

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
300 Lakeside Drive, P. O. Box 12688, Oakland, CA 94604-2688

AGENDAS FOR BOARD AND COMMITTEE MEETINGS

May 8, 2008

9:00 a.m.

A regular meeting of the Board of Directors and regular meetings of the Standing Committees will be held on Thursday, May 8, 2008, commencing at 9:00 a.m. All meetings will be held in the BART Board Room, Kaiser Center 20th Street Mall – Third Floor, 344 – 20th Street, Oakland, California.

Members of the public may address the Board of Directors and Standing Committees regarding any matter on these agendas. Please complete a “Request to Address the Board” form (available at the entrance to the Board Room) and hand it to the Secretary before the item is considered by the Board. If you wish to discuss a matter that is not on the agenda during a regular meeting, you may do so under General Discussion and Public Comment.

Any action requiring more than a majority vote for passage will be so noted.

Items placed under “consent calendar” and “consent calendar addenda” are considered routine and will be received, enacted, approved, or adopted by one motion unless a request for removal for discussion or explanation is received from a Director or from a member of the audience.

Please refrain from wearing scented products (perfume, cologne, after-shave, etc.) to these meetings, as there may be people in attendance susceptible to environmental illnesses.

BART provides service/accommodations upon request to persons with disabilities and individuals who are limited English proficient who wish to address BART Board matters. A request must be made within one and five days in advance of Board/Committee meetings, depending on the service requested. Please contact the Office of the District Secretary at (510) 464-6083 for information.

Kenneth A. Duron
District Secretary

Regular Meeting of the
BOARD OF DIRECTORS

The purpose of the Board Meeting is to consider and take such action as the Board may desire in connection with:

1. CALL TO ORDER

- A. Roll Call.
- B. Pledge of Allegiance.
- C. Introduction of Special Guests.

2. CONSENT CALENDAR

- A. Approval of Minutes of the Meeting of April 10, 2008.* Board requested to authorize.

- B. Concurrence with Contra Costa Transportation Authority's Request for Regional Measure 2 Funds for Final Design of Certain Median Structures Compatible with Future Mass Transit in the State Route 4 East Widening Project for the Segment from Somersville Road to State Route 160.* Board requested to authorize.
- C. Award of Invitation for Bid No. 8833, Flatbed Utility Vehicles.* Board requested to authorize.
- D. Award of Invitation for Bid No. 8836, Upper and Lower Sleeves.* Board requested to authorize.
- E. Fiscal Year 2008 Budget: Third Quarter Financial Report.* For information.

RECESS TO STANDING COMMITTEES

Immediately following the Standing Committee Meetings, the Board Meeting will reconvene, at which time the Board may take action on any of the following committee agenda items.

ALL COMMITTEES ARE ADVISORY ONLY

ADMINISTRATION COMMITTEE

Immediately following the Board Meeting recess

Director Franklin, Chairperson

- A-1. Fiscal Year 2009 Budget: Preliminary Budget – Operating Sources, Uses, Service Plan.* For information.
- A-2. Fiscal Year 2009 Budget: Procedural Action – Forward Budget from Administration Committee to Board of Directors.*
- A-3. General Discussion and Public Comment.

ENGINEERING AND OPERATIONS COMMITTEE

Immediately following the Administration Committee Meeting

Director Fang, Chairperson

- B-1. Quarterly Performance Report, Third Quarter Fiscal Year 2008 - Service Performance Review.* For information.
- B-2. General Discussion and Public Comment.

PLANNING, PUBLIC AFFAIRS, ACCESS, AND LEGISLATION COMMITTEE

Immediately following the Engineering and Operations Committee Meeting

Director Ward Allen, Chairperson

- C-1. Regional Transportation Plan Update.* For information.

- C-2. Internet Subscription Pilot for Student Discount Tickets.* For information.
- C-3. General Discussion and Public Comment.

RECONVENE BOARD MEETING

3. REPORTS OF STANDING COMMITTEES

A. ADMINISTRATION COMMITTEE

- A-1. Fiscal Year 2009 Budget: Preliminary Budget – Operating Sources, Uses, Service Plan.* For information.
- A-2. Fiscal Year 2009 Budget: Procedural Action – Forward Budget from Administration Committee to Board of Directors.*

B. ENGINEERING AND OPERATIONS COMMITTEE

- B-1. Quarterly Performance Report, Third Quarter Fiscal Year 2008 - Service Performance Review.* For information.

C. PLANNING, PUBLIC AFFAIRS, ACCESS, AND LEGISLATION COMMITTEE

- C-1. Regional Transportation Plan Update.* For information.
- C-2. Internet Subscription Pilot for Student Discount Tickets.* For information.

4. GENERAL MANAGER'S REPORT

NO REPORT.

5. BOARD MATTERS

- A. Roll Call for Introductions.

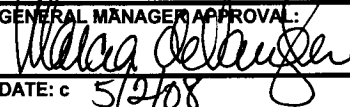
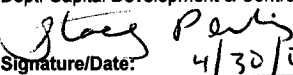
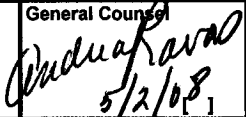
6. GENERAL DISCUSSION AND PUBLIC COMMENT

7. CLOSED SESSION (Room 303, Board Conference Room)

- A. (CONTINUED from April 10, 2008, Board Meeting)
THREAT TO PUBLIC SERVICES OR FACILITIES
Consultation with: Manager, Rail Security Programs
Government Code Section: 54957(a)



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D:		
DATE: c 5/2/08		BOARD INITIATED ITEM: No		
Originator/Prepared by: Stacey Perkins Dept: Capital Development & Control  Signature/Date: 4/30/08	General Counsel  5/2/08	Controller/Treasurer []	District Secretary []	BARC []

TITLE:

Approval of Resolution Concurring with Contra Costa Transportation Authority's Request for Regional Measure 2 Funds for Final Design of Certain Median Structures Compatible with Future Mass Transit to be Integrated into the SR 4 Project from Somersville Road to SR 160

NARRATIVE:

Purpose:

To obtain BART Board concurrence on an application by the Contra Costa Transportation Authority (CCTA) for \$3 million in Regional Measure 2 (RM2) funds for final design of certain median structures compatible with future mass transit to be integrated into the State Route 4 ("SR4") East Widening Project from Somersville Road to SR160, of which \$1.5 million would come to BART.

Discussion:

The proposed East Contra Costa BART Extension (eBART) Project would extend rail service eastward from the Pittsburg/Bay Point BART Station into the communities of Pittsburg and Antioch, in Contra Costa County. BART is conducting its environmental review of the proposed eBART Project, with related preliminary engineering ongoing. BART and CCTA are co-sponsors for the RM2 funds associated with the project. In January 2008, the Metropolitan Transportation Commission (MTC) approved \$1.6 million in RM2 funds for final design to widen the highway median and incorporate structures compatible with eBART into the SR4 Project from Loveridge Avenue to Somersville Road. CCTA and Caltrans are in the process of finalizing a second application for RM2 funds for final design of certain median structures compatible with future mass transit in the next segment of the SR4 Project from Somersville Road to SR160. CCTA's submittal of this application for RM2 funds to MTC will be contingent upon all necessary agency approvals of the further environmental evaluation by CCTA for these project modifications.

Fiscal Impacts:

Approval of the Resolution is a requirement for CCTA to receive an allocation of RM2 funds from MTC, \$1.5 million of which would come to BART for support of CCTA's final design efforts.

Alternatives:

Do not approve the attached Resolution Concurring with Contra Costa Transportation Authority's Resolution of Project Compliance and Initial Project Report for Regional Measure 2 Funds for

the State Route 4 East Widening Project: Somersville Road to SR160. Failure to approve the Resolution would likely result in cost increases and schedule delays for the proposed eBART Project.

Motion:

Contingent upon all necessary agency approvals of the further environmental evaluation by CCTA for these project modifications, the Board of Directors approves the attached Resolution Concurring with Contra Costa Transportation Authority's Resolution of Project Compliance and Initial Project Report for Regional Measure 2 Funds for the State Route 4 East Widening Project: Somersville Road to SR160, CCTA Resolution No.08-06-P.

**BEFORE THE BOARD OF DIRECTORS OF THE SAN FRANCISCO BAY
AREA RAPID TRANSIT DISTRICT**

**In the Matter of the
Approval of a Resolution
Concurring with Contra
Costa Transportation
Authority's Resolution of
Project Compliance and
Initial Project Report for
Regional Measure 2 Funds
for the State Route 4 East
Widening Project:
Somersville Road to SR160**

Resolution No.

Whereas, SB 916 (Chapter 715, Statutes 2004), commonly referred to as Regional Measure 2, identified projects eligible to receive funding under the Regional Traffic Relief Plan; and

Whereas, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 2 funds pursuant to Streets and Highways Code Section 30914(c) and (d); and

Whereas, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 2 funding; and

Whereas, allocations to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 2 Policy and Procedures; and

Whereas, CCTA and BART are eligible sponsors of transportation project(s) in Regional Measure 2, Regional Traffic Relief Plan funds; and

Whereas, the State Route 4 East Widening Project: Somersville Road to SR160 is eligible for consideration in the Regional Traffic Relief Plan of Regional Measure 2, as identified in California Streets and Highways Code Section 30914(c) or (d); and

Whereas, the Regional Measure 2 allocation request, sponsored by CCTA and concurred in by BART, in the Initial Project Report dated April 30, 2008 and incorporated herein as though set forth at length, lists the project, purpose, schedule, budget, expenditure and cash flow plan for which CCTA is requesting that MTC allocate Regional Measure 2 funds for the State Route 4 East Widening Project: Somersville Road to SR160

Whereas, in its Resolution No.08-06-P, dated April 16, 2008, and incorporated herein, CCTA and its agents agreed to comply with the provisions of the Metropolitan Transportation Commission's Regional Measure 2 Policy Guidance (MTC Resolution No. 3636);

NOW, THEREFORE, BE IT RESOLVED that:

1. Pursuant to Resolution No.08-06-P, CCTA has certified that the project is consistent with the Regional Transportation Plan (RTP).

2. The timeframe of funding for any design, right-of-way and/or construction phases has taken into consideration the time necessary to obtain environmental clearance and permitting approval for the project.

3. The Regional Measure 2 phase or segment to provide State Route 4 East Widening Project: Somersville Road to SR160 is fully funded and results in an operable and useable segment.

4. Pursuant to Resolution No.08-06-P, CCTA has approved the updated Initial Project Report Summary, attached hereto.

5. Pursuant to Resolution No.08-06-P, CCTA has approved the cash flow plan.

6. Pursuant to Resolution No.08-06-P, CCTA has acknowledged that it has reviewed the project needs and has adequate staffing resources to deliver and complete the project within the schedule set forth in the updated Initial Project Report, attached to this resolution.

7. CCTA is an eligible sponsor of projects in the Regional Measure 2 Regional Traffic Relief Plan, Capital Program, in accordance with California Streets and Highways Code 30914(c).

8. CCTA is authorized to submit an application for Regional Measure 2 funds for the State Route 4 East Widening Project: Somersville Road to SR160 in accordance with California Streets and Highways Code 30914(c).

9. BART concurs that CCTA has certified that the projects and purposes for which RM2 funds are being requested is in compliance with the requirements of the California Environmental quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.) and if relevant the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et. seq. and the applicable regulations thereunder.

10. CCTA has agreed to provide, and BART has agreed to support, the final design package for the State Route 4 East Widening Project: Somersville Road to SR160 for additional widening of the median and incorporation of certain compatible structures in order to accommodate future potential mass transit

11. There is no legal impediment to BART's concurrence in CCTA's allocation request for Regional Measure 2 funds.

12. There is no pending or threatened litigation, which might in any way adversely affect the project, or the ability of CCTA, with support by BART, to deliver such project.

13. Pursuant to Resolution No.08-06-P, CCTA has agreed to indemnify and holds harmless MTC, its Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act

or failure to act of Contra Costa Transportation Authority, its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of RM2 funds. In addition to any other remedy authorized by law, so much of the funding due under this allocation of RM2 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages.

14. Pursuant to Resolution No.08-06-P, CCTA has agreed that it shall, if any revenues or profits from any non-governmental use of property (or project) are collected, that those revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital improvements or maintenance and operational costs; otherwise, the Metropolitan Transportation Commission is entitled to a proportionate share equal to MTC's percentage participation in the projects(s).

15. Pursuant to Resolution No.08-06-P, CCTA has agreed that assets purchased with RM2 funds including facilities and equipment shall be used for the public transportation uses intended, and should said facilities and equipment cease to be operated or maintained for their intended public transportation purposes for its useful life, that the Metropolitan Transportation Commission (MTC) shall be entitled to a present day value refund or credit (at MTC's option) based on MTC's share of the Fair Market Value of the said facilities and equipment at the time the public transportation uses ceased, which shall be paid back to MTC in the same proportion that Regional Measure 2 funds were originally used.

16. Pursuant to Resolution No.08-06-P, CCTA has authorized its Executive Director to execute and submit an allocation request for the final design phase for the State Route 4 East Widening Project: Somersville Road to SR160 to MTC for Regional Measure 2 funds in the amount of \$3.0M, for the project, purposes and amounts included in the project application attached to this resolution.


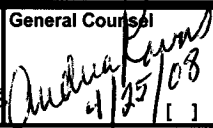
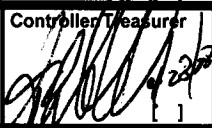
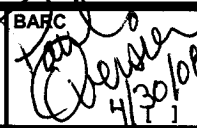
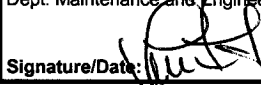
17. Pursuant to Resolution 08-06P, CCTA's Executive Director has been delegated the authority to make non-substantive changes or minor amendments to the IPR as he/she deems appropriate.

18. A copy of this resolution shall be transmitted to MTC in conjunction with the filing of the CCTA application referenced herein.

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EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D:		
DATE: 4/30/08		BOARD INITIATED ITEM: No		
Originator/Prepared by: Larry Fisher Dept: Maintenance and Engineering	General Counsel  4/25/08 []	Controller/Treasurer  4/22/08 []	District Secretary []	BART  4/30/08 []
Signature/Date:  4/25/08				
Status: Routed		Date Created: 03/25/2008		

TITLE:

IFB No. 8833 FLATBED UTILITY VEHICLES

NARRATIVE:

PURPOSE:

To request Board authorization to award Invitation for Bid No. 8833 to Golden Gate Truck Center, Oakland, CA in the amount of \$192,211.28 , which includes all applicable taxes, for the purchase of two Flatbed Utility Vehicles.

DISSCUSSION:

The Logistics Division of the Procurement Department uses flatbed utility vehicles to move revenue vehicle repair parts to and from the District's Hayward, Concord, Richmond and Daly City Shops. There are currently four such vehicles within the system. These two new flatbed vehicles will replace two seven year old vehicles with 234,705 and 210,548 miles. The replaced vehicles will be removed from the District fleet and sold at auction.

A notice requesting bids was published on February 6, 2008 and bid requests were mailed to nine (9) prospective bidders. Bids were opened on March 18, 2008 and three (3) bids were received.

Bidder	Unit Price	Grand Total
		2 Units plus Taxes
Golden Gate Truck Center	\$ 88,373.00	\$192,211.28
Bayshore Int'l Trucks	\$99,999.93	\$217,499.84
East Bay Ford Truck Sales	\$103,829.00	\$225,828.08

The independent cost estimate by BART Staff was \$196,000.00

Staff has determined that the apparent low bidder, Golden Gate Truck Center submitted a responsive bid. Staff has also determined that the bid pricing is fair and reasonable based on adequate price competition in this procurement.

FISCAL IMPACT:

Funding of \$192,212 for Contract 79BJ-2HK is included in the total project budget for the FMS#79BJ - Replace Non Revenue Vehicles. The Office of the Controller/Treasurer certifies that funds are currently available to meet this obligation.

FY 06-10 Capital Allocation
\$192,212

50Z

As of 2/24/08, there is \$1,100,000 available for commitment from this fund source for this project, and BART, to date, has committed \$107,701. There is \$438,432 pending commitment in BART's financial management system. This action will commit an additional \$192,212, leaving an uncommitted balance of \$361,655.

ALTERNATIVE:

Reject all bids and continue to use the existing trucks and spend additional funds in labor and materials maintaining these aging vehicles. This will, in all probability, affect their reliability and service availability.

RECOMMENDATION:

On the basis of analysis by Staff, and certification by the Controller-Treasurer that the funds are available for this purpose, it is recommended that the Board adopt the following motion.

MOTION:

The General Manager is authorized to award IFB No. 8833 for Flatbed Utility Vehicles to Golden Gate Truck Center for the bid price of \$192,211.28 (which includes all applicable taxes), pursuant to notification to be issued by the General Manager, subject to compliance with the District's Protest Procedure.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Approve and Forward to the Board of Directors	
DATE: 4/30/08		BOARD INITIATED ITEM: No	
Originator/Prepared by: Jaime Cabrales Dept: Rolling Stock and Shops Signature/Date: 4/29/08	General Counsel 4/29/08	Controller/Treasurer 4/29/08	District Secretary 4/30/08
Status: Approved		Date Created: 04/04/2008	
TITLE:			

Invitation for Bid No. 8836 - Upper and Lower Sleeves

NARRATIVE:

Purpose:

To obtain Board authorization to award Invitation for Bid No. 8836 to Vulcanite Australia, 16 Yamma Street, Sefton, Australia, NSW, 2162 in the amount of \$ 471,105.00 (including all taxes) for the purchase of Upper and Lower Sleeves.

Discussion:

BART transit vehicles require replacement of journal bearing sleeves due to normal wear. Each transit vehicle is equipped with eight (8) axles equipped with journal bearings. Each journal bearing requires a set of upper and lower sleeves. This is a consumable item that must be replaced when axles are replaced. This procurement provides sufficient stock within BART's inventory to support necessary maintenance activity.

This is a two (2) year estimated quantities contract. Pursuant to the terms of the District's standard estimated quantity contract the District is required to purchase a minimum amount of 50 percent of the contract bid price from the supplier during the term of the contract. Upon Board approval of this contract, the General Manager will also have the authority to purchase up to 150 percent of the contract bid price, subject to availability of funding.

A notice requesting bids was published on February 20, 2008 and bid requests were mailed to three (3) prospective bidders. Bids were opened on March 11, 2008 and two (2) bids were received.

<u>Bidder</u>	<u>Item 1</u> <u>3,800 Each</u> <u>Unit Price</u>	<u>Item 2</u> <u>3,800 Each</u> <u>Unit Price</u>	<u>Total Including</u> <u>8.75% Sales</u>
<u>Tax</u>			
Vulcanite Australia Sefton, Australia, NSW	\$ 45.00	\$ 69.00	\$ 471,105.00
Longwood Elastomers, Inc. Brenham, TX, 77833	\$ 65.22	\$ 67.76	\$ 549,539.85

Independent cost estimate by BART staff : \$ 600,000.00

Staff has determined that the apparent low bidder, Vulcanite Australia, submitted a responsive bid. Staff has determined that the bid pricing is fair and reasonable based on previous purchases of this item.

Fiscal Impact:

Funding will be provided from the General Fund, Materials & Supplier Inventory build-up account (140-010). The Office of the Controller-Treasurer certifies that funds are currently available.

Alternative:

Reject all bids and readvertise contract.

Recommendations:

On the basis of analysis by Staff, it is recommended that the Board adopt the following motion.

Motion:

The General Manager is authorized to award Invitation for Bid No. 8836, an estimated quantity contract for Upper and Lower Sleeves, to Vulcanite Australia for the amount of \$ 471,105.00, including all taxes, pursuant to notification to be issued by the General Manager, subject to compliance with the District's Protest Procedures.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: General Manager
SUBJECT: Third Quarter Financial Report

DATE: April 30, 2008

The FY08 Third Quarter Financial Report (January–March 2008) is attached. The net result for the quarter was favorable to budget, as is year-to-date (YTD), however a significant portion of this is due to timing of budget vs. actual results, with both revenue and expenses currently more favorable than year-end projections indicate. In particular, financial assistance has \$5M in favorable timing that is not expected to remain. Ridership remained favorable to budget, although the rate of growth slowed slightly compared to the first two quarters, and net passenger revenue was only \$0.7M favorable to budget for the 3rd quarter. Sales tax for the third quarter was surprisingly good, but the economy continues to be a concern. The expense budget is very tight, going slightly unfavorable for the quarter and within a tenth of a percent of budget year-to-date.

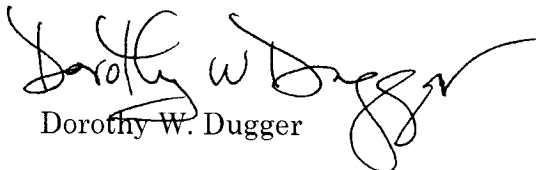
Operating Sources

- **Average Weekday Ridership** was 1.9% favorable to budget with systemwide weekday trips averaging around 349,776. Core system growth was 3.9% over last year, slowing from the 5.1% average growth for the first two quarters. Conversely, the SFO Extension grew 16% for the quarter, compared to 13.6% for the first half of the year.
- **Sales tax** ended the third quarter 1.9% favorable to budget with 4.3% growth over the prior year. This brings YTD growth to 2.3% and on budget. However, recent results have been erratic and unpredictable; the second quarter dropped 1.4% from FY08.
- **Other Financial Assistance** is mainly on budget except for timing issues for STA and property tax, where a total of about \$4M has come in earlier than budgeted, leading to a current favorable variance not projected to remain at the end of the year. The allocation from the SFO Reserve to cover SFO Extension operating expenses is \$2M less than budgeted because of higher than budgeted ridership, meaning a smaller amount needs to be brought in from the reserve to cover expenses. Another \$1M for the 3rd quarter result has yet to be booked, causing another favorable timing variance.

Operating Uses

- **Expenses** were slightly over budget for the quarter. Labor and benefits are 1.2% unfavorable to budget for both quarter and YTD. Non-labor is currently favorable, but is projected to go over budget in the fourth quarter, with maintenance expenses being the major factor.

Although passenger revenue will end the year over budget, sales tax for the year is unpredictable, with fourth quarter sales tax figures available in mid-June. We are also concerned about the impact of the expenses relating to high ridership and maintenance requirements. The third quarter \$8.6M favorable net operating result is overstated because of timing issues in both revenue and expenses. Due to the correction of the timing issues, variable sales tax results and increased expenses, we are projecting the year-end net result will be substantially smaller.


Dorothy W. Dugger

cc: Board Appointed Officers
Deputy General Manager
Executive Staff

Third Quarter FY08 **BUDGET PERFORMANCE REPORT EXECUTIVE SUMMARY**

M=million

REVENUE

●Systemwide average weekday ridership was 349,776, 1.9% over budget. Compared to the 3rd quarter of FY07, core system weekday trips slowed slightly with 3.9% growth vs. 5.1% through mid-year. SFO Extension trips grew 16.0% for the 3rd quarter, vs. 13.6% at mid-year.

●Favorable YTD Other Operating Revenue of \$1.9M reflects an advertising bonus of \$1.9M and \$0.8M in other revenues, offset by unfavorable results in interest (\$0.8M).

EXPENSE

●Net Labor is slightly unfavorable for both the third quarter and YTD due to overtime.

●Electric PowerYTD is \$0.6M (2.2%) favorable due to purchases/sales of market power at more favorable prices than budgeted, but projected to be at budget level by year-end..

●Other Non Labor slightly favorable YTD, but projected to potentially exceed budget by end of year, mainly due to high rail car maintenance expenses.

●The Lakeside building lease is recognized over the life of the lease, which is a non-cash book entry and not budgeted; budget includes actual cash outlay for lease payments.

●Total operating expense for the quarter and YTD are essentially on budget; however projections for year-end show potential overruns in maintenance materials and labor.

EXTRAORDINARY ITEMS

●The unfavorable variance of \$4.4M reflects "timing" in grant receipts for the quarter. The entire \$22.7M budgeted grant has been received for the Rail Car Fund Swap agreement and transferred to MTC as agreed. With offsetting grant revenue in the Financial Assistance category, this does not affect the bottom line.

OPERATING DEFICIT

●Favorable operating revenues and slightly over-budget expenses resulted in an Operating Deficit of \$57.7M, \$3.0M more than budgeted. Excluding the catch-up of Rail Car Fund Swap of \$4.4M would result in an Operating Deficit of \$53.4M or \$1.3M favorable.

TAX & FINANCIAL ASSISTANCE

●Third quarter Sales Tax was 4.3% over FY07, bringing YTD growth to 2.3% over FY07. The FY08 budget was based upon 2.3% growth.

●Property Tax YTD is \$1.5M favorable with approximately \$0.5M due to timing of budget vs. actual receipts (April payments came in early). The housing market decline has yet to have a major effect on assessed valuations.

●STA and Other Assistance variance of \$3.6M is due to timing of budget vs. actual of STA and is expected to be on budget later in the year.

●Allocation from SFO Reserve was lower than budgeted due to increased SFO Extension passenger revenue from higher than budgeted ridership, resulting in a lower amount needed from the SFO reserve to cover calculated operating expense.

●Debt Service YTD is \$1.2M unfavorable due to timing and will be on budget later in the year.

●Other Allocations YTD include \$9.3M of BART capital allocations into the SFO reserve (replaced by MTC grant funds) per the new SFO Agreement, \$0.3M for power reserves and \$0.2M from West Bay long-term parking for SFO operating reserves.

NET OPERATING RESULT

●The net operating result for the quarter was \$2.6M favorable, with revenue more than offsetting the negative variance in expenses. Year to date actual is \$8.6M positive largely due to timing. Unfavorable fourth quarter results in sales tax and expense overruns could correlate to a lower fiscal year end net operating result.

SYSTEM OPERATING RATIO/RAIL COST PER PASSENGER MILE

●The operating ratio (revenue divided by expense) was favorable for the 3rd quarter because the favorable revenue variance exceeded the minor over budget amount in expense. Rail cost per passenger mile was essentially on budget for the quarter and is favorable to budget YTD.

CURRENT QUARTER

(\$Millions)*

FISCAL YEAR-TO-DATE

Budget	Actual	Var.		Budget	Actual	Var.
73.8	74.5	1.0%				
7.2	8.7	20.0%				
81.0	83.2	2.7%				
92.6	93.7	-1.2%				
5.5	5.4	2.8%				
8.5	8.5	0.2%				
3.5	3.7	-6.1%				
0.0	(0.3)					
21.9	21.8	0.6%				
132.0	132.7	-0.6%				
3.8	8.2	-114.9%				
3.8	8.2					
(54.7)	(57.7)	-5.1%				
50.2	51.1	1.9%				
0.8	2.2	168.4%				
12.3	14.2	15.9%				
3.8	8.2	114.9%				
2.7	1.7	-34.9%				
0.9	0.9	0.0%				
(14.9)	(16.9)	-13.3%				
(0.7)	(0.7)	0.0%				
(6.0)	(6.0)	0.0%				
(3.0)	(3.0)	0.0%				
5.5	5.4	-2.8%				
51.4	57.0	10.8%				
(3.3)	(0.7)					
61.4%	62.7%	1.3%				
37.6 ¢	37.6 ¢	-0.2%				

REVENUE

Net Passenger Revenue

Other Operating Revenue

Total Net Operating Revenue

EXPENSE

Net Labor

OPEB Unfunded Liability**

Electric Power

Purchased Transportation

Lakeside Lease Accrual

Other Non Labor

Total Operating Expense

EXTRAORDINARY EXPENSES

Rail Car Fund Swap

Total Extraordinary Items

OPERATING DEFICIT

TAX & FINANCIAL ASSISTANCE

Sales Tax

Property Tax

STA and Other Assistance

Rail Car Fund Swap

Allocation from SFO Reserve

Allocation from Operating Resv.

Debt Service

Capital Allocations

Allocation to Retiree Medical

Other Allocations

OPEB Unfunded Liability Offset**

Net Financial Assistance

NET OPERATING RESULT

System Operating Ratio

Rail Cost Per Passenger Mile

* Totals may not add due to rounding to the nearest million.

■ No Problem



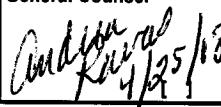
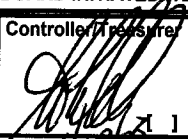
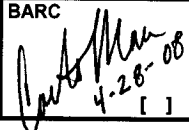
□ Caution: Potential Problem/Problem Being Addressed

■ Significant Problem

**The Other Post Employment Benefits (primarily retiree medical) is a non-cash expense to recognize the difference between actual retiree medical funding and the full Annual Required Payment, and does not affect the Net Operating Result.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Place on Administration Committee Agenda for May 8, 2008		
DATE: c 4/30/08		BOARD INITIATED ITEM: No		
Originator/Prepared by: Robert Umbreit Dept: Operating Budgets	General Counsel	Controller/Treasurer	District Secretary	BARC
Signature/Date:  4-25-08	 4/25/08	 4/28/08	[]	 4-28-08 []
TITLE:				

Fiscal Year 2009 Preliminary Budget Procedural Action

NARRATIVE:

PURPOSE:

To forward the Fiscal Year 2009 Preliminary Budget from the Administration Committee to the full Board of Directors.

DISCUSSION:

The rules of the Board of Directors (Rule 5-1.2) provide that the Administration Committee shall submit the preliminary budget to the Board not later than the first regular meeting in May of each calendar year. This action does not preclude further consideration and discussion of the FY09 Preliminary Budget at future Board committee meetings. The Board is currently scheduled to adopt the FY09 Annual Budget on June 12, 2008.

FISCAL IMPACT:

According to Board Rules, the FY09 Annual Budget must be adopted on or before June 30, 2008.

ALTERNATIVES:

Under Board Rule 5-1.2, forwarding the budget to the Board no later than the first meeting in May is a required step to adopt the Fiscal Year 2009 annual budget. The Board could suspend rule 5-1.2.

RECOMMENDATION:

That the Administration Committee forward the FY09 Preliminary Budget to the Board for further consideration.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors

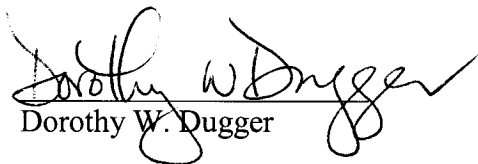
DATE: May 2, 2008

FROM: General Manager

SUBJECT: Presentation by MTC on Regional Transportation Plan (T2035)

Therese McMillan, Deputy Executive Director of Policy at MTC, will be making a presentation at the May 8 Board of Directors meeting on the T2035 Investment Tradeoff discussions that are currently underway within the region. Therese made an initial presentation to the Board in October 2007 about the upcoming T2035 process and schedule.

MTC staff is now framing investment tradeoff discussions for the T2035 plan's financially constrained element, and is seeking input on appropriate investment tradeoffs, given the necessary financial constraints. The schedule calls for the selection of a preferred financially constrained investment plan in July, 2008. This item is being brought to the Board so you may provide input and comment on the proposed investment tradeoffs.


Dorothy W. Dugger

cc: Board Appointed Officers
Deputy General Manager
Executive Staff

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

Memorandum

TO: Board of Directors

DATE: May 1, 2008

FROM: General Manager

SUBJECT: Internet Subscription Pilot Program for Student Discount Tickets

Purpose: To increase participation by schools and students in the Teen Extreme Program by allowing students to buy student discount tickets via the internet. To encourage more schools to enroll in the program by easing the administrative burden placed on already overburdened school personnel. Selling tickets over the internet directly to students will reduce or eliminate in-school transactions, thus reducing the time required by school personnel to administer the program. On-site sales will remain an option for schools to serve students unable to establish an internet account.

Discussion: The Board directed staff to create an internet sales program on a demonstration basis for one school year. Prior to implementing the program, the Board requested that staff present the details of the program for their review.

Nearly every school in the program was called, starting with the schools with the highest sales. The list included approximately 150 private, public and charter schools. Each school representative we contacted was given a detailed description of the new program, which was followed by a solicitation of their interest to participate in the program.

The responses were overwhelmingly in support of the new program with the caveat that the existing program should also remain in place. Some school districts use the existing program to provide pre-paid transportation for children in shelters or in alternative school programs. Additionally, some students do not have the required tools to purchase items over the internet. Of the 148 schools contacted, 119 were in favor of the new program; while 11 schools were not interested and 3 schools were unsure how the program would work in their schools. We are still waiting for responses from 5 schools.

School Responsibilities

Participating schools are those that have signed an agreement with the District, which states that they will adhere to the rules of the program. A new section will be added to the existing agreement to address the process and responsibilities for schools that choose to implement the internet sales method.

Aside from promoting the program to its students, the school's primary role will be to gather and verify enrollment information such as name, address, birth date, student identification number, and the responsible adult's e-mail address, from students requesting internet accounts. An Excel spreadsheet with this information will be forwarded by the school to BART staff.

BART Responsibilities

BART will develop all collaterals for the program including sign-up forms, program descriptions for use by schools to promote the program, and program posters to promote ticket sales. BART will work with the schools to create low cost, high impact promotional programs to reach out to as many students as possible.

Once the verified student spreadsheet is received by BART, staff will assign and maintain a database of student account numbers. BART will relay account numbers to students via the e-mail address of the responsible adult who will be instructed to go to the website to establish the student account.

BART will forward the account numbers to the ticket vendor so only students with approved account numbers can open an internet account. Each student will be allowed only one account. All customer disputes related to account numbers and verification of student status or mailing address will be handled by BART.

Ticket Vendor Responsibilities

Student accounts can be established on-line if a BART issued account number is used. The customer should be able to access their sales history, order status, update their credit card information, and change their monthly subscription on-line. Credit card information, ticket orders and delivery will be handled by the ticket vendor.

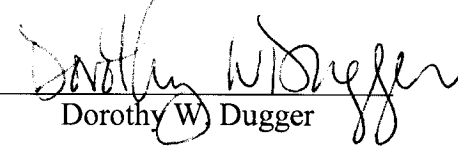
The rules of the program will be stated as part of the sign-up process. The responsible party will have to agree to the terms of the program and acknowledge the responsibilities of the student using the ticket and those of the person buying the ticket.

A subscription program can be established so that ordering and payment is automatic, or tickets can be purchased on an as needed basis. Regardless of how tickets are ordered, each account is limited to one transaction per month for a maximum purchase of 4 tickets. In order to control the limit on the number of tickets sold, a student with an internet account cannot buy tickets on site at the school.

The internet orders will be fulfilled within two days and mailed to the address listed on the account. If the student prefers to pick up the tickets, arrangements can be made for pick up at a Tectrans outlet located throughout the system.

Program Cost Staff initiated discussions with our existing internet ticket sales vendor, Tectrans. They are very interested in performing the work for BART. The District would need to pay the contractor \$10,000 to develop the web system to support this additional internet sales program. In addition to the one time cost to develop the program, the vendor will charge the District \$1.75 per transaction. This fee includes postage, bank transaction fees, and commission fees. The customer will not be charged any additional amount above the cash price of the ticket(s). Staff estimates that the transaction fees will be approximately \$21,000 if sales remain at the same level they were in FY 2007-08. Staff is still negotiating with the vendor.

Conclusion: Staff believes this to be a reasonable approach to conducting the program. Schools need to be contacted and sent program materials by the end of May to enable students to sign-up for internet sales in September 2008.



Dorothy W Dugger

cc: Board Appointed Officers
Deputy General Manager
Executive Staff