



BUILDING A BETTER BART

ANNUAL REPORT

JANUARY 2017

Rebecca Saltzman, President, Board of Directors
Grace Crunican, General Manager



**Letter from Rebecca Saltzman, President,
Board of Directors**

The passage of Measure RR by Bay Area voters brings a much-needed infusion of \$3.5 billion towards fixing, maintaining and modernizing critical BART infrastructure. We are striving to deliver on the promise made to the public that we will be transparent and accountable in investing public resources into BART. This report is a step towards providing better information on BART's progress.



Letter from Grace Crunican, General Manager

BART is facing challenges – crowded trains and aging infrastructure are creating difficult conditions for our riders. This Annual Report highlights how we will be working to make the system better in 2017. We will be bringing new train cars into service, overhauling our escalators and elevators, and beginning work to implement Measure RR projects, 90 percent of which will be focused on repairing and replacing critical infrastructure. We are so grateful that Bay Area voters have supported us to get BART headed in the right direction.

Over 70% of voters support BART Renewal Bond Measure

On November 9th, 2016, 71 percent of Bay Area voters showed their support for a better BART by passing Measure RR, BART's plan to repair and reinvest in the existing system. Measure RR provides \$3.5 billion to:



90% - REPAIR AND REPLACE CRITICAL SAFETY INFRASTRUCTURE (\$3.165 BILLION).

This includes replacing worn track, renewing power infrastructure, repairing tunnels and structures, renewing mechanical infrastructure, replacing an outdated train control system, and renewing older stations.



10% - RELIEVE CROWDING, REDUCE TRAFFIC CONGESTION AND EXPANDING SAFE ACCESS (\$335 MILLION).

This includes designing and engineering future projects to relieve crowding and improving options for accessing BART.

During 2017, BART will move forward to begin implementing the bond. This includes:

- Establishing an Independent Oversight Committee
- Awarding an initial set of contracts for system renewal including elevator/escalator replacements and traction power replacement
- Beginning to replace aging rail

Measure RR supports multiple BART goals. Work efforts funded by RR will improve system performance by reducing delays associated with mechanical breakdowns; improve safety by reducing the risk associated with older equipment; and enhance sustainability by making it easier to access BART by walking, bicycling, or transit.

BUILDING A BETTER BART

ANNUAL REPORT

JANUARY 2017

This report comes at an important moment in BART's 44-year history: After years of successful operation and increasing ridership, the system is showing signs of strain. Increased demand combined with aging infrastructure is degrading reliability and the rider experience on some trips. The system is challenged by its popularity and its critical role in the regional economy. BART and the public have committed to reinvesting in the infrastructure via fare resources; regional, state, and federal funds; and the three-county vote on Measure RR in November 2016. We have an enormous task ahead to rebuild the rail and technical systems, introduce new train cars, and open the extensions now underway. These efforts will begin to improve our performance over the next few years.

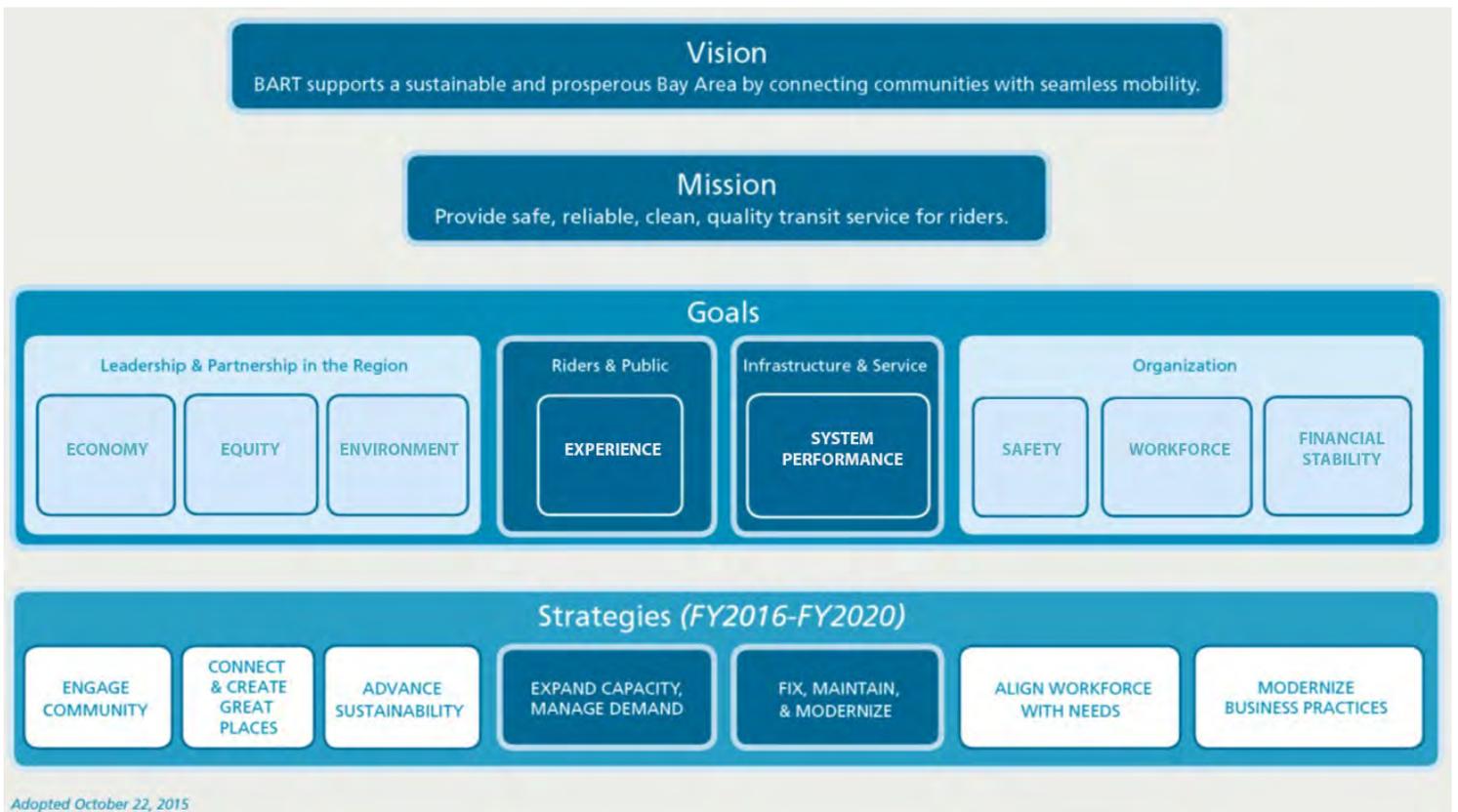
This report is also the first Annual Report associated with the Strategic Plan Framework adopted by the Board of Directors in October 2015. Its purpose is to outline strategic goals and summarize activities for the upcoming year. The following sections present the state of BART today, with work planned in 2017, highlights of recent progress, and information on performance measures for each of the Strategic Plan goal areas:

-  Economy
-  Equity
-  Environment
-  Rider and Public Experience
-  System Performance
-  Safety
-  Workforce
-  Financial Stability

Each of these goal areas is supported by one or more strategies (Figure 1), for which BART has created four-year Work Plans. Along with BART's 2017 Short Range Transit Plan/Capital Improvement Program (SRTP/CIP), these efforts will help BART move toward greater accountability and data-driven decision making in all of our work, and will keep us focused on the activities that matter most. For more information on the Strategic Plan process and framework, and for a summary of performance measures by goal area, visit *Appendix A*.



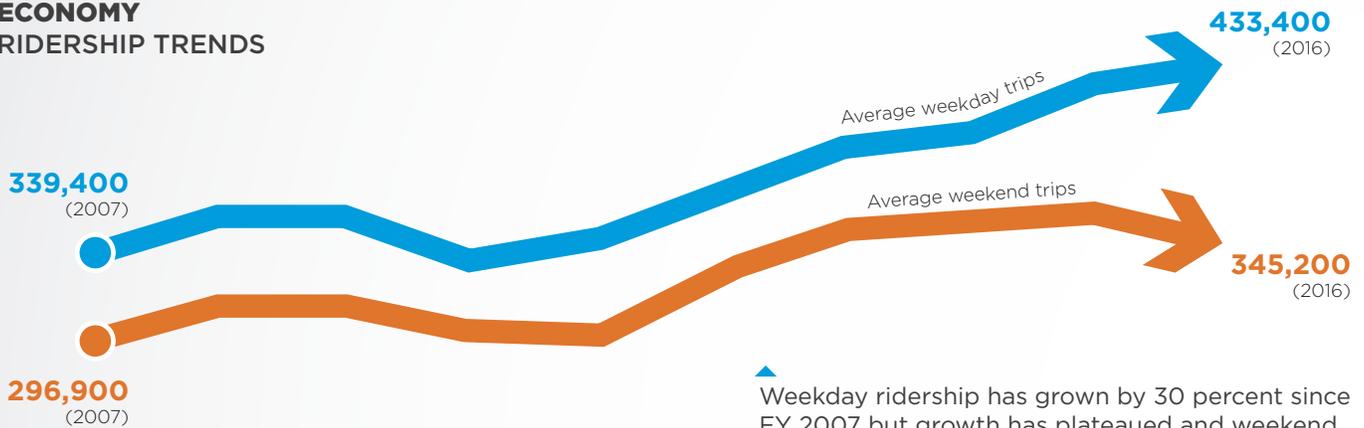
FIGURE. 1 | BART STRATEGIC PLAN FRAMEWORK



KEY PERFORMANCE INDICATORS

Snapshot of Key Performance Indicators - these indicators show key trends in each Strategic Plan goal area. Not all indicators are fully under BART's control, but illustrate outcomes of importance to the agency.

ECONOMY RIDERSHIP TRENDS



Weekday ridership has grown by 30 percent since FY 2007 but growth has plateaued and weekend ridership began to decline slightly in late 2016.

EQUITY PERCENT OF RIDERSHIP AMONG PROTECTED POPULATIONS

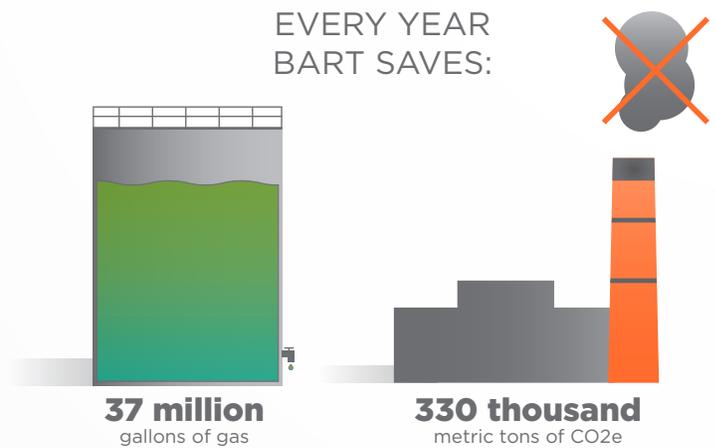
63% minority population

26% low income population*

BART's ridership mirrors the region. The percentage of low income* and minority riders is similar to data for the region as a whole, and has tracked regional trends over the last decade.

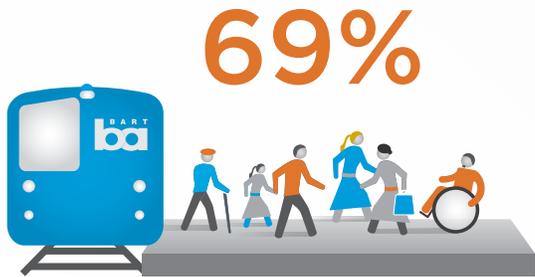
*Based on federal Title VI definitions of low-income households. Corrected from a previous version.

ENVIRONMENT GREENHOUSE GASES PRODUCED



Every year BART prevents about 330,000 metric tons of carbon dioxide pollution—the same as taking at least 70,000 cars off the road for a year.

CUSTOMER EXPERIENCE
PERCENT OF SATISFIED CUSTOMERS



Customer satisfaction (percent very and somewhat satisfied) fell by 16 percentage points between 2006 and 2016, likely due to crowded conditions and declining reliability due to aging infrastructure.

SAFETY
SAFETY INCIDENTS PER MILLION PASSENGER MILES



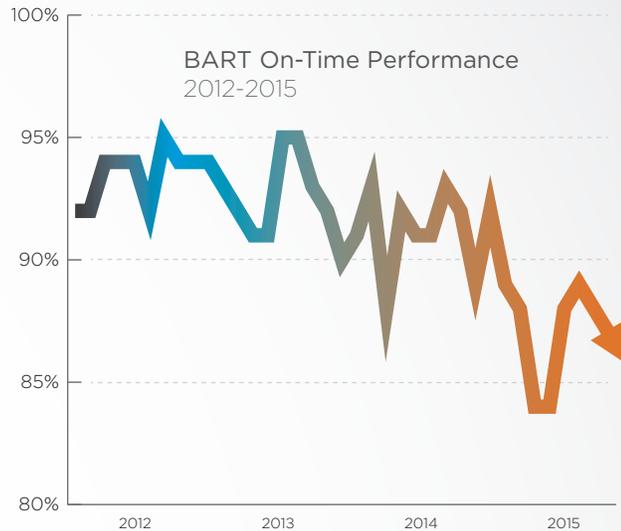
BART has consistently hit its safety targets in terms of safety incidents per million passengers over the last ten years.

WORKFORCE
BART AS EMPLOYER OF CHOICE



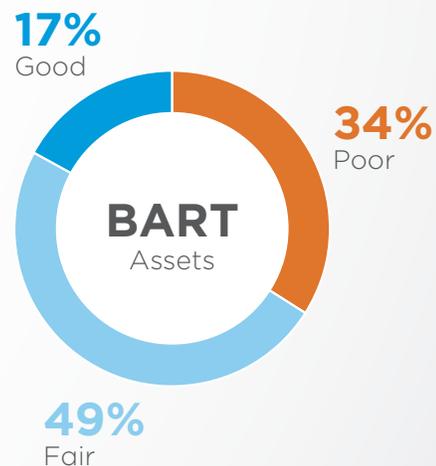
BART strives to be an Employer of Choice, tracking key measures including turnover and retention in hard-to-fill transit and technical positions such as escalator/elevator technician. BART is also working to attract a new generation of workers, since by 2020, over half of BART staff will be eligible to retire.

SYSTEM PERFORMANCE
ON-TIME PERFORMANCE



On time performance has fallen recently due to aging infrastructure, new safety rules, and increased ridership causing more medical and police events and longer loading and unloading times at stations.

FINANCIAL STABILITY
ASSET CONDITION AND COST PER PASSENGER MILE



About a third of BART's assets (train cars, rails, stations, etc.) are in poor condition – a figure that should improve with the infusion of funds from Measure RR. The cost of running BART, as measured by the cost per passenger mile, has held steady over the last decade.

BART PROGRESS TOWARD STRATEGIC PLAN GOALS

This section presents a progress report on BART efforts and how they advance Strategic Plan goals. Included are planned activities in 2017, highlights of recent related work, and means to measure our progress. *Appendix A* summarizes performance indicators by area.



Economy

The BART system is essential to the health of our region's economy—connecting workers and businesses and relieving regional traffic congestion.

2017 ACTIONS TO ADVANCE ECONOMY GOAL

The Economy goal is supported by BART's work in the region in general, and by more than twenty strategic actions in the four-year Work Plans. The following are highlights of actions coming up in 2017:

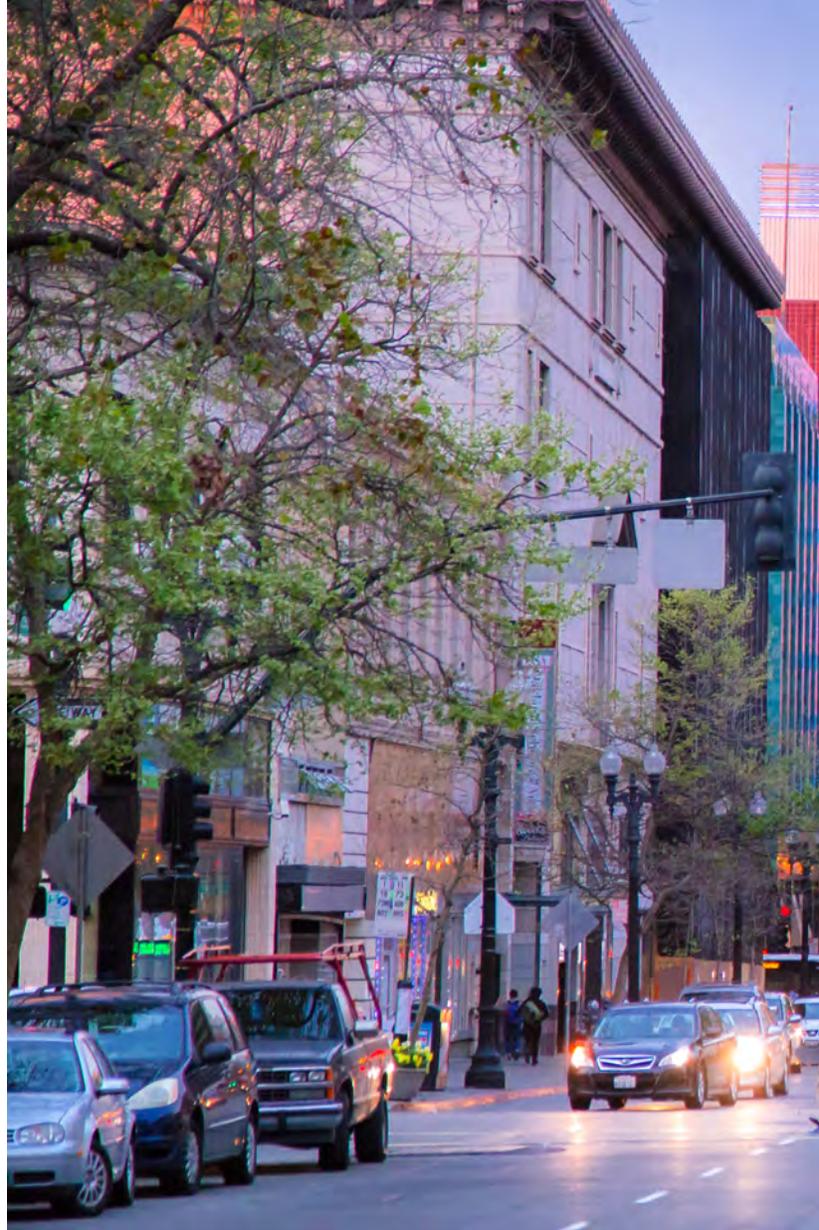
- **System expansion:** Implement system expansion projects including the opening of the Warm Springs Station, construction activities for eBART, the Silicon Valley Berryessa Extension, and completion of the environmental document for the Livermore extension (*Expand Capacity, Manage Demand Work Plan*). Begin design of a new operations control center to support expansions (*Fix, Maintain and Modernize Work Plan*).
- **Economic development and job creation:** Develop an approach to encourage job growth and BART ridership at existing East Bay job centers. Advance catalytic development

projects around MacArthur, El Cerrito Plaza, West Oakland, and Lake Merritt stations (*Connect & Create Great Places Work Plan*).

The economy goal includes the following objectives and performance measures:

1. Support transit oriented development.

BART stimulates local economies by encouraging development around stations, both on and off BART property. In 2016, BART adopted a Transit Oriented Development policy and performance targets to promote additional development around BART stations. This includes reaching 7,000 residential units and 1 million square feet of commercial development on BART property by 2025





2016 ECONOMY GOAL HIGHLIGHT

BART AND CITY OF OAKLAND RECEIVE \$6.3 MILLION FEDERAL GRANT TO IMPROVE THE 19TH STREET OAKLAND/UPTOWN NEIGHBORHOOD

The U.S. Department of Transportation awarded a \$6.3 million TIGER Grant to the \$29 million “Go Uptown” project, which will improve the 19th Street BART Station and surrounding area in downtown Oakland. BART improvements include replacing aging infrastructure to ensure safer service, modernizing the station, and enhancing multimodal access. City of Oakland improvements include public realm projects to enhance connections around the station. The grant demonstrates a unique partnership between BART and a city government to revitalize a station area in conjunction with new development. The Oakland Downtown Specific Plan anticipates 2,500 new residential units and 1.6 million square feet of office development in the neighborhood.

Photo: Greg Linhares

(compared to about 2,400 and 200,000 today, respectively).

2. Expand Access to BART. Consistent with the regional land use plan (*Plan Bay Area*), BART’s Transit Oriented Development Policy includes targets for expanding the number of jobs and housing units within a half mile of BART stations by 53 percent by 2040. Historically, BART has expanded access by opening new routes and stations, but is shifting toward prioritizing reinvestment

in the existing system and station areas to enhance access.

3. Timely payments, contracts, and projects. BART is a major provider of regional jobs to construction contractors and other businesses. BART works to advance contracts on-time and ensure timely payments to contractors, including small, minority and women-owned businesses.



Equity

BART seeks to provide equitable transit access and service, and embraces diversity in the workforce. BART riders reflect the full diversity of the region and include people across the income spectrum, seniors, people with disabilities, minorities, and those with limited English language proficiency.

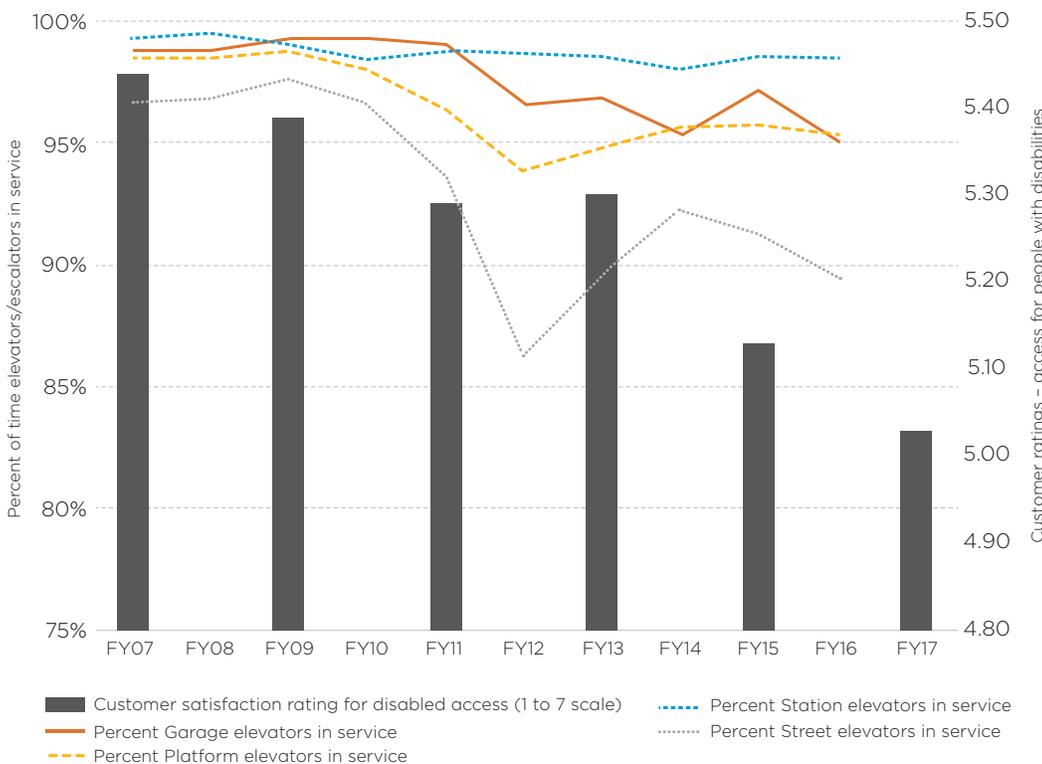
2017 ACTIONS TO ADVANCE EQUITY GOAL

The Equity goal is supported by more than ten strategic actions in seven Work Plans (e.g. *Connect & Create Great Places*, etc.) The following are highlights of actions coming up in 2017:

- **Improve accessibility:** Plan and implement district accessibility improvements such as those to aid sight impaired passengers in station navigation (*Connect & Create Great Places Work Plan*).

- **Workplace diversity:** Increase diversity by implementing targeted outreach to recruit female and under-represented minorities especially for jobs not traditionally held by these groups (*Engage Community Work Plan*).
- **Multi-lingual access:** Design upgrades to ticket vending machines to include multi-lingual capabilities (*Fix, Maintain & Modernize Work Plan*).
- **Community and workforce outreach:** Collaborate with construction trade unions, contractors (i.e., small, minority, and women-owned businesses), and Community Based Organizations (e.g., Helmets to Hardhats, Tradeswomen Inc., Cypress Mandela) to increase access to and retention in construction jobs for veterans, local residents, women, apprentices, and disadvantaged workers (*Fix, Maintain and Modernize Work Plan*).

FIGURE 2 | ELEVATOR/ESCALATOR AVAILABILITY AND CUSTOMER SATISFACTION WITH DISABLED ACCESS



Customer ratings for access for people with a disability has declined recently. Availability of escalators and elevators, particularly at street level, has declined as well. BART is taking steps to address this issue through a comprehensive overhaul of escalators and elevators systemwide, hiring more technicians, and through installation of entryway gates and canopies that protect equipment.

Source: 2016 BART Biennial Customer Satisfaction Survey; BART Quarterly Performance Report

The Equity goal includes the following objectives and performance measures:

1. Support employee and contractor diversity.

BART ensures that contracting and hiring processes are administered without discrimination on the basis of race, color, sex, and national origin. BART’s Office of Civil Rights (OCR) reports regularly to the Federal Transit Administration on progress toward goals that the agency has set for workforce diversity and the share of federal contract funds awarded to small, minority, and women-owned businesses (the current target is 17 percent). OCR also tracks a range of additional measures to ensure the agency is effectively engaging potential contractors.

2. Serve riders of different abilities. BART seeks to serve riders of different abilities by providing accessible stations and trains and through its fare policy. As part of developing the agency’s Station Access Policy, the BART Board of Directors established a target customer rating for “Access for people with disabilities” of 6.5 out of 7 by 2024, compared to our current rating of 5.03. This metric is likely influenced by the availability of station elevators and escalators, which BART has been working to improve.

3. Support affordable housing. BART’s Transit-Oriented Development (TOD) program can also contribute toward improved regional equity. BART’s 2016 Affordable Housing and TOD Policies (and associated documents) established a 2025 target of 35% affordable housing as a share of new development on BART property (compared to 32% baseline today).

4. Community oriented policing. BART’s Police Department seeks to provide community oriented police services through training and regular police-sponsored community programs. The Office of the Independent Police Auditor is responsible for fielding and investigating complaints, and measures the number of complaints and how they are investigated and resolved.

In addition to pursuing these equity-related objectives, BART (through the Office of Civil Rights) must ensure that all agency activities comply with federal Title VI, which requires that no person be excluded from participation, be denied the benefits of, or be subject to discrimination based on protected status.



2016 EQUITY GOAL HIGHLIGHT

**BART POLICE IMPLEMENTS
CRISIS INTERVENTION
TRAINING**

In 2016, 97 percent of the BART Police Department (BPD) received Crisis Intervention Training, which trains officers to respond to crisis calls with special-needs populations, such as the mentally ill, the homeless, or those with drug and alcohol addictions. In addition, BART is the only major national transit agency with a full-time Crisis Intervention Training and Homeless Outreach Coordinator on staff. This person works a liason between public and private mental health care groups and BPD.



Environment

BART helps support a healthier, cleaner Bay Area through reduced driving, regional air pollution, and greenhouse gas emissions (GHG). BART also recognizes its responsibility to reduce the environmental impact of its own operations including GHGs, water, and waste.

2017 ACTIONS TO ADVANCE ENVIRONMENT GOAL

The Environment goal is supported by nearly 30 actions across four Work Plans. The following are highlights of actions coming up in 2017:

- Develop BART’s first Sustainability Action Plan, which will include prioritized actions, measures, and targets for the next 10 years, and a revised Sustainability Policy (*Advance Sustainability Work Plan*).
- Install solar panels at Lafayette Station and pilot electric vehicle charging stations at Warm Springs Station (*Advance Sustainability Work Plan*).
- Begin to develop an improved recycling program at BART shops and yards, with a goal of initiation by FY2018 (*Advance Sustainability Work Plan*).



2016 SUSTAINABILITY GOAL HIGHLIGHT

CLEANER ELECTRICITY PURCHASED; BART EARNS AMERICAN PUBLIC TRANSIT ASSOCIATION SUSTAINABILITY COMMITMENT SILVER STATUS

In 2016, BART re-negotiated electricity purchase agreements to reduce reliance on fossil fuels. Because of these new agreements, power used by BART in 2017 will emit 75% fewer GHGs than power used by PG&E customers as a whole. BART also earned the American Public Transit Association’s Silver Status for its Sustainability Commitment, based on achievements such as installing solar photovoltaic systems at maintenance shops and stations, reducing electricity use through more efficient lighting, and reducing water used for irrigation.

By its very existence, BART reduces regional greenhouse gas emissions by providing an alternative to driving alone in private vehicles. That said, we can do more. The Environment goal includes the following objectives and performance measures. Performance targets for the first three measures will be set as part of developing the 2017 Sustainability Action Plan:

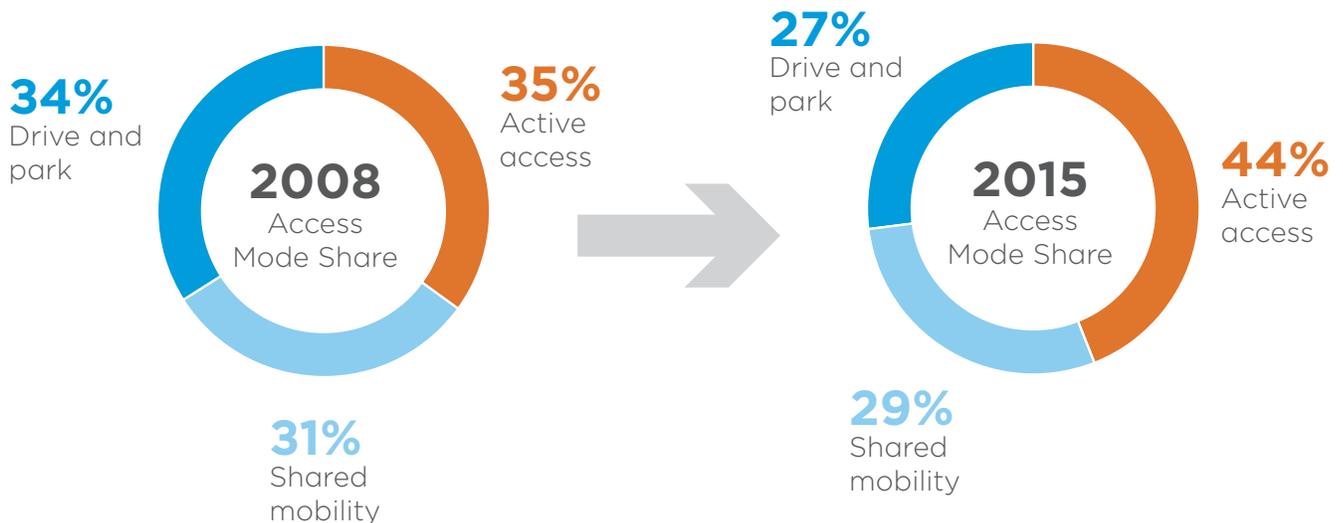
1. Reduce greenhouse gases generated by BART. BART is working to reduce greenhouse gas emissions generated by system operations, particularly emissions generated during generation of the electricity that powers trains.

2. Secure energy from sustainable sources. BART is seeking to improve its energy portfolio by cost-effectively increasing the share of low-carbon and renewable sources.

3. Reduce water use and solid waste generated. BART uses water for station landscape irrigation and train washing. BART is seeking to reduce water use as well as waste generated from operations (e.g. discarded equipment, trash collected at stations).

4. Offer sustainable access choices. BART seeks to reduce reliance on private automobile travel for station access. In 2016, BART’s Board of Directors set a performance target to increase the share of riders that access BART by walking, bicycling, transit, and shared vehicles to 84 percent by 2025 (compared to 73 percent today for active access and shared mobility modes combined).

FIGURE 3 | BART ACCESS MODE SHARE



▲ The share of riders accessing the BART system through active modes (walking & bicycling) increased from 35 to 44 percent since 2008.

*Based on preliminary 2015 Station Profile Survey Data.

The next sections (Experience and System Performance) cover BART's most critical goals reflecting our key competencies, and our most important commitments. These two goals, and the related strategies of Expand Capacity, Manage Demand, and Fix, Maintain, and Modernize are highlighted in the center of the Strategic Plan and define the centerpiece of BART's work.



Riders and Public Experience

BART seeks to engage the public and provide a quality customer experience by providing efficient customer service, engaging outreach and information, and a quality station and train environment.

2017 ACTIONS TO ADVANCE THE RIDER AND PUBLIC EXPERIENCE GOAL

The Rider and Public Experience goal is supported by more than 30 actions in the four-year Work Plans. The following are highlights of actions coming up in 2017:

- **Cleaner cars:** Conduct planning to prepare for deeper routine cleaning of rail cars, with a goal of implementation by FY2018 (*Expand Capacity, Manage Demand Work Plan*).

- **Noise reduction:** Using the latest computer modeling technology, BART engineers have created a new wheel profile designed to reduce noise resulting from contact with the rail. All Fleet of the Future cars have this new, quieter profile—including all 10 test cars currently on BART property. Wheel resurfacing on the legacy fleet will begin in 2017 (*Fix, Maintain & Modernize Work Plan*).

- **Underground Restrooms:** Plan and implement a pilot to reopen two underground restrooms to improve the customer experience and station cleanliness (*Connect & Create Great Places Work Plan*).

- **Customer comment tool:** Investigate opportunities to implement a program to allow BART riders and the public to immediately notify BART of problems on the system via text and other means (*Engage Community Work Plan*).

- **Art Master Plan:** Develop BART's first Art Master Plan through stakeholder outreach, pilot projects, and partner engagement. The plan will identify systemwide opportunities, define guidelines, identify funding, and create performance measures (*Connect & Create Great Places Work Plan*).

2016 EXPERIENCE GOAL HIGHLIGHT

BRIGHTENING CREWS MAKE STATIONS CLEANER

Brightening crews with a special mission to do targeted cleaning of high-traffic stations worked diligently in 2016 to make a cleaner environment for BART customers. Dedicated workers have toiled to scrub and power-wash floors, clean and repaint walls and ceilings, sanitize staircase rails, and much more. Cleaning efficiency is being helped by the installation of new, easier-to-clean elevator floors throughout the entire system.

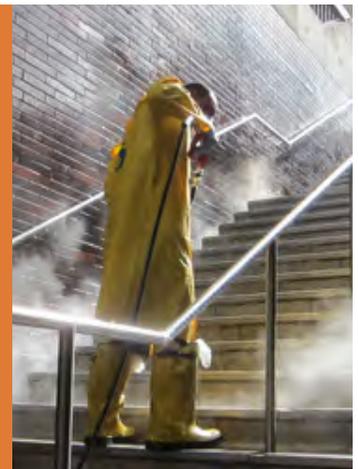
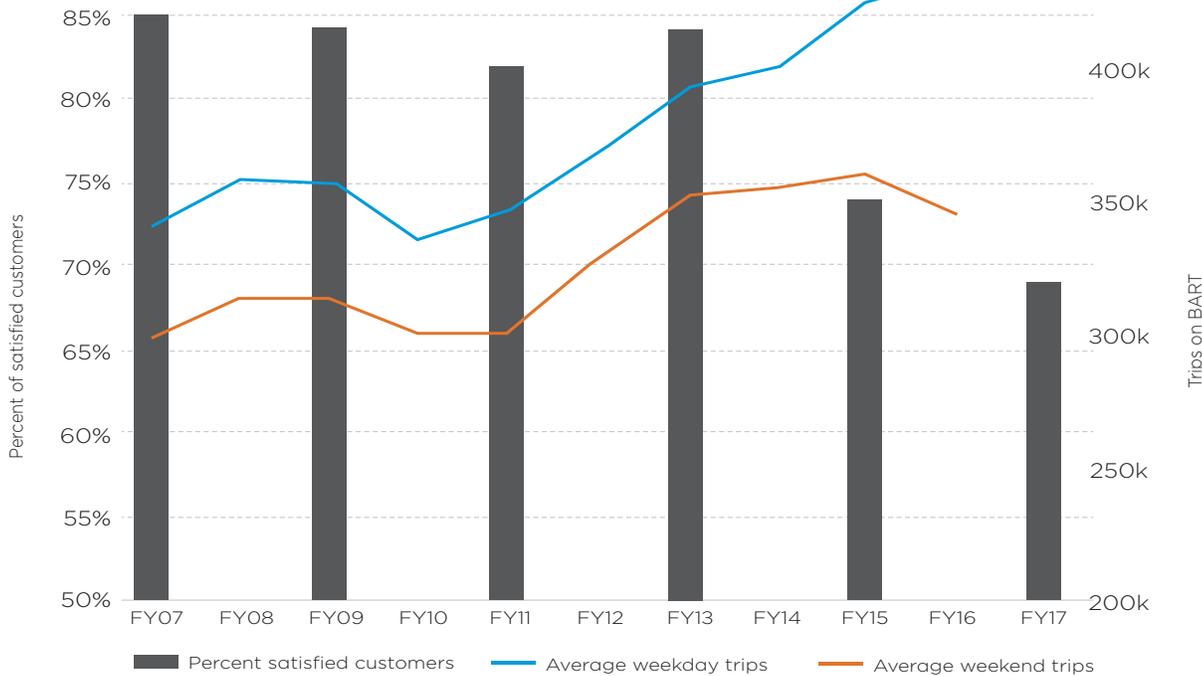


FIGURE 4 | BART RIDERSHIP AND CUSTOMER SATISFACTION TRENDS



◀ As BART ridership has grown, customer satisfaction has fallen, due to worsening crowding, reliability, and cleanliness.

The Riders and Public Experience Goal includes the following objectives and performance measures:

1. Provide clean stations & trains. BART has established performance targets for the cleanliness of stations and trains, and measures perception of cleanliness through an ongoing Passenger Environment Survey. Results are reported quarterly, and have been stable over the last few years for train cleanliness, but declining slightly for station cleanliness. The efforts of station brightening crews (see highlight box) should improve these ratings over time.

2. Offer a good value to riders. BART’s biennial Customer Satisfaction Survey tracks the share of riders that perceive BART as a good value for the money. Along with Customer Satisfaction, this measure has been declining recently.

3. Provide efficient customer service. BART’s External Affairs department has recently established performance measures and targets for responding to customer service inquiries and transit center information calls in a timely fashion. Response data will be reported over time.

4. Proactively engage the public. BART’s Office of External Affairs (OEA) engages the public through various methods such as online town-hall meetings, original stories on BART.gov, and other activities. OEA is committed to engaging with new constituencies this year. BART’s Office of Civil Rights works to ensure that all BART outreach activities are culturally sensitive and provides translated materials and interpreters where appropriate.

Since 1996, BART has used customer satisfaction ratings to measure the overall quality of the customer experience. Satisfaction rates have been declining recently, as shown in Figure 4, likely due to increased train crowding related to ridership growth and reduced reliability, reflecting the ongoing need for system reinvestment. System improvements (e.g. new train cars, train control system, and others, as noted under the System Performance goal area below), should begin to slowly improve customer satisfaction over time.



System Performance

Along with the Customer Experience, System Performance is BART's central goal. BART seeks to optimize and maintain system performance, in order to provide reliable, safe, cost-effective, and customer-focused service.

2017 ACTIONS TO ADVANCE SYSTEM PERFORMANCE GOAL

The System Performance goal is core to BART's mission, and so is supported by nearly 100 Work Plan actions. The following are highlights of actions coming up in 2017:

- **Station modernization construction:** As part of implementation of State Proposition 1B Funds, BART will begin construction work to modernize 19th St. Oakland, Powell St., and El Cerrito del Norte Stations in 2017. Work will improve station safety, cleanliness, capacity, and equipment (e.g. elevator/escalator) reliability while reducing energy usage (*Connect and Create Great Places Work Plan*).

- **Fleet expansion:** BART has 775 new train cars on order with plans to put the first batch into service in 2017 (*Expand Capacity, Manage Demand Work Plan*). This will allow BART to make all peak period trains ten cars long. BART estimates needing 306 additional new train cars to meet future demand, including from system expansions.
- **Hayward Maintenance Complex (HMC) Phase I:** An expansion of the HMC is needed to provide adequate maintenance capacity for an expanded fleet of train cars. During 2017, BART will be undertaking several activities to expand the complex, including designing and constructing repair shops and procuring tools and equipment, with a goal of completion by 2018 (*Expand Capacity, Manage Demand Work Plan*).
- **Train control system:** BART is working toward implementation of a new train control system that will allow train cars to run closer together, thereby allowing more frequent train service. BART plans to issue a Request

2016 SYSTEM PERFORMANCE GOAL HIGHLIGHT

FLEET OF THE FUTURE ARRIVES

BART received its first 10 Fleet of the Future cars for testing this year. Thousands of BART riders got a glimpse of the next generation of train cars during four open house events for the Fleet of the Future. The early reviews show major features getting an approval rating of 80 percent or greater in customer surveys. The new cars feature spacious floorplans, padded seats with lumbar support and advanced digital screens for passenger information.



for Proposals for the train control system in 2017, and expects full implementation by 2023 (*Fix, Maintain and Modernize Work Plan*).

- **Core capacity grant application.** BART will be advancing its application to the Federal Transit Administration's New Starts Core Capacity Program to fund portions of the three capacity-improving projects: the new fleet, Hayward Maintenance Complex, and the train control system (*Expand Capacity, Manage Demand Work Plan*).

The System Performance goal includes the following objectives and performance measures:

1. Reliable train operations and infrastructure.

BART's maintenance crews and operation teams work to keep BART running reliably. They report quarterly on progress toward performance targets for a range of reliability measures such as on-time performance and delays per 100 train runs. Results are published in BART's Quarterly Performance Report.

2. Reliable station equipment. Similar to train reliability, BART reports quarterly on progress toward goals for keeping station equipment

(fare gates, ticket vending machines, elevators, escalators) in service.

3. Availability of track for maintenance activities. BART's aging system requires significant repairs to track equipment that can typically only be completed when trains are not running. Availability is constrained by 7-day a week operations and safety rules that limit track access when trains are operational. BART has not established performance measures or targets in this area, but will be exploring ways to increase track availability for maintenance while efficiently using track "down time" to complete needed repairs as part of implementation of the Measure RR bond.

4. Peak period capacity and demand management. Rapid ridership growth has made it challenging to provide sufficient capacity in peak periods, resulting in overcrowded trains particularly in the Transbay market. One measure of peak capacity is the average number of train cars entering the westbound Transbay tube during the morning peak period, which rose from 664 in 2007 to 703 in 2016, and should continue to rise gradually as the fleet expands and new train control technology is implemented.

In addition to the measures listed above, BART's on-time performance is a key overall measure of system performance and rider experience. As noted on page 3, on-time performance has fallen recently due to aging infrastructure and the impacts of record system ridership, which has correlated with increasing events (e.g. police, medical) that disrupt schedules. Improving reliability is a key challenge that faces BART in the upcoming years.





Safety

BART continuously works to ensure safety for our workers, riders, and the public.

2017 ACTIONS TO ADVANCE SAFETY

The Safety goal is supported by nearly forty actions in 2017, including these highlights:

- **Transbay tube retrofit:** In 2017, BART will begin a major earthquake retrofit of the Transbay Tube. The retrofit is expected to continue through 2022 (*Fix, Maintain & Modernize Work Plan*).
- **Law enforcement accreditation:** BART's Police Department will seek CALEA accreditation, which is the international gold standard of law enforcement accreditation, to demonstrate their commitment to

professional excellence (*Modernize Business Practices Work Plan*).

- **Track, tunnel & electrical system rehabilitation:** Maintenance crews are continually repairing BART's extensive infrastructure to ensure safety. Activities in the next several years will focus on addressing areas with water intrusion and erosion, and on rehabilitation of the electrical system to prevent system failures (*Fix, Maintain and Modernize Work Plan*).
- **Employee and customer safety initiative:** BART's Labor Relations group and unions will begin a joint employee and customer safety initiative to maximize the safety of riders and front-line BART employees. This initiative was identified as a key step in improving working conditions, and enhancing cooperation between labor and management (*Connect and Create Great Places Work Plan*).

2016 SAFETY GOAL HIGHLIGHT

WORN RAILS REPLACED BETWEEN DALY CITY AND BALBOA PARK STATIONS

During 2016, BART crews made essential repairs to improve safety and reduce noise from worn-out rails between Daly City and Balboa Park Stations. All told, crews replaced over 4,000 feet of rail and 930 old wooden ties, reconfigured power systems through the area, rebuilt a local portion of the train control system, laid 1,600 feet of cable, and removed five dead or dying trees which threatened to obstruct the right-of-way. Additionally, 2,800 sound dampers were installed through this area to help quiet the screeching rails which had become a nuisance to passengers and neighbors. The project was initially slated to cover seven weekends of intense repair work—but thanks to maintenance crews' extra efforts, only five were needed.



The safety goal includes the following objectives and performance measures. All of these measures are reported in BART's Quarterly Performance Report:

1. Ensure operational safety. BART works to improve train operational safety, which includes reducing measures related to the number of safety rule violations and improper/unscheduled train door openings. BART has consistently hit its safety targets for these measures over the last ten years.

2. Reduce crimes. BART Police work diligently to reduce crimes and thefts on the BART system, and have experienced recent progress - crimes against persons fell by about ten percent between fiscal years 2012 and 2016.

3. Ensure employee safety. Employee safety is critical at BART. BART has set targets for reducing worker injuries, which have declined since 2012 and are now below BART's target of 13.3 per year.

4. Prepare for emergencies. BART prepares for system emergencies such as threats, fires, and earthquakes, and works with other law enforcement and safety agencies on cooperative preparation and strategies. The BART Police Department has set a target of responding to emergencies within five minutes, and has met or exceeded this target over the last ten years.

BART measures overall system safety outcomes by tracking safety incidents per million passenger miles. Incidents include a range of events that occur in our stations and on our trains, including those related to BART equipment and operations, and those less under BART's control, such as passengers having medical issues or slipping and falling. BART has consistently met its performance targets for safety incidents over the last ten years.





Workforce

An effective, engaged workforce is vital to the success of all ongoing operations and strategic initiatives at BART. Advancing the workforce will require that BART management develop a shared approach and common agenda with BART’s labor organizations, and to ensure the right people are in place with the appropriate mix of knowledge, skills and experience to safely and effectively operate daily service.

2017 ACTIONS TO ADVANCE WORKFORCE GOAL

The Workforce goal is supported by nearly 40 actions. The following are highlights of actions from the work plans coming up in 2017:

- **Design a comprehensive Career Ladders and Pathways/Talent Development Program:** Improved educational opportunities for critical, hard-to-fill positions at BART will both support the upward mobility of existing BART employees, and open up opportunities for the next generation of employees within the Bay Area (*Align Workforce with Needs Work Plan*).
- **Labor relations training:** Incorporate labor relations training modules in the District’s leadership and supervisory training programs to ensure supervisor awareness of staff evaluation procedures and contractual rights of workers. Day-to-day improvements

in labor relations practice will foster a healthy labor/management relationship throughout BART (*Align Workforce with Needs Work Plan*).

- **Simplified application portal:** Develop a more welcoming, simpler online platform for job applications to reduce barriers to entry and speed up the hiring process (*Modernize Business Practices Work Plan*).

The Workforce goal includes the following objectives and performance measures:

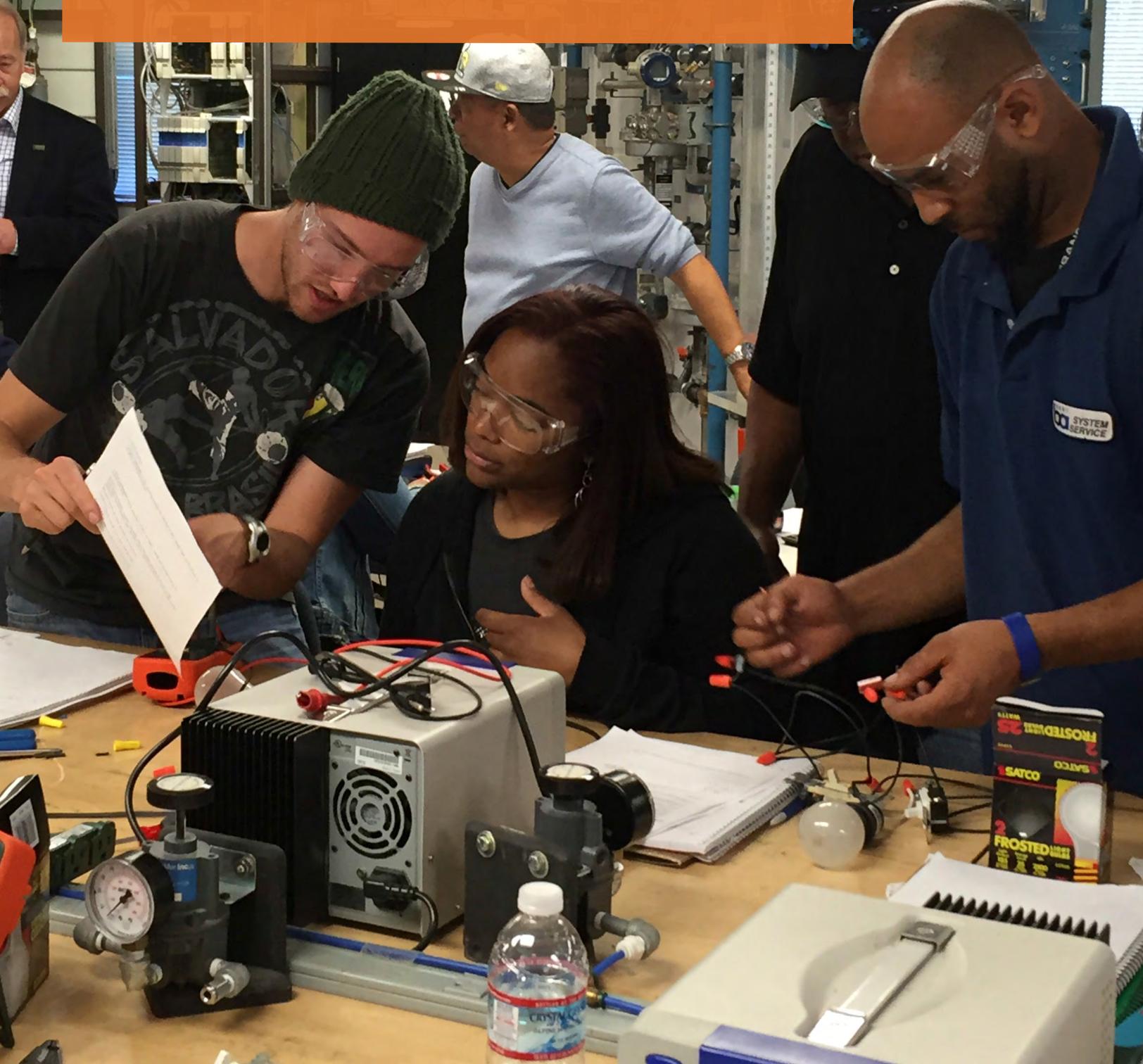
- 1. Recruit for hard-to-fill positions.** Success will be measured by reduction in the days a position has remained vacant.
- 2. Retain staff in critical positions.** Success will be measured by reduced turnover rates in critical positions as defined by the Workforce plan.
- 3. Ensure a supportive workplace through staff development.** Success will be measured by the share of training opportunities offered and taken at all levels.

BART’s Human Resource Department defines “critical positions” through its Workforce Planning process as those that require hard-to-recruit workers with specialized skills. These are primarily in the electrical and elevator/escalator technician fields.

2016 WORKFORCE GOAL HIGHLIGHT

NEW APPROACH TO CAREER PATHWAYS

From 1,600 applicants, 116 participants were selected for our first-of-its-kind Transit Career Ladders Training Program to inspire, educate, and train enrollees with the knowledge and skills required to pursue technical careers at BART. The program, which is a partnership with local community colleges and workforce investment boards, includes course work, technical training, field training, and opportunities for paid temporary on-call work at BART. The Program promotes transportation careers among minorities, veterans, and women in order to foster a culture of innovation while promoting new talent and growing existing expertise in our workforce.





Financial Stability

BART works to ensure revenues and investments support a sustainable and resilient system. The passage of Measure RR provides BART with critical resources to support system reinvestment, improved safety, and congestion relief. Nevertheless, BART may face a new financial challenge as ridership appears to be reaching a plateau or even declining for certain trip types. These trends are summarized in BART's 2016 Short Range Transit Plan/Capital Improvement Program.

2017 ACTIONS TO ADVANCE THE FINANCIAL STABILITY GOAL

The Financial Stability goal is supported by about twenty actions. The following are highlights of actions from the work plans coming up in 2017:

- **Attract additional off-peak riders:** BART recently completed a test of targeted weekend promotional ticket giveaways, and will be evaluating the return on investment of this and other approaches to increasing weekend and off peak ridership (*Engage Community Work Plan*).
- **Treat all riders equally in addressing fare evasion:** BART is identifying points where the system is vulnerable to fare evasion, and is exploring options for reducing it (*Fix, Maintain and Modernize Work Plan*).
- **Fare policy refinement:** Explore strategic fare opportunities, analyze potential impacts and implement selected opportunities (*Expand Capacity, Manage Demand Work Plan*).

- **Tracking financial impacts of the Silicon Valley BART extension:** Implement financial tracking mechanisms for the Santa Clara Valley Transportation Authority (VTA) Phase-I Silicon Valley Berryessa Project to ensure BART does not incur additional costs as a result of the operations of the extension, which is being funded entirely by VTA with federal and state resources (*Expand Capacity, Manage Demand Work Plan*).

2016 LABOR RELATIONS/FINANCIAL STABILITY GOAL HIGHLIGHT

EXTENSION OF LABOR CONTRACTS ALLOWS BART TO FOCUS ON REBUILDING THE SYSTEM

In 2016, BART management and labor union leaders were beginning the process of re-negotiating labor agreements that were set to expire in 2017. Given the challenging negotiations between BART management and labor in 2013 and the impact on riders, both sides agreed to extend the existing agreement through 2021. The extension provides the region and the riders with consistent and uninterrupted service over the next five years, and provides the district and its unions with an opportunity to focus on rebuilding the BART system and labor relations. The extension also supports financial stability by providing reasonable and predictable labor costs over the next five years.

The Financial Stability goal includes the following objectives and performance indicators:

1. Maintain financial health via a strong bond rating, clean audit, and adequate operating reserves. BART has the highest possible rating for its general obligation bonds (AAA), and clean performance in its most recent annual audit. Regarding operating reserves, BART’s Board of Directors increased the reserve target from 5 to 15 percent in 2014. The reserve is currently around 6 percent, and BART is working to accumulate enough funds to meet the new target.

2. Stabilize farebox revenues. BART establishes annual targets for the share of BART’s operating expenses that should be met through fare revenues, also referred to as the farebox recovery rate. Due to high ridership, BART has been meeting or exceeding the target in recent years.

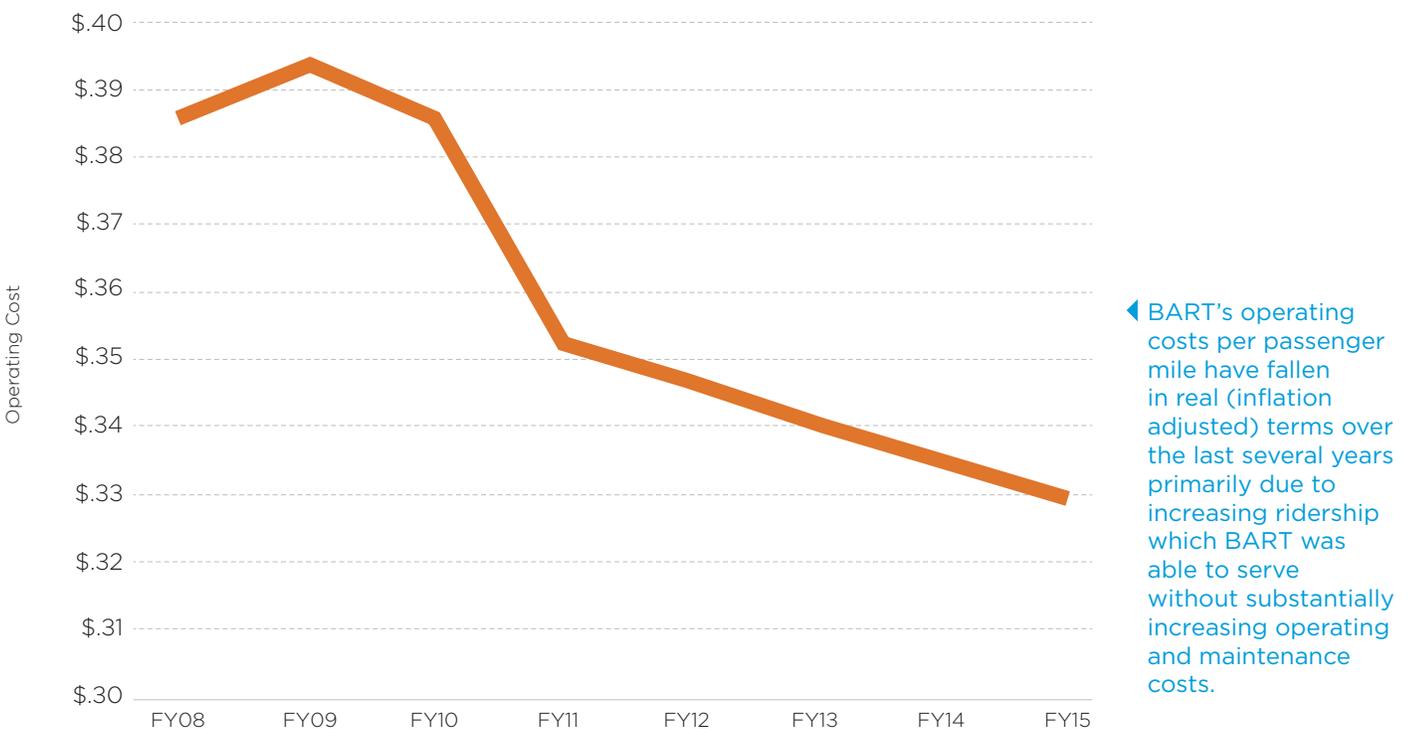
3. Increase non-farebox revenues. BART supplements fare revenues with sources such as parking revenues, telecommunications, advertising, and ground lease retail. BART plans to increase these in the future.

4. Data-driven decision making. Increasingly, BART is striving to move toward data-driven decision making to improve efficiency in all aspects of agency business.

In addition to these measures, BART tracks several overall measures of financial stability. One of these is the operating cost per passenger mile of service (Figure 5).

The condition of BART’s assets is the other key measure of BART’s financial stability. The approximate value of BART’s capital assets (trains, stations, buildings, etc.) is \$30 billion, and the asset condition is critical to system financial stability as well as safety and system performance. In 2015, BART adopted an Asset Management Policy to ensure careful financial stewardship and consistent reinvestment in system assets. The policy directs the agency to establish targets for asset condition consistent with FTA requirements, and staff are working to develop them. The asset management team estimates that about 34 percent of assets are in poor condition; this measure will be refined over time as the team improves the accuracy of asset condition data.

FIGURE 5 | OPERATING COST PER PASSENGER MILE - INFLATION ADJUSTED



NEXT STEPS

This document has highlighted several performance trends:

- **Declining customer satisfaction and on-time performance**—BART’s on-time performance has fallen over the last few years due to aging infrastructure and the impacts of record system ridership. This has correlated with an increase in the number of unpredictable events (e.g. police, medical, etc.) that disrupt schedules. On-time performance should improve slowly as BART reinvests in the system through Measure RR and introduces the new fleet.
- **Ridership growth**—Recent ridership trends show that after many years of growth, BART’s ridership is flat or even declining in some markets (e.g. for weekend travel). BART will need to take steps to respond to this trend such as implementing programs to increase off-peak ridership and ramping up efforts to increase non-fare sources of revenue.

This document has also noted key activities in the coming year:

- Begin implementation of Measure RR—sell initial set of bonds and begin advancing bond-funded projects.
- Introduce the new BART train cars.
- Advance several major capital expansion projects, including the Warm Springs Station, eBART, and the BART extension to Silicon Valley.

- Pursue critical projects that will ultimately help allow greater BART frequency in the core of the system and the Transbay Tube, including advancing a new train control system and submitting the Core Capacity federal grant application which would provide a major source of funding for core investments.
- Improve the transparency of data and reporting, and strengthen the agency’s capacity to link and measure the success of budget decisions and performance outcomes.

This year, we intend to work to justify the trust of the public, as evidenced by the strong support for the Measure RR bond in November, and to rebuild the trust of our riders. The payoff for investments made in recent years will begin in 2017: the new fleet will be introduced into service, elevators and escalators will be more reliable, train noise will decrease, and we plan to open service to Warm Springs and Antioch. Reducing crowding will require more time. We are planning to increase our transbay capacity by almost one-third, but this will require the new fleet, a new train control system, an enhanced electrical system, and more car storage space. We have committed to advancing bond-funded projects in an efficient and transparent manner, and will continue to explore every avenue to increase our capacity and the customer experience.



BART
ba

C-14

BART
ba

Strategic Plan Overview and Proposed Performance Metrics

BART has recently embarked on a new approach to strategic planning that aligns agency work-planning, budgeting, asset management and performance management under a unified framework. In October 2015, recognizing that strategic planning should be an ongoing activity, BART's Board of Directors adopted a Strategic Plan Framework to guide the agency's work on a continuous basis. The framework set a vision, mission, long-term goals, and short-term strategies for the agency, and is guiding the following efforts, which together comprise BART's strategic planning process:

- **Four-year Work Plans.** BART has developed four-year (FY2017-FY2020) Work Plans for each of the strategies in the framework (Engage Community, Connect & Create Great Places, etc.). Each Work Plan summarizes key activities that define the agency's near-term strategic work and support progress toward the long-term goals. The Work Plans are interdisciplinary and interdepartmental, with one or two executive managers in charge of achievement.
- **Performance dashboard.** The Strategic Plan Framework is guiding the development of an agency-wide performance dashboard to measure progress toward the strategic plan long-term goals and associated objectives. Just as the four-year Work Plans do not reflect every activity at BART, the performance dashboard is designed to highlight selected measures of interest to the Board and public, rather than list all measures used at BART. Objectives and measures are summarized by goal area in this report and shown in Figure A.1. BART has used some of these measures for decades while some are new, and others are still under development. Ultimately, BART hopes to make some or all of this information available interactively online consistent with the agency's open data policy.
- **Annual report and budget process.** This Annual Report provides a performance snapshot on BART's work to achieve the Strategic Plan goals. As performance management improves across the agency, it can begin to inform the annual budget process by demonstrating more directly how different budget proposals will affect desired performance outcomes across the Strategic Plan goal areas.

FIGURE A.1 | STRATEGIC PLAN PERFORMANCE MEASURES, 2017

Economy	Equity	Environment	Experience	System Performance	Safety	Workforce	Financial Stability
Goal Indicators (Achieved by BART and partners in the region)							
Ridership	Low income, minority, LEP, senior, and disabled ridership	Greenhouse gases (GHGs) avoided	Customer satisfaction	On time performance	Patron safety	BART as "Employer of Choice"	Asset condition; cost per passenger mile
BART Objectives							
Support transit oriented development (units/sq. ft development on BART property)	Increase employee and contractor diversity (% diversity goals met)	Reduce GHGs generated by BART	Provide clean stations & trains (patron perception of cleanliness of stations & cars)	Reliable train operations and infrastructure (delays per 100 train runs; car equipment availability and reliability)	Ensure operational safety (rule violations; unscheduled door openings)	Recruit for hard-to-fill positions (days of vacancy in critical positions)	Maintain financial health (status of reserves; bond rating; audit performance)
Expand access to BART (jobs & housing units within 1/2 mile of BART stations)	Serve riders of different abilities (Customer rating for "Access for people with disabilities")	Secure energy from sustainable sources (% energy from carbon free and renewable sources)	Offer a good value to riders (% riders saying BART is a good value)	Reliable station equipment (elevator, escalator, gate availability)	Reduce crimes (crimes per million trips; crimes per million parking spaces; bike theft; police presence)	Retain staff in critical positions (turnover rate of employees hired to critical positions)	Stabilize farebox revenue (farebox recovery rate)
Timely payments, contracts, and project delivery	Support affordable housing (% affordable units on BART property)	Reduce water use and solid waste generated (water use per year)	Provide efficient customer service (% customer inquiries addressed in 10 days)	Access to track for maintenance	Ensure employee safety (Illness/injury rate; lost time to illness/injury)	Increase skill development opportunities (trainings offered and taken at all levels)	Increase non-farebox revenues (\$ /% share non-passenger revenue)
	Community oriented policing (timely response to complaints)	Offer sustainable access choices (share accessing BART by walking, bike, or shared-use vehicle)	Proactively engage the public	Peak period capacity & demand management (peak Transbay car flows)	Prepare for emergencies (emergency trainings, police response time, earthquake safety)		Data driven decision making

