

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.2**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Traffic Engineering

**BRIEF DESCRIPTION:** Approving traffic modifications itemized below

**SUMMARY:**

**ENCLOSURES:**

1. MTAB Resolution

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

SECRETARY

\_\_\_\_\_

ADOPTED RESOLUTION BE  
RETURNED TO

Kathleen Zierolf, Traffic Engineering 701-4686

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**ITEMS:**

- A. ESTABLISH - SPEED HUMP - 6th Avenue, between Judah and Irving Streets; 6th Avenue, between Judah and Kirkham Streets; 17th Avenue, between Irving and Judah Streets; and 18th Avenue, between Irving and Judah Streets. **P.H.: 2/23/07 Requested by: Resident**
- B. ESTABLISH - SPEED CUSHION - Teresita Boulevard, between Sequoia and Gaviota Ways. **P.H.: 2/23/07 Requested by: Resident**
- C. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME - Market Street, north side, from 58 feet to 132 feet west of Castro Street (a 69-foot zone) **Requested by: Resident;** and, Mason Street, west side, from Jefferson Street to 40 feet southerly (removes two parking meter spaces to accommodate buses turning left onto Mason Street). **P.H.: 2/23/07 Requested by: Port**
- D. RESCIND - MUNI BUS ZONE - Geary Boulevard, north side, from 39th Avenue to 80 feet westerly. **P.H.: 2/23/07 Requested by: MTA**
- E. ESTABLISH - MUNI BUS ZONE - Geary Boulevard, north side, from 40th Avenue to 120 feet easterly (in conjunction with new STOP signs at 40th Avenue). **P.H.: 2/23/07 Requested by: MTA**
- F. ESTABLISH - RIGHT TURN ONLY ONTO CARTER STREET - Walbridge Street, eastbound onto Carter Street. **P.H.: 2/23/07 Requested by: Resident**
- G. RESCIND - NO TURN ON RED - Geneva Avenue, eastbound, at Carter Avenue and Walbridge Street. **P.H.: 2/23/07 Requested by: Resident**
- H. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME - Geneva Avenue, south side, from Carter Street to 100 feet westerly. **P.H.: 2/23/07 Requested by: Resident**
- I. ESTABLISH - UNMETERED MOTORCYCLE PARKING - Minnesota side of 1415 Indiana Street, from 2 feet to 9 feet north of the Minnesota Street driveway for 1415 Indiana Street (accommodating two unmetered motorcycle parking spaces). **P.H.: 3/9/07 Requested by: Resident**
- J. ESTABLISH - BUS, TRUCK (OVER 3 TONS) RESTRICTION - St. Josephs Avenue between O'Farrell and Turk Streets; Broderick Street, between O'Farrell and Turk Streets; Eddy Street, between Divisadero Street and St. Josephs Avenue; Ellis Street, between Divisadero Street and St. Josephs Avenue. **P.H.: 3/9/07 Requested by: Resident**
- K. ESTABLISH - LEFT LANE MUST TURN LEFT - Buchanan Street, northbound at Hermann Street. **P.H.: 3/9/07 Requested by: MTA**
- L. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME- Mission Street, south side, from 2nd Street to 46 feet easterly. **P.H.: 3/9/07 Requested by: MUNI**
- M. ESTABLISH - METERED YELLOW COMMERCIAL LOADING - Mission Street, south side, from 46 feet to 90 feet east of 2nd Street. **P.H.: 3/9/07 Requested by: MUNI**
- N. ESTABLISH - RIGHT LANE MUST TURN RIGHT EXCEPT BUSES - Mission Street, eastbound, between 1st and 2nd Street (replaces 7 AM to 7 PM Transit lane). **P.H.: 3/9/07 Requested by: MUNI**
- O. ESTABLISH - MULTIPLE RIGHT TURN LANE FOR MUNI ONLY - Mission Street, eastbound, at 1st Street (to establish option for Muni buses to turn right from left lane). **P.H.: 3/9/07 Requested by: MUNI**

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The Traffic Engineering Division of the Department of Parking and Traffic has received a request, or identified a need for traffic modifications as follows:

- A. ESTABLISH - SPEED HUMP - 6th Avenue, between Judah and Irving Streets; 6th Avenue, between Judah and Kirkham Streets; 17th Avenue, between Irving and Judah Streets; and 8th Avenue, between Irving and Judah Streets.
- B. ESTABLISH - SPEED CUSHION - Teresita Boulevard, between Sequoia and Gaviota Ways.
- C. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME - Market Street, north side, from 58 feet to 132 feet west of Castro Street (a 69-foot zone); and, Mason Street, west side, from Jefferson Street to 40 feet southerly (removes two parking meter spaces to accommodate buses turning left onto Mason Street).
- D. RESCIND - MUNI BUS ZONE - Geary Boulevard, north side, from 39th Avenue to 80 feet westerly.
- E. ESTABLISH - MUNI BUS ZONE - Geary Boulevard, north side, from 40th Avenue to 120 feet easterly (in conjunction with new STOP signs at 40th Avenue).
- F. ESTABLISH - RIGHT TURN ONLY ONTO CARTER STREET - Walbridge Street, eastbound onto Carter Street.
- G. RESCIND - NO TURN ON RED - Geneva Avenue, eastbound, at Carter Avenue and Walbridge Street.
- H. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME - Geneva Avenue, south side, from Carter Street to 100 feet westerly.
- I. ESTABLISH - UNMETERED MOTORCYCLE PARKING - Minnesota side of 1415 Indiana Street, from 2 feet to 9 feet north of the Minnesota Street driveway for 1415 Indiana Street (accommodating two unmetered motorcycle parking spaces).
- J. ESTABLISH - BUS, TRUCK (OVER 3 TONS) RESTRICTION - St. Josephs Avenue between O'Farrell and Turk Streets; Broderick Street, between O'Farrell and Turk Streets; Eddy Street, between Divisadero Street and St. Josephs Avenue; Ellis Street, between Divisadero Street and St. Josephs Avenue.
- K. ESTABLISH - LEFT LANE MUST TURN LEFT - Buchanan Street, northbound at Hermann Street.
- L. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME- Mission Street, south side, from 2nd Street to 46 feet easterly.
- M. ESTABLISH - METERED YELLOW COMMERCIAL LOADING - Mission Street, south side, from 46 feet to 90 feet east of 2nd Street.
- N. ESTABLISH - RIGHT LANE MUST TURN RIGHT EXCEPT BUSES - Mission Street, eastbound, between 1st and 2nd Street (replaces 7 AM to 7 PM Transit lane).
- O. ESTABLISH - MULTIPLE RIGHT TURN LANE FOR MUNI ONLY - Mission Street, eastbound, at 1st Street (to establish option for Muni buses to turn right from left lane).

WHEREAS, The public has been notified about the proposed modifications and has been given the opportunity to comment on those modifications through the public hearing process; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors, upon recommendation of the Director of Transportation and the Deputy Director of the Department of Parking and Traffic, does hereby

approve the changes as attached.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**THIS PRINT COVERS CALENDAR ITEM NO. :** \_\_\_\_\_

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** External Affairs

**BRIEF DESCRIPTION:**

Presentation and discussion of the proposal to provide discounted Fast Passes to individuals 18 to 21 years of age.

**SUMMARY:**

- On March 6, 2007, the Board of Supervisors approved Resolution No. 119-07, which urges the MTA Board of Directors to reduce the cost of a monthly Adult Fast Pass to \$30 (from \$45) for 18 to 21 year-olds (a previous proposal to reduce the cost of Fast Passes for 18 to 24 year-olds was amended).
- A report by the Board of Supervisors' Office of the Legislative Analyst estimates that the proposed discount would cost the MTA approximately \$3.1 million per year.

**ENCLOSURES:**

1. Board of Supervisors Resolution No. 119-07.
2. Report by the Board of Supervisors' Office of the Legislative Analyst.

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

\_\_\_\_\_

SECRETARY

\_\_\_\_\_

\_\_\_\_\_

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2**

### **EXPLANATION:**

In the fall of 2006, Supervisor Jake McGoldrick, after discussions with the Youth Commission, raised the idea of a discounted Fast Pass for 18-24 year olds. The purpose of providing this discount to 18 to 24 year-olds would be to address the challenges faced by “transitional age” adults who have difficulty paying the \$45 monthly cost of an adult Fast Pass. Youth Fast Passes for 5 to 17 year-olds cost \$10/month. Supervisor McGoldrick asked the Board of Supervisors’ Office of Legislative Analysts (OLA) to study what discounts if any are provided by other transit agencies in the United States and around the world and what it would cost the MTA to provide young adults a discounted fare.

The OLA report found that of the largest U.S. transit agencies surveyed, including those in the metropolitan Washington, D.C. area, Chicago, and Boston (see the OLA report for a complete list), none offer discounts for individuals in the 18 to 24 year-old group. Of the surveyed agencies, only Transport for London (TfL) offers any sort of discount for this age group, and TfL’s discount requires participation in a needs-based program.

The OLA’s cost analysis used data provided by the MTA and other sources to generate scenarios based on various possible discounts. The scenarios included assumptions about increased operating costs that would be required due to the anticipation of new riders taking advantage of a reduced fare. Supervisor McGoldrick’s initial resolution urged the MTA Board of Directors to adopt a 30% discount for 18-24 year olds on the Adult Fast Pass at an estimated cost of \$5.7 million annually to the MTA.

The Board of Supervisors held two committee hearings to consider the proposal. The hearings featured testimony from young adults on the need for a discounted Fast Pass. MTA staff outlined the Class Pass Program (see page 3) and answered general questions about the MTA’s fare policies and budgetary issues.

The resolution, which urged the MTA to reduce the cost of monthly Muni Adult Fast Passes to \$30 for transitional-aged young adults from 18 to 24 years old, was called out of committee and then amended at the full Board of Supervisors to include only 18 to 21 year-olds. This amendment lowered the estimated cost of the discount to \$3.1 million. The amended resolution was adopted by the Board of Supervisors by a vote of 6-5, and took effect without the Mayor’s signature.

As part of the discussion surrounding this proposal, MTA staff members have attended a meeting of the Youth Commission and other City departments hosted a forum to receive youth input on the Transit Effectiveness Project (TEP) in March 2007. The MTA welcomes this dialogue and looks forward to increasing communication with youth riders and young people more generally.

**Class Pass Program**

The MTA's Class Pass Program has the potential of reaching much of the same demographic of young adults as the discounted Fast Pass proposed by the Board of Supervisors without the financial consequences for the MTA.

The Class Pass Program provides deeply discounted Muni passes for college and university students whose institutions participate in the program. It is designed to be cost-neutral to Muni by building the cost of the pass into student fees and requiring all students at a school to pay the fee each semester. The universities provide a lump sum payment to Muni at the start of each semester, pursuant to a contract between the MTA and the school.

The University of San Francisco (USF) enrolled in the Class Pass Program in the fall of 2000 and has continued its involvement in subsequent years. USF students currently pay approximately \$18/month for a Fast Pass, which represents a 60% discount off the cost of a regular Adult Fast Pass. In recent years, Muni staff has sent letters and met with representatives of other colleges and universities in San Francisco to give them information on the program. While no other institutions have joined the Class Pass Program to date, MTA staff continues to work aggressively to include them in this important initiative. MTA staff is currently in discussions with the University of California, San Francisco on its participation in the program.

The expansion of the Class Pass program does face a number of challenges, including the inability to use the Class Pass on BART; the need for a student body referendum to approve the Class Pass; and concerns from students who do not ride Muni over being forced to purchase the Class Pass.

MTA staff will be working with the various stakeholders, including the Citizens' Advisory Council, to solicit input on how to improve our entire fare media program, including the Class Pass.

The City Attorney has reviewed this report.

**Conclusion**

The decision of whether or not to provide discounted Fast Passes for 18-21 year olds is a policy matter for the MTA Board of Directors. Staff recommends that the MTA Board of Directors consider this proposal as part of the discussion (beginning on April 3) around a comprehensive fare policy. Any new fare discounts should be considered alongside other MTA priorities.

Amendment of the Whole  
In Board  
3/6/07

FILE NO 061565

RESOLUTION NO. 119-07

1 [Reducing the cost of adult MUNI Fast Passes for 18-21 year olds]

2  
3 **Resolution urging the Municipal Transportation Agency (MTA) to reduce the cost of**  
4 **monthly adult MUNI fast passes to \$30 for transitional aged young adults ages 18 to 21**  
5 **years old.**

6  
7 WHEREAS, All 18-21 year olds are considered adults but often have limited resources  
8 to afford such an expenditure due to their transition to adulthood, personal and community  
9 obligations, and continuing educational and career attainment; and,

10 WHEREAS, Those 18-21 year olds who identify as transitional aged adults may likely  
11 be young parents, have dropped out of high school, are unemployed or work in low waged  
12 jobs, and/or have recently exited systems of care such as juvenile justice, mental health and  
13 drug/substance abuse treatment, foster care, or have disabilities; and,

14 WHEREAS, The most economically disadvantaged 18-21 year olds are most  
15 dependent on public transportation to conduct and fulfill responsibilities; and,

16 WHEREAS, An increase in age does not reflect an increase in income; and,

17 WHEREAS, A variety of transportation decision-making bodies have expressed  
18 support of similar efforts to acknowledge the financial concerns of special populations,  
19 including youth; and,

20 WHERAS, Examples of such are the Board of Supervisor's resolution urging the Public  
21 Transportation Commission to negotiate with BART to allow use of the discount Fast Passes  
22 for seniors and people with disabilities on BART trips within San Francisco in 1997, and the  
23 MTA Citizen's Advisory Council (CAC)'s resolution urging that an agreement be negotiated by  
24 which the youth Discount Fast Pass can be used for trips between BART stations within San  
25 Francisco in 2003; and

1           WHEREAS, The fiscal impact of discounting MUNI Fast Passes for 18-21 year olds to  
2 \$30 would be approximately \$3.1 million annually, according to calculations done by the  
3 Office of the Legislative Analyst (OLA); and,

4           WHEREAS, This measure would illustrate San Francisco's greater civic responsibility  
5 to its environment through increased MUNI ridership, lower gas emissions and decreased  
6 congestion from vehicular traffic; and,

7           WHEREAS, This would further reaffirm San Francisco's commitment to serving all of its  
8 citizens and offer tactile retention efforts of its youth and young adults who increasingly cannot  
9 afford to live in the City, and aid in raising the general quality of life concerns; now, therefore  
10 be it

11           RESOLVED, That the MTA should work with the Board of Supervisors and the City and  
12 County of San Francisco to continually investigate the best alternatives in providing  
13 discounted adult MUNI Fast Passes for this particular population, and;

14           BE IT FURTHER RESOLVED, That the MTA should subsidize the transition of youth to  
15 financially self-sufficient individuals by allocating approximately \$3.1 million to provide  
16 discounted adult Fast Passes to young adults ages 18-21, beginning January 1, 2008.



# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails Resolution

**File Number:** 061565

**Date Passed:**

Resolution urging the Municipal Transportation Agency (MTA) to reduce the cost of monthly adult MUNI fast passes to \$30 for transitional aged young adults ages 18 to 21 years old.

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February 21, 2007 Board of Supervisors — CALLED FROM COMMITTEE

February 27, 2007 Board of Supervisors — CONTINUED

Ayes: 7 - Ammiano, Dufty, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval  
Noes: 4 - Alioto-Pier, Daly, Elsbernd, Jew

March 6, 2007 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE


Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

March 6, 2007 Board of Supervisors — ADOPTED AS AMENDED

Ayes: 6 - Ammiano, Daly, Maxwell, McGoldrick, Mirkarimi, Peskin  
Noes: 5 - Alioto-Pier, Dufty, Elsbernd, Jew, Sandoval

File No. 061565

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on March 6, 2007 by the Board of Supervisors of the City and County of San Francisco.

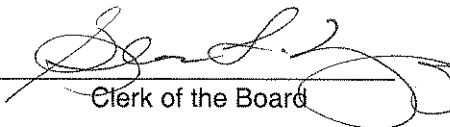
  
\_\_\_\_\_  
Gloria L. Young  
Clerk of the Board

**MAR 09 2007**  
\_\_\_\_\_  
Date Approved

\_\_\_\_\_  
\_\_\_\_\_  
Mayor Gavin Newsom

Date: March 16, 2007

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.

  
\_\_\_\_\_  
Clerk of the Board

File No.  
061565



## LEGISLATIVE ANALYST REPORT

**To:** Honorable Members of the Board of Supervisors  
**From:** Gabe Cabrera, Office of the Legislative Analyst (OLA)  
**Date:** November 27, 2006  
**Re:** **Discounted MUNI Fares for 18-24 Year Olds** (BOS File No. 060429) (OLA No. 033-06)

### SUMMARY OF REQUESTED ACTION

The Board passed a motion introduced by Supervisor McGoldrick requesting the OLA to research, analyze and gather data on the following issues:

1. What public transit agencies offer discounted fares to a) students and b) youth between the ages of 18 and 24 nationally and internationally?
2. What is the usual cut off age for “youth” eligible for discounted public transit?
3. What impact would the implementation of discounted fares have upon MTA’s budget?

The San Francisco Municipal Transportation Agency (MTA) consists of the San Francisco Municipal Railway (MUNI) and the Department of Parking and Traffic.

### EXECUTIVE SUMMARY

Our office surveyed public transit agencies across the Bay Area, nation and the world. We found that several agencies discount fares for K-12 and college/university students. Others simply discount travel for all youth between the ages of 5 and 17, regardless of whether they are in school.

Transport for London (TfL) is the only agency we found that discounts fares to 18-24 year olds, provided that they participate in Great Britain’s “New Deal for Young People” program. For further details about the New Deal and TfL’s reduced fares for New Deal participants, see the “Other Jurisdictions” section of this report.

Among other discounts, TfL offers 50% off adult single fares and 30% off monthly Travelcards for New Deal 18-24 year olds. For the purposes of this analysis, we applied these same 50% and 30% discounts (respectively) to the current prices of a single full cash fare and an adult-rate monthly Fast Pass for MUNI riders age 18-24. Taken together, these discounts would cost MTA approximately \$15.5 million annually (as illustrated in Table 1 on the next page). For other cost estimates based upon varying prices for full cash fares and Fast Passes, see the “Analysis” section of this report.

**Table 1: Estimated Change in MUNI Ridership, Revenues, and Costs Applying Tfl’s Fare Reductions for 18-24 Year Olds**

<b>Single Full Cash Fare</b>	
<b>Revenues</b>	
Baseline trips (2005)	10,312,834
Increased trips due to fare decrease (12%)	1,237,540
Change in cash revenues (Accounts for reduced fare (\$1.50 to \$0.75) and ridership increase)	-\$6,806,470
<b>Costs</b>	
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$2,945,345
<b>Subtotal</b>	<b>-\$9,751,816</b>
<b>Adult-Rate Monthly Fast Pass</b>	
<b>Revenues</b>	
Fast Pass purchases (2005)	259,200
Increased purchases due to fare decrease (7.2%)	18,662
Change in Fast Pass revenues (Accounts for reduced Pass (\$45 to \$31.50) and ridership increase)	-\$2,911,334
<b>Costs</b>	
Baseline trips (2005)	16,486,897
Increased trips due to fare decrease (7.2%)	1,187,057
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$2,825,195
<b>Subtotal</b>	<b>-\$5,736,529</b>
<b>TOTAL</b>	<b>-\$15,488,345</b>

Notably, cost is not the only factor for determining whether MTA should offer fare discounts to 18-24 year olds. Other issues to consider include decreased congestion, cleaner environment and other quality of life concerns. Whether the Board of Supervisors should urge MTA to implement fare discounts for 18-24 year olds is a policy decision.

The OLA has worked to ensure that all information in this report is accurate and that all assumptions in our analysis are laid out clearly. However, primarily due to the limitations in the data that we used to calculate the fiscal impact of discounted fares for 18-24 year olds upon MTA’s budget, our calculations are estimates only.

**OTHER JURISDICTIONS**

We reviewed public transit agencies throughout the Bay Area, nation and the world, and made the following discoveries:

- The usual cut off age for youth discounts on public transit was 17 years old.
- Five of the seven largest agencies in the Bay Area, including MTA, offer reduced fares to all youth between the ages of 5 and 17, regardless of whether they are in school.
- Seven of the eight largest agencies in the country offer reduced fares to K-12 students only. Non-student youth are not eligible for these fares. MTA, which is the eighth largest agency, offers reduced fares to all youth between the ages of 5 and 17, regardless of whether they are in school.

- Six of the eight largest agencies in the country, including MTA, offer reduced fares to college/university students, regardless of their age. Some agencies provide discounted passes directly to students, provided they are officially registered and enrolled in classes. Others partner with colleges/universities to offer discounted passes, whose costs are included in the price of tuition.
- MTA staff advised the OLA that the University of San Francisco is the only school it currently partners with to provide “tuition-based” discounted passes for students, but that they are open to establishing similar reduced fare programs with San Francisco’s other colleges/universities.
- The Transport for London (TfL) offers reduced fares to youth age 18-24, provided that they participate in Great Britain’s “New Deal for Young People” program. Only youth that have had a continuous claim to “Jobseeker’s Allowance” for six months or more are eligible for the program.<sup>1</sup> By way of background, in 1997, the Labour government came to power with a strong commitment to helping the unemployed. Since 1998, there has been a New Deal for Young People, which is mandatory and includes counseling and job training for unemployed 18-24 year olds.

For further details about each of the transit agencies surveyed, see the “Appendix” section of this report.

## ANALYSIS

### **A. MUNI Ridership Age 18-24**

This section covers the following topics:

- Current ridership age 18-24
- Increased ridership due to fare reductions for 18-24 year olds

Current ridership age 18-24. US Census Bureau data shows that there are approximately 39,125 youth age 18-24 in San Francisco.<sup>2</sup> This is 5.4% of the City’s total population (724,538), but it is most likely underestimated because, according to the Bureau, the data excludes the population living in institutions, college dormitories and other group quarters.

Based on data derived from a 2005 San Francisco County Transportation Authority (SFCTA) report,<sup>3</sup> we estimated that 18-24 year olds comprise approximately 16.5% of MUNI bus passengers and approximately 15% of MUNI rail passengers.<sup>4</sup> Bus passengers include diesel bus and electric trolleybus passengers. Age demographics for cable car passengers were not

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<sup>1</sup> Jobseeker’s Allowance is dealt with by Jobcentre Plus, which is a government agency supporting people of working age from welfare to work, and helping employers to fill their vacancies. Jobcentre Plus is part of Great Britain’s Department for Works and Pensions.

<sup>2</sup> US Census Bureau, 2004 American Community Survey.

<sup>3</sup> San Francisco County Transportation Authority (SFCTA), Multimodal Transportation Study: Transit Onboard Survey, pp. 14-15

<sup>4</sup> The data was derived from a multiple-choice survey with pre-determined age categories, including 16-19 and 20-24. There is no 18-24 category. To estimate percentages of bus/rail passengers 18-24, we divided the percentages of bus/rail passengers 16-19 by four (the number of ages 16 to 19), then multiplied by two (the number of ages 18 to 19) and added the percentages of bus/rail passengers 20-24.

available. In 2005, the total number of unlinked passenger trips on MUNI was 218,196,300.<sup>5</sup> Applying the percentages of MUNI riders age 18-24 to unlinked trips yields the total trips taken by 18-24 year olds.

**Table 2: Total trips taken by 18-24 year olds**

<b>Transit Type</b>	<b>Total MUNI Trips</b>	<b>% 18-24 Year Olds</b>	<b>Total Trips Age 18-24</b>
<i>Bus</i>	92,256,400	16.5%	15,222,306
<i>Trolleybus</i>	74,966,600	16.5%	12,369,489
<i>Light Rail</i>	43,441,400	15%	6,516,210
<i>Cable Car</i>	7,531,900	Unavailable	Unavailable
	<b>Total</b>		<b>34,108,005</b>

The SFCTA report shows that 31% of all bus passengers and 27% of all rail passengers paid a full cash fare. Applying these percentages to unlinked trips age 18-24 yields the total full cash fare trips taken by 18-24 year olds.

**Table 3: Full cash fare trips taken by 18-24 year olds**

<b>Transit Type</b>	<b>Total Trips Age 18-24</b>	<b>% Paid w/ Full Cash Fare</b>	<b>Full Cash Fare Trips Age 18-24</b>
<i>Bus</i>	15,222,306	31%	4,718,915
<i>Trolleybus</i>	12,369,489	31%	3,834,542
<i>Light Rail</i>	6,516,210	27%	1,759,377
	<b>Total</b>		<b>10,312,834</b>

The SFCTA report also shows that 47% of all bus passengers and 54% of all rail passengers paid with a Fast Pass. Applying these percentages to unlinked trips age 18-24 yields the total Fast Pass trips taken by 18-24 year olds.

**Table 4: Fast Pass trips taken by 18-24 year olds**

<b>Transit Type</b>	<b>Total Trips Age 18-24</b>	<b>% Paid w/ Fast Pass</b>	<b>Fast Pass Trips Age 18-24</b>
<i>Bus</i>	15,222,306	47%	7,154,484
<i>Trolleybus</i>	12,369,489	47%	5,813,660
<i>Light Rail</i>	6,516,210	54%	3,518,753
	<b>Total</b>		<b>16,486,897</b>

Of the estimated 34.1 million trips taken by 18-24 year olds, 10.3 million were paid with a full cash fare, 16.5 million were paid with a Fast Pass and the remaining 7.3 million were likely paid with other forms of fare payment, such as transfers, tokens and other passes.

Increased ridership due to fare reductions for 18-24 year olds. TfL staff advised the OLA that they did not track the effects of the New Deal discounts on its ridership levels. Nevertheless, we suspect that similar discounts on MUNI would likely result in a ridership increase.

For the purposes of this analysis, we applied a fare elasticity of  $-0.24$  to MUNI service.<sup>6</sup> A  $-0.24$  elasticity figure means that a 10% increase in fares would result in a 2.4% decrease in ridership.

<sup>5</sup> APTA, 2005 Transit Ridership Report, pp. 13. As defined by the APTA, unlinked passenger trips is the number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.

Conversely, a 10% decrease in fares would result in a 2.4% increase in ridership. It follows that a 50% decrease in the price of a full cash fare for 18-24 year olds would result in a 12% ridership increase, and a 30% decrease in the price of a Fast Pass for the same group would result in a 7.2% ridership increase.

**Table 5: Increased full cash fare trips taken by 18-24 year olds**

Transit Type	Full Cash Fare Trips Age 18-24	% Increase in Ridership	Increased Trips Age 18-24
<i>Bus</i>	4,718,915	12%	566,270
<i>Trolleybus</i>	3,834,542	12%	460,145
<i>Light Rail</i>	1,759,377	12%	211,125
		<b>Total</b>	<b>1,237,540</b>

**Table 6: Increased Fast Pass trips taken by 18-24 year olds**

Transit Type	Fast Pass Trips Age 18-24	% Increase in Ridership	Increased Trips Age 18-24
<i>Bus</i>	7,154,484	7.2%	515,123
<i>Trolleybus</i>	5,813,660	7.2%	418,584
<i>Light Rail</i>	3,518,753	7.2%	253,350
		<b>Total</b>	<b>1,187,057</b>

## B. MUNI Revenue Age 18-24

The section covers the following topics:

- Current revenue generated by 18-24 year olds
- Decreased revenue due to fare reductions for 18-24 year olds
- Increased revenue due to ridership increases among 18-24 year olds

Current revenue generated by 18-24 year olds. To estimate current annual revenue from full cash fare trips taken by 18-24 year olds, we multiplied the total full cash fare trips age 18-24 by the current price of a full cash fare.

*10,312,834 total full cash fare trips taken by 18-24 year olds x \$1.50 the current price of a full cash fare = \$ 15,469,250 annually*

Only persons between the ages of 18 and 64 may use adult-rate monthly MUNI Fast Passes. MTA staff advised the OLA that MUNI sells approximately 120,000 Fast Passes each month, and because they do not track Fast Pass sales by age, we assumed that 18-24 year olds purchase passes at the 18% rate in which they appear among MUNI's larger population of riders age 18-64, as measured by survey responses in the above-noted SFCTA report.<sup>7</sup> Thus, each month MTA sells 21,600 Fast Passes (120,000 x 18%) to 18-24 year olds. To estimate current annual

<sup>6</sup> MTA calculates fare elasticity for MUNI service anytime it proposes a fare change. The last change (i.e., a fare increase) occurred on September 1, 2005. At that time, MUNI's fare elasticity was (-0.24) system-wide.

<sup>7</sup> To estimate the percentage of survey respondents age 18-24, we divided the number of respondents 16-19 by four (the number of ages 16 to 19), then multiplied by two (the number of ages 18 to 19) and added the number of respondents age 20-24. Thereafter, we divided the number of survey respondents age 18-24 by the number of respondents age 18-64.

revenue from Fast Pass holders age 18-24, we multiplied the total monthly Fast Pass holders age 18-24 by the current price of a Fast Pass.

*21,600 monthly Fast Passes sold to 18-24 year olds x \$45 the current price of a Fast Pass = \$972,000 monthly, or \$11,664,000 annually*

Decreased revenue due to fare reductions for 18-24 year olds. Among other discounts, TfL offers 50% off adult single fares for London's underground railway and the Docklands Light Rail system and 30% off monthly Travelcards for New Deal 18-24 year olds. For the purposes of this analysis, we applied the same 50% and 30% discounts (respectively) to the current price of a single full cash fare and an adult-rate monthly Fast Pass for MUNI riders age 18-24. Under this scenario, the price of a full cash fare would drop from \$1.50 to \$0.75, and the price of a Fast Pass would drop from \$45 to \$31.50. To project annual revenue from discounted trips taken by 18-24 year olds, we multiplied the total full cash fare trips age 18-24 by the discounted price of a full fare.

*10,312,834 total full cash fare trips taken by 18-24 year olds x \$0.75 the discounted price of a full cash fare = \$7,734,625 annually*

To project annual revenue from Fast Pass holders age 18-24, we multiplied the total monthly Fast Pass holders age 18-24 by the discounted price of a Fast Pass.

*21,600 monthly Fast Passes sold to 18-24 year olds x \$31.50 the discounted price of a Fast Pass = \$680,400 monthly, or \$8,164,800 annually*

Increased revenue due to ridership increases among 18-24 year olds. Fare decreases would likely result in ridership increases. For the purposes of this analysis, we applied a fare elasticity of -0.24 to MUNI service, which resulted in a 12% increase in full cash fare riders age 18-24, and a 7.2% increase in Fast Pass holders among the same group.<sup>8</sup> To project annual revenue from increased full cash fare sales to 18-24 year olds, we multiplied the increased full cash fare trips age 18-24 by the discounted price of a full cash fare.

*1,237,540 total increased full cash fare trips age 18-24 x \$0.75 the discounted price of a full cash fare = \$928,155 annually*

To project annual revenue from increased Fast Pass sales to 18-24 year olds, we multiplied the total monthly Fast Pass holders age 18-24 by the percentage increase in Fast Pass ridership and the discounted price of a Fast Pass.

*21,600 monthly Fast Passes held by 18-24 year olds x 7.2% increase in ridership x \$31.50 the discounted price of a Fast Pass = \$48,989 monthly, or \$587,866 annually*

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<sup>8</sup> MTA staff advised us that it calculated this -0.24 elasticity figure for a fare increase in September 2005, and that it may not accurately gauge to effects of a fare decrease in the future.

### **C. MUNI Costs Age 18-24**

MTA staff advised the OLA that ridership increases may not significantly increase operating costs if existing MUNI services are able to accommodate them. However, if ridership increases forced MUNI to add capacity (i.e., more transit vehicles, drivers and lines), then operating costs would increase.

To accurately assess the effect of ridership increases on operating costs requires answering the following questions: a) when current MUNI capacity would be exceeded, b) how much new capacity would need to be added, and c) how much that capacity would cost. However, MTA data, research and analysis to answer these questions were not available as of the writing of this report.

To estimate how ridership increases would impact operating costs, we assumed that every unit increase in ridership would result in a unit increase in costs. Thereafter, we ran a linear regression analysis of MUNI's operating budget and ridership from FY 1985 to FY 2004 and found that after controlling for time (which accounts for economic factors such as annual price inflation), every additional unlinked passenger trip resulted in a \$2.38 increase in operating costs.<sup>9</sup>

To project increased annual costs due to increased fare trips taken by 18-24 year olds, we multiplied the increased full cash fare unlinked trips age 18-24 by the estimated cost of an unlinked trip.

*1,237,540 total increased full cash fare trips age 18-24 x \$2.38 for each additional unlinked trip = \$2,945,345 annually*

To project increased annual costs due to increased Fast Pass trips taken by 18-24 year olds, we multiplied the increased Fast Pass unlinked trips age 18-24 by the estimated cost of an unlinked trip.

*1,187,057 total increased Fast Pass trips age 18-24 x \$2.38 for each additional unlinked trip = \$2,825,195 annually*

### **D. Estimated Change in MUNI Revenue and Costs Age 18-24**

If MTA applied TfL's 50% discount to the current price of a single full cash fare for 18-24 year olds, it would cost approximately \$9.8 million annually (as illustrated in Table 7 on the next page).

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<sup>9</sup> R-squared is 0.95. In regression analysis, R-squared is a descriptive measure between 0 and 1. The closer it is to 1, the better a regression model explains the relationship between variables. In this case, a value of R-squared equal to 1 would imply that ridership provides a complete prediction of operating costs.

**Table 7: Discounted full cash fares for 18-24 year olds**

<b>Revenues</b>	
Proposed full cash fare cost	\$0.75
Baseline trips (2005)	10,312,834
Increased trips due to fare decrease (12%)	1,237,540
Change in cash revenues (Accounts for reduced fare (\$1.50 to \$0.75) and ridership increase)	-\$6,806,470
<b>Costs</b>	
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$2,945,345
<b>Total</b>	<b>-\$9,751,816</b>

The following are other scenarios based upon varying full cash fare prices. Scenario 4 is TfL's 50% discount.

**Table 8: Other discounted full cash fares for 18-24 year olds**

<b>Revenues</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>	<b>Scenario 4</b>
Proposed full cash fare	\$1.35	\$1.25	\$1.00	\$0.75
Baseline trips (2005)	10,312,834	10,312,834	10,312,834	10,312,834
Increased trips due to fare decrease	247,508	412,513	825,027	1,237,540
Change in cash revenues (Accounts for reduced fare and ridership increase)	-\$1,212,789	-\$2,062,567	-\$4,331,390	-\$6,806,470
<b>Costs</b>				
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$589,069	-\$981,782	-\$1,963,564	-\$2,945,345
<b>Total</b>	<b>-\$1,801,858</b>	<b>-\$3,044,349</b>	<b>-\$6,294,954</b>	<b>-\$9,751,816</b>

These scenarios are based upon varying full cash fare prices for a smaller group of MUNI riders age 18-21.

**Table 9: Discounted full cash fares for 18-21 year olds**

<b>Revenues</b>	<b>Scenario 5</b>	<b>Scenario 6</b>	<b>Scenario 7</b>	<b>Scenario 8</b>
Proposed full cash fare	\$1.35	\$1.25	\$1.00	\$0.75
Baseline trips (2005)	6,239,539	6,239,539	6,239,539	6,239,539
Increased trips due to fare decrease	149,749	249,582	499,163	748,745
Change in cash revenues (Accounts for reduced fare and ridership increase)	-\$733,770	-\$1,247,908	-\$2,620,606	-\$4,118,096
<b>Costs</b>				
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$356,402	-\$594,004	-\$1,188,008	-\$1,782,012
<b>Total</b>	<b>-\$1,090,172</b>	<b>-\$1,841,912</b>	<b>-\$3,808,615</b>	<b>-\$5,900,108</b>

If MTA applied TfL's 30% discount to the current price of an adult-rate monthly Fast Pass for 18-24 year olds, it would cost approximately \$5.7 million annually (as illustrated in Table 10 below).

**Table 10: Discounted Fast Passes for 18-24 year olds**

<b>Revenues</b>	
Proposed Fast Pass cost	\$31.50
Fast Pass purchases (2005)	259,200
Increased purchases due to fare decrease (7.2%)	18,662
Change in Fast Pass revenues (Accounts for reduced fare (\$45 to \$31.50) and ridership increase)	-\$2,911,334
<b>Costs</b>	
Baseline trips (2005)	16,486,897
Increased trips due to fare decrease (7.2%)	1,187,057
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$2,825,195
<b>Total</b>	<b>-\$5,736,529</b>

The following are other scenarios based upon varying Fast Pass prices. Scenario 9 is TfL's 30% discount.

**Table 11: Other discounted Fast Passes for 18-24 year olds**

<b>Revenues</b>	<b>Scenario 9</b>	<b>Scenario 10</b>	<b>Scenario 11</b>	<b>Scenario 12</b>
Proposed Fast Pass cost	\$31.50	\$27.50	\$25.00	\$22.50
Fast Pass purchases (2005)	259,200	259,200	259,200	259,200
Increased purchases due to fare decrease	18,662	24,199	27,651	31,104
Change in Fast Pass revenues (Accounts for reduced pass and ridership increase)	-\$2,911,334	-\$3,870,530	-\$4,492,714	-\$5,132,160
<b>Costs</b>				
Baseline trips (2005)	16,486,897	16,486,897	16,486,897	16,486,897
Increased trips due to fare decrease	1,187,057	1,539,217	1,758,822	1,978,428
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$2,825,195	-\$3,663,336	-\$4,185,997	-\$4,708,658
<b>Total</b>	<b>-\$5,736,529</b>	<b>-\$7,533,866</b>	<b>-\$8,678,710</b>	<b>-\$9,840,818</b>

These scenarios are based upon varying Fast Pass prices for the smaller group of MUNI riders age 18-21.

**Table 12: Discounted Fast Passes for 18-21 Year Olds**

<b>Revenues</b>	<b>Scenario 13</b>	<b>Scenario 14</b>	<b>Scenario 15</b>	<b>Scenario 16</b>
Proposed Fast Pass cost	\$31.50	\$27.50	\$25.00	\$22.50
Fast Pass purchases (2005)	158,400	158,400	158,400	158,400
Increased purchases due to fare decrease	11,405	14,788	16,898	19,008
Change in Fast Pass revenues (Accounts for reduced pass and ridership increase)	-\$1,708,585	-\$2,215,465	-\$2,531,553	-\$2,847,641
<b>Costs</b>				
Baseline trips (2005)	9,970,733	9,970,733	9,970,733	9,970,733
Increased trips due to pass decrease	717,893	930,868	1,063,678	1,196,488
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$1,779,149	-\$2,365,324	-\$2,745,547	-\$3,136,320
<b>Total</b>	<b>-\$3,487,734</b>	<b>-\$4,580,789</b>	<b>-\$5,277,100</b>	<b>-\$5,983,961</b>

## E. MUNI Riders Age 25 Whom Age-Out of the Discounts

The research literature generally concurs that exposing youth to public transit has a positive effect on their use of transit in the future. For instance:

- A recent transit report<sup>10</sup> hypothesized that “exposing teenagers to transit during their teenage years makes it more likely that they will continue using transit as an adult.”
- A previous study found that “travel habits developed at a young age could influence subsequent behavior, and that those who were not regular transit users as young people were less likely to be transit users in adult life.” (Goodwin et al, 1983, Ctd. in Alasdair et al, 2005)

Within this context, one year after implementation of the proposed discounts, MTA may expect to collect additional fare revenue from MUNI riders age 25 who age out of the discounts but continue to use MUNI. Every year thereafter, MTA may expect to collect that additional amount times  $X$  (where “ $X$ ” represents the number of years after implementation). Exactly how much MTA would ultimately collect each year is highly subject to the attrition rate of aged-out MUNI riders.

If these aged-out riders, like ridership increases due to fare decreases, forced MUNI to add capacity, then MUNI’s operating costs would also increase. To what extent these costs would rise depends on the answers to the questions raised earlier about the effect of ridership increases on operating costs (i.e., when current MUNI capacity would be exceeded, how much new capacity would need to be added and how much that capacity would cost). Whatever the case, the above-noted annual revenue multiplier effect or a version thereof would apply to operating costs too.

## F. Discounts for Students Age 18-24 Only

As previously mentioned, we estimate that 18-24 year olds comprise approximately 16.5% of MUNI bus passengers and approximately 15% of MUNI rail passengers in 2005. Moreover, US Census Bureau data shows that approximately 54% of 18-24 year olds in San Francisco are enrolled in college or graduate school.<sup>11</sup> Applying the percentages of MUNI riders age 18-24 to unlinked trips, then applying to that number the percentage of 18-24 year olds enrolled in school yields the total trips taken by 18-24 year olds enrolled in school.

**Table 13: Total trips taken by 18-24 year olds enrolled in school**

Transit Type	Total MUNI Trips	% Age 18-24	Total Trips Age 18-24	% Age 18-24 Enrolled in School	Total Trips Age 18-24 Enrolled in School
<i>Bus</i>	92,256,400	16.5%	15,222,306	54%	8,220,045
<i>Trolleybus</i>	74,966,600	16.5%	12,369,489	54%	6,679,524
<i>Light Rail</i>	43,441,400	15%	6,516,210	54%	3,518,753
<i>Cable Car</i>	7,531,900	Unavailable	Unavailable	Unavailable	Unavailable
				<b>Total</b>	<b>18,418,322</b>

<sup>10</sup> Alasdair et al (2005), Teenage Attitudes and Perceptions Regarding Transit Use, National Center for Transit Research, Tampa, FL, pp. 56.

<sup>11</sup> US Census Bureau, 2004 American Community Survey.

Applying the percentages of all bus and rail passengers that paid a full cash fare (31% and 27% respectively) to unlinked trips age 18-24 enrolled in school yields the total full cash fare trips taken by 18-24 year olds enrolled in school.

**Table 14: Full cash fare trips taken by 18-24 year olds enrolled in school**

<b>Transit Type</b>	<b>Total Trips Age 18-24 Enrolled in School</b>	<b>% Paid w/ Full Cash Fare</b>	<b>Full Cash Fare Trips Age 18-24 Enrolled in School</b>
<i>Bus</i>	8,220,045	31%	2,548,214
<i>Trolleybus</i>	6,679,524	31%	2,070,652
<i>Light Rail</i>	3,518,753	27%	950,063
		<b>Total</b>	<b>5,568,929</b>

Applying the percentages of all bus and rail passengers that paid with a Fast Pass (47% and 54% respectively) to unlinked trips age 18-24 enrolled in school yields the total Fast Pass trips taken by 18-24 year olds enrolled in school.

**Table 15: Fast Pass trips taken by 18-24 year olds enrolled in school**

<b>Transit Type</b>	<b>Total Trips Age 18-24</b>	<b>% Paid w/ Fast Pass</b>	<b>Fast Pass Trips Age 18-24 Enrolled in School</b>
<i>Bus</i>	8,220,045	47%	3,863,421
<i>Trolleybus</i>	6,679,524	47%	3,139,376
<i>Light Rail</i>	3,518,753	54%	1,900,127
		<b>Total</b>	<b>8,902,924</b>

The following are scenarios based upon varying full cash fare prices. Scenario 20 is TfL's 50% discount.

**Table 16: Discounted full cash fares for 18-24 year olds enrolled in school**

<b>Revenues</b>	<b>Scenario 17</b>	<b>Scenario 18</b>	<b>Scenario 19</b>	<b>Scenario 20</b>
Proposed full cash fare	\$1.35	\$1.25	\$1.00	\$0.75
Baseline trips (2005)	5,568,929	5,568,929	5,568,929	5,568,929
Increased trips due to fare decrease	133,654	222,757	445,514	668,271
Change in cash revenues (Accounts for reduced fare and ridership increase)	-\$654,906	-\$1,113,786	-\$2,338,950	-\$3,675,493
<b>Costs</b>				
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$318,097	-\$530,162	-\$1,060,324	-\$1,590,486
<b>Total</b>	<b>-\$973,003</b>	<b>-\$1,643,948</b>	<b>-\$3,399,274</b>	<b>-\$5,265,979</b>

The following are scenarios based upon varying Fast Pass prices. Scenario 21 is Tfl's 30% discount.

**Table 17: Discounted Fast Passes for 18-24 year olds enrolled in school**

<b>Revenues</b>	<b>Scenario 21</b>	<b>Scenario 22</b>	<b>Scenario 23</b>	<b>Scenario 24</b>
Proposed Fast Pass cost	\$31.50	\$27.50	\$25.00	\$22.50
Fast Pass purchases (2005)	259,200	259,200	259,200	259,200
Increased purchases due to fare decrease	18,662	24,199	27,651	31,104
Change in Fast Pass revenues (Accounts for reduced pass and ridership increase)	-\$2,911,334	-\$3,870,530	-\$4,492,714	-\$5,132,160
<b>Costs</b>				
Baseline trips (2005)	8,902,924	8,902,924	8,902,924	8,902,924
Increased trips due to fare decrease	641,011	831,177	949,764	1,068,351
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$1,525,605	-\$1,978,201	-\$2,260,438	-\$2,542,675
<b>Total</b>	<b>-\$4,436,939</b>	<b>-\$5,848,731</b>	<b>-\$6,753,152</b>	<b>-\$7,674,835</b>

**G. Discounts for Lifeline Pass Holders Age 18-24 Only**

The Lifeline Fast Pass is a discounted adult-rate monthly MUNI Fast Pass for individuals with incomes at or below 200% of the federal poverty level. The determination of eligibility and distribution of the Lifeline Pass is administered by the City's Human Services Agency (HSA). The price of a Lifeline Pass is \$35 per month. HSA staff advised the OLA that in November 2006, they sold approximately 1,800 Lifeline Passes, and that 18-24 year olds represented 6.1% of all individuals who purchased a monthly Lifeline Pass at least once during the past year. Thus, we estimated that each month HSA sells approximately 110 Lifeline Passes (1,800 x 6.1%) to 18-24 year olds.

Moreover, because Lifeline Passes are fairly new (introduced in September 2005), information on the frequency of their use on MUNI is unavailable. Therefore, for the purposes of this analysis, we assumed that 18-24 year olds paid with a Lifeline Pass at the same 6.1% rate in which they purchased them. Applying this percentage to unlinked trips age 18-24 yields the total Lifeline Fast Pass trips taken by 18-24 year olds.

**Table 18: Lifeline Fast Pass trips taken by 18-24 year olds**

<b>Transit Type</b>	<b>Total Trips Age 18-24</b>	<b>% Paid w/ Lifeline Fast Pass</b>	<b>Lifeline Pass Trips Age 18-24</b>
<i>Bus</i>	15,222,306	6.1%	928,561
<i>Trolleybus</i>	12,369,489	6.1%	754,539
<i>Light Rail</i>	6,516,210	6.1%	397,489
<b>Total</b>			<b>2,080,589</b>

These scenarios are based upon varying Lifeline Fast Pass prices. Scenario 25 is Tfl’s 30% discount.

**Table 19: Discounted Lifeline Fast Passes for 18-24 year olds**

<b>Revenues</b>	<b>Scenario 25</b>	<b>Scenario 26</b>	<b>Scenario 27</b>	<b>Scenario 28</b>
Proposed Fast Pass cost	\$24.50	\$21.39	\$19.44	\$17.50
Fast Pass purchases (2006)	1,320	1,320	1,320	1,320
Increased purchases due to fare decrease	95	123	141	158
Change in Fast Pass revenues (Accounts for reduced pass and ridership increase)	-\$14,826	-\$19,711	-\$22,880	-\$26,136
<b>Costs</b>				
Baseline trips (2006)	2,080,589	2,080,589	2,080,589	2,080,589
Increased trips due to fare decrease	149,802	194,244	221,957	249,671
Operating cost increase due to increased ridership (-\$2.38 per trip)	-\$356,530	-\$462,300	-\$528,258	-\$594,216
<b>Total</b>	<b>-\$371,356</b>	<b>-\$482,011</b>	<b>-\$551,138</b>	<b>-\$620,352</b>

**H. Fast Pass Agreement between CCSF and BART**

The adult-rate monthly Fast Pass is also valid on the BART (Bay Area Rapid Transit) system for trips entirely within the City. Fast Pass holders may enter and exit the BART system at one of the following stations: Embarcadero, Montgomery, Powell, Civic Center, 16<sup>th</sup> Street/Mission, 24<sup>th</sup> Street/Mission, Glen Park and Balboa Park.

Per the 2006-2007 Fast Pass Agreement between the City and BART, all revenue from Fast Pass sales is collected by MTA. MTA agrees to reimburse BART \$0.97 per trip for each Fast Pass trip on BART.

There were a total of 9,972,706 Fast Pass trips on BART during FY 2005.<sup>12</sup> BART staff advised the OLA that they do not maintain ridership data by age. Nonetheless, to estimate how many of these Fast Pass trips were taken by 18-24 year olds, we assumed that 18-24 year olds comprised between 15% and 16.5% of all BART passengers, as is the case of MUNI bus and rail passengers (respectively). As such, we estimate that there were between 1,495,906 and 1,645,496 Fast Pass trips taken by 18-24 year olds on BART in FY 2005.

BART staff also advised us that for planning purposes, BART uses an elasticity factor of -0.22. However, in this case, the relevant elasticity is of the adult-rate monthly Fast Pass, which as previously noted is -0.24, and therefore, a 30% decrease in the price of a Fast Pass for 18-24 year olds would result in a 7.2% increase in BART ridership among the same group.

**Table 20: Increased Fast Pass trips on BART taken by 18-24 year olds**

<b>Fast Pass Trips Age 18-24</b>	<b>% Increase in Ridership</b>	<b>Increased Trips Age 18-24</b>
1,495,906	7.2%	107,705
1,645,496	7.2%	118,476

<sup>12</sup> BART staff provided this data from BART’s Data Acquisition System.

If MTA implemented TfL’s 30% discount on adult-rate monthly MUNI Fast Passes for 18-24 year olds, it would have to reimburse BART between \$104,474 and \$114,922 annually for increased Fast Pass trips on BART by 18-24 year olds, or a total of \$9,777,999 or \$9,788,447 annually for all Fast Pass trips on BART.

**Table 21: MTA reimbursement to BART for Fast Pass trips on BART taken by 18-24 year olds**

<b>Variables</b>	<b>Scenario 17</b>	<b>Scenario 18</b>
Proposed Fast Pass cost	\$31.50	\$31.50
Baseline trips (2005)	9,972,706	9,972,706
Trips on BART age 18-24	1,495,906	1,645,496
Increase trips due to pass decrease (7.2%)	107,705	118,476
<b>Baseline reimbursement</b>		
Baseline trips x \$0.97 per trip	-\$9,673,525	-\$9,673,525
<b>Additional reimbursement</b>		
Ridership increase age 18-24 x \$0.97 per trip	-\$104,474	-\$114,922
<b>Total</b>	<b>-\$9,777,999</b>	<b>-\$9,788,447</b>

However, according to the Agreement between the City and BART, under no circumstance will payments from MTA to BART exceed \$9.7 million for the period of July 1, 2006 through June 30, 2007. The City and BART would likely have to amend this Agreement to accommodate MTA’s additional reimbursement to BART for increased Fast Pass trips on BART taken by 18-24 year olds.

### **CONCLUSION**

The Transport for London (TfL) is the only agency we found that discounts fares for 18-24 year olds, provided that they participate in Great Britain’s “New Deal for Young People” program. We applied TfL’s 50% and 30% discounts (respectively) to the current prices of a single full cash fare and an adult-rate monthly Fast Pass for MUNI riders age 18-24. Taken together, these discounts would cost MTA approximately \$15.5 million annually. However, cost is not the only factor for determining whether MTA should offer fare discounts to youth. Other issues to consider include decreased congestion, cleaner environment and other quality of life concerns. Whether the Board of Supervisors should urge MTA to implement TfL’s fare discounts for 18-24 year olds is a policy decision.

**APPENDIX**

**Table 22: Bay Area’s transit agencies with reduced fares for youth (both students and non-students)**

<b>Transit Agency</b>	<b>Adult Single Cash Fare</b>	<b>Youth Reduced Single Cash Fare</b>	<b>Restrictions on Reduced Monthly Passes</b>	<b>Youth Defined</b>
	<b>Adult-Rate Monthly Pass</b>	<b>Youth Reduced Monthly Pass</b>		
<i>Alameda County Transit (AC Transit)</i>	\$1.75 \$70 for local service or \$116 for transbay service	\$0.85 \$15 for local service; youth discount is not available for transbay service	No restrictions	School enrollment is not required; ages 5-17
<i>Bay Area Rapid Transit (BART)</i>	Varies Weekly/monthly passes are not available; mileage-based system	Not available 50% off full fare; orange ticket with a \$32 value is sold for \$16	Orange tickets are sold by participating schools only; valid only on trips to and from school, M-F, for school purposes	Middle and secondary school students; ages 13-18
<i>Caltrain</i>	\$2.25 for one-way travel w/in any one zone \$59.75 for travel w/in any one zone	\$1 for one-way travel w/in any one zone \$29.75 for travel w/in any one zone	Monthly pass costs increase proportionately for travel w/in all six zones	Customers 17 years old or younger or possessing a valid high school ID
<i>Golden Gate Transit</i>	Varies Weekly/monthly passes are not available; ride value discount ticket books are available	50% off all adult cash fares Ride value tickets cannot be used in place of discounts for youth	Driver may request proof of age	School enrollment is not required; ages 6-18
<i>San Francisco Municipal Railway (MUNI)</i>	\$1.50 for all MUNI services except cable car \$45 for all MUNI services	\$0.50 for all MUNI services except cable car \$10 for all MUNI services	No restrictions	School enrollment is not required; ages 5-17
<i>San Mateo County Transit District (SamTrans)</i>	\$1.50 for local service and \$4 for express \$48 for local service and \$128 for express service	\$1 for local service and \$2 for express service \$29 for local or express service	Driver may ask for proof of age	School enrollment is not required; ages 5-17
<i>Santa Clara Valley Transportation Authority (VTA)</i>	\$1.75 for local service and \$3.50 for express service \$61.25 for all VTA services	\$1.50 for local service and \$1.50 for express service \$49 for all VTA services	No restrictions	School enrollment is not required; ages 5-17

**Table 23: Nation’s transit agencies with reduced fares for youth (both students and non-students)**

Transit Agency	Adult Single Cash Fare	Youth Reduced Single Cash Fare	Restrictions on Reduced Monthly Passes	Youth Defined
	Adult-Rate Monthly Pass	Youth Reduced Monthly Pass		
<i>New York City Transit (NYCT)</i>	\$2 for subway or local bus service	Up to 3 children 44 inches tall & under ride for free w/ fare paying adult	Valid only on days when school is in session, M-F, 5:30 AM to 8:30 PM, for up top 3 rides per day, for school purposes	K-12 students
	\$76 for all NYCT services	Either half fare or full fare depending on distance to and from school.		
<i>Chicago Transit Authority (CTA)</i>	\$2 for bus or rail service	\$1 for bus service and \$0.85 for rail service	Valid only on days when school is in session, M-F, 5:30 AM to 8 PM, for school purposes	Elementary and high school students with a valid CTA Student Riding Permit
	\$75 for all CTA services	\$35 for all CTA services		
<i>Washington Metropolitan Area Transit Authority (WMATA)</i>	\$1.25 for bus service and \$1.35 minimum for rail service	Up to 2 children 4 years & younger ride for free w/ fare paying adult	Valid only for school purposes	Elementary and secondary school students
	Weekly passes only - \$11 for bus service or \$32.50 for rail service	\$22/month for both bus and rail		
<i>Los Angeles County Metropolitan Transportation Authority (LACMTA)</i>	\$1.25 for bus or rail service	Up to 2 children under 5 years ride for free w/ fare paying adult	No restrictions	K-12 students
	\$52 for all LACMTA services	\$20 for all LACMTA services		
<i>Massachusetts Bay Transportation Authority (MBTA)</i>	\$0.90 for local bus service and \$1.25 for subway service	\$0.45 for local bus service and \$0.60 for subway service	Valid only on days when school is in session, until 8 PM, for school purposes	Students at participating junior high and high schools
	\$71 for all MBTA services except boat	\$13 (M-F) or \$15 (M-Sat) for all MBTA services except boat		
<i>Southeastern Pennsylvania Transportation Authority (SEPTA)</i>	\$2 for bus, subway or trolley service	Up to 2 children 42 inches tall & under ride for free w/ fare paying adult	School tokens can only be purchased by schools, who then distribute them to students	K-12 students
	\$70 for all SEPTA services	Discounts (school tokens) vary between school districts		

**Table 23: Continued**

Transit Agency	Adult Single Cash Fare	Youth Reduced Single Cash Fare	Restrictions on Reduced Monthly Passes	Youth Defined
	Adult-Rate Monthly Pass	Youth Reduced Monthly Pass		
<i>New Jersey Transit Corporation (NJ Transit)</i>	\$1.75 for rail service and \$1.25 for subway service	25% and 33% off adult one-way fares for rail and subway service (respectively)	Valid only for 24 hours daily	Elementary and secondary school students
	\$53 for rail service and \$45 for subway service – monthly fares for bus/train are not available	25% and 33% off adult one-way fares for rail and subway service (respectively)		
<i>San Francisco Municipal Railway (MUNI)</i>	\$1.50 for all MUNI services except cable car	\$0.50 for all MUNI services except cable car	No restrictions	School enrollment is not required; ages 5-17
	\$45 for all MUNI services	\$10 for all MUNI services		

**Table 24: Miscellaneous transit agencies with reduced fares for college and university students**

Transit Agency	Adult-Rate Monthly Pass	Reduced Fares for College/University Students	Restrictions on Reduced Fares	College/University Student Defined
<i>Alameda County Transit (AC Transit)</i>	\$70 for local service or \$116 for transbay service	\$37.20/semester for UC Berkeley students, for both local and transbay service; tuition-based	No restrictions	Individuals must be “officially” registered as a student, and enrolled in at least one course; registration fees must be paid in full and there should be no blocks on registration
<i>Chicago Transit Authority (CTA)</i>	\$75 for all CTA services	CTA charges participating schools approximately 70 cents/student/school day; tuition-based	No restrictions	Students at participating colleges and universities; full-time students only
<i>Los Angeles County Metropolitan Transportation Authority (LACMTA)</i>	\$52 for all LACMTA services	\$30/semester, quarter or trimester for all LACMTA services	No restrictions	Students enrolled in an accredited LA school, for a minimum of 12 units, or 12 hours per week, for three consecutive months
<i>New Jersey Transit Corporation (NJ Transit)</i>	\$53 for rail service and \$45 for subway service – monthly fares for bus/train are not available	25% off bus, train and light rail services	No restrictions	Students at participating colleges and universities
<i>San Francisco Municipal Railway (MUNI)</i>	\$45 for all MUNI services	\$18/month for USF students; tuition-based	No restrictions	Currently, only USF participates in the program.
<i>Southeastern Pennsylvania Transportation Authority (SEPTA)</i>	\$70 for all SEPTA services	\$250/semester for U-Penn students	Valid for most services on weekdays and all services on weekends	Students at participating colleges and universities; full-time students only; currently, Temple University and U-Penn participate in the program

**THIS PRINT COVERS CALENDAR ITEM NO. 14**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION: TRANSPORTATION PLANNING AND DEVELOPMENT**

**BRIEF DESCRIPTION:**

Requesting authorization for the Executive Director/CEO to execute Contract Modification 8 to San Francisco Municipal Railway Contract No. MR-1141, Third Street Light Rail Project: King Street to 22<sup>nd</sup> Street, with Mitchell Engineering/Obayashi Corp., a Joint Venture, for an additional \$882,892.00 for a total Contract amount not to exceed \$24,327,027.51 with no extension of the Contract time.

**SUMMARY:**

- On March 19, 2002, the Municipal Transportation Agency Board of Directors adopted Resolution No. 02-017, which awarded Contract No. MR-1141, Third Street Light Rail Project: King Street to 22nd Street, to Mitchell Engineering/Obayashi Corp., a Joint Venture, in the amount of \$19,926,331.91.
- On May 20, 2002, MUNI issued the written Notice to Proceed to start the work.
- The work performed under this Contract includes reconstruction of the roadway, construction of utilities, trackway, transit platforms and traffic signals, installation of streetlights and light/strain poles, and planting of trees.
- Contract Modifications 1 through 7 increased the Contract amount by \$3,517,803.60 and increased the Contract time by 62 calendar days. Contract Modification 8 will compensate the Contractor for inefficiencies and loss of productivity while performing track, track pavement, and platform work due to differing site conditions, design revisions, delays due to unforeseen hazardous materials (e.g. airborne asbestos) and delays due to site access restrictions. This Contract Modification will increase the Contract amount by \$882,892.00 with no extension of Contract time.
- The Contract Compliance Office and the City Attorney's Office have reviewed this calendar item.

**ENCLOSURES** (List numerically and by title):

1. MTAB Resolution
2. Contract Modification 8
3. Project Budget & Financial Plan

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION  
PREPARING CALENDAR ITEM:

\_\_\_\_\_

\_\_\_\_\_

FINANCE:

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO:

\_\_\_\_\_

\_\_\_\_\_

SECRETARY:

\_\_\_\_\_

\_\_\_\_\_

ADOPTED RESOLUTION  
TO BE RETURNED TO:

Contracting Section Attn: Gigi Pabros  
1 South Van Ness Avenue, 3<sup>rd</sup> Floor  
San Francisco, CA 94102

ASSIGNED MTAB CALENDAR DATE \_\_\_\_\_

**PAGE 2.**

## **EXPLANATION**

On March 19, 2002, the Municipal Transportation Agency (MTA) Board of Directors adopted Resolution No. 02-017, which awarded Contract No. MR-1141, Third Street Light Rail Project: King Street to 22<sup>nd</sup> Street (Segment B) (“The Contract”) to Mitchell Engineering/Obayashi Corp., a Joint Venture, in the amount of \$19,926,331.91. On May 20, 2002, MUNI issued the written Notice to Proceed (NTP) to start the work. The original Contract time was 520 calendar days from NTP.

The work performed under this Contract includes reconstruction of the roadway, construction of utilities, trackway, transit platforms and traffic signals, installation of streetlights and light/strain poles, and the planting of trees.

Due to the complex nature of this project and its interface with many City and private agencies, a number of Contract Modifications (CMs) have been necessary to complete the work. Contract Modifications 1 through 5 were authorized by the Executive Director/CEO pursuant to the MTA’s contracting policy approved by the MTA Board of Directors’ Resolution No. 02-110 adopted on September 17, 2002. Contract Modifications 6 and 7 were authorized by the MTA Board of Directors on February 20, 2007 and March 20, 2007, respectively. These modifications are summarized as follows:

- CM 1: Additional sewer, water, and electrical utility installation near Illinois Street
- CM 2: Additional traffic control, striping, utilities, temporary platforms, and redesign work required for the construction of the 4<sup>th</sup>/King intersection
- CM 3: Additional roadway reconstruction and resurfacing
- CM 4: Extended Contract time by 62 calendar days due to unforeseen weather delays
- CM 5: Additional overhead, lighting, and signal work
- CM 6: Handling, transportation, and disposal of Class I soil
- CM 7: Compensable Contractor expenses for inefficiencies and loss of productivity due to delays and disruptions to water, sewer, and AWSS work

Executed Contract Modifications to date have increased the Contract amount by \$3,517,803.60 and extended the Contract duration by 62 calendar days. The work performed under these Contract Modifications may have resulted in impacts to Contractor’s operations. Once those impacts are fully analyzed, additional Contract Modifications may be prepared and presented to the MTA Board of Directors. Total costs for these future modifications will be within the established approved budgets for this project. Any contract time extensions will be analyzed and included in these modifications as well.

Contract Modification 8 will compensate the Contractor for inefficiencies and loss of productivity while performing track, track pavement, and platform work due to differing site conditions, design revisions, delays due to unforeseen hazardous materials (e.g. airborne asbestos) and delays due to site access restrictions. Contract Modification 8 will increase the Contract amount by \$882,892.00, with no extension of Contract time.

Both the City Attorney’s Office and the Contract Compliance Office have reviewed this calendar item.

Staff recommends that this Board approve Contract Modification 8 to San Francisco Municipal Railway Contract No. MR-1141, Third Street Light Rail Project: King Street to 22<sup>nd</sup> Street, with Mitchell Engineering/Obayashi Corp., a Joint Venture, to increase the Contract amount by \$882,892.00 to a new total Contract amount of \$24,327,027.51, with no extension of Contract time.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, On March 19, 2002, the Municipal Transportation Agency (MTA) Board of Directors adopted Resolution No. 02-017, which awarded Contract No. MR-1141: Third Street Light Rail Project: King Street to 22<sup>nd</sup> Street to Mitchell Engineering/Obayashi Corp., a Joint Venture, in the amount of \$19,926,331.91; and,

WHEREAS, On May 20, 2002, MUNI issued a written Notice to Proceed (NTP) to start the work; and,

WHEREAS, The original Contract time for completion was 520 calendar days from NTP; and,

WHEREAS, The Executive Director/CEO approved Contract Modifications 1 through 5, which increased the Contract amount by \$1,992,549.60 and extended the Contract time by 62 calendar days; and,

WHEREAS, The MTA Board of Directors approved Contract Modification 6 on February 20, 2007, which increased the Contract amount by \$871,900.00, with no extension to the Contract time; and,

WHEREAS, The MTA Board of Directors approved Contract Modification 7 on March 20, 2007, which increased the Contract amount by \$653,354.00, with no extension to the Contract time; and now, therefore, be it

RESOLVED, That the MTA Board of Directors authorizes the Executive Director/CEO to execute Contract Modification 8 to San Francisco Municipal Railway Contract No. MR-1141, Third Street Light Rail Project: King Street to 22<sup>nd</sup> Street, with Mitchell Engineering/Obayashi Corp., a Joint Venture, with an increase of \$882,892.00 to a new total Contract amount of \$24,327,027.51, with no extension of the Contract time.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**CONTRACT MODIFICATION NO. 8**

**San Francisco Municipal Railway Contract No. MR-1141  
THIRD STREET LIGHT RAIL TRANSIT – King Street to 22<sup>ND</sup> ST.  
Segment - B**

Page: 1 of 2

Contractor: Mitchell Engineering – Obayashi Corporation, A Joint Venture  
*P.O. Box 34399*  
*San Francisco, CA 94143*

The Contract is hereby modified as follows:

1.	Compensate the Contractor for inefficiencies and loss of productivity incurred while performing Track work, Track Pavement work, and Platform work due to Differing Site Conditions, Design Revisions, Delayed Site Access, and Delay for Airborne Asbestos.	Lump Sum,	\$882,892.00
2.	Add the following new Contract Pay Items:		
	CM 8 Inefficiency Cost for Trackwork, Track Pavement, and Platform work	Lump Sum,	\$882,892.00
	Total Amount of this Contract Modification:	Increase,	\$882,892.00
		Previous Total of Contract:	\$23,444,135.51
		New Revised Total of Contract:	\$24,327,027.51

Total Contract Time added by this Contract Modification: None

3. This Modification is made in accordance with Article 75 of the Contract General Provisions.
4. Except as provided herein all previous terms and conditions of the Contract remain unchanged.

5. The City's payment of Contractor's costs for inefficiencies and loss of productivity described above is a full, complete, and compromise settlement of any and all costs incurred by the Contractor (including mark-up associated with those costs) in its direct performance of the Work.

The impacts of the Additional Work to the Contract are not known at this time. Contractor reserves the right to submit a certified claim for all impacts under section 98.B of the General Provisions.

**MITCHELL ENGINEERING/OBAYSHI CORP. JV CITY AND COUNTY OF SAN FRANCISCO**

By: \_\_\_\_\_  
Signature  
Curtis E. Mitchell  
President  
Date

By: \_\_\_\_\_  
Signature  
Nathaniel P. Ford, Sr.  
Executive Director / CEO MTA  
Date

**Authorized by**  
Municipal Transportation Agency

Resolution No. \_\_\_\_\_

Adopted \_\_\_\_\_

Attest: \_\_\_\_\_  
Secretary, Municipal Transportation Agency

**APPROVED AS TO FORM:**  
Dennis J. Herrera, City Attorney

By: \_\_\_\_\_  
Signature  
Robert K. Stone  
Deputy City Attorney  
Date

**ENCLOSURE 3**

*Third Street Light Rail Transit Project*

*Initial Operating Segment*

Municipal Railway Contract MR-1141  
**Project Budget and Financial Plan**

<b>Cost Center</b>		<b>(\$ Thousands)</b>
	Phase 1	\$ 13,267
	Phase 2	28,842
	Phase 3	87,483
<b>Total Grantee Support</b>		<b>\$ 129,592</b>
Consultant Services		
	Phase 1	\$ 10,821
	Phase 2	10,259
	Phase 3	24,675
<b>Total Consultant Services</b>		<b>\$ 45,755</b>
Construction Contract Line Segments – Excluding MR-1141		\$ 222,322
Construction Contract MR-1141		\$27,572
Construction Contract MME		153,463
<b>Total Construction</b>		<b>\$ 403,357</b>
	Right of Way Acquisition	\$ 27,079
		<b>\$ 605,783</b>
		42,682
		<b>\$648,465</b>

<b>Funding</b>		<b>(\$ Thousands)</b>
	Other Agency	\$ 26,420
	Federal	75,235
	State	215,070

	Local		331,740
			<b>\$648,465</b>

Source: Third Street Light Rail Program Budget Funding Plan

**THIS PRINT COVERS CALENDAR ITEM NO. 15**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION: TRANSPORTATION PLANNING AND DEVELOPMENT**

**BRIEF DESCRIPTION:**

Requesting authorization for the Executive Director/CEO to execute Contract Modification 40 to San Francisco Municipal Railway Contract No. MR-1142, Third Street Light Rail Project: 22<sup>nd</sup> Street to Jerrold Avenue, with Mitchell Engineering/Obayashi Corp., a Joint Venture, for an additional \$476,151.00 for a total Contract amount not to exceed \$47,908,334.00 with no increase to the Contract time.

**SUMMARY:**

- On January 21, 2003, the Municipal Transportation Agency Board of Directors adopted Resolution No. 03-027, which awarded Contract No. MR-1142, Third Street Light Rail Project: 22nd Street to Jerrold Avenue, to Mitchell Engineering/Obayashi Corp., a Joint Venture, in the amount of \$42,202,780.00. The original Contract time for completion was 760 calendar days from Notice to Proceed.
- On April 25, 2003, MUNI issued the written Notice to Proceed to start the work.
- The work performed under this Contract includes construction of utilities, trackway, transit platforms, landscaping, traffic signals, streetlights, the overhead catenary system, the seismic retrofit of the Islais Creek Bridge, and the reconstruction of the roadway and sidewalk.
- Contract Modification 40 will modify the Contract for required modifications to the overhead contact wire support structure on the Islais Creek Bridge and to purchase traction power cable for the underwater ductbank beneath Islais Creek. The Contract Modification will increase the contract amount by \$476,151.00, with no extension of Contract time.
- The Contract Compliance Office and the City Attorney's Office have reviewed this calendar item.

**ENCLOSURES** (List numerically and by title):

1. MTAB Resolution
2. Contract Modification 40
3. Project Budget & Financial Plan

**APPROVALS:**

**DATE**

**DIRECTOR OF DIVISION  
PREPARING CALENDAR ITEM:**

\_\_\_\_\_

\_\_\_\_\_

**FINANCE:**

\_\_\_\_\_

\_\_\_\_\_

**EXECUTIVE DIRECTOR/CEO:**

\_\_\_\_\_

\_\_\_\_\_

**SECRETARY:**

\_\_\_\_\_

\_\_\_\_\_

**ADOPTED RESOLUTION**

**TO BE RETURNED TO:**

Contracting Section Attn: Gigi Pabros  
1 South Van Ness Avenue, 3<sup>rd</sup> Floor  
San Francisco, CA 94102

**ASSIGNED MTAB CALENDAR DATE** \_\_\_\_\_

**PAGE 2.**

**EXPLANATION**

On January 21, 2003, the Municipal Transportation Agency (MTA) Board of Directors adopted Resolution No. 03-027, which awarded Contract No. MR-1142, Third Street Light Rail Project: 22<sup>nd</sup> Street to Jerrold Avenue (“The Contract”) to Mitchell Engineering/Obayashi Corp., a Joint Venture, in the amount of \$42,202,780.00. On April 25, 2003, MUNI issued the written Notice to Proceed (NTP) to start the work. The original Contract time was 760 calendar days from NTP.

The work performed under this Contract includes reconstruction of the roadway and sidewalks, construction of utilities, trackway, transit platforms, landscaping, traffic signals, streetlights, and the overhead catenary system. In addition, the work includes a seismic retrofit of the Islais Creek Bridge.

Due to the complex nature of this project and its interface with many City agencies and private utilities, a number of changes have been necessary to complete the work. Contract Modifications 1 through 13, 15 through 21, 23 through 26, and 28 through 37 have been authorized by the Executive Director/CEO pursuant to the MTA’s contracting policy approved by the MTA Board of Directors’ Resolution No. 02-110 adopted on September 17, 2002. Contract Modification 38 was approved on February 20, 2007 by the MTA Board of Directors’ Resolution No.07-025. Contract Modification 39 was approved by the MTA Board of Directors on March 20, 2007. Executed Contract Modifications increased the contract amount by \$5,229,403.00 and extended the time by 191 calendar days. Contract Modifications 14, 22 and 27 were not issued. These contract changes may have resulted in impacts to the efficiency of the Contractor’s operations for which a number of Contract Modifications may be prepared and presented to this Board once those impacts and any associated resulting costs are fully analyzed. The total cost of the modifications will be within the established approved budgets for this project.

Contract Modification 40 will provide for modifications to the overhead contact wire support structure on the Islais Creek Bridge. This modification also provides for the replacement of traction power cables in the underwater ductbank beneath Islais Creek.

Both the City Attorney’s Office and the Contract Compliance Office have reviewed this calendar item.

Staff recommends that this Board approve Contract Modification 40 to San Francisco Municipal Railway Contract No. MR-1142, Third Street Light Rail Project: 22<sup>nd</sup> Street to Jerrold Avenue, with Mitchell Engineering/Obayashi Corp., a Joint Venture, to increase the Contract amount by \$476,151.00 to a total Contract amount of \$47,908,334.00, with no extension of Contract time.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The Municipal Transportation Agency (MTA) Board of Directors adopted Resolution No. 03-027 on January 21, 2003 which awarded Contract No. MR-1142: Third Street Light Rail Project: 22nd Street to Jerrold Avenue to Mitchell Engineering/Obayashi Corp., a Joint Venture, in the amount of \$42,202,780.00; and,

WHEREAS, MUNI issued a written Notice to Proceed (NTP) to start the work on April 25, 2003; and,

WHEREAS, The original Contract time for completion was 760 calendar days from NTP; and,

WHEREAS, The Executive Director/CEO approved Contract Modifications 1 through 13, 15 through 21, 23 through 26, and 28 through 37, and the MTA Board of Directors authorized Contract Modifications 38 and 39 which increased the Contract amount by \$5,229,403.00 and extended the Contract time by 191 calendar days; now, therefore, be it

RESOLVED, That the MTA Board of Directors authorizes the Executive Director/CEO to execute Contract Modification 40 to San Francisco Municipal Railway Contract No. MR-1142, Third Street Light Rail Project: 22nd Street to Jerrold Avenue, with Mitchell Engineering/Obayashi Corp., a Joint Venture, with an increase of \$476,151.00 to a new total Contract amount of \$47,908,334.00, with no extension to the Contract time.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

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Secretary, Municipal Transportation Agency  
Board

**CONTRACT MODIFICATION NO. 40**

**San Francisco Municipal Railway Contract No. MR-1142**  
THIRD STREET LIGHT RAIL TRANSIT – 22ND STREET TO JERROLD AVENUE

**Segment – C**

Page: 1 of 2

Contractor: Mitchell Engineering – Obayashi Corporation, A Joint Venture  
*P.O. Box 34399*  
*San Francisco, CA 94143*

The Contract is hereby modified as follows:

1. Revisions to the Islais Creek Bridge Overhead Contact System: Replace contact wire with figure 8 bar, add new glider, and reinforce gliders in accordance with revised contract drawings OV-26A rev. 2, OV-30A rev. 2, OV-37A rev. 2, (CO-183); Make adjustments at the fixed frame posts, (CO-183A); Add runner and make adjustments in accordance with revised contract drawing OV-38 rev. 2, (CO 183B); Modify OCS runners in accordance with revised contract drawing OV-28 rev. 2, (CO 183C); Touch up paint at welded unistrut (CO-183D); All as directed by the Engineer.	Lump Sum,	\$214,694.00
2. Provide all labor, equipment, and materials necessary to replace all of the existing submarine cables through the underwater ductbank between Manholes MH 2042 and MH 4022, pulling through manhole MH 2043. The work will consist of providing (6) #750 KCMIL positive and (6) #750 KCMIL negative cables and all required splicing materials, splicing the cables as necessary, and performing all tests required to satisfy contract requirement. All materials shall be as required by the contract specifications.	Lump Sum,	\$261,457.00
3. Add the following new Contract Pay Items:		
CM 40-1 Islais Creek Bridge Overhead Contact System revisions	Lump Sum	\$214,694.00
CM 40-2 Replace Existing Submarine Cables between MH 2042 and 2044	Lump Sum	\$261,457.00
Total Amount of this Contract Modification:		Increase, \$476,151.00
Previous Total of Contract:		\$47,432,183.00
New Revised Total of Contract:		\$47,908,334.00

Total Contract Time added by this Contract Modification: None

Previous Contract Completion Date: August 6, 2005

New Revised Contract Completion August 6, 2005

4. All work is to be performed in accordance with the plans, specifications and requirements of the Contract, as amended and as directed by the City's Resident Engineer.
5. This Modification is made in accordance with Article 75 of the Contract General Provisions.
6. Except as provided herein all previous terms and conditions of the Contract remain unchanged.
7. The City's payment of the costs for the Additional Work described above is a full and complete settlement of any and all costs incurred by the Contractor for labor and material (and mark-up associated with those costs) in its direct performance of the Additional Work. The impacts of the Additional Work to the Contract are not known at this time. Contractor reserves its right to submit a certified claim for all impacts under Section 98.B of the

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**MITCHELL ENGINEERING/ CITY AND COUNTY OF SAN FRANCISCO  
OBAYASHI CORPORATION, JV**

By: \_\_\_\_\_  
\_\_\_\_\_

Signature

Curtis F. Mitchell  
Managing Partner

Date

By: \_\_\_\_\_  
\_\_\_\_\_

Signature

Date

Nathaniel P. Ford, Sr.  
Executive Director/CEO MTA

MTA Board of Directors

Resolution No. \_\_\_\_\_

Adopted: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
\_\_\_\_\_

Signature

Roberta Boomer, Secretary

**APPROVED AS TO FORM:**

Dennis J. Herrera, City Attorney

By: \_\_\_\_\_

\_\_\_\_\_

Robert K. Stone, Deputy City Attorney  
Deputy City Attorney

**ENCLOSURE 3**

*Third Street Light Rail Transit Project*

*Initial Operating Segment*

Municipal Railway Contract MR-1142  
**Project Budget and Financial Plan**

<b>Cost Center</b>		<b>(\$ Thousands)</b>
	Phase 1	\$ 13,267
	Phase 2	28,842
	Phase 3	87,483
<b>Total Grantee Support</b>		<b>\$ 129,592</b>
Consultant Services		
	Phase 1	\$ 10,821
	Phase 2	10,259
	Phase 3	24,675
<b>Total Consultant Services</b>		<b>\$ 45,755</b>
Construction Contract Line Segments – Excluding MR-1142		\$ 197,932
Construction Contract MR-1142		\$51,962
Construction Contract MME		153,463
<b>Total Construction</b>		<b>\$ 403,357</b>
	Right of Way Acquisition	\$ 27,079
	Contingency	
		<b>\$ 605,783</b>
		42,682
		<b>\$648,465</b>

<b>Funding</b>		<b>(\$ Thousands)</b>
	Other Agency	\$ 26,420
	Federal	75,235

	State		215,070
	Local		331,740
			<b>\$648,465</b>

Source: Third Street Light Rail Program Budget Funding Plan