

[Agreement - Use of Fast Pass on BART]

Resolution approving the Special Transit Fare (Fast Pass[®]) Agreement between the City and County of San Francisco and the Bay Area Rapid Transit District, with a term of July 1, 2014, through June 30, 2020, and a not to exceed amount of \$74,821,040.

WHEREAS, Under the current Fast Pass[®] Agreement with BART, which expires on June 30, 2014, the SFMTA reimburses the Bay Area Rapid Transit District (BART) \$1.21 for each Adult Fast Pass[®] trip taken on BART within San Francisco; and

WHEREAS, BART Board policy allows for biennial fare increases based on the inflation rate less one-half percent for productivity improvements, and reimbursement rates have generally increased correspondingly; and

WHEREAS, The SFMTA has negotiated a new Fast Pass[®] Agreement (Agreement) with BART, which is on file with the Clerk of the Board of Supervisors in File No. 140410; and

WHEREAS, Under the new Agreement, (1) the reimbursement rate would increase to \$1.27 per trip effective July 1, 2014, and may increase further in accordance with BART's fare increase indexing; (2) there will be a cap on reimbursement of \$11 million in the first fiscal year, with increases to the cap of five percent on each July 1 of the term; (3) BART will reimburse the SFMTA for Clipper[®] Card transaction costs related to the use of the equivalent of the Adult Fast Pass[®] on BART; and (4) the Agreement would be concurrent with the existing Feeder Agreement, with both agreements ending on June 30, 2020; and

WHEREAS, The maximum amount that the SFMTA could pay to BART under the terms of the new Agreement is \$74,821,040; and

1 WHEREAS, As delegated by the Planning Department, the SFMTA has determined
2 that an increase in rates to pay for the costs associated with the Agreement is statutorily
3 exempt from environmental review under California Environmental Quality Act, Section
4 21080(b)(8). Said determination is on file with the Clerk of the Board of Supervisors in File
5 No. 140410 and is incorporated herein by reference; and

6 WHEREAS, On January 4, 2014, the SFMTA Board of Directors adopted Resolution
7 No. 14-003, approving the Special Transit Fare (Fast Pass[®]) Agreement between the City and
8 BART, with a term of July 1, 2014, through June 30, 2020, based on the terms outlined above;
9 now, therefore, be it

10 RESOLVED, That the Board of Supervisors approves the Special Transit Fare (Fast
11 Pass[®]) Agreement between the SFMTA and the San Francisco Bay Area Rapid Transit
12 District, with a term of July 1, 2014, through June 30, 2020, and with a not-to-exceed amount
13 of \$74,821,040; and, be it

14 FURTHER RESOLVED, That within thirty (30) days of the Agreement being fully
15 executed by all parties the SFMTA shall provide the final Agreement to the Clerk of the Board
16 for inclusion into the official file.

Item 4 File 14-0410	Department: Municipal Transportation Agency
EXECUTIVE SUMMARY	
<p>Legislative Objective</p> <ul style="list-style-type: none"> • The proposed resolution would approve a new agreement negotiated between the City, on behalf of the SFMTA, and BART to continue the Fast Pass program allowing MUNI Fast Pass patrons to take an unlimited number of monthly rides on BART within San Francisco city limits. SFMTA would reimburse BART at a fixed reimbursement rate for each trip by an Adult Fast Pass rider, for a six-year term from July 1, 2014 through June 30, 2020. <p>Key Points</p> <ul style="list-style-type: none"> • The amount reimbursed by SFMTA to BART for each trip in San Francisco by an Adult A Fast Past rider would increase by 5 percent from the current rate of \$1.21 per trip to the proposed rate of \$1.27 per trip, effective July 1, 2014. • The SFMTA reimbursement rate to BART for each trip would increase once every two years in accordance with BART's productivity-adjusted Consumer Price Index (CPI) formula which is also used to increase BART fares every two years. Under the proposed agreement, SFMTA's reimbursement rate to BART would increase in 2016, 2018 and 2020, concurrent with BART fare increases. • The annual cap on SFMTA's reimbursement to BART would increase by 5 percent from the current cap of \$10.5 million in FY 2013-14 to the proposed cap of \$11 million in FY 2014-15. The cap would increase annually by 5 percent on July 1 of each subsequent year. • BART will reimburse the SFMTA for Clipper Card transaction costs related to the use of the Fast Pass on BART. <p>Fiscal Impact</p> <ul style="list-style-type: none"> • Estimated reimbursements by SFMTA to BART over the six-year term of the proposed agreement range from \$52,800,00 to \$63,048,926 based on an estimated 5 percent increase to the reimbursement rate every two years and growth up to 5 percent to annual ridership per year. The total amount of the cap over the six-year term is \$74,821,040. <p>Recommendations</p> <ul style="list-style-type: none"> • Amend the proposed resolution to provide for a total not-to-exceed amount of \$74,821,040 under the proposed new Fast Pass agreement between the SFMTA and BART. • Approval of the proposed resolution, as amended, is a policy decision for the Board of Supervisors. 	

MANDATE STATEMENT

In accordance with Charter Section 9.118(b), City agreements having a term of more than ten years with anticipated expenditures of \$10,000,000 or more, or amendments to such City agreements with expenditures of more than \$500,000 are subject to Board of Supervisors approval.

BACKGROUND

The Fast Pass Agreement between the San Francisco Municipal Transportation Agency (SFMTA) and Bay Area Rapid Transit (BART) allows Municipal Railway (MUNI) Adult Fast Pass¹ riders who purchase the Fast Pass with the BART option (Adult A Fast Pass) to take unlimited monthly rides on BART within San Francisco city limits at no additional cost to the rider. SFMTA reimburses BART at a fixed reimbursement rate for each BART trip taken by an Adult Fast Pass rider. The most recent Fast Pass Agreement between SFMTA and BART was approved by the Board of Supervisors in 2012 and expires on June 30, 2014 (Resolution 12-1187).

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a new agreement negotiated between the SFMTA and BART to continue the Fast Pass program allowing MUNI Fast Pass patrons to take an unlimited number of monthly rides on BART within San Francisco city limits. The proposed agreement would be for a six-year term from July 1, 2014 through June 30, 2020. Under the new agreement:

- a) The amount reimbursed by SFMTA to BART for each BART trip in San Francisco taken by an Adult A Fast Pass rider would increase by approximately 5 percent or \$0.06 per trip from the current rate of \$1.21 per trip to the proposed rate of \$1.27 per trip, effective July 1, 2014.
- b) The SFMTA reimbursement rate to BART for each BART trip would increase once every two years in accordance with BART's productivity-adjusted Consumer Price Index (CPI) formula which is also used to increase BART fares every two years.² Under the proposed agreement, SFMTA's reimbursement rate to BART would increase in 2016, 2018 and 2020, concurrent with BART fare increases.

¹ The Fast Pass is a prepaid monthly pass that allows the rider unlimited rides on the Municipal Railway (MUNI).

² Under the productivity-adjusted CPI, the two-year reimbursement rate is adjusted by the average change in the National and Bay Area CPI over two years, less ½ percentage point "productivity factor". For example, if the average change in the National and Bay Area CPI over two years was 4 percent and ½ percentage point was subtracted, the fare increase would be 3.5 percent.

- c) The annual cap on SFMTA's reimbursement to BART in FY 2014-15 will be \$11 million, with an annual increase to the cap of 5 percent on July 1 of each subsequent year.
- d) BART will reimburse the SFMTA for Clipper Card³ transaction costs related to the use of the Fast Pass on BART.

The proposed new agreement requires that the SFMTA and BART to begin negotiations for a new Fast Pass Agreement by January 1, 2020. If both parties cannot agree on the terms of a new agreement effective July 1, 2020, then the agreement shall continue on a month-to-month basis with a reimbursement rate adjustment based on BART's CPI formula effective on the date of a BART fare increase on or after July 1, 2020.

Decrease in Muni Riders Using the Fast Pass with the BART Option

As shown in Table 1 below, MUNI Adult Fast Pass ridership on BART has decreased by 48 percent and SFMTA reimbursements to BART have decreased by 39 percent from FY 2008-09 through FY 2013-14.

**Table 1: Change in MUNI Fast Pass Ridership on BART and SFMTA Reimbursements to BART
FY 2008-09 to FY 2013-14**

Fiscal Year	Number of MUNI Fast Pass Riders on BART	Payment to BART
FY 2008-09	12,732,283	\$12,986,214
FY 2009-10	10,295,484	10,575,817
FY 2010-11	8,074,923	9,572,380
FY 2011-12	7,725,533	9,137,810
FY 2012-13	7,609,677	9,089,591
FY 2013-14 (projected)	6,600,000	7,986,000
Decrease FY 2008-09 to FY 2013-14	(6,132,283)	(\$5,000,214)
Percent Decrease	-48%	-39%

Source: SFMTA

FY 2013-14 Costs of the Fast Pass Agreement between SFMTA and BART

In FY 2013-14, the monthly price of a MUNI Adult A Fast Pass, which allows the rider unlimited rides on BART within San Francisco city limits, is \$76. In contrast, the monthly price for the Adult M Fast Pass is \$66 but only provides unlimited use of MUNI lines. Thus, the incremental revenue which the SFMTA receives from the sale of the MUNI Adult A Fast Pass with the BART option is \$10. According to Mr. Steven Lee, SFMTA Financial Services and Contracts Manager, approximately 347,000 of Adult A Fast Passes with the BART option are sold annually, resulting

³ The Clipper Card is a reloadable card that is administered by the Metropolitan Transportation Commission and can be used on various regional transit systems, including MUNI and BART.

in total estimated incremental revenues to SFMTA in FY 2013-14 of \$3,470,000. Table 2 below displays the FY 2013-14 net cost of \$4,516,000 to the SFMTA for the MUNI Fast Pass program with the BART option.

Table 2: Estimated Cost to SFMTA for providing MUNI Adult A Fast Pass riders with the BART Option in FY 2013-14

Source	Total
Total SFMTA Incremental Revenue	\$3,470,000
Total SFMTA Reimbursement to BART	(7,986,000)
Net Cost to the SFMTA	(\$4,516,000)

Source: SFMTA

Reimbursement by BART to SFMTA for Clipper Card Transaction Costs

SFMTA requires Fast Pass patrons to purchase a Clipper Card. Under the existing Fast Pass Agreement between SFMTA and BART, SFMTA is reimbursed by BART for the transaction costs of the Clipper card. Table 3 below shows the annual reimbursements by BART to SFMTA for Clipper Card transaction fees in FY 2011-12 and FY 2012-13.

Table 3: BART Clipper Card Transaction Reimbursement Payments to SFMTA FY 2011-12 and FY 2012-13

Fiscal Year	Total Number of Clipper Transactions	BART Reimbursement to SFMTA
FY 2011-12	181,157,770	\$118,910
FY 2012-13	212,373,721	118,118

Source: SFMTA

FISCAL IMPACT

The total estimated reimbursements by SFMTA to BART over the six-year term of the proposed agreement to continue to provide MUNI Fast Pass riders with the BART option, thereby allowing such riders to take an unlimited number of monthly rides on BART within San Francisco city limits, ranges from \$52,800,00 to \$63,048,926 based on an estimated 5 percent increase to the reimbursement rate every two years and based on ridership growth of up to 5 percent per year, as shown in Table 4 below.

The Fast Pass Agreement also provides an annual cap on SFMTA’s reimbursement fees to BART of \$11 million, which will increase at a rate of 5 percent per year. The \$11 million cap under the proposed new agreement is approximately 5 percent more than the FY 2013-14 cap of \$10.5 million under the current Fast Pass Agreement.

Table 4: Projected SFMTA Reimbursement Payments to Bart from FY 2014-15 to FY 2019-20 for MUNI Riders to have the BART Option

Fiscal Year	Reimbursement Rate (Assuming a 5% CPI-adjusted increase)	Reimbursement Expenses (Assuming 6,600,000 Riders and No Ridership Growth)	Reimbursement Expenses (Assuming 5% Annual Ridership Growth)	Proposed Annual Reimbursement Cap Payable by the SFMTA to BART
FY 2014-15	\$1.27	\$8,382,000	\$8,801,100	\$11,000,000
FY 2015-16	\$1.27	8,382,000	9,241,155	11,550,000
FY 2016-17	\$1.33	8,778,000	10,161,632	12,127,500
FY 2017-18	\$1.33	8,778,000	10,669,714	12,733,875
FY 2018-19	\$1.40	9,240,000	11,792,842	13,370,568
FY 2019-20	\$1.40	9,240,000	12,382,484	14,039,097
Total		\$52,800,000	\$63,048,926	\$74,821,040

Additionally, BART will reimburse SFMTA for Clipper Card transaction fees, based on a formula in the proposed agreement and shown in the table below. For fiscal year 2014-15, the projected reimbursement for Clipper Card transaction fees is \$102,366, which is less than the reimbursement to the SFMTA for Clipper Card transaction fees of \$118,118 in FY 2012-13 (see Table 3 above), reflecting the reduced number of MUNI Fast Pass riders using the BART system within San Francisco city limits in FY 2014-15.

Table 5: Estimated Reimbursements by BART to SFMTA for Clipper Card Transactions

Fiscal Year	Estimated Reimbursements for Clipper Transactions (Assuming no growth in ridership)	Estimated Reimbursements for Clipper Transactions (Assuming 5% growth in ridership)
FY 2014-15	\$102,366	\$102,366
FY 2015-16	102,366	106,590
FY 2016-17	102,366	111,026
FY 2017-18	102,366	115,683
FY 2018-19	102,366	120,572
FY 2019-20	102,366	125,707
FY 2014-15	102,366	131,098
Total	\$716,562	\$813,042

POLICY CONSIDERATION

The Budget and Legislative Analyst previously recommended that any Fast Past Agreement between SFMTA and BART should include (1) a not-to-exceed amount, and (2) reimbursement rate increases tied to the rate of inflation (File 11-0201). As noted above, under the proposed agreement, increases in SFMTA's reimbursement rate to BART are based on BART's fare increases every two years and are adjusted by the average of the National and Bay Area CPI, and therefore conform to the Budget and Legislative Analyst's prior recommendation. The proposed agreement does not include a not-to-exceed amount that the SFMTA will reimburse BART for the six-year term of the agreement, and therefore, the proposed resolution should be amended to specify a not-to-exceed amount of \$74,821,040, as shown in Table 4 above.

Because the SFMTA's Adult A Fast Pass program results in an estimated net cost to SFMTA in FY 2013-14 of \$4,516,000, as shown in Table 2 above, and will continue to result in estimated net costs to the SFMTA over the entire six-year agreement, the Budget and Legislative Analyst considers approval of the proposed resolution to be a policy matter for the Board of Supervisors.

RECOMMENDATIONS

1. Amend the proposed resolution to provide for a total not-to-exceed reimbursable amount of \$74,821,040 (see Table 4 above) payable by the SFMTA to BART under the proposed new Fast Pass agreement between the SFMTA and BART.
2. Approval of the proposed resolution, as amended, is a policy decision for the Board of Supervisors.



SFMTA
Municipal
Transportation
Agency

Edwin M. Lee, *Mayor*

Tom Nolan, *Chairman*

Malcolm Heinicke, *Director*

Joél Ramos, *Director*

Edward D. Reiskin, *Director of Transportation*

Cheryl Brinkman, *Vice-Chairman*

Jerry Lee, *Director*

Cristina Rubke, *Director*

April 18, 2014

Angela Calvillo, Clerk of the Board
Board of Supervisors
1 Carlton B. Goodlett Place, Room 244
San Francisco, California 94102

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
APR 21 AM 11:56
AK

Subject: *Special Transit Fare (Fast Pass®) Agreement between the San Francisco Municipal Transportation Agency and the San Francisco Bay Area Rapid Transit District*

Dear Ms. Calvillo:

Attached please find an original and two copies of a proposed resolution for consideration by the San Francisco Board of Supervisors. The resolution requests approval of the agreement described above. We respectfully request that this item be scheduled in the appropriate committee. The current agreement expires on June 30, 2014.

Please also find enclosed the following:

1. Proposed Board of Supervisors Resolution
2. Special Transit Fare (Fast Pass®) Agreement between the San Francisco Municipal Transportation Agency and the San Francisco Bay Area Rapid Transit District
3. SFMTA Board of Directors Resolution #14-049 adopted on April 1, 2014
4. Briefing letter providing background and other information about the enclosed Agreement
5. SFEC-126 forms

Please contact Janet Martinson of my staff at 701-4693 if you have any questions regarding this matter.

Sincerely,

Edward D. Reiskin
Director of Transportation

Enclosures



SFMTA
Municipal
Transportation
Agency

Edwin M. Lee, *Mayor*

Tom Nolan, *Chairman*

Malcolm Heinicke, *Director*

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Cheryl Brinkman, *Vice-Chairman*

Jerry Lee, *Director*

Cristina Rubke, *Director*

April 18, 2014

**The Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102**

Subject: Special Transit Fare (Fast Pass®) Agreement between the San Francisco Municipal Transportation Agency and the San Francisco Bay Area Rapid Transit District

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors authorize the SFMTA to enter into a new Special Transit Fare (Fast Pass®) Agreement with the San Francisco Bay Area Rapid Transit District (BART). The current agreement with BART expires on June 30, 2014. When the current agreement was approved by the Board of Supervisors, the SFMTA made a commitment to establishing future agreements in a timely manner and consistent with BART's Productivity-Adjusted CPI fare policy. The SFMTA Board of Directors adopted Resolution #14-049 on April 1, 2014 recommending this matter to the Board of Supervisors for approval.

Background

The SFMTA and BART have an agreement that allows Muni Adult Fast Pass® users (using the Clipper® Card) to ride BART within San Francisco. The SFMTA reimburses BART at a fixed rate per trip, which historically has represented a discount of slightly above 30% over the standard BART ticket price. The collaborative use of the BART system within San Francisco helps to significantly alleviate overcrowding of busy Muni lines and provides faster service during peak commute hours.

The most recent agreement between the SFMTA and BART, which expires on June 30, 2014, has a current reimbursement rate of \$1.21 per trip. Based on projected ridership volumes of approximately 6.6 million trips for FY 2014, the total annual reimbursement from the SFMTA to BART is projected at \$8.0 million. The initial rate increase to \$1.27 per trip would increase the annual reimbursement to \$8.4 million.

Proposed Agreement

The proposed Fast Pass® Agreement contains the following provisions:

- **Contract Term** – The contract would be in effect from July 1, 2014 to June 30, 2020.
- **Reimbursement Rate** – A \$1.27 reimbursement rate will apply beginning on July 1, 2014 and would last until January 1, 2016 when BART's fare is due to increase based on BART's Productivity-Adjusted CPI formula. This \$1.27 rate represents a five percent increase over

- the current \$1.21 rate to coincide with the recent adjustment by BART in January 2014.
- There is an initial cap on the annual reimbursement of \$11 million for the first fiscal year FY 2015 with an annual increase of five percent on July 1 of each subsequent year. The existing agreement has an annual reimbursement cap of \$11 million constant over the term of the agreement. The proposed annual increase is intended to address inflation and potential increases in ridership.
 - Clipper[®] Card Transaction Fees – BART has agreed to absorb any transaction fees associated with using the Clipper[®] Card on BART. For Clipper[®] transactions per month under 15 million, the transaction fee is 1.5¢ per trip. If there are between 15 and 30 million Clipper[®] transactions per month, the fee becomes 1.2¢ per trip. If there are more than 30 million Clipper[®] transactions per month, the fee lowers to 0.35¢ per trip. Transaction fees are estimated at \$106,000 annually based on current ridership volumes. BART would deduct the applicable transaction fees from the billed reimbursement fees on its invoices.
 - The SFMTA and BART have committed to begin negotiations by January 1, 2020 for a new Fast Pass[®] Agreement. If both parties cannot agree on the terms of a new contract effective July 1, 2020, then the contract shall continue on a month-to-month basis with a reimbursement rate adjustment based on BART’s CPI formula effective on the date of a BART fare increase on or after July 1, 2020.
 - The proposed Fast Pass[®] Agreement would be concurrent with the existing Feeder Agreement. Both agreements will end on June 30, 2020.

Funding Impact

The funding impact of the proposed Fast Pass[®] Agreement varies based on Adult Fast Pass[®] ridership on BART. Assuming the projected ridership of approximately 6.6 million for Fiscal Year 2014, the five percent increase in the reimbursement rate from \$1.21 to \$1.27 will result in an increase in annualized payments to BART of \$8.0 million to \$8.4 million for Fiscal Year 2015. In no case will the annual payment exceed the \$11 million reimbursement cap for FY 2015. The annual payment cap will increase by five percent on July 1 for each subsequent fiscal year.

The table below includes ridership and payments made to BART in prior fiscal years.

Fiscal Year	Ridership	Payment to BART
FY 2009	12,732,283	\$12,986,214
FY 2010	10,295,484	\$10,575,817
FY 2011	8,074,923	\$9,572,380
FY 2012	7,725,533	\$9,137,810
FY 2013	7,609,677	\$9,089,591
FY 2014 Projected	6,600,000	\$7,986,000

The ridership has declined significantly over the term of the existing 2010-2014 agreement from 10.3 million riders in FY 2010 to a projected 6.6 million riders in FY 2014. This is a 3.7 million or

36% reduction in ridership largely due to the creation of a separate Muni and BART monthly pass in FY 2010.

The table below details projected reimbursement expenses during each fiscal year of the proposed agreement based on current ridership levels.

Fiscal Year	Reimbursement Rate (Assuming a 5% increase bi-annually)	Reimbursement Expenses (Assuming No Ridership Growth*)	Reimbursement Expenses (Assuming 5% Annual Ridership Growth)
FY 2015	\$1.27	\$8.4M	\$8.4M
FY 2016	\$1.27	\$8.4M	\$8.8M
FY 2017	\$1.33	\$8.8M	\$9.7M
FY 2018	\$1.33	\$8.8M	\$10.2M
FY 2019	\$1.40	\$9.2M	\$11.2M
FY 2020	\$1.40	\$9.2M	\$11.8M

* Adult Fast Pass[®] ridership is projected at 6.6 million for FY 2015.

The Director of Transportation will be authorized to make any necessary modifications, changes or additions to these documents as long as they are within the parameters of the attached resolution.

Recommendation

The SFMTA requests that the San Francisco Board of Supervisors authorize the SFMTA to enter into a new Special Transit Fare (Fast Pass[®]) Agreement with BART.

Thank you for your consideration of this proposed agreement and for your continued support for the SFMTA. Should you have any questions or require more information, please do not hesitate to contact me at any time.

Sincerely,



Edward D. Reiskin
Director of Transportation

SPECIAL TRANSIT FARE (FAST PASS[®]) AGREEMENT

BETWEEN

THE SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY AND

THE SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

This Special Transit Fare (Fast Pass[®]) Agreement (the "FY15-FY20 Fast Pass[®] Agreement" or "Agreement") is made and entered into this ___ day of _____, 2014, between the City and County of San Francisco ("City"), by and through its Municipal Transportation Agency ("SFMTA") (hereinafter referred to collectively as "SFMTA"), and the San Francisco Bay Area Rapid Transit District ("BART") (collectively, the "Parties").

RECITALS

1. City is a municipal corporation chartered under the Constitution of the State of California and empowered by the Constitution and the San Francisco Charter to operate a local transit system, the San Francisco Municipal Railway ("Muni"), through the SFMTA.
2. BART is a rapid transit district duly created and acting under the laws of the State of California, charged by law with the operation of a regional rapid transit system for the San Francisco Bay Area.
3. Both SFMTA and BART operate transit services within the City and County of San Francisco and, pursuant to Section 29142.4(a) of the Public Utilities Code of the State of California, intend to coordinate Muni and BART transit services and fares between Muni and BART stations within San Francisco.
4. SFMTA and BART agree that an inter-operator monthly pass ("Fast Pass[®]") will facilitate the coordination of transit service, encourage transit use, and improve the quality of transit service between Muni and BART stations within San Francisco.
5. SFMTA and BART have determined that the most expeditious means of creating an inter-operator pass for their patrons is to extend the use of the current Muni Adult Fast Pass[®] to include unlimited trips on BART within San Francisco during a calendar month.

6. On March 23, 1983, the City and BART authorized implementation of the Fast Pass[®] program and execution of a Fast Pass[®] agreement (the "1983 Fast Pass[®] Agreement") by a Motion adopted by the BART Board of Directors and by City's Public Utilities Commission Resolution No. 83-0110, respectively.
7. Since 1983, the City and BART have entered into subsequent Fast Pass[®] Agreements - the latest of which (the FY10-FY14 Fast Pass[®] Agreement) expires on June 30, 2014.
8. Effective January 1, 2010, the City began to sell two monthly Fast Pass[®] magnetic stripe tickets: the Adult "A" Fast Pass[®], good on both Muni and BART within San Francisco and currently priced by SFMTA at Seventy-Six Dollars (\$76), and the Adult "M" Fast Pass[®], good only on Muni and currently priced by SFMTA at Sixty-Six Dollars (\$66). Effective July 2011, the Adult "A" Fast Pass[®] is only electronically stored on the Clipper[®] smart card and is no longer available as a magnetic ticket.
9. For purposes of this Agreement, "Fast Pass[®]" refers only to the Adult "A" Fast Pass[®].
10. The Clipper[®] smart card is sold and distributed through the Clipper[®] program, which is operated by Cubic Transportation Systems under contract with the Metropolitan Transportation Commission (MTC). The MTC Clipper[®] program collects the revenue from Fast Pass[®] on Clipper[®] sales, electronically transferring said revenue to SFMTA on a daily basis.
11. SFMTA agrees to reimburse BART for all trips made on BART within San Francisco by passengers using the Fast Pass[®] on Clipper[®].
12. The Clipper[®] program is being administered by MTC. Certain transaction fees are associated with the Clipper[®] program. BART agrees to reimburse SFMTA for Clipper[®] transaction fees incurred when passengers use the Fast Pass[®] on Clipper[®] to make a BART trip within San Francisco.
13. SFMTA and BART recognize that it is important for the Fast Pass[®] program to be financially sustainable for both agencies.
14. In February 2013, BART renewed a schedule of regular fare increases whereby, every two years, fares increase by a Productivity-Adjusted Consumer-Price-Index (CPI) based percentage.

15. SFMTA and BART agree that commencing July 1, 2014, the reimbursement rate will increase from the current rate of \$1.21 to \$1.27, to align with the Productivity-Adjusted CPI-Based fare increase implemented by BART on January 1, 2014. Any subsequent increases will be made subject to Section 2.B, below, through the term of this Agreement.
16. SFMTA and BART also agree that imposing a cap on the reimbursement amount per fiscal year during the term of the Agreement would help ensure budgetary certainty for SFMTA.

AGREEMENT

NOW, THEREFORE, the City and BART, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

SECTION 1: DEFINITIONS

- A. "Data Acquisition System" ("DAS") is defined to mean BART's computerized system, which automatically records the number of Trips as defined below.
- B. "The Fast Pass[®] Program" is defined as the program in which the Adult "A" Fast Passes[®] are electronically loaded on Clipper[®] to patrons and BART receives a portion of the revenues from Fast Pass[®] use in accordance with the terms of this FY15-FY20 Fast Pass[®] Agreement.
- C. "Trip" is defined to mean an exit from the BART system by a passenger who used a Fast Pass[®] on Clipper[®] to enter and exit a BART rail station within the City and County of San Francisco.
- D. "Trip Estimate" is defined to mean an estimate of Trips based upon statistical analysis of recent station data. All detail supporting such Trip Estimates will be provided to SFMTA with BART's invoice for reimbursement for SFMTA's review.
- E. "Fiscal Year" is defined as July 1 through June 30. For example, Fiscal Year 2015 ("FY15") is July 1, 2014 through June 30, 2015.

SECTION 2: SFMTA REIMBURSEMENT TO BART FOR FAST PASS® TRIPS TAKEN ON BART

- A. Initial Rate of Reimbursement: Commencing on July 1, 2014, and continuing on a monthly basis, SFMTA agrees to reimburse BART One Dollar and Twenty-Seven Cents (\$1.27) per trip for each Fast Pass® Trip on BART, as counted by BART's DAS.
- B. Adjusted Rate of Reimbursement: After July 1, 2014, the percentage increase in the rate of reimbursement shall be adjusted in accordance with BART's CPI-based increase formula described in the attached Exhibit A "New Fare Rates and Charges: Productivity-Adjusted CPI-Based Increases." For example, the \$1.27 Initial Rate of Reimbursement represents a 5.2% increase from the prior rate of \$1.21, in accordance with BART's 5.2% Productivity-Adjusted CPI-Based fare increase implemented on January 1, 2014. The three additional reimbursement adjustments shall be implemented in 2016, 2018, and 2020 to be concurrent with the actual implementation date of the BART CPI-based increase.
- C. Annual Reimbursement Cap: Commencing July 1, 2014, the total reimbursement from the SFMTA to BART shall not exceed \$11.0 million for FY15. The Annual Reimbursement Cap shall be increased by five percent (5%) on July 1 of each subsequent fiscal year.
- D. Negotiation of New Agreement: The Parties agree to commence negotiations no later than January 1, 2020 to determine the terms of a new Fast Pass® Agreement to take effect on July 1, 2020. If a new agreement cannot be approved by the Parties (as required by law) by June 30, 2020, then this Agreement shall remain in effect on a month-to-month basis.
- E. Required Data: When a Fast Pass® on Clipper® is processed through a BART fare gate, DAS records the station of exit, the station of origin, the time of exit, and the type of ticket used. After each revenue day, the data is processed into Microsoft Excel files for tabulation and monitoring. No charges will be incurred under this FY15-FY20 Fast Pass® Agreement, nor will any payments become due to BART, until the data required under this Fast Pass® Agreement is received from BART and approved by SFMTA as being in compliance with this Agreement, which approval will not be unreasonably withheld or delayed.

SECTION 3: BART REIMBURSEMENT TO SFMTA FOR FAST PASS® ON CLIPPER® TRANSACTION FEES

A. BART agrees to reimburse SFMTA for Clipper® transaction fees incurred when patrons use their Fast Passes® for BART Trips within San Francisco as recorded by DAS. The amount of the transaction fee to be paid by BART for each Fast Pass® on Clipper® Trip is based on the transaction fee structure as stated in the Metropolitan Transportation Commission/Cubic Transportation Systems, Inc. Contract, Part I, Revised Terms and Conditions (Change Order 118), Attachment 2, Price Schedule, dated June 30, 2009:

1. When total region-wide Clipper® transactions per month are 15 million or less, the transaction fee will be 1.5 cents for each Fast Pass® Trip on BART.
2. When total region-wide Clipper® transactions per month are between 15 million and 30 million, the transaction fee for each Fast Pass® Trip on BART will be based upon the proportion of 1.5 cents for the first 15 million region-wide transactions and 1.2 cents for any incremental transactions above 15 million.
3. When total region-wide Clipper® transactions per month are greater than 30 million, the transaction fee for each Fast Pass® Trip on BART will be based upon the proportion of 1.5 cents for the first 15 million region-wide transactions, 1.2 cents for the next 15 million transactions, and 0.35 cents for any incremental transactions above 30 million.

B. Based on the fee structure outlined above in Section 3.A, the specific formula used to calculate BART's monthly reimbursement to the SFMTA for Clipper® transaction fees shall be as follows:

$$\begin{aligned} &\text{Monthly Clipper® Transaction Fee Reimbursement} = \\ &(\$0.015 * A + \$0.012 * B + \$0.0035 * C) * \\ &(\text{Fast Pass® on Clipper® Trips on BART}) \end{aligned}$$

where

A = Percentage of regional Clipper® transaction fees charged at 1.5 cents per transaction

B = Percentage of regional Clipper® transaction fees charged at 1.2 cents per transaction

C = Percentage of regional Clipper® transaction fees charged at 0.35 cents per transaction

C. In the event that the Clipper® transaction fee schedule or methodology is altered during the term of this Agreement, BART and the SFMTA agree to adjust the formula as established in Section 3.B above so that BART will continue to reimburse the SFMTA for all Clipper® transaction fees associated with using the Fast Pass® on BART.

SECTION 4: IDENTIFICATION AND ALLOCATION OF COSTS AND RESPONSIBILITIES ASSOCIATED WITH FAST PASS® USE ON BART BETWEEN SAN FRANCISCO STATIONS

- A. Distribution: The Clipper® program will have the responsibility for Fast Pass® on Clipper® distribution.
- B. Billing, Accounting, Auditing: SFMTA and BART each will bear its own internal administrative billing, accounting and auditing costs associated with Fast Pass® use on BART and administration of this FY15-FY20 Fast Pass® Agreement.
- C. BART will be responsible for the following:
1. Ensuring proper maintenance of smart card reader hardware and electronic equipment to enable Fast Pass® use in the BART system.
 2. Providing accurate accounting of Trips taken with the Fast Pass® in accordance with the procedures set forth in Section 6.A, below.
 3. Providing demographic data to SFMTA of BART Fast Pass® riders in order to facilitate compliance with state and federal reporting requirements, including Title VI of the Civil Rights Act of 1964 ("Title VI").
- D. SFMTA will be responsible for the following:
1. Pricing of the Fast Pass® and ensuring compliance with related state and federal fare requirements regarding such fare changes, including, but not limited to, Title VI, 49 CFR Part 21, and current FTA implementing guidance. Such compliance shall include SFMTA's responsibility for Title VI analyses assessing the impacts on all Fast Pass® riders affected by Fast Pass® pricing changes, which analyses will be subject to BART review.

SECTION 5: COORDINATION REQUIREMENTS

SFMTA and BART believe a harmonious relationship to be essential to faithful execution of this FY15-FY20 Fast Pass[®] Agreement. Both Parties also agree that good relations will be jeopardized by failure to act in concert on all matters affecting Fast Pass[®] use on BART. Therefore, SFMTA and BART commit themselves to continued efforts to provide sufficient notice of any action by either Party related to the Fast Pass[®] that has the potential to impact the other.

SECTION 6: BILLING AND PAYMENT PROCEDURES

- A. Invoice and Supporting Data. Following each month Fast Pass[®] use is accepted on BART, BART will invoice SFMTA for the reimbursement owed by SFMTA to BART for Fast Pass[®] Trips taken on BART, less the amount BART owes SFMTA for Clipper[®] transaction fees.
1. The reimbursement owed by SFMTA to BART for Fast Pass[®] Trips taken on BART will be calculated by multiplying the previous month's total Fast Pass[®] Trips by the applicable rate of reimbursement specified in Section 2.
 2. The amount BART owes SFMTA for Clipper[®] transaction fees will be calculated by multiplying the previous month's total Fast Pass Trips by the per Trip Clipper[®] transaction fee specified in Section 3.
 3. The number of Fast Pass[®] Trips will be based upon either: (1) the DAS data; or (2) available DAS data and total Trip estimates, in the absence of complete DAS data. BART will submit all data relied on to compute the number of Fast Pass[®] Trips for each month with the monthly invoice via e-mail, with an electronic file containing Trip data reported by origin and destination station, date, and time of day.
 4. If the calculated reimbursement amount above exceeds the applicable Annual Reimbursement Cap described in Section 2.C. above cumulatively in any single fiscal year during the term of this FY15-FY20 Fast Pass[®] Agreement, BART shall not invoice the SFMTA for the amount above the Annual Reimbursement Cap.

B. SFMTA Payments. SFMTA will make payment of any balance due within thirty (30) calendar days of receipt of each monthly invoice, including the data specified in Section 2.E above, from BART. BART shall submit all data relied on to compute the number of Fast Pass[®] Trips for each month with the monthly invoice. If SFMTA contests BART's monthly Trip estimate, SFMTA agrees to pay the undisputed invoice amount within said time, pending the Parties' resolution of the disputed Trip estimate. In that event, SFMTA and BART agree to resolve such dispute in accordance with the terms set forth in Section 7, below.

SECTION 7: RESOLUTION OF DISPUTES

If any dispute under this FY15-FY20 Fast Pass[®] Agreement cannot be resolved by the Parties' staff persons responsible for day-to-day management of the Agreement, upon the written request of either of the Parties, the matter will be handled as described below:

- A. First Level: Each Party will designate staff to be the initial person(s) to discuss any apparent dispute or disagreement between the Parties and initiate this procedure. For SFMTA, the first level person will be its Manager, Financial Services and Revenue Contracts, unless SFMTA designates otherwise in writing. For BART, the first level person will be the Manager of Operating Budgets and Analysis, unless BART designates otherwise in writing. The first level person for the initiating Party will submit a written request to the first level person of the other Party setting forth the disagreement and requesting resolution. Each Party will respond within five (5) working days of receipt of a request for resolution from the other Party, or within such other period as the first level persons may agree. Each designated first level person may contact his or her counterpart at the same level at any time to raise any apparent disagreement related to the FY15-FY20 Fast Pass[®] Agreement.
- B. Second Level: Each Party will designate an individual to whom matters not resolved at the first level will be referred. For SFMTA, the second level person will be the Chief Financial Officer, unless SFMTA designates otherwise in writing. For BART, the second level person will be the Assistant General Manager, Administration and Budget, unless BART designates otherwise in writing. The second level person for the initiating Party will submit a written request to the second level person of the other Party setting forth the disagreement and requesting resolution. Each Party will respond within five (5) working days of receipt of a request for resolution from the other Party, or within such other period

as the second level persons may agree. Each designated second level person may contact his or her counterpart at the same level at any time to raise any apparent disagreement related to the FY15-FY20 Fast Pass[®] Agreement.

- C. Third Level: Each Party will designate individuals to whom matters not resolved at the second level will be referred. These designated third level persons will constitute the final internal level within BART and SFMTA for resolution of issues between the Parties. Each designated third level person may contact his or her counterpart at the same level at any time to raise any apparent disagreement related to the FY15-FY20 Fast Pass[®] Agreement. For SFMTA, the third level person will be the Director of Transportation, unless SFMTA designates otherwise in writing. For BART, the third level person will be the General Manager unless BART designates otherwise in writing. The third level person for the initiating Party will submit a written request to the third level person of the Party setting forth the disagreement and requesting resolution. Each Party will respond within ten (10) working days of receipt of a request for resolution from the other Party.
- D. Alternative Dispute Resolution. If the dispute is not resolved at the Third Level, the General Manager of BART and the Director of Transportation of SFMTA may agree to a method of non-binding, alternative dispute resolution, including, but not limited to, mediation or non-judicial arbitration.
- E. Judicial Remedies. It is the intent of the Parties that litigation be avoided as a method of dispute resolution to the extent possible. However, nothing herein will foreclose or limit the ability of either Party to pursue judicial remedies.

SECTION 8: GENERAL PROVISIONS

- A. Records and Audits: BART will maintain Trip data documentation consisting of DAS Passenger Reports. SFMTA will have the right to audit BART's accounts, primary and secondary papers regarding collection and compilation of Trip data, and relevant cost accounting data during and up to three (3) years after the invoice date of the period in question. BART's monthly invoice to SFMTA will indicate the total number of Trips actually counted by the DAS system or, in the absence of complete DAS data, the available DAS data and total Trip estimates.
- B. Term; Termination:

1. Term. Subject to Section 2.D, the term of this Agreement shall be from July 1, 2014 through June 30, 2020, unless earlier terminated as provided below.
 2. Termination. Either SFMTA or BART may terminate this FY15-FY20 Fast Pass[®] Agreement at any time upon giving the other Party ninety (90) calendar days written notice.
- C. Notices: All invoices, notices or other communications to either Party by the other will be deemed given when made in writing and delivered or mailed to such Party at their respective addresses as follows:
- TO: BART
- San Francisco Bay Area Rapid Transit District
300 Lakeside Drive
P. O. Box 12688
Oakland, CA 94604-2688
Notices: Attention General Manager
- TO: San Francisco Municipal Transportation Agency
- 1 South Van Ness, 7th Floor
San Francisco, CA 94103
Invoices: Attention Chief Financial Officer
Notices: Attention Director of Transportation
- D. Entire Agreement: The provisions of this FY15-FY20 Fast Pass[®] Agreement constitute the entire agreement between the Parties relating to this matter, and will apply to Fast Pass[®] use on BART throughout the entire life of such use as defined in this Agreement.
 - E. Compliance with ADA: Without limiting any other provision of this FY15-FY20 Fast Pass[®] Agreement, SFMTA and BART will provide the services specified in this FY15-FY20 Fast Pass[®] Agreement in a manner that complies with the Americans with Disabilities Act (ADA) Title 24, and any and all other applicable federal, state, and local disability rights legislation. SFMTA and BART agree not to discriminate against disabled persons in the provision of services, benefits or activities provided under this FY15-FY20 Fast Pass[®] Agreement.
 - F. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation: This FY15-FY20 Fast Pass[®] Agreement is subject to the budget and fiscal

provisions of the City's Charter. Pursuant to the City's Charter, a budget is approved every two years to cover the following two-year period. Charges under this Agreement will accrue only after prior written authorization certified by the Controller as part of that budget process, and the amount of City's obligation hereunder will not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This FY15-FY20 Fast Pass[®] Agreement will terminate without penalty, liability or expense of any kind to either BART or City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for only a portion of the succeeding fiscal year, this FY15-FY20 Fast Pass[®] Agreement will terminate, without penalty, liability or expense of any kind to either BART or City at the end of the term for which funds are appropriated.

If at any time during the term of this FY15-FY20 Fast Pass[®] Agreement, the City does not allocate funds in its budget for succeeding years, SFMTA will provide notice of same to BART within thirty (30) calendar days of adoption of said budget. In the event that funds are not appropriated within the City's budget for any succeeding year, this Agreement and the Fast Pass program will terminate at the end of the period for which funds have been certified.

H. Guaranteed Maximum Costs:

1. City's obligation hereunder will not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification.
2. Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse BART for services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law.
3. Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller.

4. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

I. Submitting False Claims; Monetary Damages:

1. Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim will be liable to the City for three times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim will also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.
2. Pursuant to California Government Code Section 12651, any person who commits any of the following acts will be liable to BART for three times the amount of damages which BART sustains because of the act of that person. A person who commits any of the following acts will also be liable to BART for the costs of a civil action brought to recover any of those penalties or damages, and may be liable to BART for a civil penalty of up to \$10,000 for each false claim. A person will be deemed to have submitted a false claim to BART if the person: "(1) Knowingly presents or causes to be presented to an officer or employee of [BART] a false claim or request for payment or approval. (2) Knowingly makes, uses, or causes to

be made or used a false record or statement to get a false claim paid or approved by [BART]. (3) Conspires to defraud [BART] by getting a false claim allowed or paid by [BART]. (4) Has possession, custody, or control of public property or money used or to be used by [BART] and knowingly delivers or causes to be delivered less property than the amount for which the person receives a certificate or receipt. (5) Is authorized to make or deliver a document certifying receipt of property used or to be used by [BART] and knowingly makes or delivers a receipt that falsely represents the property used or to be used. (6) Knowingly buys, or receives as a pledge of an obligation or debt, public property from any person who lawfully may not sell or pledge the property. (7) Knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to [BART]. (8) Is a beneficiary of an inadvertent submission of a false claim to [BART], subsequently discovers the falsity of the claim, and fails to disclose the false claim to [BART] within a reasonable time after discovery of the false claim." Reference to Government Code Section 12651(6) has been deleted because the Parties agree that Section 12651(6) does not apply to this Agreement.

J. Severability. Should the application of any provision of this FY15-FY20 Fast Pass[®] Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement will not be affected or impaired thereby, and (b) such provision will be enforced to the maximum extent possible so as to effect the intent of the Parties and will be reformed without further action by the Parties to the extent necessary to make such provision valid and enforceable.

K. Indemnification.

1. The City agrees to indemnify, save harmless and defend BART, its officers, agents, and employees from legal liability of any nature or kind on account of any claim for damages to property or personal injuries to or death of person or persons incurred by reason of any act, or failure to act, of the City, its officers, agents, employees and subcontractors, or any of them, in performing any duties required by this Agreement, unless such claims arise out of the sole negligence of BART, its

officers, agents, or employees.

2. BART agrees to indemnify, save harmless and defend the City, its officers, agents and employees from legal liability of any nature or kind on account of any claim for damages to property or personal injuries to or death of person or persons incurred by reason of any act, or failure to act, of BART, its officers, agents, employees and subcontractors, or any of them, in performing any duties required by this Agreement, unless such claims arise out of the sole negligence of the City, its officers, agents, or employees.
3. The foregoing provisions regarding indemnification are included pursuant to the provisions of Section 895.4 of the Government Code, and are intended by the parties to modify and supersede the otherwise applicable provisions of Chapter 21, Part 2, Division 3.6, Title I of the Government Code.

SECTION 9: Effective Date

The effective date of this FY15-FY20 Fast Pass[®] Agreement is July 1, 2014.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

SAN FRANCISCO BAY AREA RAPID
TRANSIT DISTRICT

By: _____
Grace Crunican
General Manager

CITY AND COUNTY OF SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY

By: _____
Edward D. Reiskin
Director of Transportation

SFMTA Board of Directors
Resolution No. _____
Dated: _____

Attest:

Roberta Boomer
Secretary, SFMTA Board

APPROVED AS TO FORM:
Office of the General Counsel

By: _____
Minming Wu Morri
Attorney, Office of the General Counsel

APPROVED AS TO FORM:
Dennis J. Herrera, City Attorney

By: _____
Robin M. Reitzes
Deputy City Attorney

Board of Supervisors
Resolution No. _____
Dated: _____

Attest:

Clerk of the Board

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

CITY AND COUNTY OF SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY

By: _____
Grace Crunican
General Manager

By: _____
Edward D. Reiskin
Director of Transportation

SFMTA Board of Directors
Resolution No. _____
Dated: _____

Attest:

Roberta Boomer
Secretary, SFMTA Board

APPROVED AS TO FORM:
Office of the General Counsel

APPROVED AS TO FORM:
Dennis J. Herrera, City Attorney

By: _____
Minming Wu Morri
Attorney, Office of the General Counsel

By: _____
Robin M. Reitzes
Deputy City Attorney

Board of Supervisors
Resolution No. _____
Dated: _____

Attest:

Clerk of the Board

EXHIBIT A—NEW FARE RATES AND CHARGES: PRODUCTIVITY-ADJUSTED INFLATION-BASED INCREASES

Productivity-adjusted inflation-based fare rates and charges shall be calculated according to the following process.

The Formula:

The following formula accounts for changes in inflation, less a productivity factor valued at 0.005 (½ percent). Changes in inflation are measured over a two-year period, with the first increase of the extended productivity-adjusted inflation-based fare increase program to become effective January 1, 2014.

Step One: Productivity-Adjusted Inflation-Based Fare Increase Factor =

$$\left(\frac{(\text{NCPIU}_2 - \text{NCPIU}_0)}{\text{NCPIU}_0} + \frac{(\text{BACPIW}_2 - \text{BACPIW}_0)}{\text{BACPIW}_0} \right) \div 2 - 0.005 \text{ Productivity Factor}$$

Step Two: Productivity-Adjusted Inflation-Based Fare Rates and Charges are calculated by increasing all components of fares then in effect by the Productivity-Adjusted Inflation-Based Fare Increase Factor and then rounding these fares to the nearest \$0.05.

Definitions:

NCPIU is the **National CPI-U Annual Average** which is the annual average over a calendar year of the U.S. City Average consumer price index for all urban consumers, for all items, with an index base period of 1982-84 = 100 as reported by the Bureau of Labor Statistics, U.S. Department of Labor.

BACPIW is the **Bay Area CPI-W Annual Average** which is the annual average over a calendar year of the San Francisco-Oakland-San Jose, CA local consumer price index for urban wage earners and clerical workers, for all items, with an index base period of 1982-84 = 100 as reported by the Bureau of Labor Statistics, U.S. Department of Labor.

The “0” of NCPIU_0 and of BACPIW_0 in the above formula signifies the respective calendar year from which the change in inflation is calculated (e.g., 2010 for the 2014 fare increase and 2012 for the 2016 fare increase)

The “2” of NCPIU_2 and of BACPIW_2 in the above formula signifies the respective calendar year against which the change in inflation is calculated (e.g., 2012 for the 2014 fare increase and 2014 for the 2016 fare increase).

Productivity Factor is an adjustment representing BART's anticipated continual improvements in the efficiency of its labor force and operations to the extent of reducing its inflation-adjusted costs of operation by 0.005 (½ percent) every two years.

Effective Dates:

The productivity-adjusted inflation-based fare increases will be effective on January 1st of 2014, 2016, 2018, and 2020, for a total of four calculations of the productivity-adjusted inflation-based fare increase formula. If application of the formula returns a positive result, i.e., it does not reflect deflation, the resulting factor is the amount fares are to be increased across the board (with each actual fare increase rounded to the nearest \$0.05). Productivity-adjusted inflation-based fares are to be implemented on January 1st of 2014, 2016, 2018, and 2020, or as soon thereafter as the fare schedule can be implemented.

Sample Methodology:

The following is a sample methodology that illustrates how to calculate the productivity-adjusted inflation-based fare increase factor and resulting fares. This example describes the process for the increase to be implemented on January 1, 2014; the same process will be followed for increases in 2016, 2018, and 2020.

In January 2013, the change over two years in the National CPI-U Annual Average and the Bay Area CPI-W Annual Average is calculated as follows:

- The change to be measured is for calendar years 2010 and 2012.
- Index change during this two-year period is measured by the change in the annual average of the index. For example, if
 - The annual average of the National CPI-U for 2010 is 100, and
 - The annual average of the National CPI-U for 2012 is 104, then
 - The change is 0.04 (or 4.0%) for the two-year period between 2010 and 2012.
- The change in the Bay Area CPI-W Annual Average for the two-year period is calculated in the same way.
- The changes in the National CPI-U Annual Average and the Bay Area CPI-W Annual Average are then averaged to capture change in both national and local pricing patterns.
- From the average of the national and local pricing increases, a productivity factor of 0.005 (½ percent) is deducted. For example, if the average of the change in the National CPI-U Annual Average and the change in the Bay Area CPI-W Annual Average for the two-year period is 0.04 (or 4.0%), the result of the formula is a productivity-adjusted inflation-based fare increase factor of 0.035, or 3.5%.
- The productivity-adjusted inflation-based fare increase factor is the increase to be applied across-the-board to the components of the fare rates and charges then in effect. The resulting station-to-station fares will then be rounded to the nearest nickel to produce the new productivity-adjusted inflation-based fare rates and charges.

Title VI Analysis of
FY 2013 & FY 2014 Fare
Changes

Background

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." (42 U.S.C. Section 2000d)

The analysis below responds to the reporting requirements contained in the Federal Transit Administration's (FTA) Circular 4702.1A, "Title VI and Title VI-Dependent Guidelines," which provides guidance to transit agencies serving large urbanized areas and requires that these agencies "shall evaluate significant system-wide service and fare changes and proposed improvements at the planning and programming stages to determine whether these changes have a discriminatory impact" and to assess these impacts, if any, on minority and low-income populations. (Circular 4702.1A, Chapter V part 4)

The San Francisco Municipal Transportation Agency (SFMTA), a department of the City and County of San Francisco, was established by voter proposition in 1999. One of the SFMTA's primary responsibilities is running the San Francisco Municipal Railway, known universally as "Muni." Muni is the largest transit system in the Bay Area and the seventh largest in the nation by ridership, with approximately 700,000 passenger boardings per day and serving more than 200 million customers a year. The Muni fleet includes: historic streetcars, biodiesel and electric hybrid buses and electric trolley coaches, light rail vehicles, paratransit cabs and vans and the world-famous cable cars. Muni provides one of the highest levels of service per capita with 63 bus routes, seven light rail lines, the historic streetcar F Line and three cable car lines and provides seamless connections to other Bay Area public transit systems such as BART, AC Transit, Golden Gate Transit and Ferries, SamTrans, Caltrain and the Santa Clara Valley Transportation Authority.

In 2009, the SFMTA Board adopted an Automatic Indexing Plan, a formula based on the combination of Bay Area Consumer Price Index for all urban consumers (CPI-U) and SFMTA labor costs. Prior to that time, the SFMTA instituted fare increases less frequently but at higher rates. The Automatic Indexing Plan is resulting in smaller, more predictable fare increases rather than large infrequent fare increases. For FY 2013 and FY 2014, the Automatic Indexing formula resulted in annual fare increases of 2.7%. Cash fares are rounded to the nearest

quarter (in this case, there will be no change to the cash fares) while pass prices are rounded to the nearest dollar.

During March and April 2012, the SFMTA will have held two budget hearings and five Budget Town Hall meetings in order to seek out and consider community input. These meetings were noticed in multiple languages (English, Spanish, Chinese, Russian and Vietnamese) and advertised on Muni vehicles and at Muni Metro stations and blast e-mailed to our community and major project mailing lists. As required by the City Charter, advertisements publicizing each of these hearings were placed well in advance in the City newspapers. Multi-lingual ads were also placed in prominent Chinese and Spanish newspapers in San Francisco. Meeting information was also placed in eight San Francisco neighborhood newspapers. Information was also available to the public through the SFMTA web site during the entire budget process. In addition, information was distributed through press releases and through SFMTA/Muni's Twitter account.

Through this comprehensive, multi-lingual outreach process, the SFMTA solicited feedback from the public and from the Budget Balancing Panel, comprising representatives from the business community, labor, senior citizens, people with disabilities and advocates for the low-income and transit dependent, on several proposed fare changes. Based on feedback received, the SFMTA Board chose not to proceed with the following fare change proposals for FY12-13 and FY13-14:

- Charging for Transfers for Cash Only Payments;
- Increasing the Cash Fare;
- Increasing Cash Fare for riders not using a Clipper® card; and
- Raising the Adult Pass fare beyond the Indexing Policy

Included in this Title VI analysis is a description of the proposed fare changes and an analysis of any potential impacts on minority and/or low-income communities.

Demographic Overview of San Francisco

The SFMTA service area comprises the City and County of San Francisco. According to the 2010 U.S. Census, San Francisco is diverse both with regards to ethnicity and income levels:

San Francisco Demographic Information

Category	Percentage
<i>Race/Ethnicity</i>	
African American/Black	6.1%
American Indian/Alaskan Native	0.5%
Asian/Asian American	33.3%
Native Hawaiian/Other Pacific Islander	0.4%
Hispanic	15.1%
White (not Hispanic)	41.9%
Multiracial	4.7%
<i>Income</i>	
Median Household Income (2006-2010)	\$71,304
Per Capita Income (2006-2010)	\$45,478
Persons Below Federal Poverty Level (2006-2010)	11.9%

Source: 2010 U.S. Census and 2006-2010 American Community Survey

In 2011, the SFMTA conducted a ridership survey that collected, among other information, basic demographic and income data. A total of 582 telephone interviews were conducted between October 27 and November 14, 2011 in English, Spanish and Cantonese.

Category	Percentage
<i>Race/Ethnicity</i>	
African American/Black	5%
Asian/Asian American	25%
Hispanic	13%
White (not Hispanic)	54%
Other/Refused	5%
<i>Household Income</i>	
Under \$7,500	5%
\$7,500-\$15,000	7%
\$15,001-\$22,000	5%
\$22,001-\$29,000	5%
\$29,001-\$36,500	3%
\$36,501-\$44,000	5%
\$44,001-\$51,500	5%
\$51,501-\$59,000	3%
\$59,001-\$66,500	2%

\$66,501-\$75,000	4%
\$75,001-\$100,000	9%
\$100,000 or higher	25%
Refused	19%
Don't Know (Do not read)	4%

Source: SFMTA Ridership Survey 2011

I. Description of Proposed Fare Changes

With limited exceptions, the SFMTA has a flat fare structure and charges each customer one fare regardless of distance traveled, location of the customer at the time of purchase, final destination of the customer or mode used on the system. Transfers are given to all customers paying by cash fare or token. A free transfer entitles the customer to unlimited rides as long as travel is completed within a 90-minute period, with the exception of cable cars. The only exceptions to the integrated fare policy are the historic cable car system and special event service, such as Candlestick Park or Bay to Breakers services.

Table 1 shows a breakdown of current fares and the proposed fare changes for adult and senior/youth/disabled customers, including the planned date of implementation for each change. As shown, fare changes will be applied to both adult fares and senior/youth/disabled fares. Seniors are classified as persons aged 65 or older, youth are persons aged five to 17 years and disabled persons must hold a valid disabled monthly sticker and identification card. In order to assist the SFMTA Board in determining whether to approve the proposed fare changes, this analysis was provided to them prior to the April 3, 2012 SFMTA Board meeting.

Table 1: Fare Changes and Implementation Dates

Fare Media	Current	FY 2013 Proposed Changes	FY 2014 Proposed Changes
Adult Cash Fare	\$2.00	No change	No change
Senior/Youth/Disabled Cash Fare	\$0.75	No change	No change
Adult Monthly Muni-Only Fast Pass	\$62	\$64	\$66
Adult Monthly Fast Pass with BART Access	\$72	\$74	\$76
Senior/ Disabled Monthly Fast Pass	\$21	\$22	\$23
Youth Monthly Fast Pass	\$21	\$22*	\$23*

Lifeline Pass	\$31	\$32	\$33
Cable Car	\$6	No change	No change
Cable Car-Senior/Disabled before 7 a.m.	\$3	No change	No change
Special Event Service – Adult	\$12 or Pass + \$8	No change	\$12 or Pass + \$9
Special Event Service – Senior/Youth/Disabled	\$10 or Pass + \$8	No change	\$11 or Pass + \$9
1-Day Passport	\$14	\$14	\$14
3-Day Passport	\$21	\$22	\$23
7-Day Passport	\$27	\$28	\$29
10 Ride School Ticket Book	\$7.50	No change	No change
Inter-Agency Regional Transit Sticker	\$57	\$59	\$61
Paratransit Van Services	\$2.00	\$2.00	No change
Paratransit Taxi Services	\$5.00 for scrip valued at \$30.00	No change	No change

* SFMTA Board of Directors is considering options to reduce or eliminate Youth Pass fares for a 2 year pilot program. The reduced or free passes will be available either to low-income youth only or for all youth ages 5-17. See details below.

Table 2 below details the history of Muni fare increases since 2000. Though the SFMTA is currently increasing pass fares, the Agency remains committed to providing transit customers in San Francisco with high quality service at rates well below those of comparable mass transit systems across the United States.

Table 2: Analysis of Fare Changes Since 2000

Category	2000 Fares	2003 Fares	2005 Fares	2009 Fares	2010 Fares	2011 Fares	2012 Fares	2013 Fares
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Adult Fares								
Single Ride	\$1.00	\$1.25	\$1.50	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Monthly Pass	\$35.00	\$45.00	\$45.00	\$55.00	\$60.00	\$62.00	\$64.00	\$66.00
Monthly Pass with BART					\$70.00	\$72.00	\$74.00	\$76.00
Cable Car Passports – 1 day	\$6.00	\$9.00	\$11.00	\$11.00	\$13.00	\$14.00	\$14.00	\$15.00
Cable Car Passports – 3 day	\$10.00	\$15.00	\$18.00	\$18.00	\$20.00	\$21.00	\$22.00	\$23.00
Cable Car Passports – 7 day	\$15.00	\$20.00	\$24.00	\$24.00	\$26.00	\$27.00	\$28.00	\$29.00
Candlestick Park - Adult	\$5.00	\$6.00	\$7.00	\$10.00	\$10.00	\$12.00	\$12.00	\$12.00
Candlestick Park with Pass	\$2.00	\$3.00	\$3.00	\$5.00	\$7.00	\$8.00	\$8.00	\$9.00
Lifeline Pass (created in 2005)	n/a	n/a	\$35.00	*\$30.00	\$30.00	\$31.00	\$32.00	\$33.00
Senior/Youth/Disabled (Discount) Fares								
Single Ride	\$0.35	\$0.35	\$0.50	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
Monthly Pass (Senior/Disabled)	\$8.00	\$8.00	\$10.00	\$15.00	\$20.00	\$21.00	\$22.00	\$23.00
Monthly Pass (Youth)	\$8.00	\$8.00	\$10.00	\$15.00	\$20.00	\$21.00	\$22.00**	\$23.00**
Candlestick Park	\$3.00	\$4.00	\$5.00	\$7.00	\$9.00	\$10.00	\$10.00	\$11.00
Candlestick Park with Pass	\$2.00	\$3.00	\$3.00	\$5.00	\$7.00	\$8.00	\$8.00	\$9.00

*To offset the impact of the 33% increase in the Single Ride-Adult Fare in 2009, the SFMTA instituted a 14% decrease in the cost of the Lifeline Pass.

** SFMTA Board of Directors is considering options to reduce or eliminate Youth Pass fares for a 2 year pilot program. The reduced or free passes will be available either to low-income youth only or for all youth ages 5-17.

Fare Change Highlights:

- There are no changes to the cash fare for regular fixed-route transit service, paratransit or taxi scrip.
- The prices of the Muni-Only Pass and the Adult Fast Pass (which is also valid on BART within San Francisco), are currently \$62 and \$72, respectively. The July 1, 2012 fare changes would increase prices by \$2 per month, to \$64 and \$74, respectively. The July 1, 2013 fare changes would increase prices by an additional \$2 per month, to \$66 and \$76, respectively. This pass is offered as a discounted alternative to the Single Ride-Adult Fare.
- The cost of the Senior/Disabled Monthly Pass is currently \$21 per month. The July 1, 2012 fare changes would increase prices by \$1 per month, to \$22, respectively. The July 1, 2013 fare changes would increase prices by an additional \$1 per month, to \$23. This pass is offered as a discounted alternative to the Single Ride-Senior/Disabled Fare.
- The SFMTA will continue to offer a Lifeline Pass at half the price of the Muni-Only pass. Although the price of the Lifeline Pass is proposed to increase by \$1 from \$31 to \$32 on July 1, 2012 and \$33 on July 1, 2013, it is still priced lower than it was prior to July 1, 2009 when it was \$35. At that time, the Lifeline Pass cost was decreased from \$35 to \$30 as an additional offset for low-income customers. This pass is available for

“income-qualified passengers,” who must be residents of San Francisco and have an income at or below 200 percent of the Federal poverty level, which is a pre-tax income of approximately \$46,100 for a family of four people. SFMTA estimates that about 85,000 to 90,000 persons in San Francisco are eligible for the Lifeline Pass.

Proposed Youth Fare Options

The SFMTA Board is also considering the feasibility of a 22-month pilot program offering reduced or free fares for youth ages 5-17 who use a Clipper® card. The cost of the Youth Monthly Pass is currently \$21 per month. Following a public hearing on April 3, 2012, the SFMTA Board will consider and vote to approve one of the following options to implement free or reduced transit service for all youth or low-income youth only who use a Clipper® card for a 22-month pilot program beginning August 1, 2012 through May 31, 2014, after which date youth fares will return to the regular indexed value on June 1, 2014 absent explicit future SFMTA Board action. The four options are as follows: 1) retaining the existing Youth Monthly Pass at \$21 per month, proposed to be increased to \$22 on July 1, 2012 and \$23 on July 1, 2013; 2) providing free transit service for all youth, ages 5-17, who use a Clipper® card; 3) providing free transit service for low-income youth, ages 5-17, who use a Clipper® card; and 4) reducing the youth pass fare for transit service for youth, ages 5-17, who use a Clipper® card.

If the SFMTA Board approves the third option, the income threshold for low-income youth would be consistent with Free and Reduced Lunch program eligibility standards, which are based on household income. To receive free lunch, household income must be at or below 130 percent of the federal poverty level; for reduced price lunch, income must be between 130 percent and 185 percent of the poverty level. For comparison purposes only, for the 2009-2010 school year, 130 percent of the poverty level was \$23,803 per year for a family of three; 185 percent for a family of three is \$33,874 per year.

In order to assist the SFMTA Board in determining which option to approve, this analysis was provided to them prior to the April 3, 2012 MTA Board meeting. The data below provides background data relevant to the proposed options for the youth passes and provides a demographic snapshot of San Francisco City and County youth:

Table 3: San Francisco Youth Demographic and Income Statistics

	Number	Source
Population - All Youth (ages 5-17)	75,000	Census 2010
SFUSD Students	56,000	SFUSD
Other Youth	19,000	Calculation
Free/Reduced Lunch Youth (SFUSD) 61%	34,160	SFUSD
Estimated Population Free/Reduce Lunch Youth (Non SFUSD) 25%	4,750	25% x 19,000

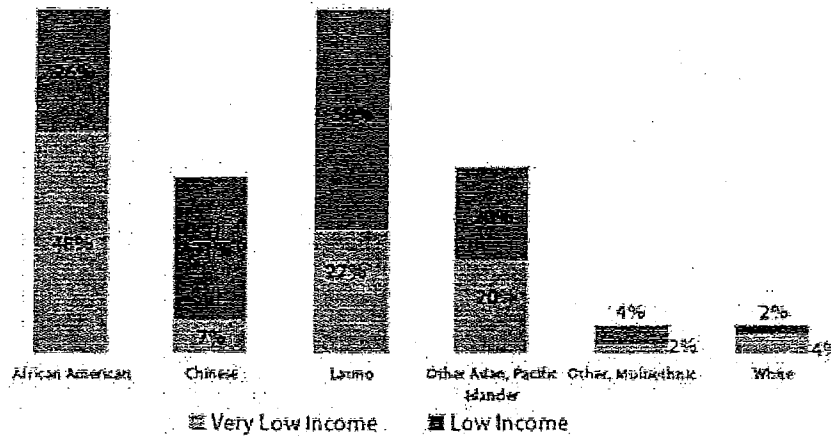
Total Free/Reduced Youth	38,910	Calculation
Free/Reduced Lunch Youth as % of Total Youth	52%	Calculation
Average Number of Youth Passes Sold Per month	16,650	SFMTA

Table 4: San Francisco Youth (Age 6-17) Ethnicity Statistics

Ethnicity	Age 6-17 Population	Percentage
White	19,339	27.8%
African-American	5,804	8.3%
Asian/Pacific Islander	25,860	37.1%
Latino	14,063	20.2%
Native American	129	0.2%
Other	4,459	6.4%
Total	69,654	100.0%

Source: Human Service Agency, analysis of US Census Bureau, 2009 American Community Survey, Public Use Micro Files, San Francisco, 2011

Table 5: Income Levels and Ethnicity among Households with Young Children, 2007



¹ San Francisco Mayor's Office of Housing, Office of Economic and Workforce Development, Redevelopment Agency, 2010-2014 Five-Year Consolidated Plan, May 2010.

² First Steps: A Data Report on the Status of San Francisco's Young Children. First 5 San Francisco, February 2010.

³ First Steps: A Data Report on the Status of San Francisco's Young Children. First 5 San Francisco, February 2010.

**Table 5: Income Levels and Ethnicity among Households with Young Children, 2007
(accessible)**

Ethnicity	Very Low Income	Low Income
African-American	48%	26%
Chinese	4%	31%
Latino	27%	50%
Other Asian, Pacific Islander	20%	20%
Other, Multiethnic	2%	4%
White	4%	2%

Compared to the general population, minorities comprise a higher percentage of the youth population. According to the 2010 Census, approximately 58% of all San Francisco residents belong to a minority group; in contrast, minorities comprise 72% among 6 to 17 years old.

Furthermore, based on a February 2010 report by First 5 San Francisco, *First Steps: A Data Report on the Status of San Francisco's Young Children*, minority households tend to be lower income than white households. Although the information provided in this report focused on households with children 5 years old or younger, this is likely to be the case for the youth population (under 17 years old) in general.

Thus, minorities and low-income populations are more likely to benefit from any of the policy options to discount or provide free Youth Passes. Effects of the proposed changes to youth fares on minority and/or low-income communities and mitigation measures are further discussed in the appropriate sections below.

II. Effects of the Proposed Fare Changes on Minority and/or Low-Income Communities

As discussed in Part I above, with limited exceptions, the SFMTA employs a flat fare structure - one fare is charged regardless of distance traveled, location of the customer at the time of purchase, final destination of the customer or mode used on the system. The proposed increases are adjustments to transit passes that are used by Muni customers throughout the entire transit system and will affect all customers who are users of the above-listed passes.

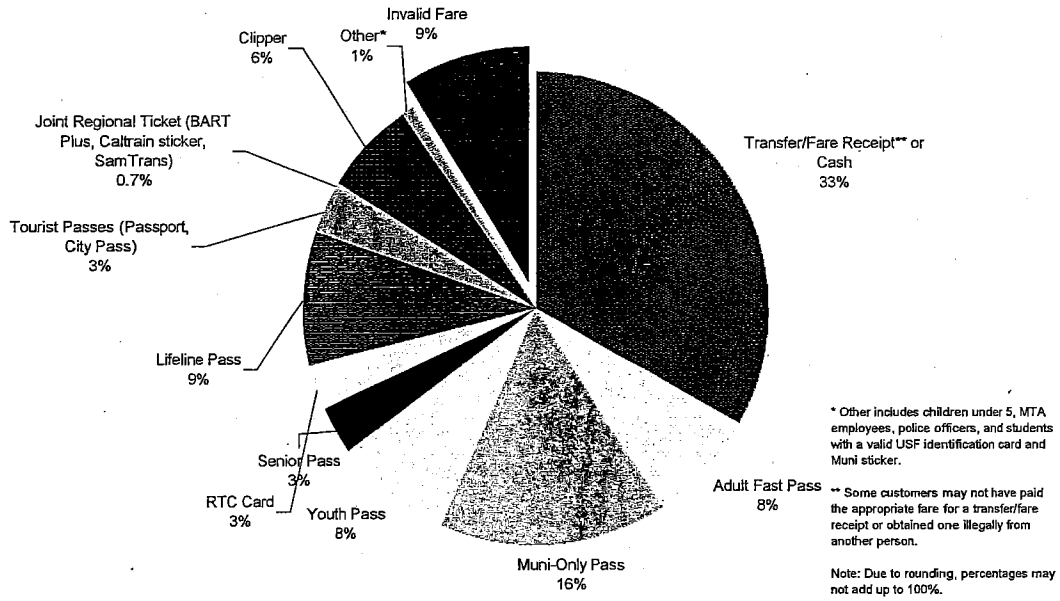
At present, the SFMTA has limited demographic data about the fare media usage of its low-income/minority customers, however, a comprehensive ridership profile will be conducted in Fall 2012 and will survey customers regarding demographics, fare media and ridership data. The SFMTA does have data from

its 2011 Ridership Survey, which provided aggregate customer information by race/ethnicity and income. Approximately 48% of the 582 people sampled were members of an ethnic minority. Approximately 17% reported household incomes of \$22,000 or less (double the Federal Poverty Level) who are eligible for SFMTA's Lifeline Pass. In addition, for the purposes of this equity analysis, the SFMTA used fare data collected in its comprehensive 2009 Proof-of-Payment Study and 2010 follow-up and matched this data with the demographic characteristics of the neighborhoods through which Muni routes travel.

Through a comprehensive survey of over 40,000 customers at different times of day and in different locations throughout San Francisco, the 2009 Proof-of-Payment Study assessed the different types of fare media used system-wide and on an individual route basis. The 2010 Proof-of-Payment Survey Update provided a more abbreviated and aggregated analysis of fare media system-wide (see "How Muni Customers Pay Transit Fares" chart below).

Based on the data contained in the graph below, it was determined that approximately 33% of observed customers paid cash fares or had a transfer/fare receipt (which is issued when customers pay cash). Under the proposed fare changes, the cash fare for regular fixed-route transit service, paratransit or taxi scrip would remain the same. Therefore, the SFMTA estimates that the July 1, 2012 and July 1, 2013 fare changes will not increase the price of approximately one-third of the fare media that is used on the system. The remaining 58% of customers (9% have no valid proof-of-payment) primarily use monthly passes, which will increase by \$1 to \$2 on July 1, 2012 and July 1, 2013.

How Muni Customers Pay Transit Fares - 2010 Survey



How Muni Customers Pay Transit Fares – 2010 Survey (accessible)

Category	Percentage
Invalid Fare	9%
Transfer/Fare Receipt** or Cash	33%
Adult Fast Pass	8%
Muni-Only Pass	16%
Youth Pass	8%
Senior Pass	3%
RTC Card	3%
Lifeline Pass	6%
Tourist Passes (Passport, City Pass)	3%
Joint Regional Ticket (BART Plus, Caltrain sticker, SamTrans)	0.7%
Clipper	6%
Other*	1%

* Other includes children under 5, MTA employees, police officers, and students with a valid USF identification card and Muni sticker.

** Some customers may not have paid the appropriate fare for a transit/fare receipt or obtained one illegally from another person.

Note: Due to rounding, percentages may not add up to 100%.

Under normal circumstances, the SFMTA's Automatic Indexing Policy would increase all fares proportionally and generally consistent with inflation. The policy is designed to avoid infrequent but large fare increases and instead implement smaller and more predictable fare increases. For lower income populations, these smaller fare increases may be more manageable financially than large, unbudgeted increases. For FY 2013 and FY 2014, the Indexing formula results in annual fare increases of 2.7%. Although pass fares are increasing \$1.00 to \$2.00, there will be no increase to the cash fare. Under the SFMTA Indexing Policy, cash fares are rounded to the nearest quarter. For these proposed changes, the adult and discounted cash fares, based on 2.7% calculation, have been rounded down to \$2.00 and \$0.75, respectively.

Using the comprehensive 2009 - 2010 Proof-of-Payment Survey data, Table 3 below demonstrates fare payment usage by route, specifically comparing usage by routes and lines operated in predominantly minority census tracts to those operated primarily in non-minority census tracts. Table 4 illustrates fare payment by route based on income levels.

The average cash fare payment on routes grouped by minority or income level status varied between 27% and 32%, although there was more variation at the individual route level. The data suggest that the difference in cash fare payments among non-minority or minority, or non-low income or low income routes is relatively small. Cash fare customers include those who presented a transfer/fare receipt to Transit Fare Inspectors when surveyed, which are issued upon payment of a cash fare.

The average pass usage on routes grouped by minority or income level status was lower on minority and low-income routes as compared to non-minority and non-low-income routes. Specifically, 59% of surveyed customers on minority routes used pre-paid passes vs. 66% on non-minority routes while 56% of surveyed customers on low-income routes used pre-paid passes vs. 66% on non-low-income routes.

The remaining customers in the survey did not present valid fare media to SFMTA Transit Fare Inspectors.

Given that a lower percentage of customers use passes on minority and low-income routes it can be concluded that the impacts of the proposed pass increases do not appear to have a foreseeable disproportionate impact on the protected populations. Customers who are currently paying with cash – roughly 30% system-wide – will not be impacted by the proposed changes as there is no increase to cash fares being proposed.

Table 3: Fare Payment Types by Route and Ethnic Background

Route	% Cash Fares (No Change)	% Pass Fares (\$1-\$2 increase per month)	% Invalid Fare
Top 10 Full-Service Minority Bus and Rail Routes			
54 Felton	29%	57%	14%
9/9L San Bruno	32%	50%	18%
14/14L Mission	37%	42%	21%
27 Bryant	28%	63%	10%
12 Folsom-Pacific	23%	72%	5%
8X/8AX/8BX Bayshore Exp	21%	64%	15%
67 Bernal Heights	17%	71%	12%
49 Van Ness/Mission	35%	53%	13%
19 Polk	31%	54%	15%
23 Monterey	34%	59%	7%
<i>Average</i>	29%	59%	13%
Top 10 Full-Service Non-Minority Bus and Rail Routes			
17 Parkmerced	37%	57%	6%
35 Eureka	32%	64%	4%
37 Corbett	20%	75%	5%
1 California	25%	71%	4%
28 19 th Ave	34%	58%	9%
36 Teresita	30%	67%	3%
6 Parnassus	34%	56%	10%
43 Masonic	27%	66%	8%
39 Coit	21%	76%	3%
2 Clement	25%	71%	5%
<i>Average</i>	29%	66%	6%

Source: SFMTA 2009 Proof-of-Payment Study

Notes: Percentages may not add to 100% due to rounding. The 108 Treasure Island is excluded from the list of non-minority routes due to demographic changes on Treasure Island since the 2000 Census. Full service routes are defined as ones that offer off-peak service (i.e., not commuter express routes).

* Excludes cable car routes (which are primarily used by tourists)

** Small sample size due to low ridership route

Table 4: Fare Payment Types by Route and Income Levels

Route	% Cash Fares (No Change)	% Pass Fares (\$1-\$2 increase per month)	% Invalid Fare
Top 10 Low-Income Full-Service Bus and Rail Routes			
21 Hayes	29%	65%	7%
108 Treasure Island	35%	44%	21%
12 Folsom-Pacific	23%	72%	5%
27 Bryant	28%	63%	10%
19 Polk	31%	54%	15%
5 Fulton	31%	58%	11%
9/9L San Bruno	32%	50%	18%
14/14L Mission	37%	42%	21%
T Third	32%	53%	15%
71/71L Haight-Noriega	38%	52%	10%
<i>Average</i>	32%	55%	13%
Top 10 Non-Low-Income Full-Service Bus and Rail Routes			
35 Eureka	32%	64%	4%
37 Corbett	20%	75%	5%
52 Excelsior	33%	54%	13%
66 Quintara	19%	77%	4%
36 Teresita	30%	67%	3%
1 California	25%	71%	4%
18 46 th Ave	27%	67%	6%
L Taraval	33%	64%	2%
K Ingleside	35%	61%	4%
M Ocean View	36%	60%	4%
<i>Average</i>	29%	66%	4%

Source: SFMTA 2009 Proof-of-Payment Study; SFMTA 2010 Title VI Program Update

Notes: Percentages may not add to 100% due to rounding. Full service routes are defined as ones that offer off-peak service (i.e., not commuter express routes).

* Excludes cable car routes (which are primarily used by tourists)

** Small sample size due to low ridership route

Comparison with Peer Systems

Even with the July 1, 2012 and July 1, 2013 fare changes, the SFMTA's fares remain low relative to most other large transit systems in California and the rest of the United States, as is demonstrated by the "Fare Comparison" table included below. Highlights include:

- The \$2 adult cash fare compares favorably with other systems, most of which range from \$1.75 to \$2.25. Many of these systems do not issue free transfers with payment of a cash fare.
- Even with the proposed \$2 price increase to \$64, the Muni-Only pass is lower than all other major California transit systems, whose pass prices range from \$64 to \$100 and do not offer Muni's level of service.
- Equivalent pass prices range from \$55 to \$104 in systems in the rest of the country. Of the nineteen systems surveyed, only two were priced lower than Muni and most of those systems that were priced higher do not offer Muni's level of service.
- Muni's youth cash fare is available at any time and as discussed above, the SFMTA is considering implementing a free or reduced Youth monthly pass. Many systems restrict youth fares to school days and distribute passes or student ID cards for discounted cash fares through schools only (e.g., Atlanta, Baltimore, Chicago, Cleveland, New York, Philadelphia, St Louis, Salt Lake City and Washington). With Muni, cash-paying youths deposit appropriate discounted fare into fareboxes and furnish ID upon request. Discounted Clipper Cards can be obtained through Clipper events, SFMTA Customer Service Centers and other Clipper outlets and events with appropriate ID.

Table 4: Fare Comparison

Transit System	Adult		Youth/Student		Senior		Disabled	
	Cash	Monthly Pass	Cash	Monthly Pass	Cash	Monthly Pass	Cash	Monthly Pass
<u>California Transit Systems</u>								
AC Transit	\$2.10	\$80.00	\$1.05	\$20.00	\$1.05	\$20.00	\$1.05	\$20.00
Golden Gate Transit ¹	\$2.00	\$80.00	\$1.00	\$40.00	\$1.00	\$25.00	\$1.00	\$25.00
Los Angeles MTA ²	\$1.50	\$75.00	\$1.00	\$24.00	\$0.55	\$35.00	\$0.55	\$35.00
Muni (current)	\$2.00	\$62.00	\$0.75	\$21.00	\$0.75	\$21.00	\$0.75	\$21.00
Muni+BART within SF (current)	N/A	\$72.00	N/A	N/A	N/A	N/A	N/A	N/A
Muni Lifeline (current)	N/A	\$31.00	N/A	N/A	N/A	N/A	N/A	N/A
Muni (7/1/12)	\$2.00	\$64.00	\$0.75	\$21.00*	\$0.75	\$22.00	\$0.75	\$22.00
Muni+BART within SF (7/1/12)	N/A	\$74.00	N/A	N/A	N/A	N/A	N/A	N/A
Muni Lifeline (7/1/12)	N/A	\$32.00	N/A	N/A	N/A	N/A	N/A	N/A
Muni (7/1/13)	\$2.00	\$66.00	\$0.75	\$21.00*	\$0.75	\$23.00	\$0.75	\$23.00
Muni+BART within SF (7/1/13)	N/A	\$76.00	N/A	N/A	N/A	N/A	N/A	N/A
Muni Lifeline (7/1/13)	N/A	\$33.00	N/A	N/A	N/A	N/A	N/A	N/A
SamTrans	\$2.00	\$64.00	\$1.25	\$36.00	\$1.00	\$25.00	\$1.00	\$25.00
Santa Clara VTA	\$2.00	\$70.00	\$1.75	\$45.00	\$1.00	\$25.00	\$1.00	\$25.00
Sacramento Regional Transit	\$2.50	\$100.00	\$1.25	\$50.00	\$1.25	\$50.00	\$1.25	\$50.00
San Diego Transit	\$2.25	\$72.00	\$2.25	\$36.00	\$1.10	\$18.00	\$1.10	\$18.00
<u>Other U.S. Transit Systems</u>								
Atlanta ³	\$2.50	\$95.00	\$1.44	N/A	\$0.95	N/A	\$0.95	N/A
Baltimore ⁴	\$1.60	\$64.00	\$1.10	N/A	\$0.55	\$16.50	\$0.55	\$16.50
Boston	\$2.00	\$59.00	\$0.85	\$20.00	\$0.60	\$20.00	\$0.60	\$20.00
Chicago ⁵	\$2.25	\$86.00	\$1.00	N/A	\$1.00	\$35.00	\$1.00	\$35.00
Cleveland	\$2.25	\$85.00	\$1.75	N/A	\$1.00	\$38.00	\$1.00	\$38.00
Dallas	\$1.75	\$65.00	\$0.85	\$32.00	\$0.85	\$32.00	\$0.85	\$32.00
Denver	\$2.25	\$79.00	\$1.10	\$39.50	\$1.10	\$39.50	\$1.10	\$39.50
Houston	\$1.25	N/A	\$0.60	N/A	\$0.60	N/A	\$0.60	N/A
Miami	\$2.00	\$100.00	\$1.00	\$50.00	\$0.00	\$0.00	\$1.00	\$50.00
Minneapolis ⁶	\$2.25	\$85.00	\$2.25	\$29.17	\$2.25	N/A	\$2.25	N/A
New York City ⁶	\$2.25	\$104.00	\$0.00	N/A	\$1.10	\$52.00	\$1.10	\$52.00
Philadelphia ⁵	\$2.00	\$83.00	\$2.00	N/A	\$0.00	\$0.00	\$1.00	N/A
Pittsburgh	\$2.25	\$90.00	\$2.25	N/A	\$0.00	\$0.00	\$1.10	N/A
Phoenix	\$1.75	\$55.00	\$0.85	\$27.50	\$0.85	\$27.50	\$0.85	\$27.50
Portland ⁷	\$2.10	\$81.00	\$1.50	\$27.00	\$1.00	\$26.00	\$1.00	\$26.00
Salt Lake City	\$2.35	\$78.50	\$2.35	\$58.75	\$1.15	\$39.25	\$1.15	\$39.25
St Louis	\$2.00	\$68.00	\$1.90	N/A	\$1.00	\$34.00	\$1.00	\$34.00
Seattle ⁸	\$2.50	\$90.00	\$1.25	\$45.00	\$0.75	\$27.00	\$0.75	\$27.00
Washington ⁹	\$1.70	\$60.00	\$0.95	\$30.00	\$0.85	\$30.00	\$0.85	\$30.00

*

Notes:

Fares are for base local services only. Express services or travel to additional zones may be more expensive.

Many systems restrict youth fares to school days and distribute passes or student ID cards for discounted cash fares through schools only (e.g., Atlanta, Baltimore, Chicago, Cleveland, New York, Philadelphia, St Louis, Salt Lake City and

Washington).

¹ Golden Gate Transit: Marin County local service only. Transbay fares are higher and passes are not available.

² Los Angeles: Senior/Disabled \$0.25 cash fare available during off-peak hours only

³ Atlanta: Youth 10-Ride Tickets, valid on weekdays only, are available through schools

⁴ Baltimore: \$1.10 student fare valid only on weekdays 6 am-6:30 pm, or 6 pm-11 pm

⁵ Chicago: \$5 permit allows students to pay discounted fare 5:30 am to 8 pm on school days only

⁶ Minneapolis: \$0.50 adult off-peak discount. \$0.75 youth fare (12 and under only) and \$0.75 senior fare apply during off-peak hours only. Student passes are available for \$87.50 per quarter.

⁶ New York: Free and half-fare youth passes for 3 trips per school day are available to eligible students

based on the distance between home and school.

⁶ Philadelphia: Weekday student passes are sold at \$3.32 per day.

⁷ Portland: High school students in the Portland Public School District may ride for free during the school year.

⁸ Seattle: \$0.25 off-peak discount available. Off-peak monthly passes available for \$81.

⁹ Washington: No adult monthly pass is sold. Customers may purchase four 7-Day regional bus

passes, which are not valid on Metrorail. A separate \$32.35 7-Day rail pass

for Metrorail trips under \$3.25 in value is also available.

¹⁰ Calgary: Senior Yearly Pass available for \$35.

¹¹ Toronto: Monthly pass prices based on 12 month subscription; otherwise \$126 for adults and \$104 for seniors and youths

III. Transit/Fare Alternatives for Impacted Customers

Transit is by far one of the most inexpensive modes of transportation within San Francisco. Potentially less expensive alternatives are bicycling and walking. By comparison, driving is a much more expensive alternative due to the high costs of purchasing a vehicle, maintaining it in working order and additional fees such as parking. The SFMTA is committed to San Francisco's Transit First policy and to making San Francisco a more livable city by making its streetscape environments more bicycle and pedestrian friendly.

Since the fare changes are based on fare media usage and not based on route or mode, no transit alternatives are relevant to this analysis. The fare media alternative to pass usage is to pay cash, as cash fares will not be increasing. However, for frequent riders of Muni, it will still be more economical to purchase passes, even with the proposed \$1-2 dollar fare increases. Further, these increases represent an approximately 3% to 5% increase over current fares, which is consistent with inflation over the past few years, when rounded to the nearest dollar.

IV. Disparate Impacts/Mitigation Measures

A disproportionately high and adverse effect is one that (1) is predominately borne by a minority population and/or a low-income population, or (2) will be suffered by the minority population and/or low-income population and is appreciably more severe or greater in magnitude than the adverse effect that will be suffered by the non-minority population and/or non-low-income population. In making determinations regarding

disproportionately high and adverse effects on minority and low-income populations, mitigation and enhancements measures that will be taken and all offsetting benefits to the affected minority and low-income populations may be taken into account.

By its very nature, a fare increase will have a greater impact on low-income customers, a percentage of whom in San Francisco are minorities, because the increase represents a larger portion of their fixed income than higher-income customers. In general, the SFMTA makes a substantial effort to minimize the negative impact of any fare changes to minority/low-income communities, even in cases where no foreseeable disparate impact can be demonstrated, as appears to be the case with the July 1, 2012 pass increases.

The SFMTA will continue to offer its Lifeline Pass at a 50% discount relative to the Muni-Only pass. Although the price of the Lifeline Pass is proposed to increase by \$1 from \$31 to \$32 on July 1, 2012 and to \$33 on July 1, 2013, it is still priced lower than it was prior to July 1, 2009 when it was \$35. The Lifeline Pass, which was created by SFMTA in 2005 in conjunction with the Human Services Agency in order to minimize the impact of fare increases being implemented at that time, will continue to be offered at a 50% discount off the regular pass price. Eligibility for the Lifeline Fast Pass is based on three criteria: (1) enrollment in the Working Families Tax Credit, the local version of the Earned Income Tax Credit; (2) enrollment in another income support program administered by the Human Services Agency (e.g., food stamps, County Adult Assistance Program, or CalWORKS); or (3) income at or below 200 percent of the federal poverty level, which is a pre-tax income of approximately \$46,100 for a family of four people. SFMTA estimates that about 85,000 to 90,000 persons in San Francisco are eligible for the Lifeline Pass.

According to 2000 U.S. Census data, the segment of San Francisco's population that meets the income criteria for the Lifeline Pass, and is not eligible for Senior/Youth/Disabled fares, is approximately 58 percent non-white, with the following racial distribution:

African American	14%
American Indian/Alaskan	1%
Asian American	27%
Hawaiian/Pacific Islander	1%
Other	9%
Two or more races	6%

With the exception of Asian-Americans, non-whites are over-represented at the below-poverty level relative to their percentage of San Francisco's population. Therefore, minority communities are the major beneficiaries of the Lifeline Pass program. Since its inception in September 2005, sales of the Lifeline Pass have increased 400 percent from approximately 4,000 to over 20,000 per month.. Approximately 40 percent of Lifeline Pass purchases are made by the Human Services Agency (HSA) for distribution to its low-income clients. Initially, the Lifeline Pass was sold at only two locations: the HSA offices at 170 Otis and 3120 Mission. In a concerted effort to meet the needs of its minority and/or low-income customer base, SFMTA opened a new centrally-located

outlet at 11 South Van Ness for Lifeline Pass sales in November 2007. Since then, the SFMTA has also expanded pass sales to a location in Chinatown (Portsmouth Square) and Laurel Heights (Presidio & Geary).

The SFMTA also offers the Single Ride-Senior/Youth/Disabled fare, which is available to senior (aged 65 or older), disabled (with valid monthly sticker and disabled identification card), youth (aged five to 17) and Medicaid-eligible customers. For minority/low-income patrons who fall into those groups, this category is priced significantly under the amount allowable by the FTA, which requires that "elderly persons and persons with disabilities, or an individual presenting a Medicare card will be charged, during non-peak hours for transportation using or involving a facility or equipment of a project financed under Section 5307, not more than 50 percent of the peak hour fare." (49 U.S. Code Chapter 53) The existing Single Ride Discount Fare is \$0.75, which is a 62.5 percent discount off the existing Single Ride-Adult Fare of \$2.00. The price and discount will remain the same with the July 1, 2012 and July 1, 2013 fare changes. Moreover, the SFMTA's Single Ride-Senior/Youth/ Disabled cash fare is valid all day, exceeding the FTA requirement that discounted fares be valid only during non-peak periods.

Finally, the SFMTA is continuing its partnership with the San Francisco Human Services Agency (HSA) to provide at-risk minority and/or low-income youth with City-funded Single Ride-Senior/Youth/Disabled Monthly Passes. These subsidized passes are distributed to youth participants in HSA programs.

For the proposed options to reduce or eliminate fares for all youth or for low-income youth only as described in this document, as these options require the use of a Clipper card in order to access the decreased or free fares, there could be a disparate impact for those youth who otherwise pay with cash at the current rate of \$0.75, which is not being proposed for an increase. This potential impact can be mitigated by the distribution of free Clipper cards to affected youth who typically otherwise pay with cash. The SFMTA would implement the fare decrease or elimination under the existing Clipper® fare program. Income threshold would be consistent with Free and Reduced Lunch program eligibility standards. As part of the SFMTA's efforts to distribute free Clipper® cards for all qualifying youth, the SFMTA will make applications available at school sites, through community based and non-profit organizations and on the SFMTA website. The application would require Youth Clipper® card serial number and income eligibility information, thereby ensuring that only qualifying youth receive the discounted or free youth fare. Youth will have the option of submitting their application to the SFMTA via postal mail, e-mail or in-person at one of the SFMTA's sales locations.

V. Public Comment and Outreach

Pursuant to Title VI of the Civil Rights Act of 1964 and its implementing regulations, as well as state and local laws, the SFMTA takes responsible steps to ensure meaningful access to the benefits, services, information, and other important portions of SFMTA's programs and activities for low-income, minority, and Limited-English Proficient

individuals and regardless of race, color or national origin. Given the diversity of San Francisco and of Muni's ridership, the SFMTA is strongly committed to disseminating information on both service changes and fare increases that is accessible to Limited English Proficient (LEP) persons.

As discussed above, the SFMTA undertook an extensive, multilingual public information campaign in order to obtain public input on the proposed fare changes from all communities. During March and April 2012, the SFMTA will have held two budget hearings and five Budget Town Hall meetings in order to seek out and consider community input. These meetings were noticed in multiple languages (English, Spanish, Chinese, Russian and Vietnamese) and advertised on Muni vehicles and at Muni Metro stations and blast e-mailed to our community and major project mailing lists. As required by the City Charter, advertisements publicizing each of these hearings were placed well in advance in the City newspapers. Multilingual ads were also placed in prominent Chinese and Spanish newspapers in San Francisco and in eight San Francisco neighborhood newspapers. Information was also available to the public through the SFMTA web site during the entire budget process. In addition, information was distributed through press releases and through SFMTA/Muni's Twitter account.

Based on feedback received through this comprehensive, multi-lingual outreach process, the SFMTA Board chose not to proceed with the following fare change proposals for FY12-13 and FY13-14:

- Charging for Transfers for Cash Only Payments;
- Increasing the Cash Fare;
- Increasing Cash Fare for riders not using a Clipper® card; and
- Raising the Adult Pass fare beyond the Indexing Policy.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 14-049

WHEREAS, Since 1983, the City and the Bay Area Rapid Transit District (BART) have entered into Fast Pass[®] Agreements that allow Muni Adult Fast Pass[®] patrons to use the BART rail system within the eight San Francisco BART stations at no additional cost; and,

WHEREAS, The collaborative use of the BART system within San Francisco helps to significantly alleviate overcrowding of busy Muni lines and provides faster service during peak commute hours; and,

WHEREAS, Under the current Fast Pass[®] Agreement with BART, which expires on June 30, 2014, the SFMTA reimburses BART at a rate of \$1.21 for each Adult Fast Pass[®] trip taken on BART within San Francisco; and,

WHEREAS, The BART Board policy allows for biennial fare increases based on the inflation rate less one-half percent for productivity improvements and reimbursement rates have generally increased correspondingly; and,

WHEREAS, The proposed Fast Pass[®] Agreement would raise the reimbursement rate to \$1.27 per trip effective July 1, 2014 to coincide with BART's 2014 fare increase; and,

WHEREAS, The proposed Fast Pass[®] Agreement includes an initial cap on reimbursement of \$11 million for the first fiscal year 2015 and increases by five percent each July 1 for the subsequent fiscal year; and,

WHEREAS, BART will reimburse the SFMTA for Clipper[®] Card transaction costs related to the use of the equivalent of the Adult Fast Pass[®] on BART; and,

WHEREAS, The proposed Fast Pass[®] Agreement would be concurrent with the existing Feeder Agreement and both agreements will end on June 30, 2020; now, therefore, be it

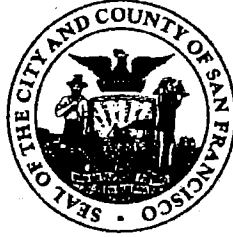
RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation to execute the Special Transit Fare (Fast Pass[®]) Agreement between the SFMTA and the San Francisco Bay Area Rapid Transit District with a term from July 1, 2014 through June 30, 2020, subject to approval from the Board of Supervisors.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 1, 2014.

R. Brown

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

BOARD of SUPERVISORS



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Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

May 5, 2014

File No. 140410

Sarah Jones
Environmental Review Officer
Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Dear Ms. Jones:

On April 29, 2014, the Municipal Transportation Agency introduced the following legislation:

File No. 140410

Resolution approving the Special Transit Fare (Fast Pass®) Agreement between the City and County of San Francisco and the Bay Area Rapid Transit District, with a term of July 1, 2014, through June 30, 2020.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Angela Calvillo".

By: Linda Wong, Assistant Clerk
Budget and Finance Sub-Committee

Attachment

c: Nannie Turrell, Environmental Planning
Jeanie Poling, Environmental Planning

*Exempt from CEQA per
CEQA Guidelines Section
15273, Rates, Tolls, Fares,
and Charges.*

*Nannie K Turrell
May 6, 2014*

**FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)**

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, San Francisco Board of Supervisors	City elective office(s) held: Members, San Francisco Board of Supervisors

Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: San Francisco Bay Area Rapid Transit District (BART)	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
(1) BART Board of Directors: Gail Murray, Joel Keller, Rebecca Saltzman, Robert Raburn, John McPartland, Thomas Blalock, Zakhary Mallett, James Fang, Tom Radulovich; (2) General Manager: Grace Crunican; Controller/Treasurer: Scott Schroeder; Assistant General Manager of Operations: Paul Oversier; (3) none; (4) none; (5) none	
Contractor address: 300 Lakeside Dr., PO Box 12688, Oakland, CA 94604-2688	
Date that contract was approved:	Amount of contract: Varies by BART Fast Pass® ridership and per-trip reimbursement rate, whose long-term values are unknown at this time. Amount estimated at \$8.0 million in FY 2014 and \$8.4 million in FY 2015 with moderate increases in subsequent fiscal years, based on ridership.
Describe the nature of the contract that was approved: The SFMTA currently reimburses BART \$1.21 per Fast Pass® trip taken on BART within San Francisco. Under the new contract, in effect through FY 2020, this rate would increase to \$1.27 through January 1, 2016 when BART's fares are scheduled to increase based on adjustments to the Bay Area Consumer Price Index (CPI). Because ridership is unknown at this time, exact contract expenditures are also unknown.	
Comments:	

This contract was approved by (check applicable):

- the City elective officer(s) identified on this form
 a board on which the City elective officer(s) serves _____

Print Name of Board

- the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer:	Contact telephone number: ()
Address:	E-mail:

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

S:\ALL FORMS\2008\Form SFEC-126 Contractors doing business with the City 11.08.doc

