service cuts, how are you balancing the impact on riders against the need to cut operationally inefficient lines?

- **Executive Director of Planning Alan Lehto** answered that it is an almost impossible balance to get perfectly, but they use the Forward Together service concept to guide equitable investments. The drop in extreme downtown peak demand actually allowed them to shift resources toward areas with fewer transportation options, like East Multnomah County, East Portland, Aloha, and Clackamas County. He noted they prioritize protecting frequent service bus and MAX lines, which carry 80% of total ridership. When looking at cuts, they try as much as possible to preserve high-ridership lines and places providing equitable service to those who need it most.

Commissioner Rita Moore asked a follow-up question asking if it would be fair to say that in long-term projections, the work-from-home phenomenon is here to stay.

- **Executive Director of Planning Alan Lehto** answered yes, noting that while the exact percentage of hybrid days is still in play, they do not expect to ever go back to pre-pandemic levels again. He added that in some ways this is a positive development regarding reduced peak emissions and congestion.

Commissioner Rita Moore asked a follow-up question: What is the plan for TriMet accessible ridership programs like LIFT? Will these programs be subject to any cuts, or conversely, do you plan to expand accessibility programs as other service options are reduced?

- **Executive Director of Planning Alan Lehto** answered that LIFT is federally required to operate within 3/4 of a mile of active fixed routes and at the same times of day. Proposed service cuts will therefore remove LIFT coverage in a portion of Stafford in West Linn (where a line is being eliminated) and an area in South Gresham (hills south of Powell Boulevard), affecting a total of 71 addresses, which represents less than 0.3% of regional LIFT rides.
- **Director of ATP Eileen Turvy** added that they run 24 hours a day in most areas and have partnered with Clackamas County's Transportation Reaching People program (using federal 5310 funds for innovative work) and Ride Connection (which operates a robust program in Gresham and East County) to help close the gaps and provide service for older adults and individuals with disabilities in the impacted areas.

Question 6: Asked by Commissioner Erik Kvarsten: Does TriMet have a formal 'add-back' plan for service if TriMet’s financial outlook improves? If so, what criteria, such as ridership demand, equity for transit-reliant populations, or operational efficiency, would determine the priority order for restoring the services being cut?

- **Executive Director of Planning Alan Lehto** answered that if finances improve, they would use the Forward Together service concept, which had robust public and jurisdictional input, as their template for restoring service. He clarified they would not add back exactly what was there before, such as overlapping, redundant, or low-performing routes that were cut. They would instead pay close attention to available resources, expected ridership, and how to serve lower-income and transit-reliant communities with barriers to mobility in a way that is cost-effective.

Question 7: Asked by Commissioner Rita Moore: While TriMet is implementing service reductions and navigating a structural deficit, the FY 2027 Capital Improvement Program (CIP) is projected to increase by 29% over the FY 2026 Adopted Budget, and TriMet is issuing revenue bonds to help cover costs. Can you help us understand why capital costs are growing when service seems to be shrinking?

- **Chief Financial Officer Nancy Young Oliver** answered that the CIP level is driven by queued projects, with FY 2027 funding coming 23% from general funds, 30% from bonds, and 47% from federal, state, and local grants. Three major projects comprise roughly 44% of the request: the 82nd Street project (37.5 million), and TV Highway ($15 million). She explained that TV Highway and 82nd are existing lines undergoing redesign to ease congestion and focus on safety, while the light rail vehicles are reaching their end of life.

- **Executive Director for Capital Project Delivery Jamie Snook** added that they are actively looking at how to redistribute and resize the CIP and staffing levels strictly to focus on maintaining a "state of good repair" (with the exception of the two BRT projects) to ensure safety and maintain asset conditions.

  Commissioner Rita Moore asked a follow-up question: In the current budget year, are you completing capital projects as expected and spending your budget as planned?

  - **Chief Financial Officer Nancy Young Oliver** answered that capital execution remains an ongoing challenge. As of March, capital execution for nine months in FY 2026 was $64.8 million, or 39%. Last year at the same time they were at 43% but ended the year at 75% execution, so she expects a big push to end the fiscal year around 70% execution.
  - **Executive Director for Capital Project Delivery Jamie Snook** detailed specific project setbacks. The Beaverton Transit Center faced a 15-month schedule delay and $5.1 million spending delay due to unforeseen land use permitting and delayed federal grant execution, which changed the design and reduced the scope. The Oregon City Transit Center faced a $5.5 million spending delay due to a slow federal earmark execution. The TV Highway project was delayed 4 months waiting to enter the FTA's capital investment grant project development phase; they couldn't count those dollars as local match until they were officially in development.

  Commissioner Rita Moore asked a follow-up question inquiring if a 75% execution rate was considered optimal.

  - **Chief Financial Officer Nancy Young Oliver** answered that they would definitely like the execution rate to be higher than 75%, but it is climbing a couple of percentages each year. She noted their hands are often tied when federal grants are delayed; they can legally incur costs but those costs aren't eligible to be reimbursed by the grant, so they watch those pennies carefully to pull from grants before using general fund dollars. They are working internally to increase execution through progress updates, milestones, and setting targets.

  Commissioner Rita Moore asked a follow-up question inquiring if local government land use decision making constituted a major ongoing issue for project delays.

  - **Executive Director for Capital Project Delivery Jamie Snook** answered that they work really closely with local jurisdictions to minimize local decision-making challenges. The permitting issue at

Beaverton was unforeseen since TriMet owns and operates the property. The biggest and most consistent challenge actually stems from the federal NEPA permitting process, and they are working closely with the FTA and Sound Transit to find ways to minimize NEPA impacts on schedules and budgets.

Commissioner Tod Burton asked a follow-up question inquiring about the criteria used to determine whether to replace big-ticket assets versus refurbishing them, in reference to public testimony.

- **Executive Director of Maintenance John Weston** answered that their state of good repair replacement program analyzes failure rates, age, annual assessments, 3rd party assessments, and safety issues. He listed shifting regulatory requirements from the FRA, FTA, and Department of Oregon Energy (such as mandatory changes for lighting and exhaust systems). He confirmed that ergonomics for operators and mechanics are factored in.
- **Chief Financial Officer Nancy Young Oliver** added that TriMet lacks the massive in-house facilities required to conduct major mid-life rail vehicle overhauls. The maintenance team keeps them running as long as they can, but the vehicles eventually become exhausted.

Question 8: Asked by Chair Matt Donahue: Last year, TriMet noted a 40% reduction in assaults on drivers and passengers and improved survey results related to visible security presence. What safety trends are you seeing this year, and how do those results compare to last year's outcomes?

- **Chief Safety and Security Officer Andrew Wilson** answered that safety is their top priority and downward trends continue into the next year on pretty much every metric related to public safety and employee assault. He stated this aligns with local and national trends reported by the FTA, coming down from heights in 2021 and 2022. He credited their success to being out ahead of efforts: operator safety panels instituted in 2021 and 2022 were very effective, as well as safety monitors and the Security Operations Center (SOC).

Chair Matt Donahue asked a follow-up question: What are some examples of changes you've made in response to feedback from the public related to safety?

  - **Chief Safety and Security Officer Andrew Wilson** answered that they have "kept their foot on the gas" with continued improvements and innovations. They operate a 24-hour Security Operations Center (SOC) with complete rider tools and direct access to 3,500 surveillance cameras to dispatch resources. They have expanded their transit police task force from 17 officers in 2022 to 32 currently, with plans to expand further, noting the area has also increased its law enforcement personnel. Additionally, they are accelerating the rollout of 90 new "blue light phones" on stations and platforms by the end of the fiscal year rather than the end of the calendar year.

Commissioner Tod Burton asked a follow-up question asking for an explanation of the blue light phones.

- **Chief Safety and Security Officer Andrew Wilson** answered that these big blue lights replace old payphones. Pressing a button gives the rider direct interaction with the 24-hour SOC and activates a local camera feed immediately so the SOC staff can see the caller (the SOC also has access to the full complement of cameras above). The phones allow the SOC to dispatch police, security, and cleaning. They also serve as a "force multiplier," as they feature very loud speakers (usually two per platform) that project across the entire platform, allowing the SOC to make outbound calls.

Commissioner Tod Burton asked a follow-up question: Can it be operated without somebody calling and you just see something and say “hey cut that out”?

- **Chief Safety and Security Officer Andrew Wilson** answered yes; the SOC literally calls out to tell people the platform is closed or to dissuade behavior (like smoking or actions against TriMet code), which successfully moves people off the stations and clears the space for riders. He added this technology is growing nationally at agencies like SacRT and BART, and they are also piloting two camera-only placements with this outbound speaker capability.

Question 9: Asked by Commissioner Erik Kvarsten: We see TriMet’s budget allocates $64 million to the Safety Department. Cities and the county also have a part in addressing public safety for our region - how is TriMet coordinating with these other entities on addressing public safety on the transit system?

- **Chief Safety and Security Officer Andrew Wilson** answered that TriMet coordinates heavily with law enforcement partners, holding a contract with the Multnomah County DA and operating under a public safety intergovernmental agreement across its 533-square-mile tri-county footprint. The Multnomah County Sheriff's Department is in the lead position. TriMet pays the fully burdened rate for transit police officers detailed from various agencies who work under the command of the MCSO to police the system. He noted they are at the table with pretty much every security coordinating council in the area, such as Pioneer Courthouse Square, Lloyd District, and Clean & Safe. He added that from a financial perspective, TriMet needs more support; they do not receive financial support for these efforts from partners. Specialized safety response teams addressing community housing and mental health needs are very expensive and taxing on the district's core mission to fund.

Question 10: Asked by Commissioner Will Terry: The FY 2027 budget cuts 8.5% of MAX and 2.3% of bus service while investing $42.9M in the 82nd Avenue FX expansion. Please walk us through the decision-making that led to prioritizing a new line over maintaining or expanding existing service - are there restrictions on funds, efficiencies to be gained, or other factors to consider?

- **General Manager Sam Desue** answered that he sits on the regional JPACT committee, and the 82nd Avenue project represents years of regional planning and is identified as a top regional infrastructure priority. It is their highest bus corridor for ridership, was critical during COVID for carrying essential workers, and has received investments from Clackamas County, Multnomah County, Metro, and the City of Portland. He stated it is about jobs and supporting long-term economic growth needed in the region.
- **Executive Director for Capital Project Delivery Jamie Snook** clarified that this is not a new line, but an upgrade to an existing line (Line 72). She noted it has the highest bus ridership and the highest passenger congestion delays on the entire system. The FX style investments (like the green bendy buses on Division Transit) provide transit signal priority, potential bus lanes or queue bypass lanes, nice stations, and all-door boarding (using Hop cards on the bus) to dramatically increase speed and reliability. Additionally, the City of Portland recently took ownership of the corridor and is making safety investments; working together means they get a lot more done.

Commissioner Will Terry asked a follow-up question: Of this $42.9 million, how much is TriMet directly funding versus external partners? Are those external funds fully secured? If those external funds were to disappear, would TriMet be able to absorb the shortfall from the operating budget, or would the project pause?

  - **Executive Director for Capital Project Delivery Jamie Snook** answered that the jurisdictional transfer from ODOT to Portland included state funds to bring the corridor up to a state of good repair, which covers current visible improvements. The city is doing a second phase of safety, pedestrian, and cooling corridor improvements that TriMet will deliver for them. Of the 65 million, and they anticipate getting $150 million from the FTA capital investment grant program (small starts). For the FY 2027 allocation of $42.9 million, TriMet is contributing $5.9 million. Approximately $7.9 million is fully committed, and they are securing the rest through PAF money (agreements are currently circulating for signature). She noted they are hoping to get into the FTA CIG program in spring 2027. She confirmed that if the other uncommitted commitments or local funding disappears, they would pause the project until they find additional funding or the time is right.

- **General Manager Sam Desue** confirmed that if the federal funds do not come through, this project will not move forward.

Closing Remarks

Chair Matt Donahue expressed his appreciation to General Manager Sam Desue, CFO Nancy Young-Oliver, and the assembled TriMet budget team for their transparency, detailed financial reporting, and clear communication under difficult economic circumstances. Commissioners Erik Kvarsten and Dr. Will Terry echoed these remarks, commending the staff for managing complex regional infrastructure projects amidst a challenging fiscal contraction.

Staff Recommendations & Certification

Executive Director Allegra Willhite commented on the very useful and informative budget document. She praised the TriMet finance team for being a great group to work with, diligent, and dedicated to providing accurate and useful information for the TSCC and the larger public. She reported that staff found that the budget estimates are reasonable, adequately supported by historical data, and compiled in strict accordance with the Oregon Local Budget Law.

She concluded by stating that the staff suggests no recommendations or objections to the fiscal year 2026-27 approved budget.

Vote to Certify

Chair Donahue then called for a formal motion to certify the TriMet Approved FY 2026-27 Budget estimates.

- Vice Chair Dr. Rita Moore moved to certify TriMet's FY 2026-27 Approved Budget estimates as reasonable and in full compliance with Oregon Local Budget Law, with no objections or recommendations.
- Commissioner Erik Kvarsten seconded the motion.
- The commissioners voted unanimously with verbal "ayes"
- TriMet’s 2026-27 approved budget was certified by the TSCC.

There being no other business, Chair Donahue closed the meeting.

Otter Meeting Agent was used to generate the transcript referenced above. The content was reviewed and edited before being published by Brittanie Abayare, on 6/15/2026.