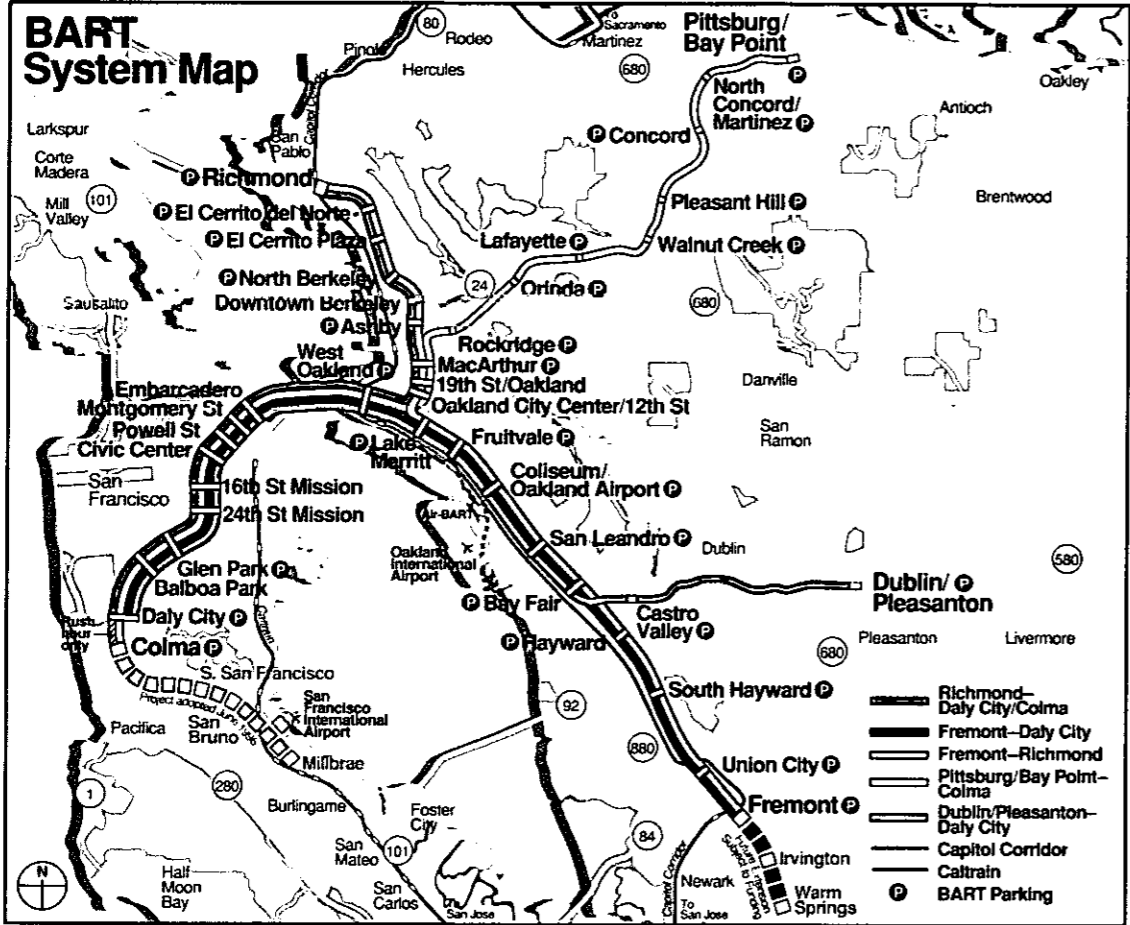


BART Fiscal Year Budget • 1999



A Strong Customer Focus



A Strong Customer Focus



District Goals

1. Provide a safe, reliable high-quality, and economical transportation service to the Bay Area community.
2. Deliver user-friendly services to all of our customers.
3. Empower employees to function as owners of the BART organization.
4. Provide an environment free of impediments to opportunities for employees and disadvantaged business enterprises, and one which encourages cooperation and develops an organizational team of highly motivated staff.
5. Develop BART services and facilities to expand District markets and capture new revenue sources.
6. Secure and manage the funds necessary to maintain and expand the system and to operate BART according to fiscally sound business practices.
7. Take the leadership role in integrating various features of regional transportation systems in policy, finance and operations.
8. Build constituencies at all levels of government to support the BART organization and its programs.



A Strong Customer Focus



As BART prepares for the new Millennium; a new generation of riders and potential employees learn about BART; about what goes on behind the scenes each day to keep the trains rolling, and the many jobs and disciplines it takes to accomplish the system's overall mission.

1	Table of Contents
<hr/>	
2	General Manager's Message
4	Board of Directors
5	BART Organization
6	FY99 Adopted Operating Budget
8	FY99 Financial Highlights
10	Customer Service
14	System Renovation
18	System Expansion
19	Capitol Trains
20	FY99 Performance Indicators and Standards
23	Executive Offices / Departments



General Manager Thomas E. Margro at the unveiling ceremony for the "Bringing the Bay Area Together for 25 Years" kiosks located throughout the system.

Message from BART General Manager

This fiscal year marks the beginning of BART's second quarter-century of service to the people of the Bay Area. The Budget Goals and Performance Highlights in the following pages present our financial blueprint for enhancing the quality of BART service in the last year of this century and poising the District for expanded service in the coming millennium.

It is a balanced, \$300.3 million spending plan that reflects the needs and expectations of our customers for safe, efficient, rapid rail service that links both sides of San Francisco Bay.

The spending plan reflects a strong customer focus across the organization. It also continues BART's commitment to helping provide paratransit service to people with disabilities in the Bay Area and compliance with the federal Americans with Disabilities Act.

It also reflects the beginning cycle of the return to service of our original BART cars. Each of the original 439 cars will be completely refurbished — top to bottom, inside and out — and refitted with the latest, most modern equipment, from train control electronics, motors and brakes, to new heating, air conditioning and lighting systems. The first of the refurbished cars were returned from the Adtranz plant in Pittsburg, Contra Costa County, in late FY98 and were undergoing testing. As we roll into FY99, eight cars per month are scheduled to be recycled into daily service.

West Bay Extensions

The mission of West Bay Extensions is to extend the BART System into San Mateo County, including a station at San Francisco International Airport, on schedule and within budget.

Goals	Objectives
Manage and develop the San Francisco Airport Extension.	Award contract 12YU-130 (San Bruno Station) in Summer 1998. Award contract 12YU-120 (South San Francisco Station) in Fall 1998. Complete 75 percent of procurement of Right-of-Way by June 1999.
Manage and coordinate the interface with the San Francisco Airport.	Establish schedule, oversight and management of the construction as required for BART work being done at the airport.
Complete necessary agreements with third parties.	Complete required agreements with alignment cities, special districts and boards. Prepare a database and reporting system to monitor compliance with agreements.
Communicate project information to all communities along the extension alignment.	Provide the telephone Infoline for the project. Provide presentations monthly to businesses, residents and local groups. Provide a school safety program for schools along the alignment.
Comply with all permits and requirements of all regulatory agencies.	Maintain all the environmental permits as required.

Summary of Budget FY 99

Operating Labor	\$	0
Operating Non-Labor	\$	0
Operating Total	\$	0
Capital/Reimb. Labor	\$5,061,271	
FTE Staff		49.0
Operating		0.0
Capital/Reimb.		49.0

Transit System Development

The mission of Transit System Development is to satisfy our customers' needs by building quality Capital Projects that expand and renovate BART safely, on schedule and within budget.

Goals

Manage the Dublin/Pleasanton Extension (DPX) and the Pittsburg/Antioch Extension (PAX) close-out.

Manage projects for the renovation, improvement and modernization of stations, shops and structures, systems, and Automatic Fare Collection Equipment (AFC).

Provide project management and engineering required for the rehabilitation of the original 439 A- and B-cars.

Recommend contract award for 28 C-3 rail vehicles.

Close out the C-2 project.

Objectives

Complete closeout of all contract issues.

Effect full turnover of facilities to Operations.

Continue implementing projects in renovation and/or replacement of the existing stations, shops and structures, systems, and AFC equipment.

Continue to oversee assembly, inspection and testing to insure conformity with technical and commercial requirements of the contract. Oversee adherence to warranty requirements.

Execute contract and provide notice to proceed to recommended contractor.

Oversee preliminary design efforts.

Completely close out all contract issues.

The budget also provides for the continued replacement and restoration of BART's aging station elevators and escalators and the further expansion of our station modernization program, in which the original stations, like the original fleet of BART cars, are completely refurbished and brought back to optimum condition.

Restoration of the cars and stations are cornerstones of our ongoing, 10-year, \$1.1 billion Systemwide Renovation Program. This year's budget continues the program, with much of the behind-the-scenes work — like expansion of the Concord Maintenance Shop — aimed at increasing system reliability.

In the coming months we will also continue to install our NXTGEN, 21st century train control and computer monitoring systems, while we simultaneously work on BART's radio-based Advanced Automatic Train Control (AATC) system. NXTGEN and AATC will allow us to put more trains on the system at a time and carry more passengers, especially through the heavily used Transbay Tube. Already, nearly half the people who commute across the Bay each weekday take BART through the Transbay Tube.

The budget also calls for taking another major step in BART's ambitious Station Car program by making more electric cars available to more customers at more BART stations.

This year BART will also assume management responsibilities for the Capitol Corridor intercity rail service between Colfax, north of Sacramento, and San Jose, at the southern tip of San Francisco Bay. The expanded service will allow BART to become the regional rail system for the Greater Bay Area, providing rail links for people from the State Capital to the capital of Silicon Valley.

This past year BART joined the ranks of the National Aeronautics and Space Administration (NASA) and the Jet Propulsion Laboratory (JPL) when the American Society of Mechanical Engineers named BART a National Engineering Landmark. Not one to rest on our laurels, the coming months will see BART begin the major construction of the long-awaited extension of BART directly into San Francisco International Airport (SFO) and a major intermodal facility at Millbrae, south of the airport.

This nine-mile, four-station expansion of BART's current 95-mile, 39-station system represents the second and final stage of the \$2.3 billion expansion program we began less than a decade ago. We have already added 24 miles of track and five stations to the original system, including four stations in the East Bay and one south of San Francisco. The BART-SFO link will further enrich the Bay Area by offering systemwide service to the people of the Peninsula, and easy access between the East Bay and the Peninsula. The BART-SFO Extension is expected to draw nearly 70,000 passengers per day, including approximately 18,000 daily riders to and from the airport.

But no blueprint can be followed without the professional efforts of the men and women who follow its designs throughout the year. BART and the people of the Bay Area are fortunate to have a top-flight team of employees and managers who care about the system and the people it serves.

That is how BART has been able to bring the Bay Area together for 25 years.

J. E. Margro

Summary of Budget FY 99

Operating Labor	\$98,510
Operating Non-Labor	\$10,300
Operating Total	\$108,810
Capital/Reimb. Labor	\$6,528,696
FTE Staff	63.0
Operating	1.0
Capital/Reimb.	62.0

BOARD OF DIRECTORS



Dan Richard
District 1
Contra Costa County



Joel Keller, Vice President
District 2
Contra Costa County



Roy Nakadegawa
District 3
Alameda-Contra Costa
Counties



Margaret K. Pryor
District 4
Alameda County



Peter W. Snyder
District 5
Alameda-Contra Costa
Counties



Thomas M. Blalock
District 6
Alameda County



Willie B. Kennedy
District 7
San Francisco-Alameda-
Contra Costa Counties



James Fang, President
District 8
San Francisco County



Tom Radulovich
District 9
San Francisco County

Police

Goals

Provide efficient and effective police service to the customers and employees of the District utilizing state-of-the-art automated systems, communications technology and highly trained personnel.

Reduce the number of misdemeanors and felonies committed by juveniles while on District property through a policy of strict enforcement of all infractions.

Reduce incidents of graffiti and vandalism on BART by organizing a "task force" involving police, transportation, maintenance and other support departments within BART.

Objectives

Continue improving departmental organization, facilities, and resources to enhance customer relations through community policing.

Maintain average emergency response time at eight minutes or less.

Coordinate and conduct training to meet Police Officer Standards and Training (POST) and departmental needs.

Continue weekday "Safe Passage" program by assigning officers to cover specified trains used by students in grades K through 12 traveling to and from school.

Assign officers to visit primary and secondary schools in close proximity to the BART system to develop and build a stronger relationship between police and students.

Continue assigning BART police personnel to school truancy patrol during the school year, in partnership with participating school districts and local law enforcement agencies.

Continue to coordinate with Marketing Department to promote anti-graffiti and vandalism messages by:

- Increasing uniform police presence on trains;
- Enforcing quality of life violations by adopting zero tolerance enforcement policy on trains.

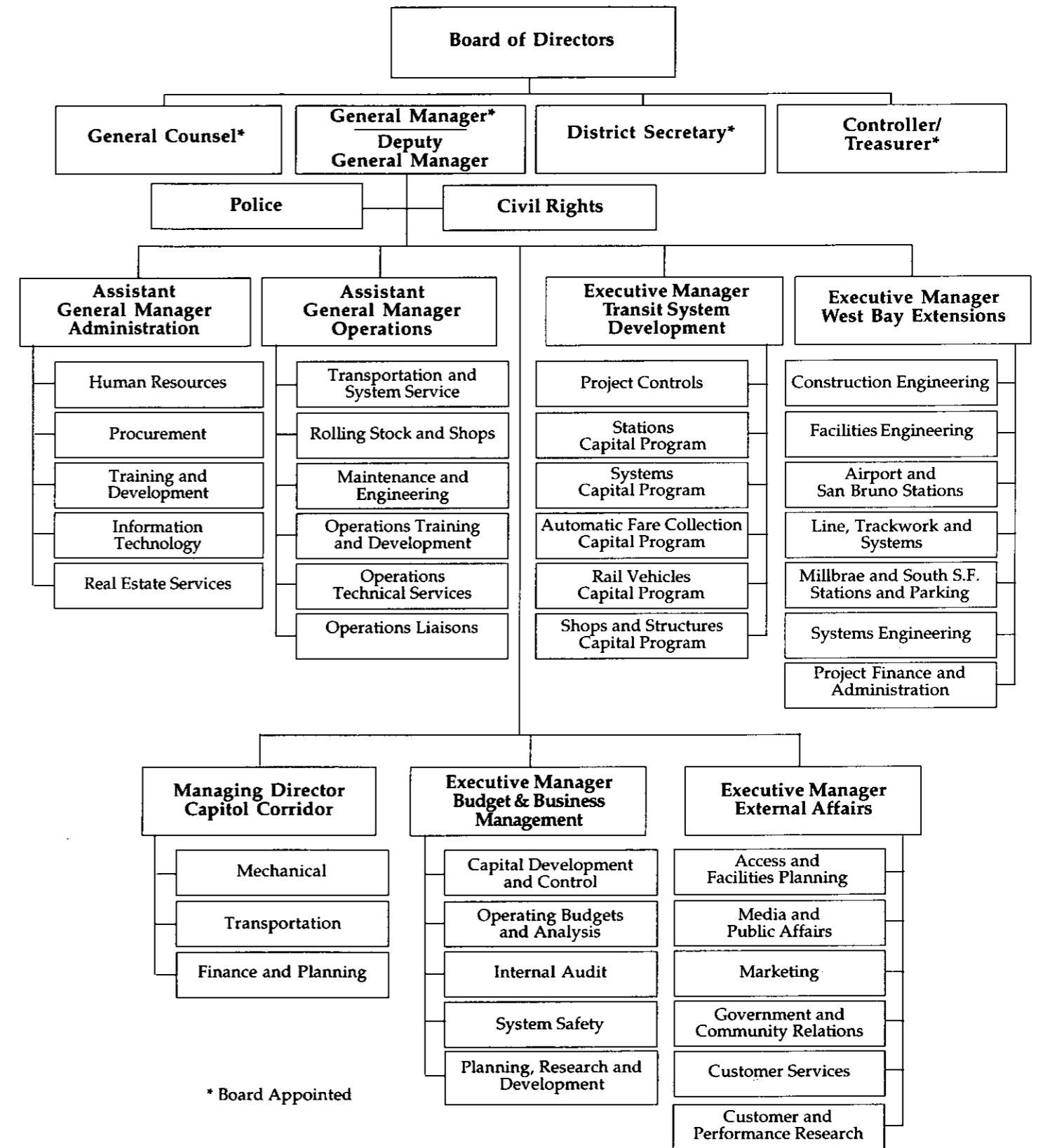
Nine elected directors form the Board of Directors of the San Francisco Bay Area Rapid Transit District. The current board president is James Fang of District 8.

Police

The mission of the Police Department is to provide a safe and secure environment for the District's patrons and employees as well as ensuring that BART assets are safeguarded against misuse or misappropriation. The department is responsible for uniformed patrol, criminal investigations, the Police Communications Center, BART revenue protection, special police related programs and special enforcement.

Summary of Budget FY 99	
Operating Labor	\$20,857,442
Operating Non-Labor	\$688,524
Operating Total	\$21,545,966
Capital/Reimb. Labor	\$73,208
FTE Staff	258.0
Operating	257.0
Capital/Reimb.	1.0

BART ORGANIZATION



**Adopted Operating Budget
Fiscal Year 1999**

Income Statement

(\$Thousands)

	FY98 ADOPTED BUDGET	FY99 ADOPTED BUDGET
REVENUES		
Net Rail Revenue	\$ 161,399.5	\$ 168,200.0
Express Bus & Shuttles	695.1	500.0
Net Passenger Revenue	\$ 162,094.6	\$ 168,700.0
Interest Revenue	7,278.4	7,310.0
Other Operating Revenue	3,807.3	7,106.3
TOTAL OPERATING REVENUE	\$ 173,180.3	\$ 183,116.3
EXPENSES		
Net Labor	\$ 210,181.0	\$ 215,744.7
Express Bus Service	1,885.7	1,850.0
Shuttle Service	102.0	105.0
ADA Services	6,060.3	6,846.4
Purchased Transportation	2,628.0	3,160.7
Traction & Station Power	18,841.1	20,740.0
Other Non-Labor	46,743.1	51,836.8
TOTAL OPERATING EXPENSES	\$ 286,441.2	\$ 300,283.6
OPERATING DEFICIT	\$ (113,260.9)	\$ (117,167.3)
TAX & FINANCIAL ASSISTANCE		
1/2¢ Sales Tax (75%)	\$ 142,731.1	\$ 150,724.0
Property Tax	13,145.1	13,670.9
SB 1335 (STA)	1,074.5	538.0
TDA & Other Assistance	427.5	245.0
San Mateo County Subsidy	0.0	0.0
Cost Allocation Plan Assistance	0.0	0.0
Debt Service Allocations	(38,817.3)	(42,310.6)
Capital & Other Allocations	(5,300.0)	(5,700.0)
NET FINANCIAL ASSISTANCE	\$ 113,260.9	\$ 117,167.3
FINANCIAL RESULT (DEFICIT)	\$ 0.0	\$ 0.0
Rail Farebox Ratio	59%	58%
Farebox Ratio	57%	56%
Operating Ratio	60%	61%
Passenger Miles (000)	1,010,158.3	1,041,476.9
Rail Cost/Passenger Mile	27.30¢	27.68¢

Goals

Objectives

Meet average weekday ridership target of 271,400 customers per day.

Evaluate ridership levels and patterns for special events as well as regular service. Analyze customer loads and resize trains at least eight times per year.

Maintain daily customers on-time target of 94%.

Improve the average arrival time of customers at their destinations.

Analyze customer on-time performance and institute corrective actions to improve delay management in Central.

Provide technical assistance to trains failed in revenue service, and decrease response time from present 3.0 to 2.5 minutes during peak coverage.

Provide 24-hour support to wayside maintenance activities. Track daily problems and respond accordingly.

Maintain vehicle mean-time between failures at 1,200 hours.

Perform preventive maintenances (PM's) at 600-hour intervals for A, B and C-Cars. Maintain average service failure rate of 7.5 incidents per 1,000 car hours. Complete 98% of scheduled PM on revenue vehicle components on time.

Maintain station equipment to provide high customer availability.

Schedule and complete PMs monthly to provide 97% availability for elevators, and 94% availability for street escalators, 96% for platform escalators, 95% availability for AFC gates and 90% availability for AFC vendors.

Maintain station environment. Provide clean and attractive station and wayside facilities for our customers and neighbors.

Provide facilities repairs, grounds and irrigation maintenance, and debris removal Districtwide. Respond to routine maintenance requests within 48 hours and emergency requests within 4 hours. Meet or exceed the Passenger Environment Survey (PES) rating goals for station environments.

Maintain the operating infrastructure.

Perform the required inspection maintenance and repair of the track, structures, train control and computer systems that support quality service. Support Operations with quality and responsive engineering services.

Improve Employee Development.

Provide the required technical certifications and new employee training. Enhance leadership skills and development.

FY99 Operating Budget Sources and Uses of Funds

Office of Operations

The mission of Operations is to establish the standard of excellence by which our industry is measured: Outstanding Customer Service, Operational Safety, Service Reliability, Station and Facilities Maintenance and Aesthetics, and Employee Development.

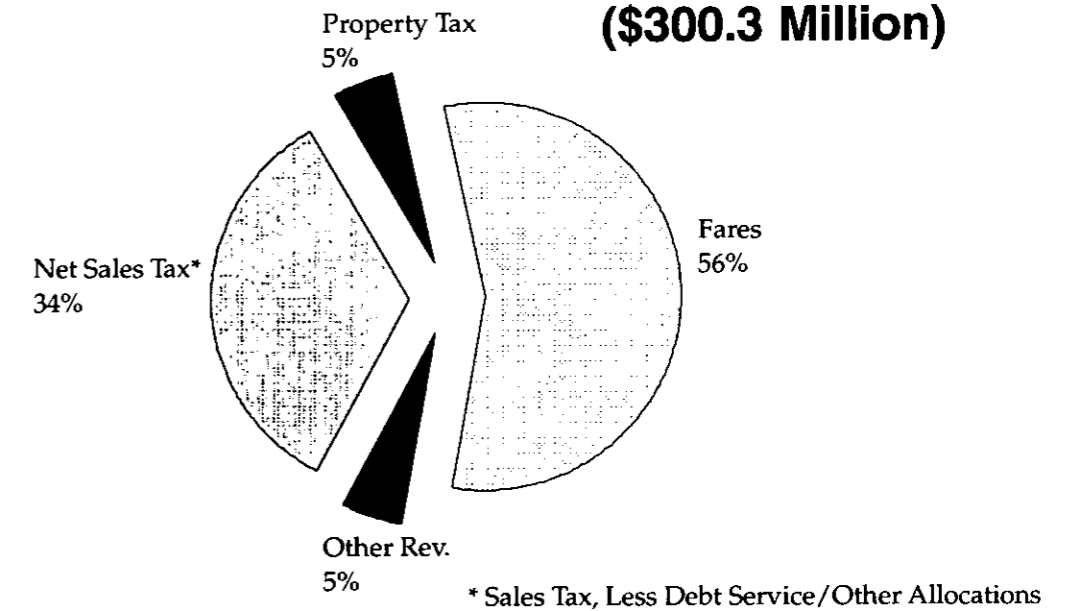
In support of a safe, reliable transportation service to the Bay Area communities, the Operations Departments provide the required daily complement of safe, reliable, and clean revenue vehicles, and a high quality, economical and efficient maintenance program for systems and facilities. The Operations Departments provide the technical information and documentation support necessary to improve, maintain, and preserve the District's infrastructures.

The Operations Departments support quality of job performance by providing continuous technical and professional development training to all Operations employees.

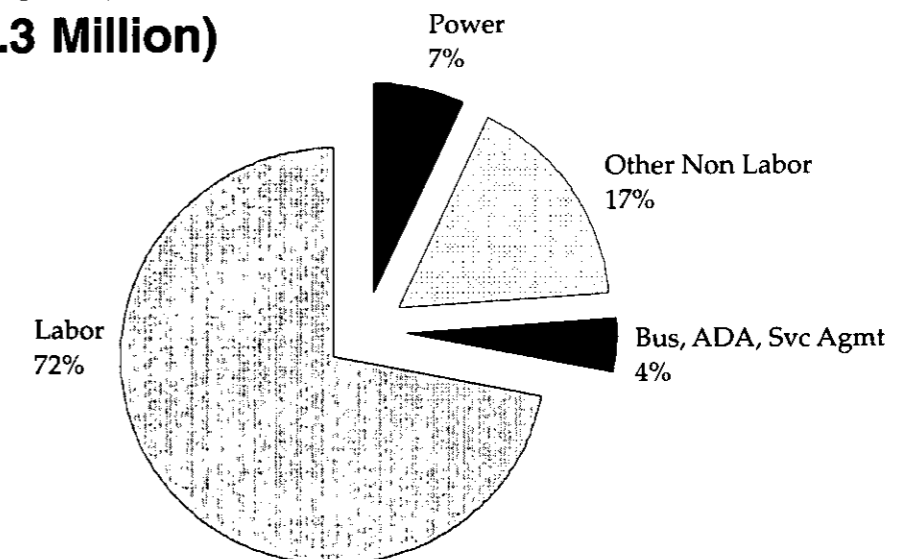
Operations is a leader in taking an active approach to improving the quality of the working environment, thereby enhancing the quality of service provided to the District's customers and the well-being of our employees.

Summary of Budget FY 99	
Operating Labor	\$160,741,548
Operating Non-Labor	\$ 25,176,075
Operating Total	\$185,917,623
Capital/Reimb. Labor	\$ 15,066,020
FTE Staff	2,471.5
Operating	2,288.5
Capital/Reimb.	183.0

Sources of Funds (\$300.3 Million)



Uses of Funds (\$300.3 Million)



FINANCIAL HIGHLIGHTS FY99

The balanced \$300.3 million FY99 Operating Budget secures the District's overall goal of enhancing customer service by improving operating performance with existing resources. It makes modest, reasonable assumptions about the growth in ridership and revenues based on historic trends and economic currents. The budget provides *no* increase in fares.



BART will continue to field 56 trains, comprised of 487 cars, on 698 weekday dispatches along the 95 miles of track and in the 39 stations that serve approximately 270,000 passengers each weekday.

The FY99 Operating Budget identifies \$5.7 million in new operating revenues and spending reductions, including \$1.9 million in net administrative cost reductions, a \$1.6 million increase in non-fare revenues, \$2.0 million in bond debt service cost reductions, and a \$0.2 million drop in power costs from reduced car miles.

The \$5.7 million will be applied to increased operating needs (\$4.5 million), information technology (\$0.9 million), and the cost of the teenage student discount program (\$0.3 million). Under the teenage student discount program, middle and high school students enrolled full time in schools in the BART District and San Mateo County will be allowed to purchase BART tickets at a 25 percent discount. The program, which takes effect in September 1998, is limited to 3,000 tickets per month and will be administered by the schools. The budget assumes an overall 5 percent increase in ridership, to 79.4 million passengers from 75.7

million in FY98, and in passenger miles, to 1.04 billion from 998 million in FY98. Average weekday ridership is projected to grow by nearly 3 percent and the additional week of service in FY99 will account for the remaining 2 percent growth in ridership. The average length of a passenger trip is expected to increase to 13.11 miles from an estimated 13.06 miles the previous fiscal year.

Under the FY99 budget, the rail cost per passenger mile is projected to fall by 2 percent, to 27.7 cents from 28 cents in FY98. Cost per passenger mile increased at an annual average rate of 2.3 percent over the last 12 fiscal years, well within the average 3.2 percent annual increase in the Consumer Price Index during the same period. The budget shows 13 new full-time equivalent positions offset by the elimination of 11.5 vacant full-time equivalents in administrative areas for a net increase of 1.5 and a total operating work force of 3,011. The budget contains nine new full-time positions to conform with Americans with Disabilities (ADA) requirements, three new Information Technology programmers, and a net increase of one line service position. Administrative and management staffing will remain at 15 percent of the labor force, where it has been since FY96.

The FY99 Operating Budget forecasts:

- \$183.1 million in total operating revenue, which includes passenger revenues, interest earnings and other operating revenue;
- \$117.2 million in tax and financial assistance (net of debt service and allocations), including \$150.7 million in revenue from BART's 75



Office of External Affairs

Goals

To develop cost effective programs which directly contribute to building rider satisfaction.

To build and sustain BART support at the legislative and community levels in order to achieve funding for future BART efforts.

To position BART as a valuable regional resource to BART non-riders as well as riders.

To communicate BART's programs to its users and funders through building an image and perception that BART is key to the region's livability.

Objectives

To establish incentives to promote use of the BART system to new riders, particularly in the off-peak periods.

To monitor and coordinate BART activities to assure compliance with the Americans with Disabilities Act.

To provide tactical approaches to leverage BART's programs with other regional transit partners.

Establish a strong media and public information campaign which supports BART's positive image as a regional resource.

Office of External Affairs

The mission of External Affairs is to develop and manage execution of the District's strategic communications and access programs, to build and sustain requisite legislative, public and community advocacy and support for future BART initiatives; to generate and maintain ridership and revenue, to ensure compliance with the Americans With Disabilities Act; to maximize customer facilities and system usage; to coordinate bus and paratransit services; and to position BART as a transit leader in the Bay Area region, the nation and international transit industry.

Summary of Budget FY 99	
Operating Labor	\$ 4,251,543
Operating Non-Labor	\$14,353,889
Operating Total	\$18,605,432
Capital/Reimb. Labor	\$ 149,191
FTE Staff	61.0
Operating	59.0
Capital/Reimb.	2.0

percent share of the 1/2-cent sales tax that is collected in the three counties that comprise the BART District (Alameda, Contra Costa and San Francisco), and \$0.8 million in regional and state funds;

- \$300.3 million in operating expenses, including \$215.7 million in net labor, \$20.7 million in traction and station power, \$6.9 million for paratransit services to conform with the Americans with Disabilities Act (ADA), \$1.1 million to San Mateo County per the Colma/SamTrans agreement, and \$2.1 million in transfer payment to the San Francisco MUNI.
- A 61 percent Operating Ratio, up from 60 percent in FY98. (The ratio is calculated by dividing total operating revenues by total operating expenses.)

Following the first full fiscal year of experience with all five extension stations opened and trains operating on an additional 24 miles of track, BART will be able to reduce car miles by 1.9 percent, to 58.2 million from a budgeted 59.3 million in FY98, by optimizing "make/break" operations in the off-peak hours on selected trains where load factors are well below 1.0. Reducing car miles yields savings in power consumption, routine maintenance labor and materials, and leaves resources available to maintain the aging fleet of cars.

Additional resources will be redirected to meet increased operating needs, including:

- \$1.0 million for additional train operators and overtime to maintain and work to improve on-time performance;
- \$1.8 million in materials to maintain the aging core system and to improve vehicle reliability;
- \$0.8 million for elevator and escalator maintenance and cleanliness programs aimed at fulfilling ADA-related requirements;



The Operating Budget allocates \$51.8 million in other non-labor costs, a \$5.0 million increase over the previous fiscal year. The total assumes 3 percent inflation on materials and services offset in part by a \$0.7 million savings in administrative costs.

The BART Police Operations is budgeted at \$21.5 million, up slightly from FY98. The department will continue its highly successful Together Against Graffiti—TAG Team—operation to eradicate graffiti and vandalism to BART property. Some 110 TAG

Team arrests have been made since the program was inaugurated in early 1997.

Debt service in FY99 will rise to \$42.3 million from \$27.5 million in FY98 but down nearly \$10.0 million from the \$52.1 million that was predicted in last year's Short Range Transit Plan. The saving comes from the sale of \$349.0 million in revenue bonds at new, lower interest rates. Of the total bond subscription, \$220.0 million went to refinancing older, more costly bonds, while \$129.0 million is committed to BART's Capital Improvement Program (CIP).

Capital projects in the FY99 Budget include:

- Sustained production rate of eight renovated A and B cars per month;
- Complete replacement of 19 station escalators and overhaul of approximately 30 percent of the remaining escalators;
- Overhaul of 39 station elevators;
- General station renovations at Powell, El Cerrito del Norte, Lafayette and Union City;
- Automatic Fare Collection (AFC) equipment modernization;
- Begin construction of intermodal transit center improvements at the Richmond, El Cerrito Plaza, Fruitvale, South Hayward, Union City and Fremont stations;
- Begin construction for expansion of the Concord Shop.

CUSTOMER SERVICE

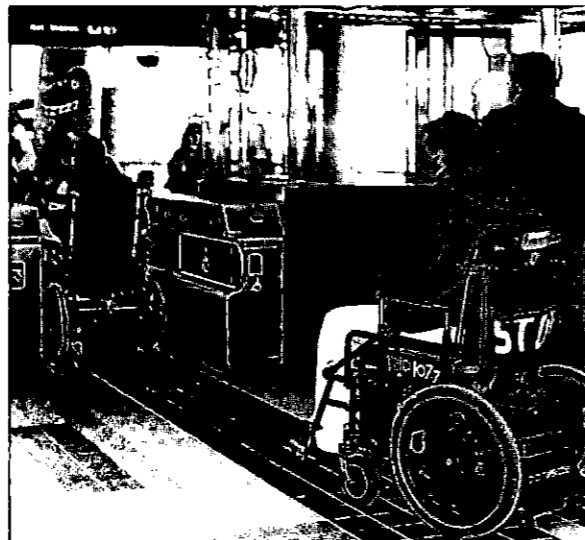
Everyone at BART; from one end of the organization to the other, is in the business of customer service. From the station agent or train operator, who interacts with the rider everyday, to the mechanic in the pit who works to produce the required number of cars for service each day—it's customer service.



Mobility for the disabled has always been a key priority at BART. The goal is to provide easy access by ensuring that system equipment such as elevators, escalators and automatic fare equipment operate at optimum levels.



With 176 sworn officers and 40 non-sworn Community Service Assistants, BART Police provide a strong presence around the system.



Civil Rights

Goals

Objectives

Monitor and facilitate DBE participation in overall District contract activity.

Attain 21% DBE participation of total value of District federally assisted contract activity valued at \$50,000 or more.

Assure nondiscrimination in District non-federally assisted contract activity.

Monitor 100% of reviewed non-federally assisted subcontractor activities in contract awards totaling \$50,000 or more for nondiscrimination compliance.

Monitor and administer District EEO/AA Program.

Complete preliminary update of revised program by September 30, 1998.

Complete triennial assessment by August 31, 1998.

Report, counsel and investigate discrimination complaints.

Respond to internal complaints within 7 days of receipt.

Resolve or initiate complaint investigation within 30 days.

Coordinate, document and report status of Title VI compliance.

Complete Title VI update by August 31, 1998.

Conduct Labor Compliance and EEO/AA Monitoring.

Monitor and audit 90% of all District contract activities valued at \$10,000 or more.

CUSTOMER SERVICE

Administering an off-site ticket sales program for "high-value" tickets, BART Plus tickets and discount tickets



Transtar brings customer trip planning by BART's phone information staff.

Civil Rights

The mission of Civil Rights is to develop and coordinate the full implementation of the District's programs to assure Equal Employment Opportunity (EEO), Disadvantaged Business Enterprise (DBE) participation and equity in the provisions of transit services and related benefits (Title VI), in compliance with local, state and federal procedures and regulations.

Summary of Budget FY 99

Operating Labor	\$989,703
Operating Non-Labor	\$109,067
Operating Total	\$1,098,770
Capital/Reimb. Labor	\$151,361
FTE Staff	15.0
Operating	13.0
Capital/Reim	2.0



CUSTOMER SERVICE



Customer service is maintenance of the 95-mile system and 669 transit cars 24-hours-a-day, seven-days-a-week in support of their direct customer: Operations.



Capitol Corridor

Goals

Support the Capitol Corridor Joint Powers Board and the Capitol Corridor Executive Director in contract and business administration, business promotion and fund monitoring.

Manage and provide oversight to the operation of the Capitol Corridor Service.

Oversee the operation of existing and new rail and bus service and integrate new service as approved.

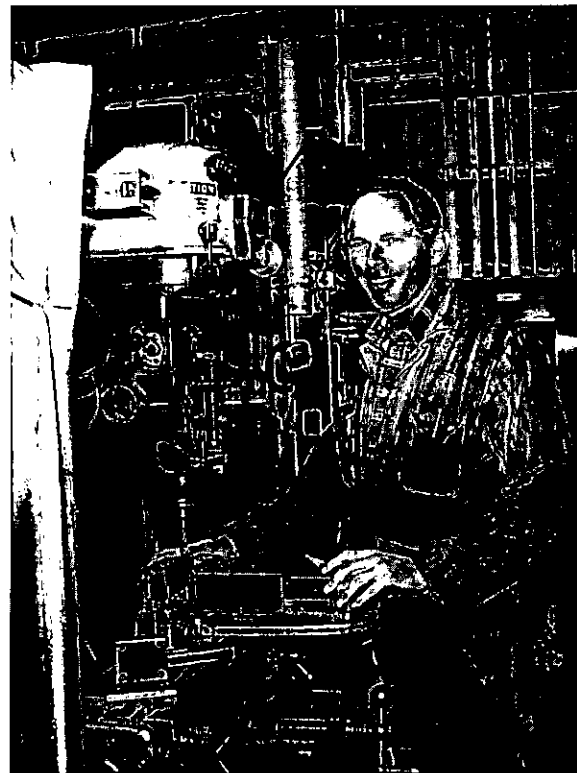
Objectives

Take over the service on, or before, July 1, 1998.
Conclude a new contract with Amtrak by May 20, 1998.

Extension of service to Colfax began on January 26, 1998.

If funded, start the fifth and sixth trains in October, 1998.

Improve the reliability of the service, on-time percentage, and reduce randomness of delay times.



Capitol Corridor

The mission of the Capitol Corridor Team is to provide reliable, timely and professional administrative support to the Capitol Corridor Joint Powers Board (CCJPB) in its management of the Capitol Corridor Service. The CCJPB is a sixteen-member joint powers entity representing the eight counties of the Corridor (Placer, Sacramento, Yolo, Solano, Contra Costa, Alameda, San Francisco, and Santa Clara) and members of the BART Board of Directors represent the three counties of the District.

BART is designated as the Managing Agency for the CCJPB and, as such, has established a Capitol Corridor management staff.

The Capitol Corridor Service consists of a 185-mile rail corridor between Colfax and San Jose that parallels Interstate 80 and 880 and is extended through a dedicated feeder bus system serving Eureka, Monterey, Santa Barbara, Redding, Santa Cruz, Grass Valley, as well as Carson City and Reno, Nevada.

Summary of Budget FY 99

Operating Labor	\$	0
Operating Non-Labor	\$	0
Operating Total	\$	0
Capital/Reimb. Labor	\$648,611	
FTE Staff		6.0
Operating		0.0
Capital/Reimb.		6.0

CUSTOMER SERVICE



We will continue to conduct new outreach events this year by providing an in-station ticket exchange so that customers could consolidate their value residual tickets for higher value tickets. Customers were very pleased with the event and learned how to use the addfare equipment in our stations. Staff continued to expand upon their responsibilities by taking time from their busy schedules to participate in different Customer Service initiatives in the stations. So, in addition to the improvements to the facilities and infrastructure through the Systemwide Renovation Program, we are continuing to improve our relationship with our customers.



Customer service is a Communication Specialist in the control center providing timely passenger announcement in BART stations, and keeping traffic reporters informed of service. This is just one of the many critical customer service functions performed in the control center each and every day.

SYSTEM RENOVATION...

A Prelude To Millennium



As BART begins its 26th year of service to the people of the San Francisco Bay Area, it also enters its fourth year of a critical \$1.1 billion program to renovate the system infrastructure, top to bottom, and the original fleet of 439 transit cars. By the end of this past fiscal year, which ended June 30, 1998, we had about 60 percent of the work underway on this ten-year program.

In fiscal year 1999 and in the years ahead, BART will continue, through the System Renovation Program, working to provide optimum on-time performance, safe and comfortable station and train environments, and enhanced system accessibility.

It is projected that by the end of the year, BART will have 100 fully renovated transit cars delivered by the vendor Adtranz.



Office of Budget & Business Management

Goals

Objectives

Support the Board's development of a long range strategic plan for the District.

Support completion of the plan according to guidelines and schedules set by the Board.

Update the Short Range Transit Plan (SRTP) and Capital Improvement Program (CIP) including forecasted ridership, revenue and operating costs, and capital needs and funding sources, all based on future operating plans.

Deliver draft SRTP and CIP to Metropolitan Transportation Commission (MTC) on time and produce appropriate plans and forecasts.

Prepare and submit the FY2000 Operating and Capital Budgets.

Prepare and submit budget documents according to schedule.

Monitor, control and report the District's Operating financial results throughout the fiscal year.

Ensure that BART stays within the operating budget, including dollars and head count as well as capital head count.

Monitor and control the District's Capital Program budgets and funding plans.

Prepare and maintain capital project budgets, issue cost performance reports, monitor the cost allocation plan and set up capital work orders.

Secure external funding for District's Operating and Capital Programs.

Develop and submit grant application documents, including Renovation and Extensions Programs. Negotiate and execute grant funding agreements.

Promote development of BART extensions and special projects.

Advance projects toward implementation and continue to monitor and pursue grant funding and future planning efforts.

Monitor, control and report the District's power expenses and pursue power cost reductions.

Pursue power cost reduction opportunities and energy efficiency actions and forecast electric power and gas expense.

Perform financial and performance analyses districtwide.

Ensure that all analyses are completed accurately and as scheduled.

Continue to study, develop technology and demonstrate benefits of advanced technology solutions.

Complete studies, reports, tests and documentation per schedules.

Conduct audits of all major District related finance transactions, contracts, systems and operations.

Ensure that claims, audits, reviews and follow-ups are completed on time.

Coordinate all external audits.

Ensure external audits are adequately coordinated.

Investigate and provide statistical analysis on accidents, injuries and operational incidents.

Reduce accidents, incidents and employee lost time from levels reported in FY97 QPR.

Office of Budget & Business Management

The mission of Budget and Business Management is to provide the planning and analytical resources BART needs to:

- Plan for the future
- Develop and allocate resources to support these plans
- Mitigate financial and operational risks

Summary of Budget FY 99	
Operating Labor	\$7,734,656
Operating Non-Labor	\$24,406,642
Operating Total	\$32,141,298
Capital/Reimb. Labor	\$1,685,744
FTE Staff	102.0
Operating	83.0
Capital/Reimb.	19.0

SYSTEM RENOVATION

• Station Renovation

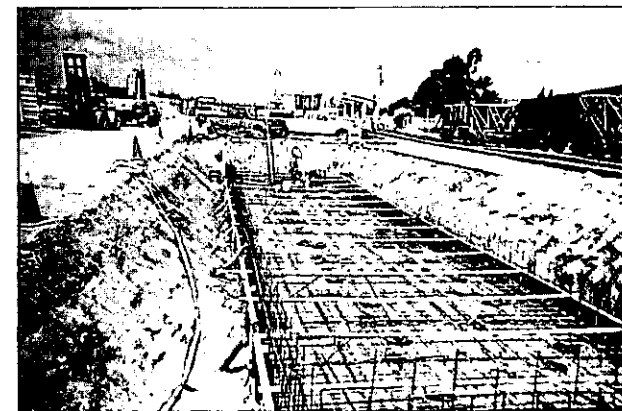
BART stations continue undergoing substantial renovation with new and refurbished lighting systems, landscaping, irrigation systems, restrooms, and platforms. Additionally, for enhanced patron security, 225 911-Emergency Call Boxes have recently been installed at 28 station parking lots and three BART Park & Ride lots. Further passenger safety improvements have resulted from the completion of the long-wearing, slip-resistant stair treads on the steps and landings at the Berkeley, 12th Street/City Center, 19th Street, Montgomery and Balboa Park stations.



(right) Demonstration of Emergency Call Box at Lake Merritt Administration Building.

• Shops and Structures Renovation

Upgrades for BART shops and support facilities continue with several projects beginning construction in the coming months including Security Improvements at the Richmond Yard, Replacement of the Metro Center Fuel Tank, Construction of a new Traction Motor Repair Facility in Hayward and Renovation of the Transportation Buildings at Hayward, Richmond and Concord Yards. Most of these improvements in the Shops area of BART are not readily apparent to the patron, but are needed to increase the reliability of the system.



Construction of the inspection facility at the Hayward/Whipple Yard.

SYSTEM RENOVATION

• Reliability

Systems renovation projects intended to improve the overall reliability of train operations and customer service are being implemented with an increasing number of projects at or near completion.

The Advanced Automatic Train Control (AATC) project is moving into final system design of the Phase 2 Revenue Service demonstration scheduled for late 1999. A contract for Phase 2 work with an option for Phase 3 implementation from Bayfair to Daly City was signed and both BART's and the Contractor's design teams are fully mobilized. When complete, the AATC system will increase passenger carrying capacity, as well as improve vehicle fleet utilization and schedule keeping reliability.

The overall reliability of the traction power system will be improved with the replacement of interrupters in the 35 kV circuit breakers, the replacement of components in 1000 Vdc breakers, and the addition of a redesigned fastener system to prevent third rail cover boards from becoming loose inadvertently.

In the computers and communications area, the new high capacity and high speed communication network was placed in operation providing the ability to link all stations and other facilities to Central Control. The new Unix Computer System is being tested and has achieved an exciting major milestone event by successfully completing an in-service operational test for a full weekend day during revenue service hours.

• Escalators

The replacement of nineteen escalators at the entrances to six San Francisco stations is near completion with sixteen new escalators currently in service. The contract for the rehabilitation of one hundred twenty existing escalators throughout the District has been signed and four of the escalators have been taken out of service for the repair work.

The Districtwide elevator overhaul program was implemented and 3 elevators have been removed from service under the new contract. The contract work includes general cleaning of the existing elevators, replacement or repair of mechanical equipment, code upgrades, and floor replacement.



Installing Balustrade panes at Embarcadero Station.

Office of Administration

Goals

Seek, attract and retain highly qualified candidates through standard and customized recruitment/selection and targeted outreach activities for all District positions.

Provide training and development experiences to District employees.

Purchase all inventory and non-inventory goods and services within established procedures, laws and regulations in a timely manner and at the most favorable price.

Manage a central Data Center to provide 24 hours a day, 7 days a week, access for all computing needs, and provide stable, secure and accessible mainframe computer software to support the District's information needs.

Perform all right of way functions for SFO Extension and other BART projects by providing appraisal, acquisition, relocation, property management and oversight services as necessary.

Manage real property assets so as to protect integrity of District's operating and administrative facilities.

Increase transit ridership through construction of public/private development projects on District's owned properties.

Objectives

Post, screen and test as needed to establish applicant pools to support staffing needs.

Develop and facilitate outreach activities to identify target candidates.

Provide employee orientation, general training and development, and administer educational assistance for District employees.

Produce 11 audio/visual training programs with client satisfaction to exceed satisfactory.

Coordinate Shadow Program.

Process purchase requisitions within an average of 30 calendar days. Maintain 21% DBE goal.

Ensure 97% on-time processing of all scheduled batch applications.

Maintain 98% productive mainframe computer system availability program processing.

Acquire 150 parcels for SFO project and cause no delay to project schedule.

Review plan and issue permits within 30 days of request.

Request Board approval of at least three development activities annually.

SYSTEM RENOVATION

Office of Administration

The mission of Administration is to facilitate the organization by providing outstanding support services which allow the District to operate in an efficient and effective manner. Administration creates, maintains and enhances District capabilities through the management of human resources, training and development, labor/management relations, real estate assets, information technology and the procurement process in a way that enhances individual and collective value to the District.

Summary of Budget FY 99

Operating Labor	\$14,742,837
Operating Non-Labor	\$10,153,837
Operating Total	\$24,896,715
Capital/Reimb. Labor	\$1,657,223
FTE Staff	217.5
Operating	198.5
Capital/Reimb.	19.0

• AFC Renovation

BART has launched a system-wide automatic fare collection (AFC) equipment modernization program currently scheduled for completion in 2003. The modernization program calls for replacing ticket vending machines and add fare machines at all 34 original stations; modifying, upgrading or replacing fare gates, and providing station capacity improvements at targeted stations. The new generation of ticket vending machines will employ full color, menu driven screens, similar to bank Automatic Teller Machines (ATM's). They will meet all of the Americans with Disabilities Act (ADA) requirements. The new equipment will integrate more human factors, and as a result, these machines will be easier to use.



Additional faregates have been installed at selected stations to speed exiting.

The machines will employ such recent technology improvement as credit/debit card payment as well as the capability to accept and process "smart cards." A smart card is a plastic card embedded with a tiny computer chip capable of holding much more information than just transit data. BART riders will be able to use a single card to travel around the greater bay area using whatever form of mass transit that is most convenient - bus, ferry boat or rail - to get to their destination. Riders might be able to use the same card to make other travel and non-travel related purchases. Overall, the AFC modernization program will provide improved service for riders and new technology for the online BART system. And, because of the way the modernization program has been planned, riders won't have to wait until 2003 to begin seeing these improvements.

• Rail Vehicles Renovation

The cornerstone of BART's systemwide renovation program is the rehabilitation of BART's 439 original A&B cars. The cars, delivered in the early 1970s are nearing 25 years in age. They have seen millions of miles in service and have reached their useful life. The renovation program will essentially replace or upgrade most major vehicle systems including propulsion, braking, and air conditioning. The program will also completely replace the passenger interior area as well as the cab operator area. When the cars are returned over the next five years, they will be easier to maintain, more reliable and energy efficient. We anticipate that the renovated cars will be well received by BART patrons.

The cars will undergo a battery of testing to insure compatibility with the existing fleet and the BART operating environment. Concurrent with these vehicle related activities, System-level testing activities were completed at Adtranz and sub-supplier facilities. Vehicle disassembly and renovation continue on 33 vehicles at the Adtranz, Pittsburg, California site. Delivery of these renovated vehicles should start by fall of FY98 and should steadily ramp "up to" 8 cars/month by the end of FY99. The fleetwide button-coupler replacement program, part of the rail vehicle renovation project, was successfully implemented and has produced very satisfactory results in terms of improving reliability.

SYSTEM EXPANSION



• San Francisco International Airport Extension

Construction has commenced on the BART extension to San Francisco International Airport. The long-awaited project will bring rapid transit to the "front door" of the nation's fifth busiest airport, while expanding BART commuter service in San Mateo County. The new line will extend about 7.5 miles south from Colma to Millbrae with an additional 1.2 miles of track running east-west in an aerial "wye stub" serving the airport. Most of the BART-SFO Extension will be built underground with subway stations planned in South San Francisco and San Bruno. The airport station is elevated and linked to the departure level of SFO's new International Terminal, now under construction. The BART Millbrae Intermodal Station, southern terminus of the extension, will be built at-grade to permit easy cross-platform transfers with Caltrain, the Peninsula commuter rail service.

On February 12, 1998, the BART Board of Directors approved construction contracts for the BART main line from Colma to Millbrae and for the BART Millbrae Intermodal Station. On April 3, 1998, a community kick-off was held for the Millbrae Intermodal Station. In FY 1999, construction contracts are to be awarded for the San Bruno and South San Francisco stations, the two remaining stops on the new line.

Controller/Treasurer (Finance)

The Office of the Controller/Treasurer consists of three divisions: Controllershship, Treasury, and Insurance. The mission of the Controllershship Division is to prepare all financial reports and related documentation, process payroll and related accounts, pay bills, assure general ledger accuracy, and monitor/revise the Financial Management System in cooperation with Information Systems. Treasury collects and reports passenger revenue from Automatic Fare Collection (AFC) equipment in stations, services AFC equipment with change, bills and ticket stock, invests funds, deposits and maintains accounts for all revenue and investment securities, and issues financial security investments in support of the District's capital funding needs. Insurance administers claims against the District, determines appropriate property and casualty coverage and reviews contracts and insurance certification for compliance.

Goals

Objectives

Invest District funds and monitor bond issues.	Keep rate of return on District investments equal to or greater than Fidelity State and Local Asset Management California Portfolio.
Monitor, control and report the District's cash handling and collection functions.	Service all AFC vending machines daily; changers/add fares as needed with a minimum of service every third day. Maintain turnaround time between collection and deposit of revenues within two working days.
Administer Debit/Credit Card Ticket Program.	Administer a debit/credit card system for patron purchase of BART tickets.
Coordinate, monitor and evaluate each financial management system.	Produce the Monthly Budget Performance Report within 10 working days after the end of the month.
Administer the District's insurance program.	Procure or renew property, liability and other insurance deemed necessary to protect against the adverse effects of catastrophic loss.

Summary of Budget FY 99

Operating Labor	\$7,098,795
Operating Non-Labor	\$8,325,268
Operating Total	\$15,424,063
Capital/Reimb. Labor	\$ 225,634
FTE Staff	128.0
Operating	125.0
Capital/Reimb.	3.0

District Secretary

The Office of the District Secretary acts as the official recorder of all of the District's business, and provides accurate, timely, and courteous service in responding to the District's Board of Directors, senior management, individual departments, and the public. The Office provides support to and acts as a liaison to the District's Board of Directors, issues and maintains Board records, and provides coordination for Board communication, and special projects. The Office performs prescribed contract administration, providing service to the bidding and contracting community. It is a service-oriented department, facilitating communication among many departments and serving as a conduit for District legal service, mail to Board members, Conflict of Interest Statements, contract protests, and record requests. Further, it acts as the official recorder and coordinator of that business conducted by the Capitol Corridor Joint Powers Board.

Goals

Prepare for Board and Committee meetings.
Maintain Board and District records. Administer District's Conflict of Interest Code.

Support Board members' needs.

Administer District Secretary's Office and provide support to other departments.

Objectives

Prepare and post Board/Committee notices as legally required; prepare and distribute minutes; prepare resolutions; prepare, process, record and file State of California FPPC Statements of Conflict of Interests to meet State imposed deadlines.

Coordinate writing assignments, correspondence, meetings, special arrangements. Act as District Elections Office.

Advertise contracts and public hearings; open bids; administer protests; receive legal service on District; act as public hearing officer for District; facilitate public requests for documents.

Summary of Budget FY 99

Operating Labor	\$ 687,487
Operating Non-Labor	\$ 499,795
Operating Total	\$1,187,282
Capital/Reimb. Labor	0.0
FTE Staff	8.0
Operating	8.0
Capital/Reimb.	0.0

CAPITOL TRAINS



• Capitol Corridor Intercity Rail Service

Management of the Capitol Corridor intercity train service was officially transferred from Caltrans to the regional Capitol Corridor Joint Powers Authority (CCJPA) effective July 1, 1998. Under this transfer the Joint Powers Board will assume responsibilities for the Capitol Corridor service, with BART providing day-to-day management support to the CCJPA, and with Amtrak operating the trains.

The Joint Powers Board consists of two representatives from each of the eight counties in the Capitol Corridor: Placer, Sacramento, Yolo, Solano, Contra Costa, San Francisco, Alameda and Santa Clara, represented by Placer County Transportation Planning Agency, Sacramento Regional Transit District, San Francisco Bay Area Rapid Transit District, Santa Clara Valley Transportation Authority, Solano Transportation Authority, and the Yolo County Transportation District.

The Capitol Corridor Intercity Rail Service currently operates four round trip trains daily on 185 miles of track between Colfax, northeast of Sacramento, and San Jose, with intermediate stops at Auburn, Rocklin, Roseville, Sacramento, Davis, Suisun City/Fairfield, Martinez, Richmond, Berkeley, Emeryville, Oakland, Hayward, Fremont/Centerville and Santa Clara/Great America. Dedicated bus service connects to San Francisco and many other points in Northern California. The CCJPA, with BART managing the service, plans to add two additional daily round trip trains in 1998. Funding for the new trains is included in the pending state budget.

BART Performance Indicators & Standards For FY99

Service Demand

1. Achieve ridership projections as follows (in 1,000s):

	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	FY 98
Total Trips	19,183	19,586	19,528	21,089	79,385
Average Weekday	270.2	270.5	271.3	273.7	271.4

Service Delivery

2. Make available 523 cars at 4:00 a.m. to support daily service requirements. (Includes 32 revenue ready reserve cars) and achieve a car reliability of 1,200 hours
3. Operate weekday peak period transbay service in the peak direction providing at least 97.5 percent of schedule *CAR THROUGHPUT*.
4. Conduct operations such that 95 percent of all *TRAINS* are *ON-TIME*, and 94 percent of the customers are on time.
5. Continue to provide an environment for patron circulation within stations and in trains such that the accident rate does not exceed 17.7 per million passenger trips.
6. Maintain the *AFC GATE AVAILABILITY* at or above 95 percent and the *AFC VENDOR AVAILABILITY* at or above 90 percent.
7. Maintain 97 percent availability for elevators, 94 percent availability for street escalators and 96 percent availability for platform escalators.
8. Meet the Passenger Environment Survey (PES) standard for Environment: Inside the Stations and Environment: Outside the Stations.
9. Meet the PES standard for vandalism.

Productivity & Efficiency

11. Achieve a *RAIL FAREBOX RATIO* of no less than 58.3 percent, and a Systemwide Farebox Ratio of 56.2 percent.
12. Achieve a *SYSTEM OPERATING RATIO* of no less than 61.0 percent.
13. Achieve a *RAIL COST PER PASSENGER MILE* of 27.68 cents or less.
14. Achieve a level of service output such that 19,346 vehicle miles are produced per equivalent District employee (based on 2,080 hours worked including overtime, and excluding capitalized and reimbursable labor hours).
15. Improve system utilization (passenger miles per seat mile) to 27.7 percent through continued monitoring of train capacity to match passenger demand patterns and attracting reverse commuters.
16. Maintain a paid sick leave rate of no more than 3 percent.
17. Encourage efforts to achieve 21 percent minority business enterprise participation for all District contracts determined to have DBE opportunities.

* *KEY INDICATORS* are denoted by *italic capital letters*. These standards are derived from the FY99 Operating Budget.

General Counsel (Legal)

The objective of the Office of the General Counsel is to promote and implement the District's overall goals by advancing and protecting the interest of the District through effective legal advice, advocacy and representation. We accomplish this by identifying and insisting on lawful action, striving for the best in everything we do, proposing and carrying out effective, creative and timely solutions to legal problems, adhering at all times to high ethical standards, and by fostering a working relationship of mutual courtesy and respect.

Goals

Board of Directors - Review all matters submitted to the Board and respond to all questions referred to the Office of the General Counsel by members of the Board.

Litigation - Vigorously defend the interests of the District in matters handled in-house and provide clear direction and control of litigation referred to outside counsel.

Objectives

General Counsel/ Associate General Counsel attend all Board and Committee meetings.
Provide departmental representation at all Board agenda review committees and all General Manager signing meetings.

Meet all court imposed deadlines.

Summary of Budget FY 99

Operating Labor	\$2,054,464
Operating Non-Labor	\$ 618,184
Operating Total	\$2,672,648
Capital/Reimb. Labor	\$ 397,542
FTE Staff	25.0
Operating	21.0
Capital/Reimb.	4.0

General Manager

The mission of the Office of the General Manager is to provide strong leadership and management oversight to ensure that the mission, goals, and objectives of the District are accomplished. The Office of the General Manager focuses the District's attention towards the major objectives for FY 99: providing high quality Customer Service, implementing the renovation of our 25-year-old system, expanding our system with the construction of the San Francisco Airport Extension and management of the Capitol Corridor Intercity Rail system, providing regional leadership on transportation issues for the Bay Area, and supporting the development and training of our employees to accomplish our goals.

Goals

Ensure that the District functions in a cost effective manner to deliver its agenda of high-quality customer service, system renovation, expansion and regional operator leadership.

Provide Board of Directors with timely and accurate information necessary to make policy decisions regarding the organization.

Carry out the development and implementation of the District's programs and projects, ensuring coordination and consultation with its many internal and external partners.

Maximize financial assistance to the District through an effective legislative and government relations agenda.

Maintain leadership and continue development of innovations in technological enhancements for the District.

Objectives

Manage and direct all employees so that the goals and objectives of the District are accomplished on schedule and within budget.

Produce four quarterly performance reports showing current organization achievement and progress towards stated goals.

Direct and guide staff to meet performance measures through practices consistent with the District's good neighbor policy.

Secure funding programmed for allocation to the District and oversee efforts to secure future funding for District needs from traditional and nontraditional sources.

Provide direction and promote continuing progress in the District's pursuit of technological advances, alternative funding sources and industry leadership.

Summary of Budget FY 99

Operating Labor	\$717,940
Operating Non-Labor	\$197,299
Operating Total	\$915,239
Capital/Reimb. Labor	0.0
FTE Staff	5.0
Operating	5.0
Capital/Reimb.	0.0



1998 APTA International Rodeo First Place BART Maintainers Team. (left to right) Edward "Ted" Christian, David Mohn and James Riddle, Jr.

• Maintainers Team Places First in the American Public Transit Association (APTA) International Rodeo

Our history of productivity and efficiency are symbolized quite simply by the caliber of our workforce. Our employees are the best of the best. Competing in the APTA Rodeo since 1993, BART Maintainers placed second in 1993, first in 1994, third in 1995, eighth in 1996 and first in 1997 and 1998.



Executive Offices/Departments



General Manager Tom Margro welcomes the newest executive managers Rae James, Executive Manager, External Affairs (center) and Theresa Murphy, Assistant General Manager, Administration

The BART organization is a coordinated family of departments offering diversified professional, highly trained and skilled employees, having dedication and pride in providing safe, reliable, and economic transportation to the people of the Bay Area.

Executive Offices/Departments

Board Appointed Officers—the Board appointed officers, including the General Manager, provide support and necessary controls to implement goals and operate and protect the interests of the District.

The BART system, directed by the General Manager, consists of the following Executive Offices/Departments:

Administration—Responsible for administration of the District's human resources and procurement.

Budget and Business Management—Responsible for management of the District's operating and capital budgets, internal audit, safety, and planning functions.

Capitol Corridor—Responsible for providing reliable, expedient and professional administrative support to the Capitol Corridor Joint Powers Board (CCJPB) in its management of a Capitol Corridor Service.

Civil Rights—Responsible for oversight of the District's equal employment opportunity, affirmative action, and disadvantaged business enterprise programs.

External Affairs—Responsible for building local and regional constituencies, generating revenue growth, supporting legislative advocacy and promoting BART through marketing and customer service and community relations.

Operations—Responsible for system operations, maintenance and engineering of the operating railroad and its infrastructure.

Police—Responsible for providing a safe and secure environment.

Transit System Development—Responsible for implementation of the District's capital facility, systems and vehicle projects.

West Bay Extensions—Responsible for management and development of the San Francisco Airport Extension.