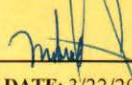
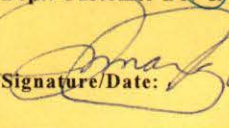
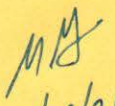
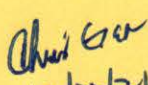
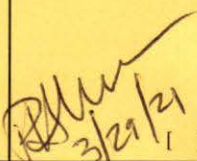




## EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:  3/31/2021		GENERAL MANAGER ACTION REQ'D:		
DATE: 3/22/2021		BOARD INITIATED ITEM: No		
Originator/Prepared by: Jumana Nabti Dept: Customer Dev & Station Access Signature/Date:  3/29/21	General Counsel  3/29/21 [ ]	Controller/Treasurer  3/30/21 [ ]	District Secretary [ ]	BARC  3/29/21 [ ]

### To Request Board Authorization to Execute FY21 BART/AC Transit Feeder Agreement

#### PURPOSE:

To authorize the General Manager to execute the Fiscal Year 2021 ("FY21") BART/AC Transit Feeder Agreement for an amount not to exceed \$2.7 million.

#### DISCUSSION:

Twenty-four BART stations are located in the Alameda-Contra Costa Transit District ("AC Transit") service area, and fifty-seven AC Transit routes stop at BART stations, allowing passengers to transfer between the two systems.

BART has made feeder service payments to AC Transit since 1985. Payments have ranged from \$2.46 million ("M") to \$6.7M. Over the years, adjustments in the payment amounts to AC Transit have primarily been linked to BART's sales tax growth. The FY15-FY20 BART/AC Transit Feeder Agreement used a new methodology for calculating payments. The formula for the current fiscal year adjusted the previous fiscal year's feeder service payment by the year-to-year percentage change in actual individual trips transferring from AC Transit to BART based on Clipper® data plus the year-to-year percentage change in inflation based on the San Francisco Bay Area Consumer Price Index ("CPI"), with a maximum increase or decrease of five percent (5%) annually. A provision was also added to place a percentage of payments in an escrow fund (the "Fare Coordination Fund") held by the Metropolitan Transportation Commission ("MTC"), to be used towards fare coordination efforts between the two agencies, with an amount not to exceed \$1M. However, only a small portion of these funds were used to date.



BART and AC Transit intended to extend the terms of the FY15-FY20 agreement for two to three years in order to allow for the completion of the MTC-led Fare Coordination and Integration Study ("FCIS"); however, due to the COVID-19 pandemic's negative impacts on funding and ridership, the parties negotiated new terms. Both parties agreed that a one year agreement would allow FCIS recommendations to inform future negotiations and recognized the uncertainty of ridership recovery from the pandemic.

Key terms of the FY21 BART/AC Transit Feeder Agreement include:

- Period of Agreement: FY21 - July 1, 2020 through June 30, 2021
- Feeder Agreement payment from BART to AC Transit for FY21: \$2.7M
- With BART's support, AC Transit will request MTC to disburse the full balance of the Fare Coordination Fund to AC Transit (approximately \$802,000 as of October 2020).
- BART and AC Transit will begin to work as soon as possible on an agreement for FY22 and beyond, with the goal to find a mutually beneficial way to incentivize transfers between systems.
- BART and AC Transit will also work in conjunction with the FCIS, which may inform future agreements.

The FY21 BART/AC Transit Feeder Agreement will be approved as to form by the Office of the General Counsel.

The BART/AC Transit Interagency Liaison Committee ("ILC") has been briefed on these terms and the AC Transit Board of Directors adopted the agreement on March 10, 2021.

#### **FISCAL IMPACT:**

The financial impact for FY21 is a payment of \$2.7M to AC Transit.

Release to AC Transit of funds currently held in the Fare Coordination Fund by MTC does not have a fiscal impact on BART's current or future funds.

The expenditures for FY21 have been included in the operating budget of the Customer Access and Accessibility Department ( Department 1102491, Account 686653). This action is not anticipated to have any impact on unprogrammed District reserves.

#### **ALTERNATIVES:**

Do not authorize execution of the FY21 BART/AC Transit Feeder Agreement and direct staff to renegotiate the terms of the agreement.



**RECOMMENDATION:**

It is recommended that the Board adopt the following motion.

**MOTION:**

The General Manager is authorized to execute the FY21 BART/Alameda-Contra Costa Transit District ("AC Transit") Feeder Agreement for an amount not to exceed \$2.7 million.