



Board of Directors Meeting

April 23, 2020



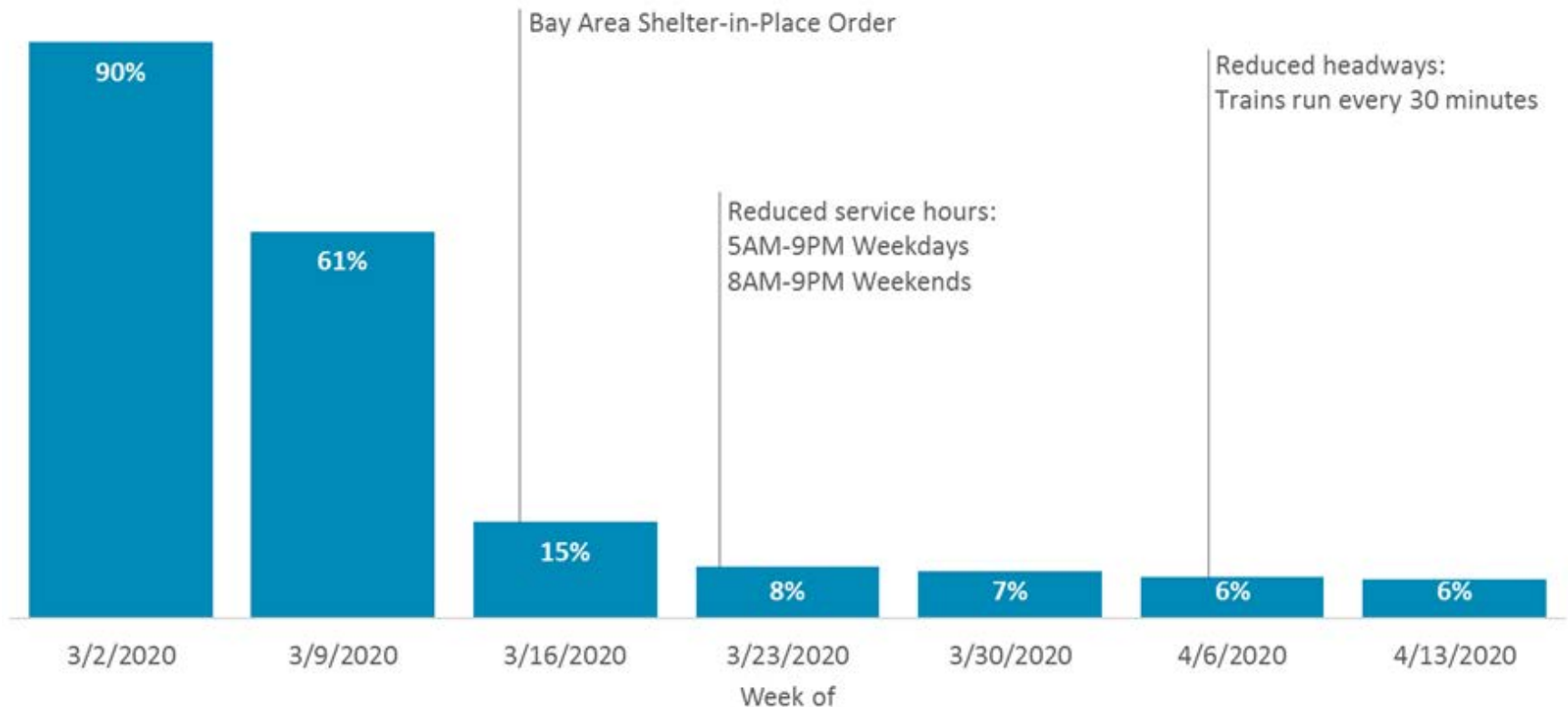
Agenda

- Ridership Update
- Federal Stimulus Legislation Update
- Budget Projections – FY20 & FY21
- Temporary Station Entrance Closures
- Front Line Safety Efforts
- Employee & Labor Partner Engagement

Ridership Update

Ridership Update

BART Weekly Ridership Tracker during COVID Pandemic
% of Expected Baseline Ridership



Federal Stimulus Legislation Update

CARES Act Funding for Bay Area Transit

- MTC is scheduled to vote on April 22nd on \$781 million programming recommendation comprised of two components:
 - Five distribution principles provide foundation to initial funding distribution:
 1. Distribute the funds quickly
 2. Address operators' needs
 3. Allow flexibility to address uncertainty/changed circumstances
 4. Address urbanized area constraints associated with federal funds with a needs-based funding distribution of any COVID-19 supplemental state funds
 5. Additional concept under discussion amongst regional operators and MTC:
 - Future distributions will be subject to a comprehensive COVID-19 recovery strategy for each operator that considers any recommended regional adjustments to ensure network connectivity, lifeline service needs, and financial stability
 - The initial funding distribution for about 61% of the CARES funding based on a hybrid formula recognizing the diverse revenue sources transit operators rely on.
 - 1/3 - Share of operating cost as budgeted FY 2019-20
 - 1/3 - FY 2020-21 State Transit Assistance Revenue Based Formula
 - 1/3 - Share of Farebox Revenue as Budgeted for FY 2019-20

Recommended First Tranche Distribution

| Transit Operator | Apportionment Amount | % Share |
|--|----------------------|----------------|
| AC Transit | \$80,366,395 | 10.40% |
| BART | \$251,637,050 | 32.55% |
| Caltrain | \$49,292,725 | 6.38% |
| GGBHTD | \$30,163,006 | 3.90% |
| SFMTA | \$197,190,672 | 25.51% |
| SamTrans | \$28,519,037 | 3.69% |
| VTA | \$73,023,596 | 9.45% |
| Subtotal | \$710,192,481 | 91.87% |
| ACE | \$2,680,453 | 0.35% |
| CCCTA | \$7,067,680 | 0.91% |
| City of Dixon*(5311) | \$305,302 | 0.04% |
| ECCTA | \$3,891,364 | 0.50% |
| City of Fairfield | \$2,002,985 | 0.26% |
| LAVTA | \$3,501,369 | 0.45% |
| Marin Transit | \$5,438,809 | 0.70% |
| NVTA | \$2,701,734 | 0.35% |
| City of Petaluma | \$498,342 | 0.06% |
| City of Rio Vista*(5311) | \$119,328 | 0.02% |
| SMART | \$10,375,471 | 1.34% |
| City of Santa Rosa | \$2,493,979 | 0.32% |
| Solano County Transit | \$2,590,800 | 0.34% |
| Sonoma County Transit | \$3,014,482 | 0.39% |
| Union City Transit | \$922,560 | 0.12% |
| City of Vacaville | \$488,659 | 0.06% |
| WCCTA | \$2,218,204 | 0.29% |
| WETA | \$12,529,212 | 1.62% |
| Subtotal | \$62,840,733 | 8.13% |
| TOTAL | \$773,033,213 | 100.00% |
| Regional Transit Programs/Support (1%)** | \$7,808,416 | n/a |
| GRAND TOTAL | \$780,841,629 | 100.00% |

Federal Stimulus Legislation Update

- Federal agencies continue to issue guidance and implement provisions from the Families First and CARES Act.
- Both the House and Senate are operating in pro forma sessions and will not return to Washington until May 4.
- Votes would need to occur by unanimous consent if deal on fourth emergency bill can be reached before Congress reconvenes (fourth bill is expected to be much smaller in scope – Paycheck Protection Program, Hospitals, and state/local gov assistance).
- CARES 2.0 package still expected in May timeframe followed by stimulus package that could include infrastructure.

Federal Funding for California

- CARES Act will provide at least \$8.4 billion in direct assistance and up to \$6.9 billion for local governments.
- The Administration has directed all state agencies and departments to put procedures in place to draw down all available federal assistance and allocate funds expeditiously.
- FEMA is expected to reimburse the state for approximately 75% of direct expenditures.
- Under cost sharing arrangement, the federal government will fund approximately \$5.25 billion of the \$7 billion the state currently plans for expenditures.

State's Fiscal Outlook

- Current projections indicate the State will have sufficient cash and internal borrowable resources available through the end of the current fiscal year.
- The State Controller's Office assumes the state will receive approximately \$19.8 billion in revenue from April - June of 2020, roughly 39% of the estimated receipts reflected in the Governor's January Budget.
- The Senate and Assembly have begun scheduling essential hearings related to SB 89 expenditures and FY21 Budget.
- The Administration's May Revision will reflect the extraordinary impacts of the COVID-19 pandemic on the state's fiscal condition.

Future Modifications to State Stay-at-Home Order

On April 14, Governor Newsom announced six key indicators that will be considered before modifying state's stay-at-home order:

- The ability to monitor and protect communities through testing, contact tracing, isolating, and supporting those who are positive or exposed
- The ability to prevent infection in people at risk for more severe COVID-19
- The ability of hospital and health systems to handle surges
- The ability to develop therapeutics to meet demand
- The ability for businesses, schools, and childcare facilities to support physical distancing
- The ability to determine when to reinstitute certain measures, such as stay-at-home orders, if necessary

Budget Projections - FY20 & FY21



FY20 Year-End Budget Projections

** All FY20 estimates as of 4/2/20 -- to be updated 4/22/20*

| FY20 (\$M) | January YTD | | FY20 Year-End | |
|--|--------------|---------------|---------------|----------------|
| | Budget | Actual | Budget | Apr 2 Estimate |
| Rail Passenger Revenue | 276.4 | 277.8 | 480.2 | 341.0 |
| Parking Revenue | 21.1 | 21.1 | 36.5 | 25.2 |
| Other Operating Revenue | 17.1 | 19.1 | 28.7 | 26.6 |
| Sales Tax Proceeds | 162.1 | 164.8 | 277.0 | 252.6 |
| Other Financial Assistance | 59.9 | 57.4 | 124.8 | 117.5 |
| Federal Emergency Funding | -- | -- | -- | -- |
| State Emergency Funding | -- | -- | -- | -- |
| TOTAL - OPERATING SOURCES | 536.6 | 540.3 | 947.3 | 762.9 |
| Delta from Adopted | | | | (184.4) |
| | | | | |
| Labor & Benefits | 346.9 | 367.8 | 591.6 | 608.7 |
| Power | 26.6 | 25.0 | 45.6 | 43.4 |
| Other Non-Labor | 89.9 | 83.8 | 162.5 | 151.6 |
| Bond Debt Service | 27.6 | 27.1 | 47.2 | 47.2 |
| Allocations | 48.6 | 49.1 | 100.3 | 100.3 |
| TOTAL - OPERATING USES | 539.6 | 552.9 | 947.3 | 951.2 |
| FY20 COVID-RELATED REDUCTIONS – Capital Load Shedding | | | -- | (14.8) |
| NET OPERATING RESULT | (3.0) | (12.6) | -- | (173.5) |

FY21 Budget Assumptions

In addition to steps for reopening, CA Governor's April 14 announcement presented a vision for after shelter-in-place order (until vaccine and/or herd immunity develops):

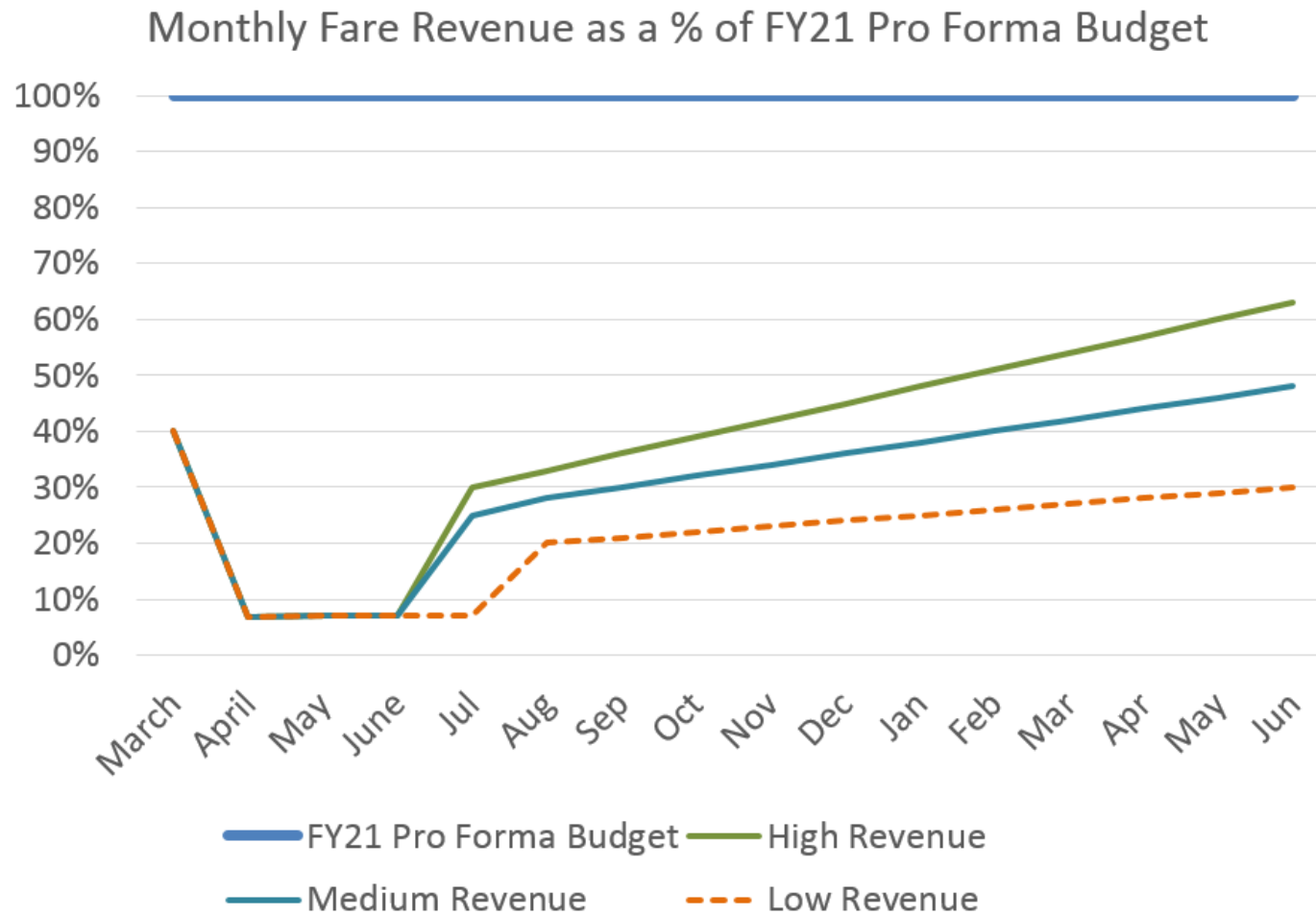
- “A dimmer, not a light switch” (restrictions to be removed gradually)
- Physical distancing will still be encouraged (for example, restaurants with half as many tables), masks encouraged
- Schools reopened under new protocols
- Large events remain prohibited
- May need to reassert some restrictions in response to COVID-19 resurgences
- Local health departments will have flexibility to respond to local conditions
- State capacity for COVID-19 testing and tracking will develop over time

FY21 Budget Scenarios

- CA Governor's plan and developing public health consensus – very challenging environment for transit until vaccine/herd immunity
- In response, staff have redefined low, med and high scenarios
- Our working assumptions for FY21:
 - Seniors and other vulnerable populations may avoid transit
 - Telecommuting will remain common for office workers
 - Fewer non-work/non-essential trips by all modes
 - Many potential riders will avoid trains too crowded for physical distancing
 - Severe recession/high unemployment will reduce work trips & tax revenue
- Great uncertainty remains - staff to refine projections using:
 - Guidance from state/local public health departments
 - BART operating and communications plans as they develop
 - Actual ridership data
 - Employment and economic data



FY21 Budget Assumptions



FY21 Budget Scenarios

| FY21 (\$M) | Apr 16 Estimates | | |
|---|------------------|--------------|--------------|
| | Low | Medium | High |
| Passenger Revenue | 120 | 189 | 238 |
| Parking Revenue | 14 | 19 | 21 |
| Other Operating Revenue | 14 | 24 | 27 |
| Sales Tax Proceeds | 176 | 198 | 238 |
| Other Financial Assistance | 191 | 184 | 186 |
| Federal Emergency Funding | - | - | - |
| State Emergency Funding | - | - | - |
| TOTAL - OPERATING SOURCES | 515 | 615 | 709 |
| | | | |
| Labor & Benefits | 636 | 636 | 636 |
| Power | 56 | 56 | 56 |
| Other Non-Labor | 168 | 168 | 168 |
| Bond Debt Service | 47 | 47 | 47 |
| Allocations | 109 | 109 | 109 |
| <i>Reductions -- additional detail on next slide</i> | | | |
| TOTAL - OPERATING USES | 1,016 | 1,016 | 1,016 |
| NET OPERATING RESULT | (501) | (401) | (307) |

FY21 Potential Cost Saving Actions

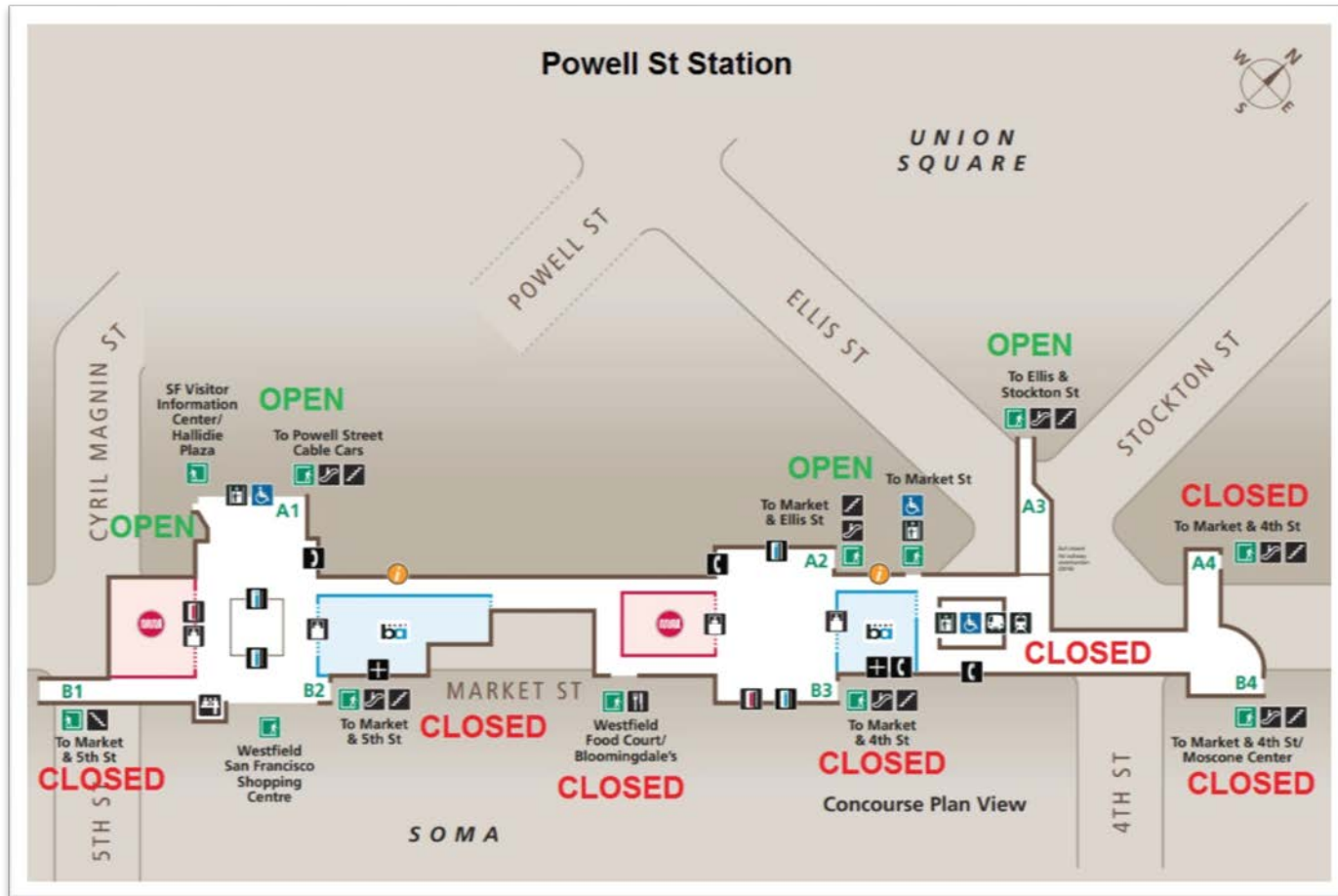
| Potential Reductions to FY21 Budget | Maximum Savings (\$M) | Notes |
|---|-----------------------|---|
| Hiring Freeze | (43.9) | Continue operating position hiring freeze (non-BPD) |
| Remove Lump Sum Payments | (3.7) | No lump sum payment due to lower ridership |
| Reduce Travel | (0.5) | Continue freeze |
| Other Non-Labor Reductions | (6.0) | Contracts, consulting, dues, memberships |
| Forgo 7/1/20 2.75% Increase for Non-Reps | (1.2) | Net operating impact, 12 months |
| Forgo 7/1/20 2.75% Increase for Rep'd EEs | (7.1) | Net operating impact, 12 months |
| Power Savings | (4.0) | Service levels will impact savings |
| Additional Load Shedding | (27.0) | Service levels will impact savings |
| <i>Reductions to Allocations:</i> | | |
| Allocation - Capital Rehabilitation | (8.6) | Prioritizes local match for FTA capital funds |
| Allocation - Priority Capital Programs | (61.8) | Depends on fare revenues/capital program status |
| Allocation - Sustainability from LCFS | (9.0) | Use funds for operations |
| Allocation - Pension | (10.0) | Reprogram to cover CalPERS contributions |
| Allocation - Other | (3.0) | Defer MET building repayment |
| TOTAL SAVINGS | (186) | |

FY21 Budget Timeline - Tentative

| Date | Topic |
|----------|---|
| April 23 | FY20 and FY21 Budget Update |
| May 14 | FY20 and FY21 Budget Update |
| May 22 | FY21 Budget Memo release (tentative) |
| May 25 | FY21 Sources, Uses, Service Plan and Capital Update |
| June 11 | FY21 Budget Public Hearing |
| June 25 | FY21 Budget adoption |

Temporary Station Entrance Closures

Powell Street Station



Front Line Safety Efforts

Masks Received Since Last Meeting

| N95 - 6000 | Surgical Masks - 5400 |
|--|------------------------------------|
| Critical Maintenance: Use rate 5/wk | Maintenance & Frontline 2 to 5/wk |
| Utility Workers - Fogging Trains/ Facilities | TVET for working Motor Control Box |
| Grounds Applicators | Station Agents |
| High Touch: Use rate 3/wk | AFC Techs |
| BART Police | Capital Construction Crew |
| Mainline Technicians | Track/ Structures workers |
| System Service Workers | Electricians |
| End of Line Cleaners | Building Workers |
| Grounds Workers | Train Operators |
| Limited Social Distancing use rate 3/wk | Field Supervisors & Foreworkers |
| Train Control Technicians | |
| Elevator Escalator Technicians | |

Masks On Order

| Type | Total Quantity Ordered | Pending Orders |
|--------------------|------------------------|--|
| N95 Mask | 94,370 | 1,500 (ETA 4/24) 670 (No ETA) 11,000 (No ETA) 20,000 (No ETA) 11,200 (Order placed 4/15, ETA Pending) 50,000 (ETA TBD Order scheduled to be placed 4/17) |
| KN95 Mask | 56,600 | 16,000 (ETA 4/15 MIA) 9,600 (ETA 4/13 pushed to 5/19) 4,000 (ETA 4/24) 12,000 (ETA 4/23) 15,000 (ETA TBD Order scheduled to be placed 4/17) |
| Poly Surgical Mask | 92,500 | 7,500 (ETA 4/14 Partial receipt 5,400; balance in transit) 10,000 (May TBD) 30,000 (ETA 4/17) 45,000 (ETA 4/18) |

Critical Personnel Attendance - Operations

| | April 13, 2020 |
|---------------------------------------|----------------|
| Critical Position - Operations | Availability |
| Train Operator | 89% |
| Station Agent | 87% |
| Operations Foreworker | 92% |
| Train Controller | 87% |
| Power Support Controller | 80% |
| Elevator Escalator Maintenance | 79% |
| System Service Workers | 87% |
| Traction Power Maintenance | 86% |
| Train Control Maintenance | 86% |
| Track & Structures Maintenance | 95% |
| Automatic Fare Collection Maintenance | 87% |
| Transit Vehicle Mechanic | 66% |
| Transit Vehicle Electronic Technician | 74% |
| Utility Worker/ Car Cleaner | 50% |
| RS&S Foreworker | 43% |
| Electronic Repair Shop Technician | 49% |
| eBART Vehcile Mechanics | 75% |
| eBART Track & Civil | 50% |
| eBART DMU Engineers | 84% |
| eBART Custodians | 74% |

Critical Personnel Attendance - Police

| | | April 13, 2020 |
|----------------------------|--|----------------|
| Critical Position - Police | | Availability |
| Lieutenants | | 92.3% |
| Sergeants | | 82.8% |
| Civilian Supervisors | | 80.0% |
| Police Officers | | 90.3% |
| Community Service Officers | | 68.6% |
| Fare Inspectors | | 33.3% |
| Dispatchers | | 89.5% |
| Police Admin Specialist | | 100.0% |

BART Police Department Citations Update

| | Proof of Payment | Criminal |
|---------------------|------------------|----------|
| March 2 – March 8 | 168 | 112 |
| March 9 – March 15 | 78 | 106 |
| March 16 – March 22 | 37 | 64 |
| March 23 – March 29 | 2 | 29 |
| March 30 – April 5 | 4 | 39 |
| April 6 – April 12 | 1 | 41 |
| April 13 – April 15 | 0 | 12 |

Employee & Labor Partner Engagement

Employee & Labor Partner Engagement

➤ Families First Coronavirus Relief Act - Emergency Paid Leaves:

- Emergency Paid Sick Leave (EPSL)
 - 2 weeks maximum
 - Various reasons Including symptoms, care of person with COVID-19, childcare
 - Over 500 applications received, 456 approved to date
 - Nearly 65% of those for childcare
- Emergency Family Leave
 - Childcare only, additional 10 weeks
 - 295 approved for EPSL carry over to EFLA, maximum 10 additional weeks
- 75% Intermittent

➤ Testing

- 32 employees have utilized the hotline
- 16 of the 20 employees who were referred to testing have results
 - all negative

