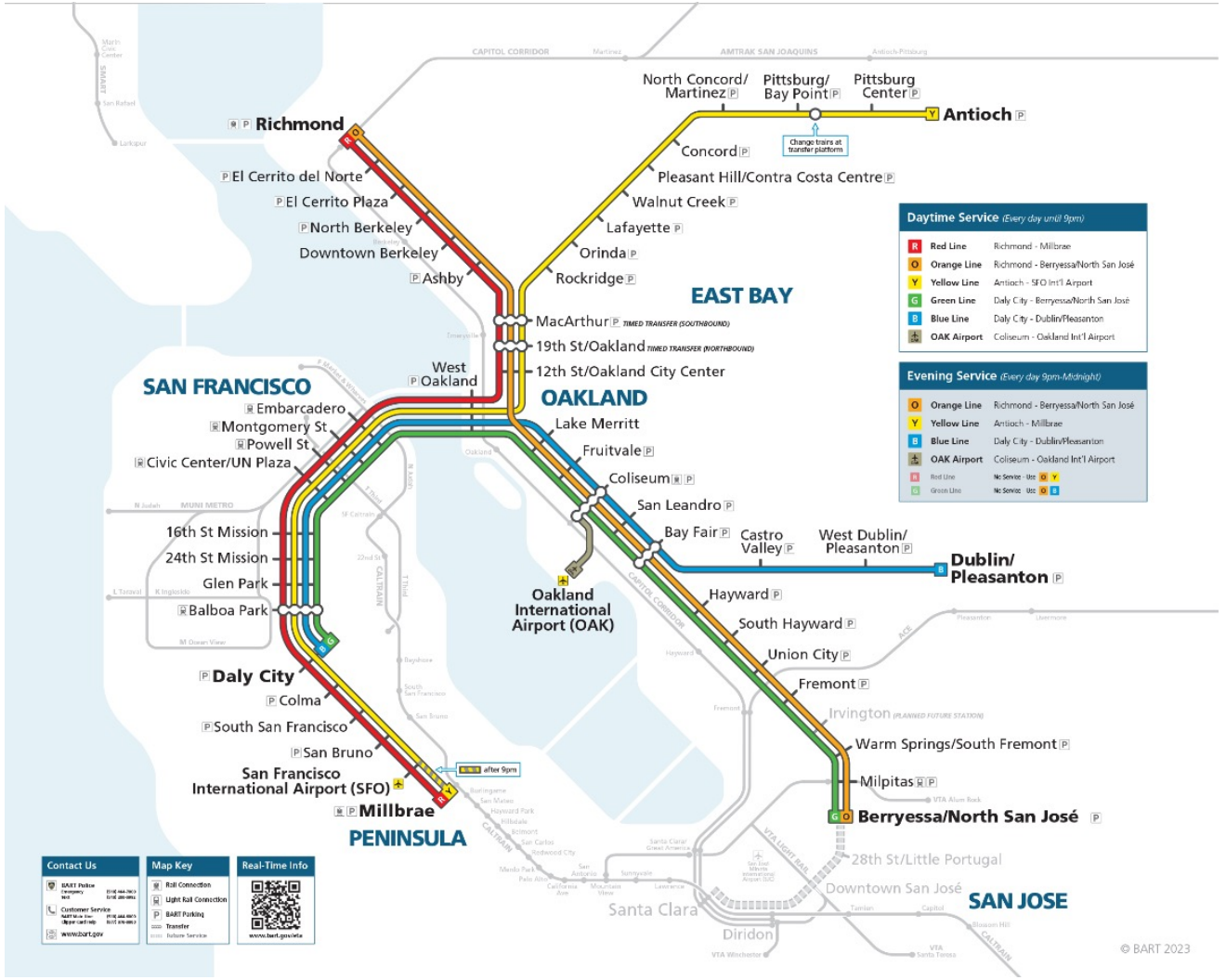
2026: A Defining Year for BART

CCTA Board Meeting
September 16, 2026

BART System Overview

- 5 counties, 50 stations, 131 track miles
- 6 maintenance facilities, over 1,100 vehicles
- Yellow line service in Contra Costa County runs every ~10 minutes (weekdays) and 20 minutes (weekends)
- Distance-based fare structure
  - Discounts for seniors, youth, riders with disabilities, and low-income riders
  - Average fare paid is $4.66 (31 cents per mile traveled)

BART connects to more than 300 unique transit routes; nearly 90% of the region's transfers include a trip on BART.

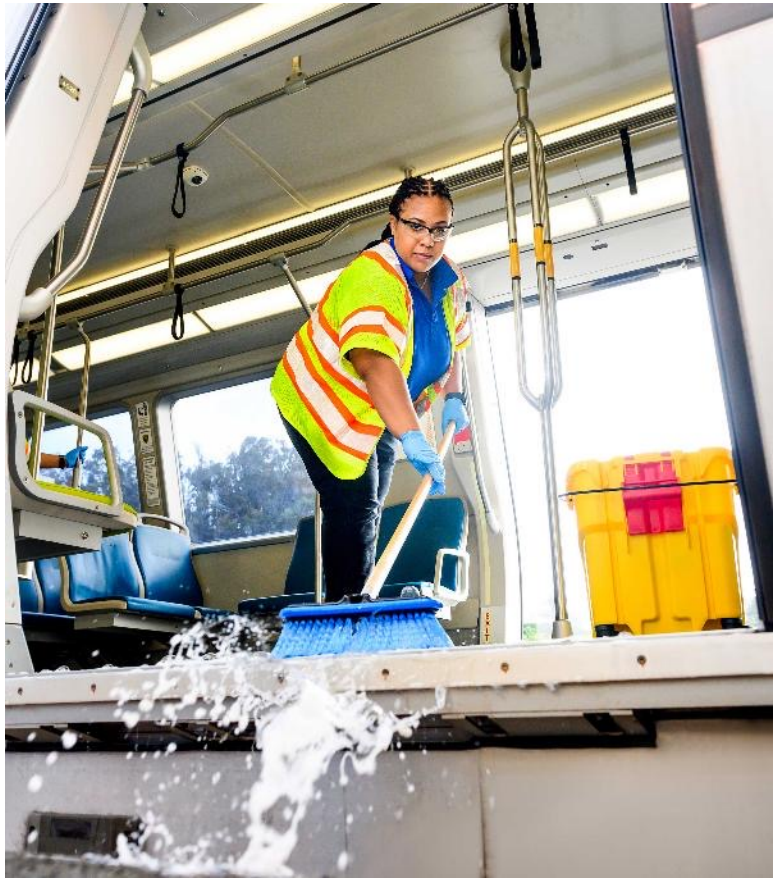


Welcome to The New BART

The New BART – Safer and Cleaner

Award winning new fare gates make riders feel safer & increase revenue

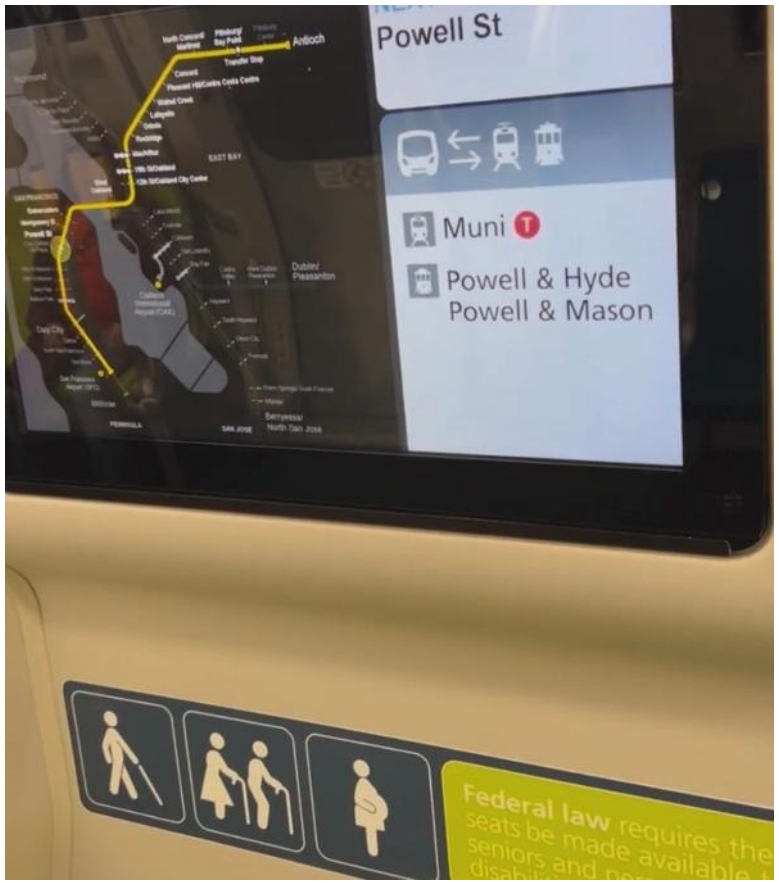
Focus on presence
Crime fell 41% in 2025



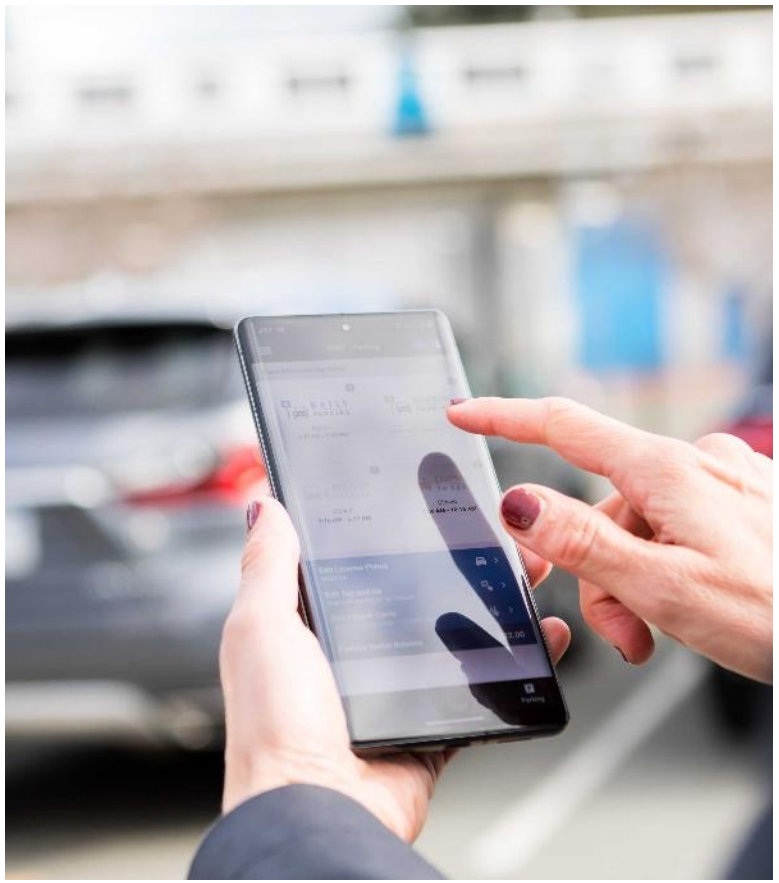
Doubled the rate of cleaning

The New BART – Easier to Use

Easier ways to pay with Tap and Ride



Modern trains with onboard digital screens



Faster parking payment with one tap on app

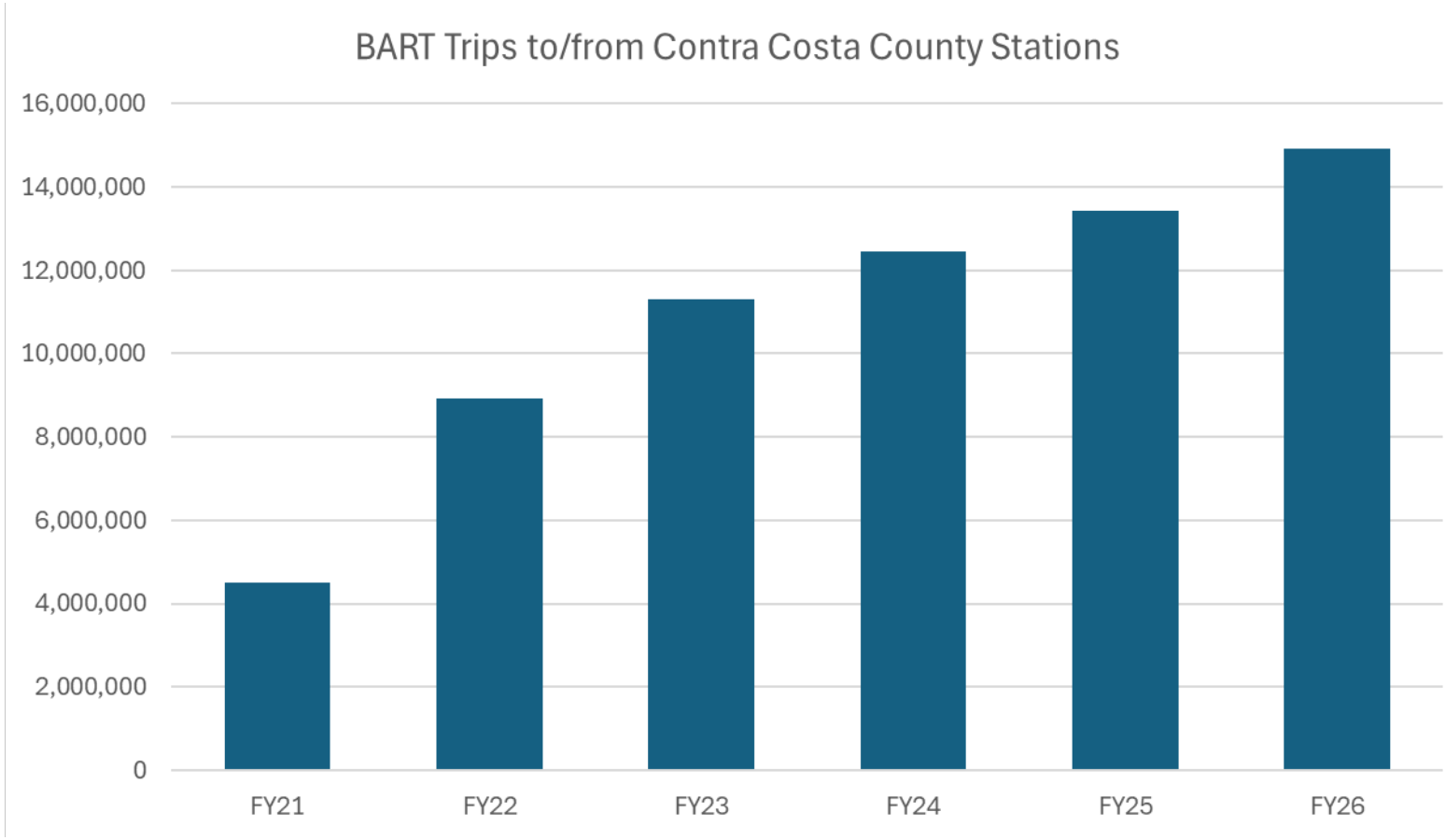
The New BART – Increased Transit Coordination

The Big Sync schedule alignment and train length increase

Mapping and Wayfinding Project
New signs to help riders

Innovative fare products
Clipper BayPass

The New BART – Ridership is Growing



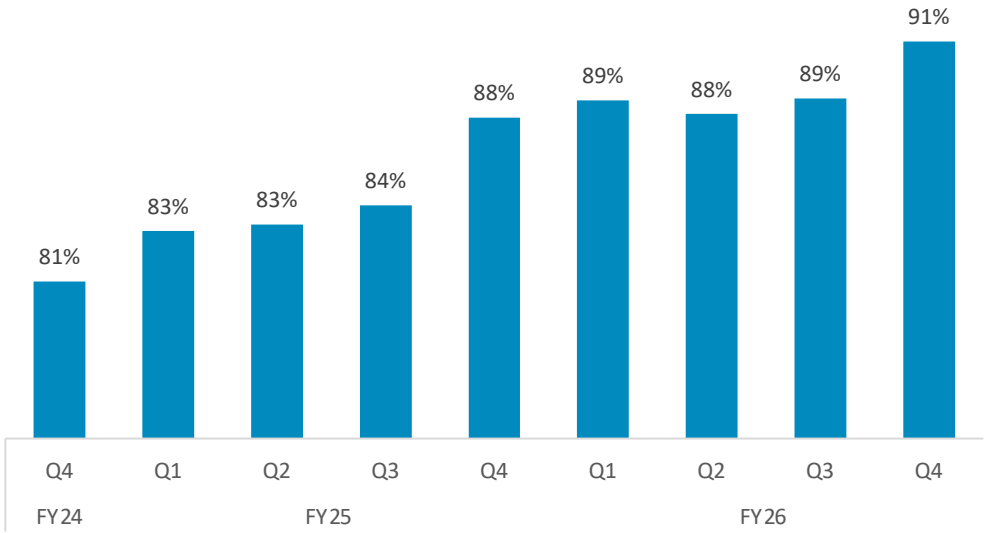
Source: BART Data, Fiscal Year

- BART ridership involving at least one Contra Costa County station has **more than tripled** since FY21, serving nearly 15M trips in FY26
- FY26 systemwide ridership – up 13% above FY25; up 11% for Contra Costa trips
- FY27 budget expects 62.3M trips, 5% more than FY26

The New BART – High Customer Satisfaction

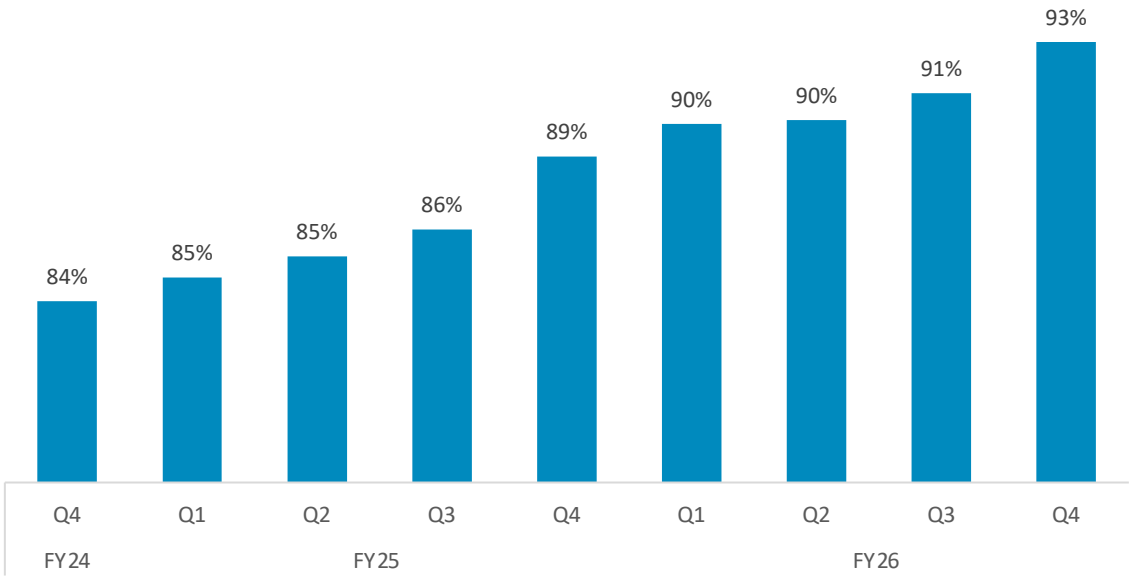
Customer Satisfaction

Overall, how satisfied are you with the services provided by BART?



On Train Experience

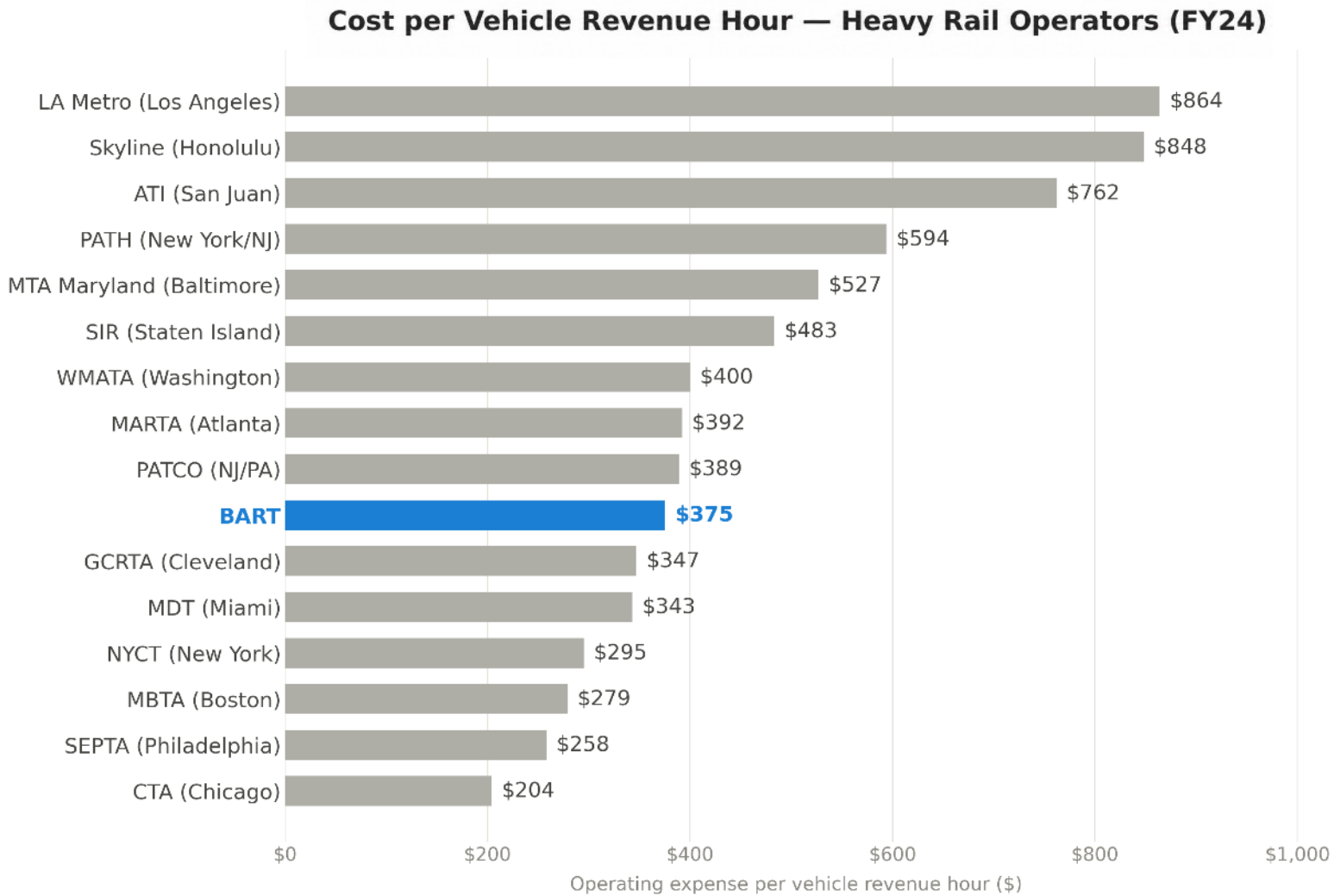
Your experience on the BART train you are on right now



Source: BART Passenger Experience Survey – satisfaction rating is percentage of riders who selected very satisfied or somewhat satisfied

BART is Facing a Deficit

Context: BART Operates Efficiently



- BART's cost per vehicle hour is lower than the median US heavy rail operator, and lower than our most-similar peer agencies, DC's WMATA and Atlanta's MARTA, per NTD
- BART runs efficiently despite Bay Area costs that are about 10% higher than the typical US city served by peer heavy rail agencies (Source: BEA price parity by MSA)

Source: National Transit Database, 2024 Annual Data — Metrics | data.transportation.gov/Public-Transit/2022-2024-NTD-Annual-Data-Metrics/ekg5-frzt | Downloaded February 23, 2026

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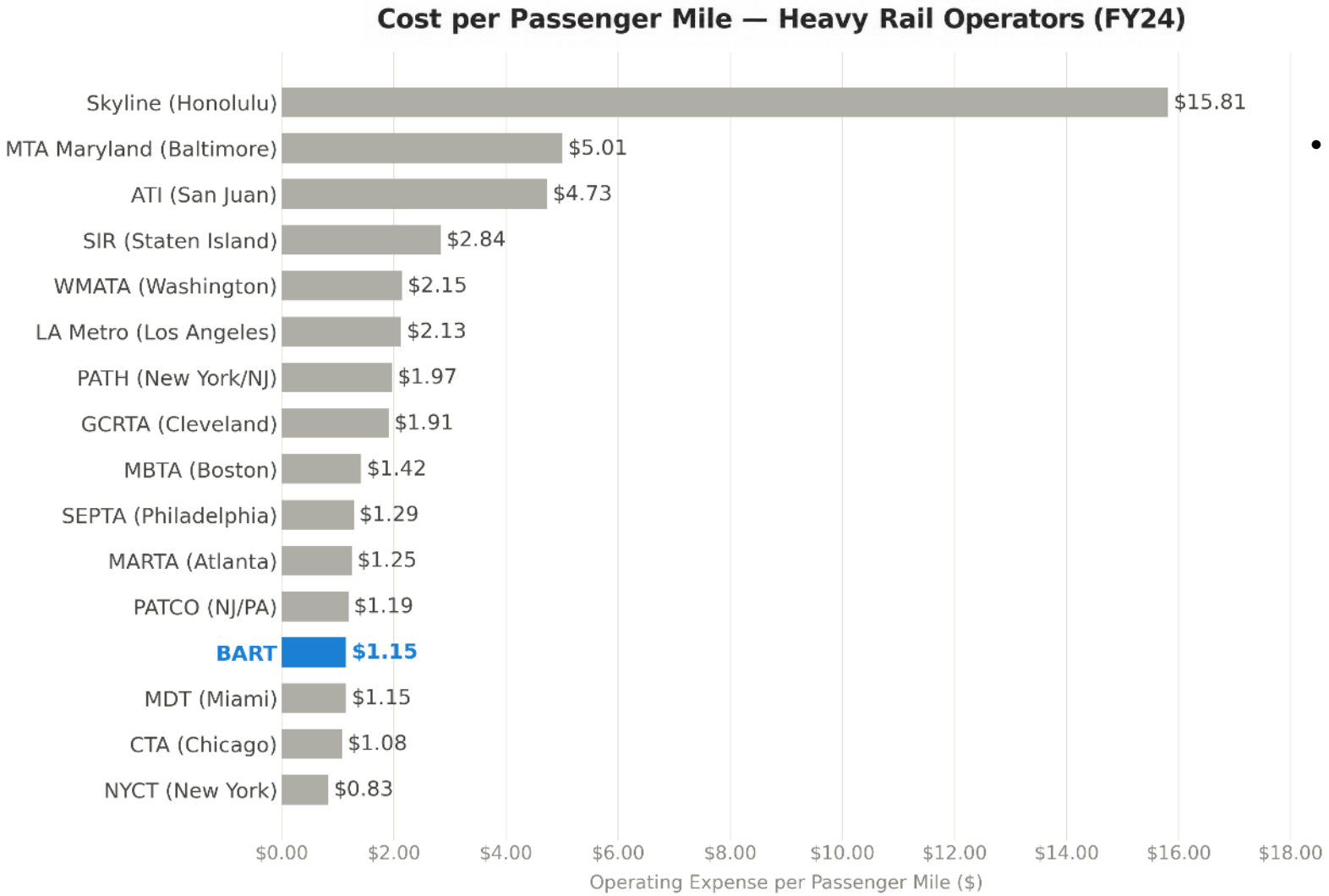


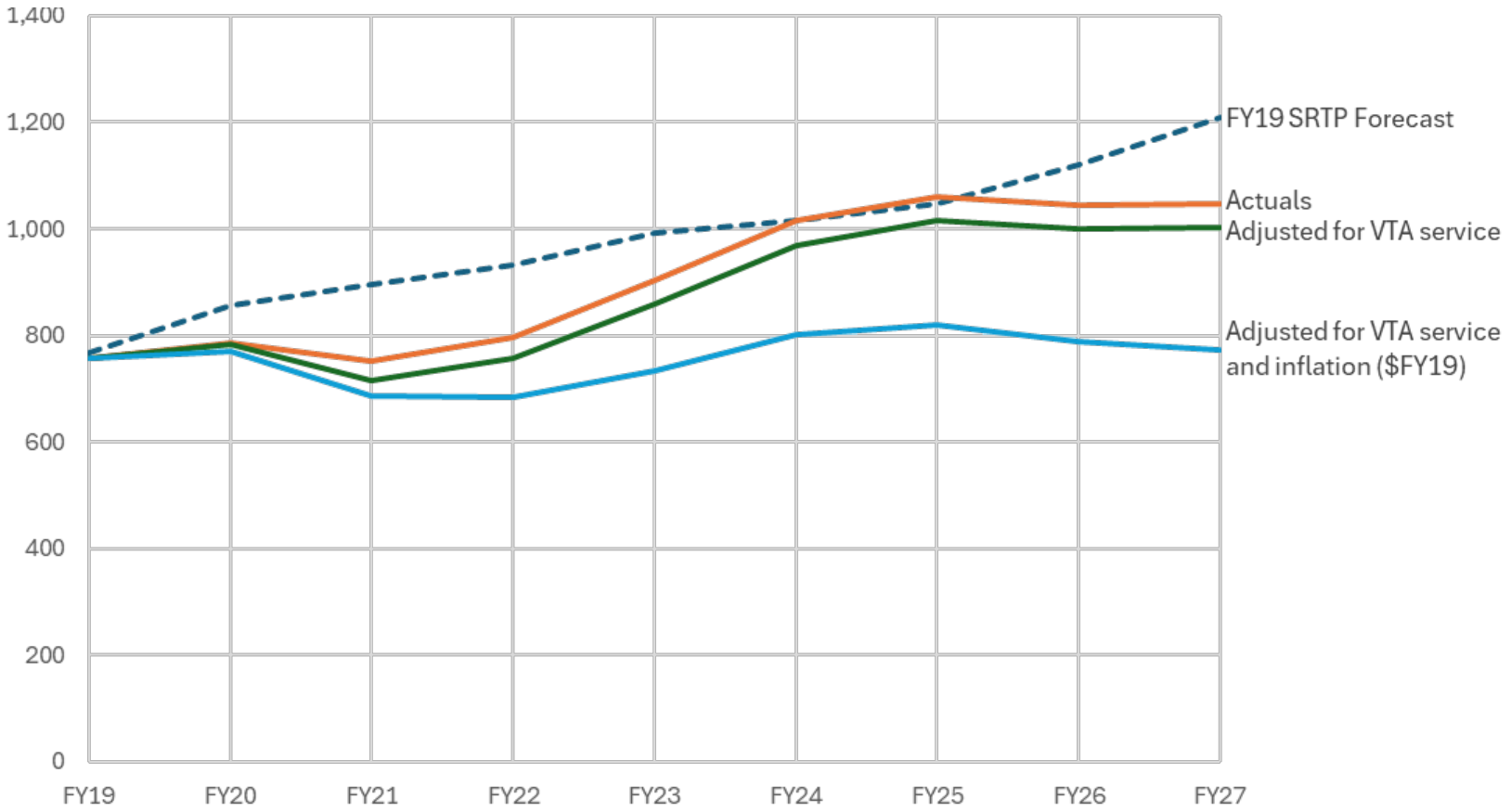
- Despite pandemic impacts on Bay Area transit ridership, BART maintains low operating cost per passenger mile compared to most peer heavy rail agencies, per NTD

Source: National Transit Database, 2024 Annual Data — Metrics | https://data.transportation.gov/Public-Transit/2022-2024-NTD-Annual-Data-Metrics/ekg5-frzt | Downloaded February 23, 2026

Context: Operating Costs are Flat

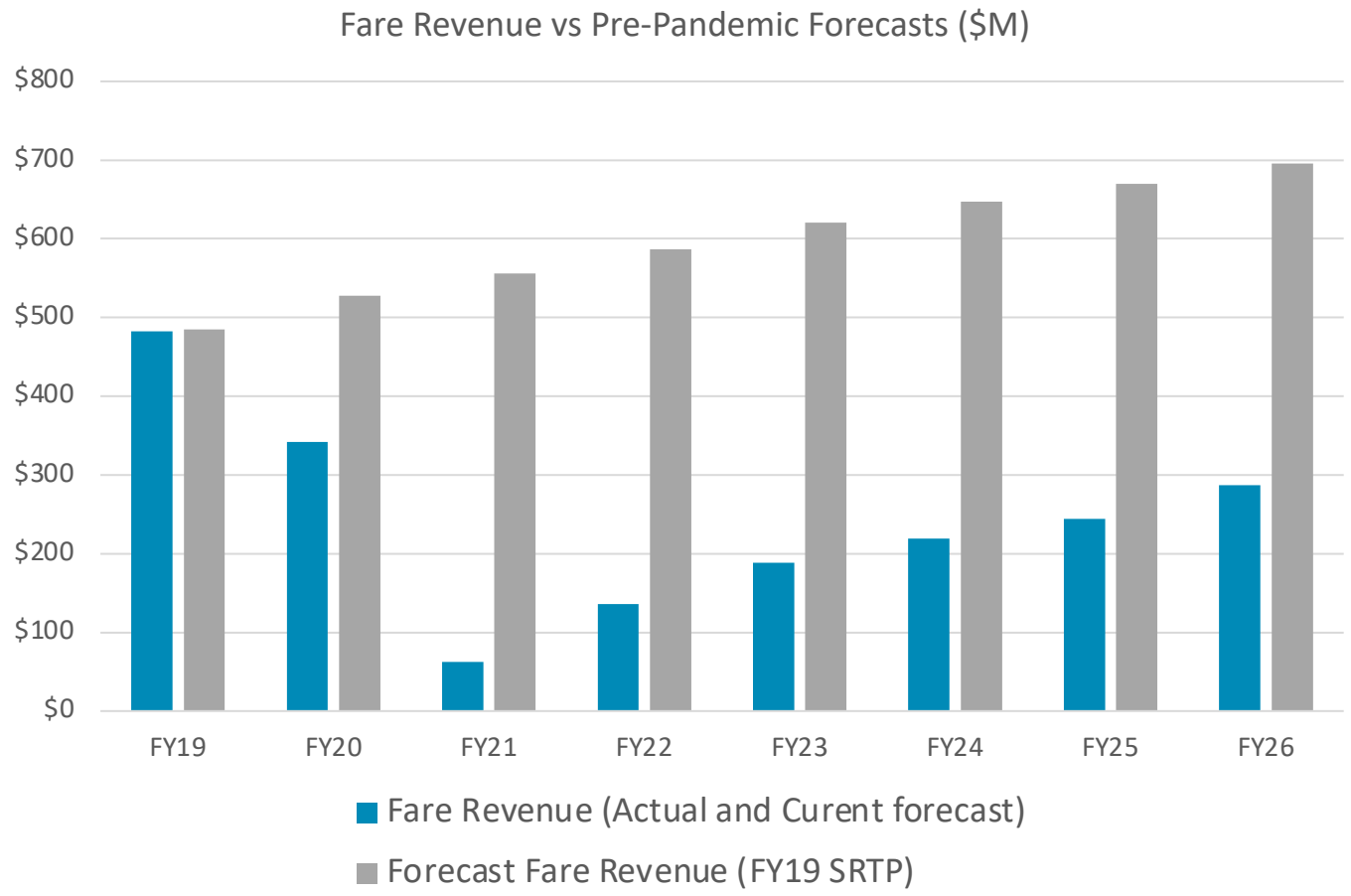
- Operating costs are flat since FY19 when adjusted for VTA-funded service to Berryessa and inflation, despite high costs in the Bay Area.

BART Operating Expense, FY19-FY27



So What is Driving BART's Deficit?

- Fare revenue that previously supported 2/3 of BART's operating costs, is more than $400M lower than projected back in FY19.
- Emergency funding that sustained and improved service since 2020 is nearly exhausted.



What is BART Doing About the Deficit?

- Since 2020, BART has balanced demands for service restoration and cleaner, safer trains with the need to reduce costs.
- But, as an asset-intensive heavy rail operator, only about 40% of BART's operating cost scales with service.
  - In 2020, a 40% service reduction reduced operating cost by approximately 12%
- Service cuts won't solve BART's budget shortfall.
- Instead, BART is focused on strategic cost reductions, increasing revenue, and maximizing resources, while maintaining service quality.

Controlling Costs and Growing Revenue

Increase Fare Revenue

- Installing new fare gates to reduce fare evasion (+$10M annually)
- Maintaining inflation-based fare increases

Grow Ridership

- Offering new fare products like Clipper BayPass (+$7M annually)
- Promoting BART for non-work trips
- Station activations & events
- Improving transit coordination

Advance Revenue Generating Programs

- Negotiating new agreements for telecommunications revenues
- Maximizing investment revenues
- Longer term strategies include TOD and potential sale of excess land

Labor Savings

- Implementing a strategic hiring freeze while protecting safety and service quality
- Renegotiated with unions to reduce near term retiree healthcare costs

Targeted Cuts

- Cut peak-period train service
- Targeted reductions to operating costs across all departments
- Reduced and eliminated some contracts and agreements

Efficiencies

- Running shorter trains
- Locked-in low renewable electricity costs
- Implementing efficiencies and oversight recommendations from the Inspector General
- Modernize technology

Since 2020, $500M+ in operating cost savings, cost deferrals, and revenue increases

Transit Measure Accountability Requirements

SB 63 independent Financial Efficiency Review reaffirmed the work BART has done:

Phase 1 (Spring 2026)

- **Cost saving measures** taken since 2020
- **Early-action strategies** for increasing or improving service/enhancing customer experience with existing resources
- **Analysis of operator's real property** assets and identification of potential redevelopment opportunities

BART board approved all recommended strategies at its June 11th meeting

Independent review found BART achieved since 2020:

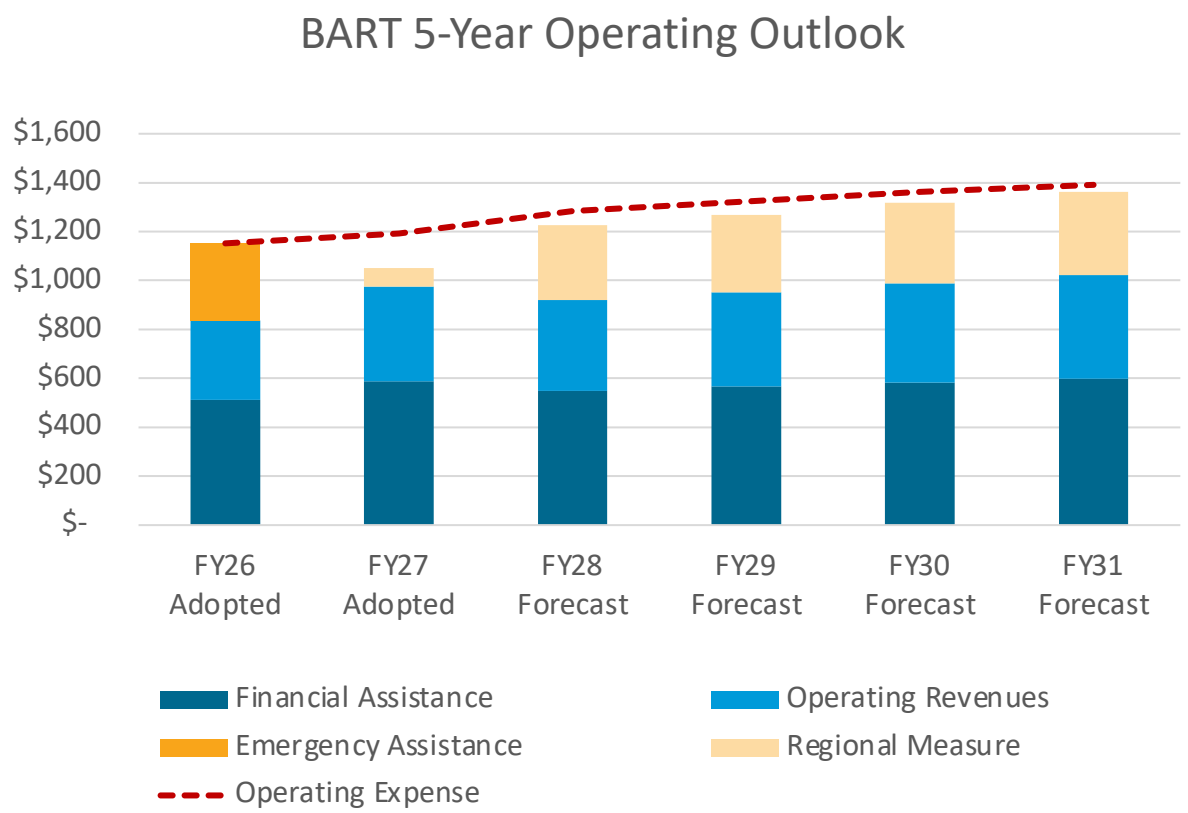
- **$516M** operating cost savings - service reductions, workforce controls, and operational efficiencies
- **$549M** capital cost savings - project cost management, deferrals, investments to reduce future costs, and improved reimbursements
- **$99M** increased revenues through fare increases, fare products, and parking leases

Phase 2 – if measure passes

- Identify additional cost saving measures
- Regional strategy to maximize real property assets

Successful Transit Measure Will Stabilize BART

- A successful Regional Transit Measure will stabilize BART service
- BART is committed to closing remaining operating shortfalls without service cuts
- BART'sFY26 and FY27 budgets include $35M and $18M of ongoing cost reductions
- The Regional Transit Measure will require additional accountability measures



Measure Fails - Alternative Service Plan

To take place January 2027:

- 63% reduction in service
  - 9pm closure (previously midnight)
  - 3-line service (previously 5-line)
  - 30-minute frequencies (previously 10-20)
- 30% fare and parking increases
- $30M in cuts from non-service reductions to fleet maintenance, policing, cleaning, admin support
- Over 800 employee layoffs
- Deferrals and one-time sources

Measure Fails - Alternative Service Plan

To take place July 2027:

- Cumulative 70% reduction in service
  - Maintain 9pm closure, 3-line service, 30 min frequencies
  - Close up to 15 stations and/or 25% of track miles
- Cumulative 50% fare and parking increase
- Cumulative $130M in cuts from non-service reductions to fleet maintenance, policing, cleaning, admin support
- Another 400 layoffs (total 1,200)
- Continue deferrals

- **No station names are included in the plan**
- The BART Board will be responsible for all decisions on station or segment closures

FY27 Adopted Budget

- $1.2B Operating Budget assumes current service and successful passage of the regional transit measure
  - Includes $18M cost cuts across all departments, on top of FY26 $35M cost reduction
  - Over 100 positions eliminated in past two years
  - One-time funds and deferrals used to balance until revenue measure funds available April 2027
  - BART's Alternative Service Plan is a contingency plan, not the adopted budget
- $828M Capital Budget includes large investments in rail car and system capacity / reliability
  - Funds are restricted to capital projects

What Else is BART Doing to Become More Efficient?

Internal Audit is Improving Controls

- Internal Audit has identified $8.7M in financial benefits to BART
  - **Capital Reviews and Support:** 515 capital reviews and support requests - $8.3M financial benefits
  - **Performance Audits:** 2 completed audits; 2 in progress; followed up on 6 previous audits - $365k financial benefits
  - **Internal Advisory Services:** 5 compliance reviews; 6 education and support services; 3 monitoring activities - $35K financial benefits
- Updated internal guidance to latest revised professional standards
- Conducted FY27 Risk Assessment

Inspector General Collaboration

- Internal Audit coordinates Management and Board-appointed Officer responses to recommendations from the Office of Inspector General (OIG):
  - **Monitor** all OIG recommendations
    - To-date: 172 recommendations, 63 open and underway
  - **Coordinate** all responses, communications, and OIG requests
  - **Ensure** District alignment with OIG's tracking system for consistency and mutual understanding
- OIG has identified more than potential benefits of $15M, of which nearly $2M has been realized

Performance & Innovation Increases Efficiency

$40 million over 9 years

Estimated financial value of P&I's work thus far

Lean 101

- 305 trained thus far → $1 million in annual time savings
- Example improvements:
  - ✓ Organization of supply cabinets
  - ✓ Easy-to-reference checklists

Projects

- Example results:
  - ✓ $22.6 million over 5 years from strengthened cost recovery mechanisms
  - ✓ 83% projected reduction in time to establish a TOD passthrough agreement

Thank you.