

2012

Sound Transit

Fare Revenue Report

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OVERVIEW

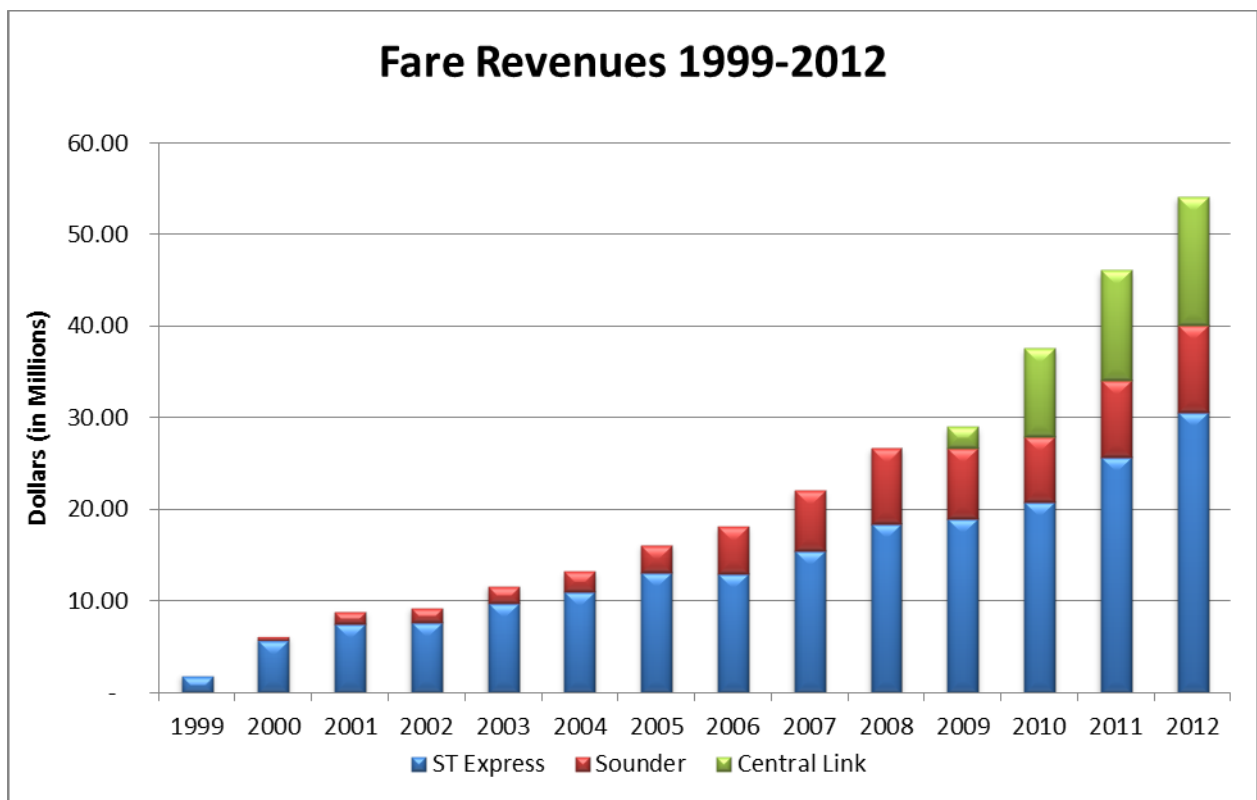
Starting in 2011, Sound Transit began on an annual basis reporting a breakdown of its fare revenues to inform management and the Sound Transit Board of the details of its sources of operating revenue from customers in the prior year. This is also an opportunity to project any potential future need to consider adjustments in fares to maintain farebox recovery policies.

This report follows the structure of Sound Transit’s Fare Policy, adopted by the Board in Resolution 2010-10.

This report is prepared each year following finalization of the prior year’s revenue and operating cost figures.

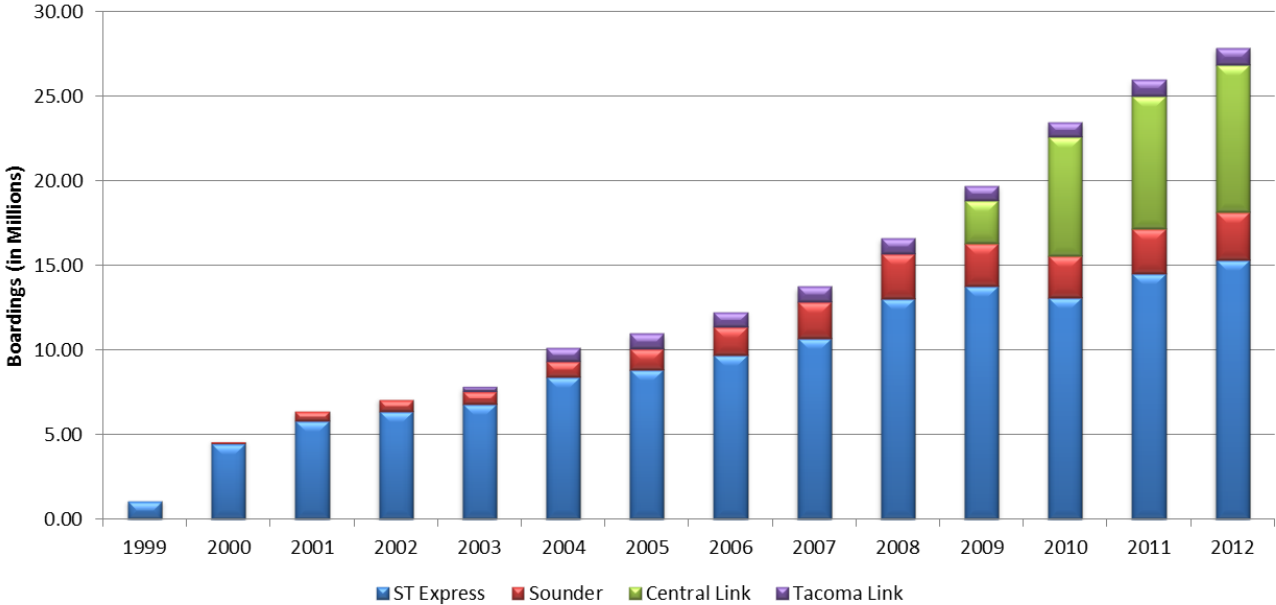
Sound Transit Key Operational Milestones:

- Regional Express Bus started in September of 1999
- Sounder Commuter Rail started in September 2000
- Tacoma Link started in August 2003¹
- Central Link Initial Segment began July 2009
- Sounder extension to South 200th and Lakewood began October 2012



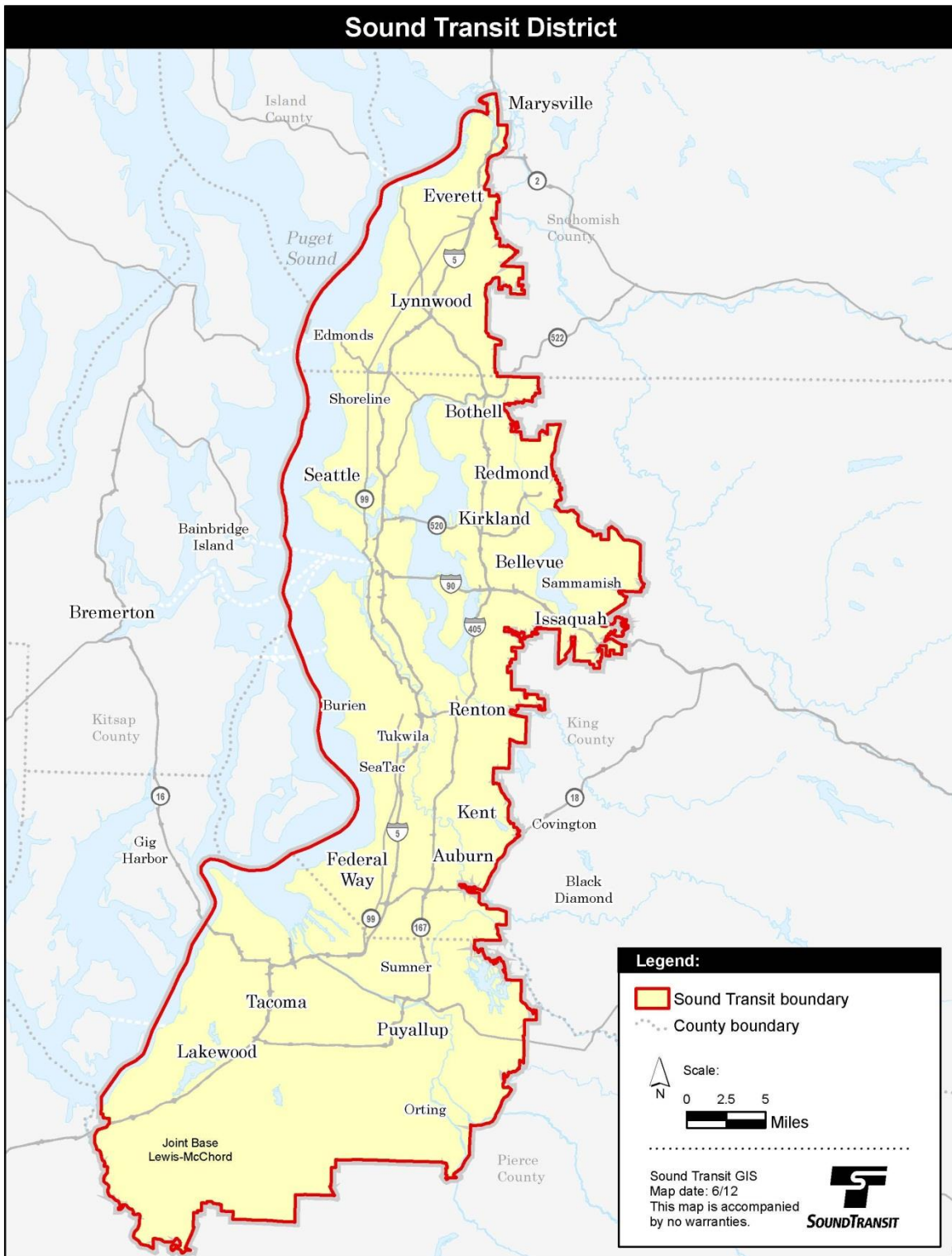
¹ Tacoma Link Operates as a fare free service

Boardings 1999-2012



FARE STRUCTURE

Figure 1: Sound Transit District



FARE STRUCTURE

ST Express Bus

The 2010 and prior fare zones were defined as Snohomish County, North King County, East King County, South King County, and Pierce County. A one-zone fare applied to any trip within a single geographic zone; two-zone fare applied to trips crossing a single zone boundary and spanning two adjacent fare zones; three-zone trips applied to any trip crossing two fare zone boundaries, spanning three fare zones. Sound Transit does not incorporate a time of day (peak/off-peak) differential on any service.

In Resolution R2010-11, the Sound Transit Board approved a two-part fare rate change and simplification for ST Express service. On June 1, 2010 ST Express bus fares were changed to increase net revenue and to establish a consistent rate for trips crossing a county line with two-zone fares applying only within King County. On June 1, 2011, the second part of the fare change was implemented, simplifying the fare structure to only in-county vs. inter-county trips, increasing the adult multi-county fare by \$0.50 and standardizing the one-zone youth and reduced fare to improve consistency with partner agencies.

ST Express bus fares prior to June 1, 2010:

	One-zone	Two-zone	Three-zone
Adult	\$1.50	\$2.50	\$3.50
Youth	\$1.00	\$1.75	\$2.50
Reduced Fare	\$0.50	\$1.25	\$1.50

ST Express bus fares June 1, 2010- June 1, 2011:

	One-zone	Two-zone	Intercounty
Adult	\$2.00	\$2.50	\$3.00
Youth	\$1.00	\$1.75	\$2.50
Reduced Fare	\$0.75	\$1.25	\$1.50

ST Express bus fares June 1, 2011- Present:

	One-zone (within one county)	Multi-county fare (across county line)
Adult	\$2.50	\$3.50
Youth	\$1.25	\$2.50
Reduced Fare	\$0.75	\$1.50

FARE STRUCTURE

Central Link Light Rail

Fares on Central Link are established as a base (minimum) fare plus a distance surcharge, so vary with distance traveled. Adult fares effective 2010 - May 31, 2011 start from a base of \$1.75 to which \$0.05 per mile is added. However, fares are rounded to the nearest \$0.25 resulting in the following structure:

Adult Fares

	Westlake	University St	Pioneer Square	Int'l District	Stadium	SODO	Beacon Hill	Mt. Baker	Columbia City	Othello	Rainier Beach	Tukwila Int'l	SeaTac/ Airport
Westlake		\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.00	\$2.00	\$2.50	\$2.50
University St	\$1.75		\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.00	\$2.00	\$2.50	\$2.50
Pioneer Square	\$1.75	\$1.75		\$1.75	\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.00	\$2.00	\$2.50	\$2.50
Int'l District	\$1.75	\$1.75	\$1.75		\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.00	\$2.00	\$2.50	\$2.50
Stadium	\$1.75	\$1.75	\$1.75	\$1.75		\$1.75	\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.25	\$2.50
SODO	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75		\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.25	\$2.25
Beacon Hill	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75		\$1.75	\$1.75	\$2.00	\$2.00	\$2.25	\$2.25
Mt. Baker	\$2.00	\$2.00	\$2.00	\$2.00	\$1.75	\$1.75	\$1.75		\$1.75	\$1.75	\$2.00	\$2.25	\$2.25
Columbia City	\$2.00	\$2.00	\$2.00	\$2.00	\$1.75	\$1.75	\$1.75	\$1.75		\$1.75	\$1.75	\$2.00	\$2.25
Othello	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$1.75	\$1.75		\$1.75	\$2.00	\$2.25
Rainier Beach	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$1.75	\$1.75		\$2.00	\$2.00
Tukwila Int'l	\$2.50	\$2.50	\$2.50	\$2.50	\$2.25	\$2.25	\$2.25	\$2.25	\$2.00	\$2.00	\$2.00		\$1.75
SeaTac/ Airport	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.00	\$1.75	

Youth Fares (age 6-18)

	Westlake	University St	Pioneer Square	Int'l District	Stadium	SODO	Beacon Hill	Mt. Baker	Columbia City	Othello	Rainier Beach	Tukwila Int'l	SeaTac/ Airport
Westlake		\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.50	\$1.50	\$1.50	\$1.50	\$2.00	\$2.00
University St	\$1.25		\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.50	\$1.50	\$1.50	\$1.50	\$2.00	\$2.00
Pioneer Square	\$1.25	\$1.25		\$1.25	\$1.25	\$1.25	\$1.25	\$1.50	\$1.50	\$1.50	\$1.50	\$2.00	\$2.00
Int'l District	\$1.25	\$1.25	\$1.25		\$1.25	\$1.25	\$1.25	\$1.50	\$1.50	\$1.50	\$1.50	\$2.00	\$2.00
Stadium	\$1.25	\$1.25	\$1.25	\$1.25		\$1.25	\$1.25	\$1.25	\$1.25	\$1.50	\$1.50	\$1.75	\$2.00
SODO	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25		\$1.25	\$1.25	\$1.25	\$1.50	\$1.50	\$1.75	\$1.75
Beacon Hill	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25		\$1.25	\$1.25	\$1.50	\$1.50	\$1.75	\$1.75
Mt. Baker	\$1.50	\$1.50	\$1.50	\$1.50	\$1.25	\$1.25	\$1.25		\$1.25	\$1.25	\$1.50	\$1.75	\$1.75
Columbia City	\$1.50	\$1.50	\$1.50	\$1.50	\$1.25	\$1.25	\$1.25	\$1.25		\$1.25	\$1.25	\$1.50	\$1.75
Othello	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.25	\$1.25		\$1.25	\$1.50	\$1.75
Rainier Beach	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.25	\$1.25		\$1.50	\$1.50
Tukwila Int'l	\$2.00	\$2.00	\$2.00	\$2.00	\$1.75	\$1.75	\$1.75	\$1.75	\$1.50	\$1.50	\$1.50		\$1.25
SeaTac/ Airport	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.50	\$1.25	

FARE STRUCTURE

Reduced Fare (age 65+ and persons with qualifying disabilities)

	Westlake	University St	Pioneer Square	Int'l District	Stadium	SODO	Beacon Hill	Mt. Baker	Columbia City	Othello	Rainier Beach	Tukwila Int'l	SeaTac/ Airport
Westlake		\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00	\$1.25	\$1.25
University St	\$0.75		\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00	\$1.25	\$1.25
Pioneer Square	\$0.75	\$0.75		\$0.75	\$0.75	\$0.75	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00	\$1.25	\$1.25
Int'l District	\$0.75	\$0.75	\$0.75		\$0.75	\$0.75	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00	\$1.25	\$1.25
Stadium	\$0.75	\$0.75	\$0.75	\$0.75		\$0.75	\$0.75	\$0.75	\$0.75	\$1.00	\$1.00	\$1.00	\$1.25
SODO	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75		\$0.75	\$0.75	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00
Beacon Hill	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75		\$0.75	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00
Mt. Baker	\$1.00	\$1.00	\$1.00	\$1.00	\$0.75	\$0.75	\$0.75		\$0.75	\$0.75	\$1.00	\$1.00	\$1.00
Columbia City	\$1.00	\$1.00	\$1.00	\$1.00	\$0.75	\$0.75	\$0.75	\$0.75		\$0.75	\$0.75	\$1.00	\$1.00
Othello	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$0.75	\$0.75		\$0.75	\$1.00	\$1.00
Rainier Beach	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$0.75	\$0.75		\$1.00	\$1.00
Tukwila Int'l	\$1.25	\$1.25	\$1.25	\$1.25	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00		\$0.75
SeaTac/ Airport	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$0.75	

Effective June 1, 2011, Board Resolution No. R2010-11, approved a Central Link adult fare based fare increase of \$0.25 and simplified both youth and reduced fares:

Adult Fares

	Westlake	University St	Pioneer Square	Int'l District	Stadium	SODO	Beacon Hill	Mt. Baker	Columbia City	Othello	Rainier Beach	Tukwila Int'l	SeaTac/ Airport
Westlake		\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.25	\$2.25	\$2.25	\$2.25	\$2.75	\$2.75
University St	\$2.00		\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.25	\$2.25	\$2.25	\$2.25	\$2.75	\$2.75
Pioneer Square	\$2.00	\$2.00		\$2.00	\$2.00	\$2.00	\$2.00	\$2.25	\$2.25	\$2.25	\$2.25	\$2.75	\$2.75
Int'l District	\$2.00	\$2.00	\$2.00		\$2.00	\$2.00	\$2.00	\$2.25	\$2.25	\$2.25	\$2.25	\$2.75	\$2.75
Stadium	\$2.00	\$2.00	\$2.00	\$2.00		\$2.00	\$2.00	\$2.00	\$2.00	\$2.25	\$2.25	\$2.50	\$2.75
SODO	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00		\$2.00	\$2.00	\$2.00	\$2.25	\$2.25	\$2.50	\$2.50
Beacon Hill	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00		\$2.00	\$2.00	\$2.25	\$2.25	\$2.50	\$2.50
Mt. Baker	\$2.25	\$2.25	\$2.25	\$2.25	\$2.00	\$2.00	\$2.00		\$2.00	\$2.00	\$2.25	\$2.50	\$2.50
Columbia City	\$2.25	\$2.25	\$2.25	\$2.25	\$2.00	\$2.00	\$2.00	\$2.00		\$2.00	\$2.00	\$2.25	\$2.50
Othello	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.00	\$2.00		\$2.00	\$2.25	\$2.50
Rainier Beach	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.00	\$2.00		\$2.25	\$2.25
Tukwila Int'l	\$2.75	\$2.75	\$2.75	\$2.75	\$2.50	\$2.50	\$2.50	\$2.50	\$2.25	\$2.25	\$2.25		\$2.00
SeaTac/ Airport	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.25	\$2.00	

Youth Fares All one-way Link light rail youth fares became \$1.25

Reduced Fares All one-way Link Light rail fares for reduced fare became \$0.75.

Tacoma Link

Tacoma Link operates as a fare-free service.

FARE STRUCTURE

Souder Commuter Rail

Fares on Souder are established as a base (minimum) fare plus a distance surcharge. Adult fares start from a base of \$2.55 to which 5.5 cents per mile is added, rounded to the nearest \$0.25.

Adult Fare

Tacoma- Seattle

Adult	South								
	Lakewood	Tacoma	Tacoma	Puyallup	Sumner	Auburn	Kent	Tukwila	Seattle
Lakewood		\$2.75	\$3.00	\$3.50	\$3.50	\$4.00	\$4.25	\$4.50	\$5.25
South Tacoma	\$2.75		\$2.75	\$3.25	\$3.50	\$3.75	\$4.00	\$4.50	\$5.00
Tacoma	\$3.00	\$2.75		\$3.00	\$3.00	\$3.50	\$3.75	\$4.00	\$4.75
Puyallup	\$3.50	\$3.25	\$3.00		\$2.75	\$3.00	\$3.50	\$3.75	\$4.25
Sumner	\$3.50	\$3.50	\$3.00	\$2.75		\$3.00	\$3.25	\$3.50	\$4.25
Auburn	\$4.00	\$3.75	\$3.50	\$3.00	\$3.00		\$2.75	\$3.25	\$3.75
Kent	\$4.25	\$4.00	\$3.75	\$3.50	\$3.25	\$2.75		\$2.75	\$3.50
Tukwila	\$4.50	\$4.50	\$4.00	\$3.75	\$3.50	\$3.25	\$2.75		\$3.25
Seattle	\$5.25	\$5.00	\$4.75	\$4.25	\$4.25	\$3.75	\$3.50	\$3.25	

Everett- Seattle

Adult	Everett	Mukilteo	Edmonds	Seattle
Everett		\$2.75	\$3.50	\$4.50
Mukilteo	\$2.75		\$3.25	\$4.00
Edmonds	\$3.50	\$3.25		\$3.50
Seattle	\$4.50	\$4.00	\$3.50	

Youth riders (age 6 to 18) in effect for all of 2010- 2012 was as follows:

Tacoma- Seattle

Youth	South								
	Lakewood	Tacoma	Tacoma	Puyallup	Sumner	Auburn	Kent	Tukwila	Seattle
Lakewood		\$2.00	\$2.25	\$2.50	\$2.50	\$3.00	\$3.00	\$3.25	\$3.75
South Tacoma	\$2.00		\$2.00	\$2.25	\$2.50	\$2.75	\$3.00	\$3.25	\$3.75
Tacoma	\$2.25	\$2.00		\$2.25	\$2.25	\$2.50	\$2.75	\$3.00	\$3.50
Puyallup	\$2.50	\$2.25	\$2.25		\$2.00	\$2.25	\$2.50	\$2.75	\$3.00
Sumner	\$2.50	\$2.50	\$2.25	\$2.00		\$2.25	\$2.25	\$2.50	\$3.00
Auburn	\$3.00	\$2.75	\$2.50	\$2.25	\$2.25		\$2.00	\$2.25	\$2.75
Kent	\$3.00	\$3.00	\$2.75	\$2.50	\$2.25	\$2.00		\$2.00	\$2.50
Tukwila	\$3.25	\$3.25	\$3.00	\$2.75	\$2.50	\$2.25	\$2.00		\$2.25
Seattle	\$3.75	\$3.75	\$3.50	\$3.00	\$3.00	\$2.75	\$2.50	\$2.25	

FARE STRUCTURE

Everett- Seattle

Youth	Everett	Mukilteo	Edmonds	Seattle
Everett		\$2.00	\$2.50	\$3.25
Mukilteo	\$2.00		\$2.25	\$3.00
Edmonds	\$2.50	\$2.25		\$2.50
Seattle	\$3.25	\$3.00	\$2.50	

Reduced Fare riders (age 65 or over, with qualifying disabilities, or holding a valid Medicare card) in effect for all of 2010- 2012 was as follows:

Tacoma- Seattle

Reduced Fare	Lakewood	South							
		Tacoma	Tacoma	Puyallup	Sumner	Auburn	Kent	Tukwila	Seattle
Lakewood		\$1.25	\$1.50	\$1.75	\$1.75	\$2.00	\$2.00	\$2.25	\$2.50
South Tacoma	\$1.25		\$1.25	\$1.50	\$1.75	\$1.75	\$2.00	\$2.25	\$2.50
Tacoma	\$1.50	\$1.25		\$1.50	\$1.50	\$1.75	\$1.75	\$2.00	\$2.25
Puyallup	\$1.75	\$1.50	\$1.50		\$1.25	\$1.50	\$1.75	\$1.75	\$2.00
Sumner	\$1.75	\$1.75	\$1.50	\$1.25		\$1.50	\$1.50	\$1.75	\$2.00
Auburn	\$2.00	\$1.75	\$1.75	\$1.50	\$1.50		\$1.25	\$1.50	\$1.75
Kent	\$2.00	\$2.00	\$1.75	\$1.75	\$1.50	\$1.25		\$1.25	\$1.75
Tukwila	\$2.25	\$2.25	\$2.00	\$1.75	\$1.75	\$1.50	\$1.25		\$1.50
Seattle	\$2.50	\$2.50	\$2.25	\$2.00	\$2.00	\$1.75	\$1.75	\$1.50	

Everett- Seattle

Reduced Fare	Everett	Mukilteo	Edmonds	Seattle
Everett		\$1.25	\$1.75	\$2.25
Mukilteo	\$1.25		\$1.50	\$2.00
Edmonds	\$1.75	\$1.50		\$1.75
Seattle	\$2.25	\$2.00	\$1.75	

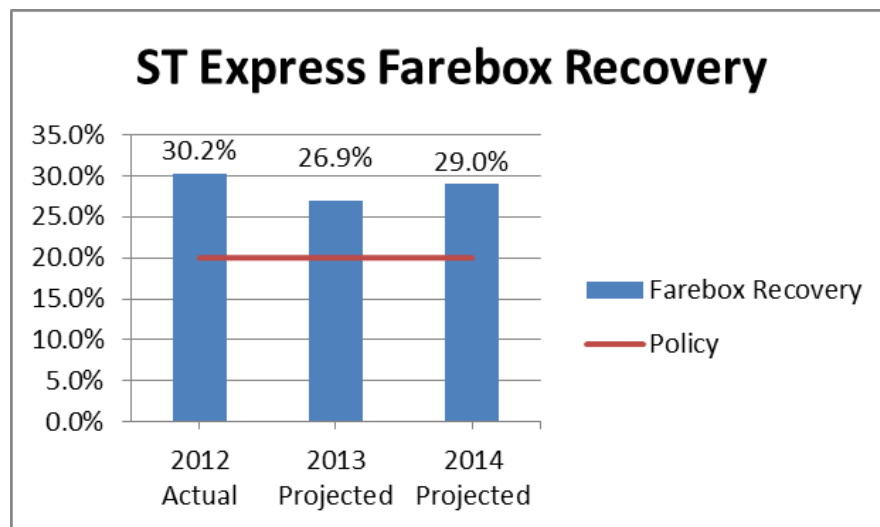
No fare change for Sounder service 2010-2012.

FAREBOX RECOVERY

Sound Transit's policy is to recover from passenger fares at least a minimum percentage of total operating costs on each mode. Farebox recovery ratios are calculated by dividing fare revenues by direct and indirect service operating costs. It is the goal of Sound Transit to continuously seek the highest possible farebox recovery ratio while maintaining fares at levels consistent with fare policy. Consistent with the agency's financial plan, minimum farebox recovery ratio thresholds are established as follows:

- Express Bus: 20%
- Commuter Rail (Sounder): 23%
- Light Rail (Link): 40%

ST Express



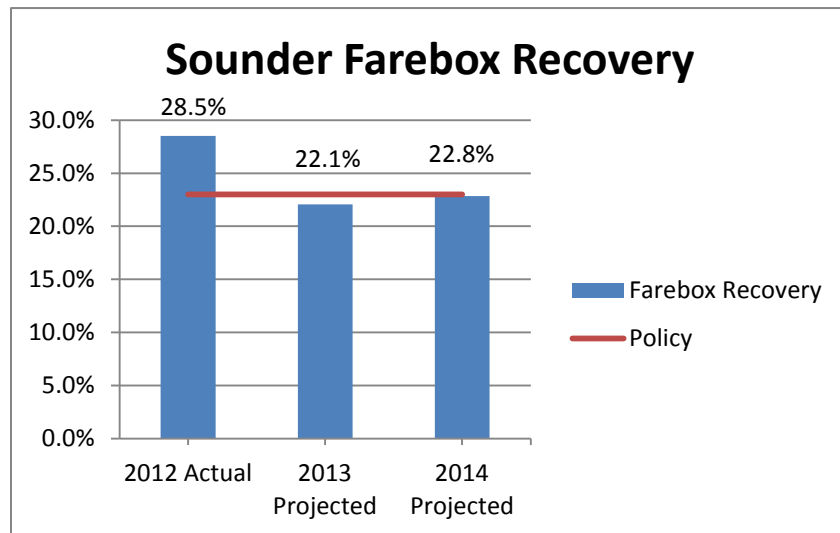
In 2012, total fare revenues for ST Express bus were \$30.7 million. Total operating costs were \$101.5 million, yielding a farebox recovery ratio of 30.2%.

Based on budgeted ridership forecasts and fares in effect for 2013 total annual fare revenues for ST Express bus are projected to be \$29.5 million. Total 2013 operating costs are projected to be \$109.7 million, yielding an expected farebox recovery ratio of 26.9%.

Based on ridership forecasts and an assumption of current fares being in effect for 2014 total annual fare revenues for ST Express bus are projected to be \$33.2 million. Total 2014 operating costs are projected to be \$114.2 million, yielding an expected farebox recovery ratio of 30.2%.

FAREBOX RECOVERY

Sounder

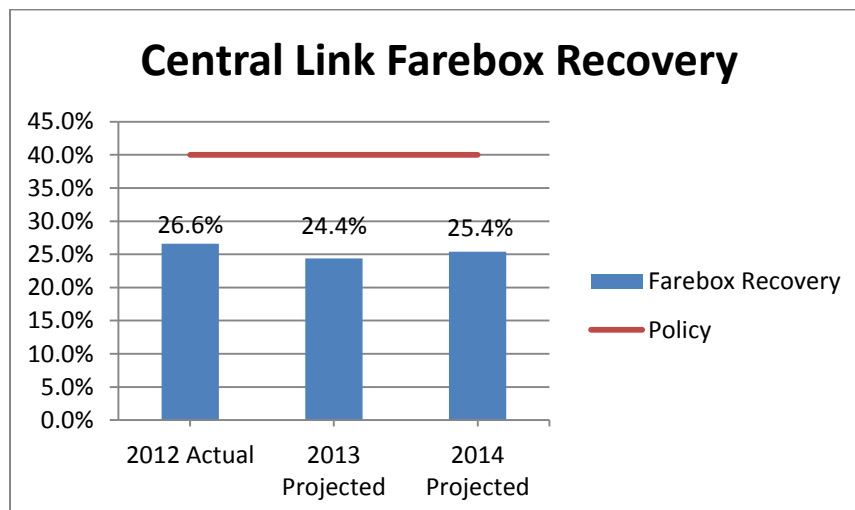


In 2012, total fare revenues for Sounder commuter rail were \$9.5 million. Total operating costs were \$33.2 million, yielding a farebox recovery ratio of 28.5%.

Based on ridership forecasts and fares in effect for 2013 total annual fare revenues for Sound commuter rail are projected to be \$8.9 million. Total 2013 operating costs are projected to be \$40.2 million, yielding an expected farebox recovery ratio of 22.1%.

Based on ridership forecasts and an assumption of current fares being in effect for 2014 total annual fare revenues for Sounder commuter rail are projected to be \$9.6 million. Total 2014 operating costs are projected to be \$42.0 million, yielding an expected farebox recovery ratio of 22.8%.

Central Link



FAREBOX RECOVERY

In 2012, total fare revenues for Central Link light rail were \$14.0 million. Total operating costs were \$52.7 million, yielding a farebox recovery ratio of 26.6%. However, the minimum farebox recovery of 40% was established to apply to a line that includes University of Washington ridership, so this level won't be targeted until service to the University of Washington is established and ridership has matured beyond start-up mode as defined in *Sound Transit's Service Standards and Performance Measures*.

Based on ridership forecasts and an assumption of current fares being in effect for 2013 total annual fare revenues for Link light rail are projected to be \$14.1 million. Total 2013 operating costs are projected to be \$57.8 million, yielding an expected farebox recovery ratio of 24.4%.

Based on ridership forecasts and fares in effect for 2014 total annual fare revenues for Link light rail are projected to be \$15.4 million. Total 2014 operating costs are projected to be \$60.7 million, yielding an expected farebox recovery ratio of 25.4%.

Fare Change Analysis Recommendations

ST Express: Based on the current and forecasted figures, a fare change is not projected to be required to maintain required farebox recovery ratios for 2013 or 2014.

Souder: Souder farebox recovery is projected to fall below the 23% policy target given the 2013 Adopted Budget fare revenue and operating cost projections. However based on actuals through the second quarter of 2013, Souder is outperforming forecasts in ridership and cost projections with a farebox recovery of 25.4%. Sound Transit will continue to closely monitor this ratio throughout 2013-2014 and possibly pursue ridership development or cost containment strategies to bring farebox recovery into alignment with policy targets. If farebox recovery falls below the target level based on recorded actual costs and revenues, Sound Transit will develop fare change options to increase operating revenue.

Central Link: The minimum farebox recovery of 40% for Link was established to apply to a line that includes University of Washington ridership, so this level won't be targeted until service to the University of Washington is established and ridership has matured beyond start-up mode as defined in *Sound Transit's Service Standards and Performance Measures*.

PASSENGER FARE REVENUE

Total Passenger Fare Revenue by Mode

Overall, Sound Transit experienced growth in passenger fare revenues of \$8.0 million in 2012 and \$8.5 million in 2011. Increases in fare revenue can be attributed to increases in ridership among all Sound Transit modes, an updated pricing methodology for annual ORCA Business Passport contracts, fare increases effective June 1, 2010 and June 1, 2011 for ST Express and a fare increase effective June 1, 2011 on Central Link light rail. Total fare boardings¹ increased 2.8 million or 11.6% in 2012 and 2.1 million or 9.7% in 2011. The net effect of both increased passenger fare revenues and increased ridership has resulted in an improved average fare per boarding ('AFB') in both 2012 and 2011 of 5.2% and 11.8%, respectively.

	REVENUES			% Change	
	2012	2011	2010	2012-2011	2011-2010
ST Express	\$ 30,651,594	\$ 25,741,924	\$ 20,845,809	19.1%	23.5%
Souder	9,480,587	8,336,092	7,134,458	13.7%	16.8%
Link Light Rail	14,013,302	12,038,576	9,608,740	16.4%	25.3%
	\$ 54,145,483	\$ 46,116,592	\$ 37,589,007	17.4%	22.7%

	BOARDINGS			% Change	
	2012	2011	2010	2012-2011	2011-2010
ST Express	15,330,906	13,570,248	12,477,200	13.0%	8.8%
Souder	2,803,123	2,626,711	2,480,052	6.7%	5.9%
Link Light Rail	8,701,106	7,847,840	6,958,830	10.9%	12.8%
	26,835,135	24,044,799	21,916,082	11.6%	9.7%

	AVERAGE FARE PER BOARDING			% Change	
	2012	2011	2010	2012-2011	2011-2010
ST Express	\$ 2.00	\$ 1.90	\$ 1.67	5.4%	13.5%
Souder	3.38	3.17	2.88	6.6%	10.3%
Link Light Rail	1.61	1.53	1.38	5.0%	11.1%
	\$ 2.02	\$ 1.92	\$ 1.72	5.2%	11.8%

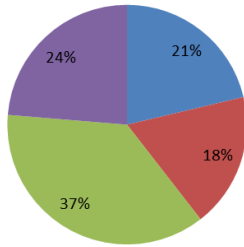
¹ Fare boardings for purposes of calculating the AFB, excludes ST Express boardings associated with the Ride Free Area ('RFA') in downtown Seattle. The RFA was terminated effective September 29, 2012, as such all subsequent boardings are included in the calculation.

PASSENGER FARE REVENUE

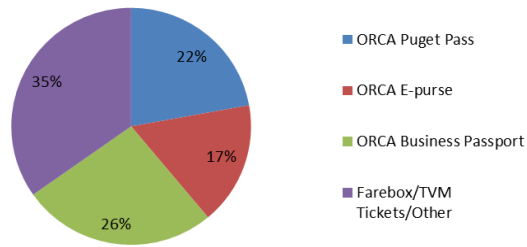
Total Passenger Fare Revenue by Source

The following sections provide a breakdown of passenger fare revenue from all sources on each mode of service. Passenger fares are primarily derived from the use of One Regional Card for All ('ORCA') regional products, Sounder commuter rail and Central Link ticket sales, and cash farebox receipts on ST Express. The use of ORCA products on Sound Transit services have continued to grow since the April 2009 system implementation and accounts for approximately 76% of total passenger fare revenue in 2012 up from 65% in 2011.

2012 Revenues



2011 Revenues



In order to provide detailed revenue and ridership amounts for all sales channel/payment types, passenger types and route-level details, various assumptions were made for allocation of all non-ORCA system generated revenues. These allocations may change and evolve over time as we use the best available data. The following is a brief description of the various fare payment methods and how those revenues are allocated.

ORCA E-Purse is stored transportation value used like cash to pay a fare. E-purse revenues are allocated to each agency and mode based on all trips traveled within the two hour transfer time. For trips involving multiple Agencies (linked trips), the highest total single fare of the linked trip is allocated to each Agency based in proportion to the actual cash value of the fare each Agency would have charged for the service used.



ORCA Regional Puget Pass is a monthly regional pass that allows for travel on bus, light rail or train services within the region on one or more participating agencies transit services. A regional pass is valid for payment of trip fares ranging in value from \$0.50 to \$5.25 and are priced based on an average of 36 trips per pass. Funds received from the purchase of regional passes are allocated in proportion to the total value of services used on each agency during the period in which the pass is valid. Over the last three years, the number of total trips per pass has continued to increase, resulting in an overall decreased average fare per boarding.

Regional ORCA PugetPass	2012	2011	2010
Number of Passes Sold	549,688	569,781	464,216
PugetPass Revenues	\$ 43,662,420	\$ 42,964,531	\$ 35,655,520
Total Boardings	28,621,559	27,569,844	20,921,802
Boardings per Pass	52	48	45

PASSENGER FARE REVENUE

ORCA Business Passport is an annual regional pass program purchased through a business account. A participating employer may elect to choose either a Business “Choice” or “Passport” Agreement subject to established program requirements. The Business Choice program offers businesses the ability to order standard retail products in bulk; these revenues have been allocated in accordance with the rules for e-purse and regional pass products above. Business Passport programs are annual fixed rate agreements based on the actual transit usage for a company or a geographical area and is allocated to each Agency based on the annual rate specific to each agency. Significant changes in Business Passport Accounts include:

- Transitioning the annual pre-ORCA employer flexpass agreements to ORCA products began in July 2009 and continued through mid-2012 as annual contracts expired. Prior to transitioning to ORCA all revenues and boardings related to any flexpass agreement is categorized as ‘Other’.
- Beginning in January 2011, annual contract pricing transitioned from a pricing methodology based on the Commute Trip Reduction (‘CTR’) Survey administered by the State of Washington on a biennial basis, to a pricing methodology based on actual transit use per the ORCA system. As a result, Sound Transit has seen increased revenues from the Business account Program. In an effort to retain customers and help alleviate the effects of the change in pricing methodology on the businesses, a one-time pricing discount was offered during the first year of the transition. Employers negatively impacted by the updated pricing received a discount of 20% on the increase from prior year. Please see Special Rates of Fare section (page 34) for more details.

TVM Tickets are paper tickets which include a single trip ticket or a day pass and are sold via a ticket vending machine (‘TVM’) located at each of the Link Light rail or Sounder Commuter rail stations and are good for only the origin and destination for which the ticket is purchased.



Farebox includes cash and tickets deposited into fareboxes and are specific to ST Express.

Other generally consists of revenues and boardings from non-ORCA fare media such as:

- Flexpasses (pre-ORCA employer pass program)
- U-passes (pre-ORCA University of Washington pass program)
- Paper tickets such as human services tickets, free ride tickets (see Special Rates of Fare on page 28).

With the introduction of ORCA in 2009, the revenues and boardings in this category have continued to decrease as the flexpass and U-Pass agreements have transitioned to ORCA fare media. In 2013, there will be no flexpass or U-pass revenues as all accounts have transitioned to ORCA products.

ST EXPRESS BUS

ST Express is Sound Transit's largest mode due to the nature of its service, serving major transportation corridors and transit centers in the Sound Transit District. ST Express revenues and boardings have steadily increased over the last three years, resulting in overall increases in the average fare per boardings ('AFB') of 5% in 2012 and 14% in 2011. Increases in revenue of \$4.9 million in both 2012 and 2011 are a result of increased ridership, fare increases effective June 1, 2010 and June 1, 2011, and the change in pricing methodology for Business Passport contracts. Increases in ridership of 1.8 million in 2012 and 1.1 million in 2011 can be attributed largely to the price of gasoline, the start of tolling on SR 520 effective December 29, 2011, and service changes which include the elimination of the ride free area ('RFA') in downtown Seattle on September 29, 2012.

Fare Revenue by Payment Type

ST Express Sales Channel	2012 Revenues	2011 Revenues	2010 Revenues	Change	
				2012-2011	2011-2010
ORCA Puget Pass	\$ 6,928,557	\$ 6,044,063	\$ 4,802,407	15%	26%
ORCA E-purse	6,168,195	4,775,193	3,242,948	29%	47%
ORCA Business Passport	12,484,246	7,409,935	4,894,012	68%	51%
Farebox/Other ¹	5,070,596	7,512,733	7,906,442	-33%	-5%
Totals	\$ 30,651,594	\$ 25,741,924	\$ 20,845,809	19%	23%

ST Express Sales Channel	2012 Boardings	2011 Boardings	2010 Boardings	Change	
				2012-2011	2011-2010
ORCA Puget Pass	2,957,415	2,513,561	2,034,799	18%	24%
ORCA E-purse	2,981,523	2,437,219	1,795,844	22%	36%
ORCA Business Passport	5,881,333	4,337,658	3,275,976	36%	32%
Farebox/Other ¹	3,510,635	4,281,810	5,370,581	-18%	-20%
Totals	15,330,906	13,570,248	12,477,200	13%	9%

ST Express Sales Channel	2012 AFB	2011 AFB	2010 AFB	Change	
				2012-2011	2011-2010
ORCA Puget Pass	\$ 2.34	\$ 2.40	\$ 2.36	-3%	2%
ORCA E-purse	2.07	1.96	1.81	5%	8%
ORCA Business Passport	2.12	1.71	1.49	20%	14%
Farebox/Other	1.44	1.75	1.47	-21%	19%
Totals	\$ 2.00	\$ 1.90	\$ 1.67	5%	14%

¹ The transition of the pre-ORCA flexpass and U-Pass agreements throughout 2010 and 2011 to ORCA products accounts for a majority of the change in the Farebox/Other category.

ST EXPRESS BUS

Revenue by Passenger Type

Adult passenger fares account for over 95% of total ST Express revenues with 1-2% from youth passengers and 2-3% from qualifying seniors and persons with disabilities (Reduced Fare) riders. Revenues and Boardings for ST Express service are allocated among passenger types based on ORCA system reports and an onboard survey for non-ORCA products. In 2012, Sound Transit conducted an onboard survey which updated these allocation percentages from the previous survey conducted in 2009. Results of the survey kept adult cash boardings consistent at approximately 80%, while youth cash boardings increased to 12% from 5% and reduced fare cash boardings decreased to 9% from 15%. The 2012 and 2011 increase in AFB for adult riders was a result of both the updated business passport pricing and ST Express June 1 fare changes.

ST Express Passenger Type	2012 Revenues	2011 Revenues	2010 Revenues	Change	
				2012-2011	2011-2010
Adult	\$ 29,397,962	\$ 24,602,775	\$ 19,787,150	19%	24%
Youth	573,215	383,297	317,995	50%	21%
RRFP	680,417	755,852	740,664	-10%	2%
Totals	\$ 30,651,594	\$ 25,741,924	\$ 20,845,809	19%	23%

ST Express Passenger Type	2012 Boardings	2011 Boardings	2010 Boardings	Change	
				2012-2011	2011-2010
Adult	13,798,932	12,417,312	11,248,084	11%	10%
Youth	485,714	282,897	313,594	72%	-10%
RRFP	1,046,884	870,039	915,522	20%	-5%
Totals	15,331,530	13,570,248	12,477,200	13%	9%

ST Express Passenger Type	2012 AFB	2011 AFB	2010 AFB	Change	
				2012-2011	2011-2010
Adult	\$ 2.13	\$ 1.98	\$ 1.76	7%	13%
Youth	1.18	1.35	1.01	-15%	34%
RRFP	0.65	0.87	0.81	-34%	7%
Totals	\$ 2.00	\$ 1.90	\$ 1.67	5%	14%

ST EXPRESS BUS

Revenue by Route

As discussed above, revenues for ST Express have increased due to change in pricing methodology for ORCA Business Passport contracts, the ST Express fare changes effective June 1, 2010 and 2011 and increased ridership. Revenues for ST Express Routes are allocated as follows:

ST Express						
Route	2012 Revenues	2011 Revenues	2010 Revenues	Change		
				2012-2011	2011-2010	
510	\$ 2,320,046	\$ 1,907,138	\$ 1,467,206	22%	30%	
511	3,038,013	2,411,587	1,543,144	26%	56%	
512 ¹	300,598	165,574	-	82%	0%	
513	274,050	190,853	116,799	44%	63%	
522	2,056,540	1,727,423	1,417,148	19%	22%	
532	1,080,884	845,164	704,255	28%	20%	
535	985,055	883,481	661,193	11%	34%	
540 ²	293,071	326,176	149,062	-10%	119%	
542 ³	647,598	500,630	51,558	29%	871%	
545	3,823,982	3,171,506	3,061,969	21%	4%	
550	4,113,677	3,565,957	3,388,305	15%	5%	
554	1,528,329	1,326,921	1,120,509	15%	18%	
555	260,495	207,537	192,177	26%	8%	
556 ²	336,059	292,853	126,801	15%	131%	
560	735,594	734,407	741,824	0%	-1%	
564 ⁴	-	-	40,426	0%	0%	
565 ⁴	-	-	49,257	0%	0%	
566	1,019,594	912,130	810,506	12%	13%	
574	1,417,524	1,103,609	871,106	28%	27%	
577	849,348	768,996	626,885	10%	23%	
578	798,216	589,098	378,405	35%	56%	
582 ⁵	-	-	5,201	0%	0%	
586 ²	373,524	350,950	67,855	6%	417%	
590	1,590,842	1,385,452	1,236,512	15%	12%	
592	679,699	630,658	583,993	8%	8%	
593 ⁶	238,865	304,722	265,424	-22%	15%	
594	1,531,061	1,151,319	920,113	33%	25%	
595	282,757	281,013	231,937	1%	21%	
596 ⁷	76,174	-	-	0%	0%	
599 ⁵	-	6,770	16,239	-100%	-58%	
Totals	\$ 30,651,595	\$ 25,741,924	\$ 20,845,809	19%	24%	

¹ Route 512 began service in October 2011

² Revenue increase due to updated revenue allocations based on actual ridership data with the rollout of ORCA to the University of Washington in 2011.

³ Route 542 began service in October 2010

⁴ Routes 564 and 565 were combined to create 566 in June 2010

⁵ Routes discontinued

⁶ Route 593 converted to 590 in October 2012 with the Lakewood extension opening

⁷ New Route began service in June 2012

ST EXPRESS BUS

ST Express ridership increased by 13% in 2012 and 9% in 2011 as increases in fuel prices attracted more riders, the start of tolling on SR-520 effective December 29, 2011 and service changes including the elimination of the RFA on September 29, 2012.

ST Express Route	2012 Boardings	2011 Boardings	2010 Boardings	Change	
				2012-2011	2011-2010
510	945,693	893,366	851,715	6%	5%
511	1,264,813	1,155,558	957,920	9%	21%
512 ¹	143,726	71,172	-	102%	0%
513	97,721	79,744	56,981	23%	40%
522	1,284,318	1,081,346	969,265	19%	12%
532	444,502	394,320	340,747	13%	16%
535	475,952	448,293	420,386	6%	7%
540 ²	165,644	242,151	302,517	-32%	-20%
542 ³	345,529	294,483	45,126	17%	553%
545	2,143,992	1,775,007	1,695,615	21%	5%
550	2,364,329	1,989,583	1,903,045	19%	5%
554	882,855	757,711	716,819	17%	6%
555	134,289	114,787	107,626	17%	7%
556	190,141	156,664	158,957	21%	-1%
560 ⁴	484,042	550,745	609,952	-12%	-10%
564	-	-	30,288	0%	0%
565	-	-	35,695	0%	0%
566	575,271	521,068	505,305	10%	3%
574	686,138	645,376	620,641	6%	4%
577	382,511	347,385	347,392	10%	0%
578	448,128	359,998	242,737	24%	48%
582	-	-	5,700	0%	0%
586	149,613	131,928	119,921	13%	10%
590	544,770	480,534	428,849	13%	12%
592	250,831	233,567	214,115	7%	9%
593 ⁵	82,641	103,347	88,517	-20%	17%
594	686,668	642,661	616,113	7%	4%
595	95,672	89,428	66,435	7%	35%
596	42,995	-	-	0%	0%
599	-	7,981	18,821	-100%	-58%
Red Lot/PT 400	16,345	1,817	-	800%	0%
Sounder Bus	1,532	228	-	572%	0%
Tacoma Link Bus	245	-	-	0%	0%
Totals	15,330,906	13,570,248	12,477,200	13%	9%

¹ Route 512 began service in October 2011

² June 2011 service change ceased midday and evening service and revised routing.

³ Route 542 began service in October 2010

⁴ June 2011 service change discontinued service between W. Seattle and Burien except during weekday peak periods

⁵ Route 593 converted to 590 in October 2012 with the Lakewood extension opening

ST EXPRESS BUS

ST Express AFB increased 5% in 2012 and 14% in 2011 as a result of the June 1, 2011 fare increase and the change in pricing methodology for ORCA business passport contracts. The changes in AFB at the route level in 2012 are also affected by the continued transition to ORCA which has allowed for more precise allocation of revenue to specific routes.

ST Express Route	AFB 2012	AFB 2011	AFB 2010	Change 2012-2011	Change 2011-2010
510	\$ 2.45	\$ 2.13	\$ 1.72	15%	24%
511	2.40	2.09	1.61	15%	30%
512	2.09	2.33	-	-10%	0%
513	2.80	2.39	2.05	17%	17%
522	1.60	1.60	1.46	0%	9%
532	2.43	2.14	2.07	13%	4%
535	2.07	1.97	1.57	5%	25%
540	1.77	1.35	0.49	31%	173%
542	1.87	1.70	1.14	10%	49%
545	1.78	1.79	1.81	0%	-1%
550	1.74	1.79	1.78	-3%	1%
554	1.73	1.75	1.56	-1%	12%
555	1.94	1.81	1.79	7%	1%
556	1.77	1.87	0.80	-5%	134%
560	1.52	1.33	1.22	14%	10%
564	-	-	1.33	0%	-100%
565	-	-	1.38	0%	-100%
566	1.77	1.75	1.60	1%	9%
574	2.07	1.71	1.40	21%	22%
577	2.22	2.21	1.80	0%	23%
578	1.78	1.64	1.56	9%	5%
582	-	-	0.91	0%	-100%
586	2.50	2.66	0.57	-6%	370%
590	2.92	2.88	2.88	1%	0%
592	2.71	2.70	2.73	0%	-1%
593	2.89	2.95	3.00	-2%	-2%
594	2.23	1.79	1.49	24%	20%
595	2.96	3.14	3.49	-6%	-10%
596	1.77	-	-	0%	0%
599	-	0.85	0.86	-100%	-2%
Totals	\$ 2.00	\$ 1.90	\$ 1.67	5%	14%

SOUNDER COMMUTER RAIL

Sounder Commuter Rail service experienced an increase of \$1.1 million in fare revenues in 2012 and an increase of \$1.2 million in 2011 with increases in ridership of 176,000 in 2012 and 147,000 in 2011. Similar to ST Express, increases in revenues for Sounder can be attributed to the change in pricing methodology for ORCA Business Passport contracts and increased ridership. Major service changes for Sounder include the October 2012 opening of two additional stations on the South line, extending service to Lakewood and South Tacoma. Additionally, the elimination of the RFA in downtown Seattle September 29, 2012 increased the number of Sounder transfers to/from King Street station. The addition of these transfers has resulted in increased revenue apportionment among other modes and agencies, decreasing the Sounder AFB in the 4th quarter of 2012.

Revenue by Payment Type

Sounder Sales Channel	2012		2011		2010		Change	
		Revenues		Revenues		Revenues	2012-2011	2011-2010
ORCA Puget Pass	\$	2,432,245	\$	2,384,370	\$	2,147,950	2%	11%
ORCA E-purse		1,711,143		1,454,820		1,159,992	18%	25%
ORCA Business Passport		4,050,823		2,773,918		1,984,872	46%	40%
TVM Tickets/Other ¹		1,286,376		1,722,984		1,841,644	-25%	-6%
Totals	\$	9,480,587	\$	8,336,092	\$	7,134,458	14%	17%

Sounder Sales Channel	2012		2011		2010		Change	
		Boardings		Boardings		Boardings	2012-2011	2011-2010
ORCA Puget Pass		605,478		518,239		461,226	17%	12%
ORCA E-purse		544,345		509,217		390,235	7%	30%
ORCA Business Passport		1,295,104		1,014,885		777,158	28%	31%
TVM Tickets/Other		358,196		584,370		851,433	-39%	-31%
Totals		2,803,123		2,626,711		2,480,052	7%	6%

Sounder Sales Channel	2012		2011		2010		Change	
		AFB		AFB		AFB	2012-2011	2011-2010
ORCA Puget Pass	\$	4.02	\$	4.60	\$	4.66	-15%	-1%
ORCA E-purse		3.14		2.86		2.97	9%	-4%
ORCA Business Passport		3.13		2.73		2.55	13%	7%
TVM Tickets/Other		3.59		2.95		2.16	18%	36%
Totals	\$	3.38	\$	3.17	\$	2.88	6%	10%

¹ The transition of the pre-ORCA flexpass and U-Pass agreements throughout 2010 and 2011 to ORCA products accounts for a majority of the change in the Farebox/Other category.

SOUNDER COMMUTER RAIL

Revenue by Passenger Type

Adult passenger fares account for over 96% of Sounder revenues due to the nature of the commuter rail service. In 2012, TVM ticket revenues related to Youth passengers decreased 17% from prior year.

Sounder Passenger Type	2012	2011	2010	Change	
	Revenues	Revenues	Revenues	2012-2011	2011-2010
Adult	\$ 9,242,323	\$ 8,078,465	\$ 6,880,001	14%	17%
Youth	111,811	132,955	127,036	-16%	5%
RRFP	126,453	124,672	127,421	1%	-2%
Totals	\$ 9,480,587	\$ 8,336,092	\$ 7,134,458	14%	17%

Sounder Passenger Type	2012	2011	2010	Change	
	Boardings	Boardings	Boardings	2012-2011	2011-2010
Adult	2,688,090	2,518,008	2,352,021	7%	7%
Youth	40,860	46,037	52,233	-11%	-12%
RRFP	74,173	62,666	75,798	18%	-17%
Totals	2,803,123	2,626,711	2,480,052	7%	6%

Sounder Passenger Type	2012	2011	2010	Change	
	AFB	AFB	AFB	2012-2011	2011-2010
Adult	\$ 3.44	\$ 3.21	\$ 2.93	7%	10%
Youth	2.74	2.89	2.43	-6%	19%
RRFP	1.70	1.99	1.68	-17%	18%
Totals	\$ 3.38	\$ 3.17	\$ 2.88	6%	10%

SOUNDER COMMUTER RAIL

Revenue by Line

Sounder revenues are allocated to the North and South lines based on the origin/destination of the trip taken. Sounder service has the largest adoption of the ORCA card with over 86% of 2012 revenues from ORCA products, with the remaining 14% of revenues from TVM ticket sales. As a result of both a longer average trip length¹ and less transfers related to North line boardings, the Sounder North AFB for 2012 was \$3.57 with the Sounder South AFB at \$3.36.

Sounder North	2012	2011	2010	Change	
				2012-2011	2011-2010
Revenues	\$ 1,088,653	\$ 878,427	\$ 984,151	24%	-11%
Boardings	305,236	266,022	330,649	15%	-20%
AFB	\$ 3.57	\$ 3.30	\$ 2.98	8%	11%

Sounder South	2012	2011	2010	Change	
				2012-2011	2011-2010
Revenues	\$ 8,391,934	\$ 7,457,665	\$ 6,150,307	13%	21%
Boardings	2,497,887	2,360,689	2,149,403	6%	10%
AFB	\$ 3.36	\$ 3.16	\$ 2.86	6%	10%

¹ The 2012 average trip length for the North line was 24.7 miles vs. 21.4 miles for the South line.

SOUNDER COMMUTER RAIL

Sounder Special Event Service

Sound Transit offers special Sounder weekend service for select major sporting events held at CenturyLink Stadium and Safeco Field. In 2012, event service included select Mariner, Sounders FC, University of Washington Football and Seahawks games.

Sounder					
Special Events	2012	2011	2010	Change	
				2012-2011	2011-2010
Revenues	\$ 385,364	\$ 410,505	\$ 384,777	-6%	7%
Boardings	112,925	132,602	118,801	-15%	12%
AFB	\$ 3.41	\$ 3.10	\$ 3.24	10%	-4%
# Of Events	24	30	27	-20%	11%

In 2012, Special Event service is tracked by North and South line service. Sound Transit will continue to track Special Event service by line and report comparative data in future years. Special Event service is particularly popular on the North line with boardings accounting for 32% of total Special event boardings while overall North line boardings account for 10% of total Sounder boardings.

2012	North Line	South Line	Total
Revenues	\$ 118,324	\$ 267,040	\$ 385,364
Boardings	35,591	77,334	\$ 112,925
AFB	\$ 3.32	\$ 3.45	\$ 3.41

CENTRAL LINK

Revenue by Payment Type

Central Link experienced an increase of \$2.0 million in fare revenues in 2012 and \$2.4 million increase in 2011. Increases in revenue are a result of the change in pricing methodology for annual ORCA Business Passport contracts, increased ridership and the fare change effective June 1, 2011. Ridership on Central Link increased 852,000 boardings in 2012 and 889,000 in 2011. These increases in ridership can be attributed to the system's continued maturation. While ridership trends continue to note high weekend ridership relative to weekday ridership with seasonal ridership variations tied to peaks in airline travel at SeaTac Airport, weekday commuter ridership has shown an increase of 10% in average weekday boardings from 2011 to 2012.

Central Link Sales Channel	2012 Revenues	2011 Revenues	2010 Revenues	Change	
				2012-2011	2011-2010
ORCA Puget Pass	\$ 2,169,559	\$ 1,784,837	\$ 1,353,754	22%	32%
ORCA E-purse	1,964,710	1,507,982	1,058,047	30%	43%
ORCA Business Passport	3,405,932	1,946,743	1,149,871	75%	69%
TVM Tickets/Other	6,473,101	6,799,014	6,047,069	-5%	12%
Totals	\$ 14,013,302	\$ 12,038,576	\$ 9,608,741	16%	25%

Central Link Sales Channel	2012 Boardings	2011 Boardings	2010 Boardings	Change	
				2012-2011	2011-2010
ORCA Puget Pass	1,396,212	1,103,815	744,134	26%	48%
ORCA E-purse	1,148,485	993,938	786,635	16%	26%
ORCA Business Passport	1,912,827	1,252,957	848,127	53%	48%
TVM Tickets/Other	4,243,582	4,497,130	4,579,934	-6%	-2%
Totals	8,701,106	7,847,840	6,958,830	11%	13%

Central Link Sales Channel	2012 AFB	2011 AFB	2010 AFB	Change	
				2012-2011	2011-2010
ORCA Puget Pass	\$ 1.55	\$ 1.62	\$ 1.82	-4%	-11%
ORCA E-purse	1.71	1.52	1.35	11%	13%
ORCA Business Passport	1.78	1.55	1.36	13%	15%
TVM Tickets/Other	1.53	1.51	1.32	1%	15%
Totals	\$ 1.61	\$ 1.53	\$ 1.38	5%	11%

CENTRAL LINK

Revenue by Passenger Type

The fare change for Central Link effective June 1, 2011 increased the base fare for adults \$0.25 and changed both youth and reduced fare riders to a flat one-way fare of \$1.25 and \$0.75, respectively. The increase in adult AFB and decrease in youth are directly attributable to the fare change. The increase in the RRF rate from 2011 to 2012 is attributable to an increase in the AFB related to ORCA products which suggests either a decrease in the number of 2012 transfers made by RRF riders, or a decrease in the average number of trips made per monthly Puget Pass.

Central Link Passenger Type	2012 Revenues	2011 Revenues	2010 Revenues	Change	
				2012-2011	2011-2010
Adult	\$ 12,784,299	\$ 10,874,677	\$ 8,794,923	18%	24%
Youth	917,417	903,440	571,573	2%	58%
RRFP	311,586	260,459	242,244	20%	8%
Totals	\$ 14,013,302	\$ 12,038,576	\$ 9,608,740	16%	25%

Central Link Passenger Type	2012 Boardings	2011 Boardings	2010 Boardings	Change	
				2012-2011	2011-2010
Adult	7,017,838	6,335,687	5,991,694	11%	6%
Youth	958,163	843,682	457,121	14%	85%
RRFP	718,026	668,471	510,015	7%	31%
Totals	8,694,027	7,847,840	6,958,830	11%	13%

Central Link Passenger Type	2012 AFB	2011 AFB	2010 AFB	Change	
				2012-2011	2011-2010
Adult	\$ 1.82	\$ 1.72	\$ 1.47	6%	17%
Youth	0.96	1.07	1.25	-12%	-14%
RRFP	0.43	0.39	0.47	10%	-18%
Totals	\$ 1.61	\$ 1.53	\$ 1.38	5%	11%

SPECIAL RATES OF FARE

This section describes all services provided by Sound Transit at rates of fare other than the general retail rates described in the *Fare Structures* section above.

Discounted and Free Fares

Value of Discount	2012	2011
Free Ride Zone- Seattle	\$ 672,506	\$ 723,112
Free Ride Zone- Tacoma	\$ 1,024,053	\$ 737,943
Peace Officers	\$ 138,660	\$ 43,256
Transit Promotional and Marketing Campaigns	\$ 70,143	\$ 120,424
Educational Outreach and Transit Training	\$ 41,015	\$ 43,120
Customer Relations and Complaint Resolution	\$ 41,046	\$ 48,264
Transit Demonstrations and Tours	\$ 62,450	\$ 3,430 ¹
Amtrak RailPlus Program	\$ 2,582	\$ 2,682
Title VI Mitigation ²	\$ -	\$ -
Human Services	\$ 130,186	\$ 97,544
Paratransit	\$ 5,978	\$ 1,251
Public emergencies and natural disasters	\$ 5,225	\$ -
Employer/Institutional Programs	\$ 256,708	\$ 260,934
Totals	\$ 2,450,552	\$ 2,081,960

¹ indicates adjustment from 2011 totals

² New mitigation activities are recorded in the Human Services Ticket program, below

Free Ride Zone

The Ride Free Zone/Area (RFA) ended on Sept 29th, 2012. When the RFA existed Sound Transit provided free rides on their ST Express service in the core area of downtown Seattle. In Tacoma all rides on the Tacoma Link light rail are free.

The Seattle Ride Free Zone extended from the north at Battery St. to S. Jackson St. on the south, and east at 6th Avenue to the waterfront on the west. In this area, rides were free from 6am to 7pm daily.

Seattle	Estimated Value	Boardings	Forgone AFB
2012	\$ 672,506	672,506	\$ 1.00
2011	\$ 723,112	964,149	\$ 0.75
Change	\$ <50,606>	291,643	\$ 0.25

SPECIAL RATES OF FARE

Tacoma Link Light Rail offers service running trains on weekdays 5:30 AM to 10 PM, Saturdays 8 AM to 10 PM and Sundays 10 AM to 6 PM. No fares are currently being charged.

Tacoma	Estimated Value	Boardings	Forgone AFB
2012	\$ 1,024,053	1,024,053	\$ 1.00
2011	\$ 737,943	983,924	\$ 0.75
Change	\$ 286,110	40,129	\$ 0.25

The nominal value of the foregone revenue for these trips with local transit fares and average fare impact of transfers, passes and discounts is approximately \$1.25 per boarding. However a price elasticity effect would reduce boardings in response to a fare. A more realistic estimate of foregone revenue from free operation is approximately \$1.00 per boarding, or \$1.7M in 2012.

Peace Officer Fares

Sound Transit recognizes any of the following as “fare payment” for peace officers:

- law enforcement uniform
- badge or identification

This applies to officers of a Washington general authority, and/or federal law enforcement agency. The estimated fare value for Peace Officers is calculated on the average adult fare for each mode. An on-board survey conducted in 2011/2012, shows that peace officers are using ST services in greater numbers when compared to our estimates for 2011.

2012	Estimated Value	<i>Estimated</i> <i>Boardings</i>	Forgone AFB
ST Express	\$ 21,840	10,920	2.00
Sounder	\$ 40,425	11,960	3.38
Link	\$ 76,395	47,450	1.61
2012 Totals	\$ 138,660	70,330	1.97

SPECIAL RATES OF FARE

2011	Estimated Value	Estimated Boardings	Forgone AFB
ST Express	\$ 4,871	2,460	\$ 1.98
Sounder	\$ 26,001	8,100	\$ 3.21
Link	\$ 12,384	7,200	\$ 1.72
2011 Totals	\$ 43,256	17,760	\$ 2.44

The estimated total for foregone fare revenue for Peace Officers Fares is \$138,660 in 2012 and \$43,256 in 2011.

Promotional and Marketing Campaigns

Complementary tickets/passes provided for promotional and marketing activities include one way tickets on ST Express service valued at \$3.50 per trip (based on maximum value, except for Bike to Work Week promo at \$2.50); Sounder day passes on at \$9.50 per pass; and Link Light Rail Day Passes at \$5.50 per pass.

	2012 Value	2012 Tkts/Passes	2011 Value	2011 Tkts/Passes
ST Express	\$ 53,284	16,021	\$ 89,124	25,464
Sounder	\$ 9,985	1,051	\$ 3,800	400
Link	\$ 6,875	1,250	\$ 27,500	5,000
Totals	\$ 70,144	18,322	\$120,424	30,864

Educational Outreach and Transit Training

Complementary tickets/passes provided for educational outreach and transit training activities include one way tickets on ST Express service valued at \$3.50 per trip, day passes on Sounder service valued at \$9.50 per pass and day passes for Link Light Rail service valued at \$5.50 per pass.

	2012 Value	2012 Tkts/Passes	2011 Value	2011 Tkts/Passes
ST Express	\$10,539	3,011	\$17,500	5,000
Sounder	\$10,764	1,133	\$7,695	810
Link	\$14,212	2,584	\$17,925	3,259
Totals	\$35,515	6,728	\$43,120	9,069

SPECIAL RATES OF FARE

2012 Multi-day passes	Dates	ST Value	Passes
Low Income Student Wk. Prg.	7/13-8/31 (50 days)	\$ 5,500	20

These Multi-day pass were provided for Link and were assigned face value of \$5.50, based on round trip fare.

The total amount of foregone revenue from educational outreach and transit training in 2012 was \$41,015 and \$43,120 in 2011

Customer Relations and Complaint Resolution

Complementary tickets/passes provided for customer relations and complaint resolution include one way tickets on ST Express service valued at \$3.50 per trip, day passes on Sounder service valued at \$9.50 per pass and day passes for Link Light Rail service valued at \$5.50 per pass.

	2012 Value	2012 Tickets/Passes	2011 Value	2011 Tickets/Passes
ST Express	\$17,143	4,898	\$37,121	10,606
Sounder	\$14,250	1,500	\$4,779	503
Link	\$9,653	1,755	\$6,364	1,157
Totals	\$41,046	8,153	\$48,264	12,266

Transit Demonstrations and Facility Tours (includes Conferences and Industry tours)

Complementary tickets/passes provided for transit service demonstration , facility, conference and industry tours include one trip tickets on ST Express service valued at \$3.50 per trip, day passes on Sounder service valued at \$9.50 per pass and day passes for Link Light Rail service valued at \$5.50 per pass.

	2012 Value	2012 Tickets /Passes	2011 Value	2011 Tickets /Passes
ST Express	\$ 0	0	\$ 350 ³	100
Sounder	\$ 950	100	\$ 1,045 ³	110
Link	\$ 2,145	390	\$ 55 ³	10
Totals	\$ 3,095	490	\$ 1,450³	220

³updates/corrects 2011's Special Rates for Fare also for this category.

SPECIAL RATES OF FARE

All Service Passes (below) provided for multi-day transit conferences and industry tours are valid on all ST modes and are assigned a one-day pass w/a face value of \$5.00, based on assumed average usage.

2012	Dates	ST Value	Passes
International Right of Way Assoc⁴	June 8 – 16 (9 days)	\$ 59,355	1,319
⁴ Combo KCM & ST all-service pass			
Totals		\$ 59,355	1,319

The total amount of foregone revenue from this program in 2012 was \$62,450 and \$3,430 in 2011.

2011	Dates	Value	Passes
Traction Tour	June 22 (1 day)	\$ 630	126
Assoc. Geographers	April 15 (1 day)	\$ 250	50
Noise Peer Review	May 22-29 (8 days)	\$ 200	5
Advance Rail Management	May 31 - June 3 (4 days)	\$ 300	15
Greater Seattle Business Assoc.	January 5-8 (4 days)	\$ 600	30
2011 Totals		\$ 1,980	226

NOTE: For all paper complementary tickets/passes as follows:

- *Promotional and Marketing campaigns*
- *Customer relations and complaint resolution*
- *Transit Demonstrations and Facility Tours*
- *Educational outreach and transit training*

New, more accurate reconciliation and tracking procedures implemented in 2012 resulted in variance for tickets numbers between 2012 and 2011.

Amtrak RailPlus Program

Sound Transit maintains an agreement with Amtrak to allow mutual acceptance of certain fare media on rail service between Seattle and Everett. Sound Transit reimburses Amtrak for each recorded instance of a Sounder rider using a qualifying pass on Amtrak service. These riders are required to obtain a special RailPlus ticket from a Sounder ticket vending machine which verifies the correct pass type on the rider's ORCA card. The ticket plus ORCA card must be presented for inspection on board Amtrak. Due to a technical limitation in the ORCA system, riders using this program do not record a trip against their pass in the ORCA backend clearinghouse (as they would if the trip were made on regular Sounder service). Therefore Sound Transit does not receive additional allocation of pass revenue for these trips. To preserve good service and foster positive customer relations, Sound Transit continues to offer this service in spite of the loss of revenue.

SPECIAL RATES OF FARE

In 2012, 764 RailPlus trips were taken by Sounder riders aboard Amtrak service with an average fare per boarding of \$3.38; the foregone revenue from the inability to allocate ORCA pass revenue for these trips is estimated at \$2,582.

In 2011, 846 RailPlus trips were taken by Sounder riders aboard Amtrak service. The foregone revenue for these trips is estimated at \$2,682.

Title VI mitigation for impacts of fare changes on minority and low-income communities

Per Federal Transit Administration requirements, any fare change proposed by Sound Transit must undergo a Title VI analysis to determine if the change will have a disproportionate impact on minority or low-income communities. If a disproportionate impact is forecast, Sound Transit must consider programs to mitigate the effect. In 2012 Sound Transit changed its policy of offering free ST Express bus service in downtown Seattle, in coordination with the discontinuation of the Ride Free Area (RFA) administered by King County Metro. In an analysis of the demographics of riders benefiting from the RFA before the change, ST determined that the proportion of both minority and low-income riders among those using the RFA was greater than that for ST ridership or the ST district as a whole.

Because of this disproportionate impact on Title VI populations, the Sound Transit Board provided as part of its action to eliminate the free ride policy an expansion of the Human Services Ticket program to fulfill any additional need for discounted fare media created by the policy change. Because this Title VI mitigation represents an unknown proportion of the growth of the overall Human Service Ticket program, it is captured in the report on that program (below) rather than as a separate program in this document.

Human Services Tickets

The Human Service (HS) Program is coordinated and funded by KCM and City of Seattle. It offers discounted tickets to ST Link & ST Express Service and METRO bus service. The Program provides subsidized transit tickets at a rate of 80% to eligible human service agencies. Agencies give these tickets to persons who are homeless and/or have low-to-moderate incomes. Tickets are used to help this population access shelters, health care, employment, and related services critical to personal and residential stability. Tickets may not be used to cover the transportation costs of Agency Staff and/or volunteers, including volunteer staff receiving stipends. Once HS agencies qualify they are allotted limited funding to purchase these tickets. Tickets are sold at KCM's customer service center. Per agreement with KCM, ST received 20% of the revenue generated from these sales.

	2012 ST Value	2012 Revenues	2011 ST Value	2011 Revenues
Adult	\$ 156,605	\$ 31,321	\$ 114,912	\$ 22,982
<i>RRFP</i>	\$ 642	\$ 128	N/A	N/A
<i>Youth</i>	\$ 5,485	\$ 1,097	N/A	N/A
RRFP/Youth Total⁵	\$ 6,127	\$ 1,225	\$ 7,018	\$ 1,404
Totals	\$ 162,732	\$ 32,546	\$ 121,930	\$ 24,386

⁵KCM sold RRFP and Youth Tickets separately in 2012.

SPECIAL RATES OF FARE

The total foregone revenue resulting from the 80% fare discount provided for this program was \$130,186 in 2012 and \$97,544 in 2011. The discontinuation of the Free Ride Area most likely accounts for the rise in HS Ticket sales in 2012.

Paratransit Access to Sound Transit Fixed Route Service

In 2012, an estimated 3,068 trips were provided free of charge on ST fixed route modes for riders eligible for paratransit shuttle services. The forgone fare revenue for these trips was an estimated \$5,978 in 2012. However, had these trips been taken on actual paratransit shuttle service, the total cost to transit agencies to provide these trips would be approximately \$119,652 (based on the actual 2010 average of \$52/trip paratransit shuttle trips paid for by Sound Transit).

Year	Number of Trips	Forgone Revenue	Paratransit Shuttle Trip Cost	Totals of trip if taken on Paratransit Shuttle
2012	3,068	\$ 5,978	\$ 52	\$158,278
2011	1,466	\$ 1,251	\$ 39	\$ 92,000
2010	1,370	\$ 2,356	\$ 39	\$ 53,460

Public Emergencies and Natural Disasters

In 2012 Sound Transit accommodated 1,546 riders on special service buses due to mudslides and Sounder trip cancellations. Coaches were contracted from CT, KCM, PT, and Starline Luxury Coaches. Using the Sounder average fare per boarding of \$3.38, the forgone fare revenue for these trips was an estimated \$5,225.

The marginal cost of the bus bridge is offset by reduced operating expenses less revenues when Sounder is not able to operate.

Employer/Institutional Programs

The ORCA regional business account program allows Sound Transit and regional partners to offers local employers a program that includes a range of transit benefit. These transit benefits may be completely subsidized or discounted for companies with as few as 5 employees (depending on location).

BACKGROUND: ORCA Business Accounts fall under one of two programs: Business Passport and Business Choice. Business Passport products are priced based on actual transit usage for an individual large company (custom account) or an aggregate of smaller employers in a geographical area (area account), while Business Choice accounts offer businesses the ability to bulk retail products and manage them online.

The CEO is authorized to enter into bulk pass sales agreement with businesses, organizations and institutions for distribution to their employees, students or client, under the following conditions:

SPECIAL RATES OF FARE

- It is in the best interest of Sound Transit, and
- Passes are priced according to the actual or estimated use at a level no lower than the fare revenue that would be expected from the pass users as a group if bulk purchase/distribution program were not in place, or
- For the purposes of market development and customer retention, a discount of no more than 20% may be granted on a temporary basis provided that the bulk purchaser of the pass offers subsidy of a least 50 percent of the per pass purchase price to the individual pass recipients.

Starting in 2011, Sound Transit offered a regionally-adopted one-time pricing discount to all Business Passport Account renewals. This discount was aimed at customer retention during first year account conversion to ORCA-based pricing. The incentive provided a 20% discount on the increase of renewal rates as the accounts transitioned to ORCA pricing. Total discounts given in 2012 were \$256,708 (\$260,934 in 2011) or approximately 1.3% of total ORCA Business Passport revenues (2.2% in 2011). In 2012, custom account discounts equaled \$127,747 with 31 out of 73 accounts eligible. In 2011, 39 of 71 accounts were given discounts equaling \$177,380. For area accounts in 2012, 233 out of 635 accounts received \$128,962 in discounts. In 2011, the area account discounts amounted to \$83,554 for 172 of 621 accounts.