



FARE REVENUE REPORT

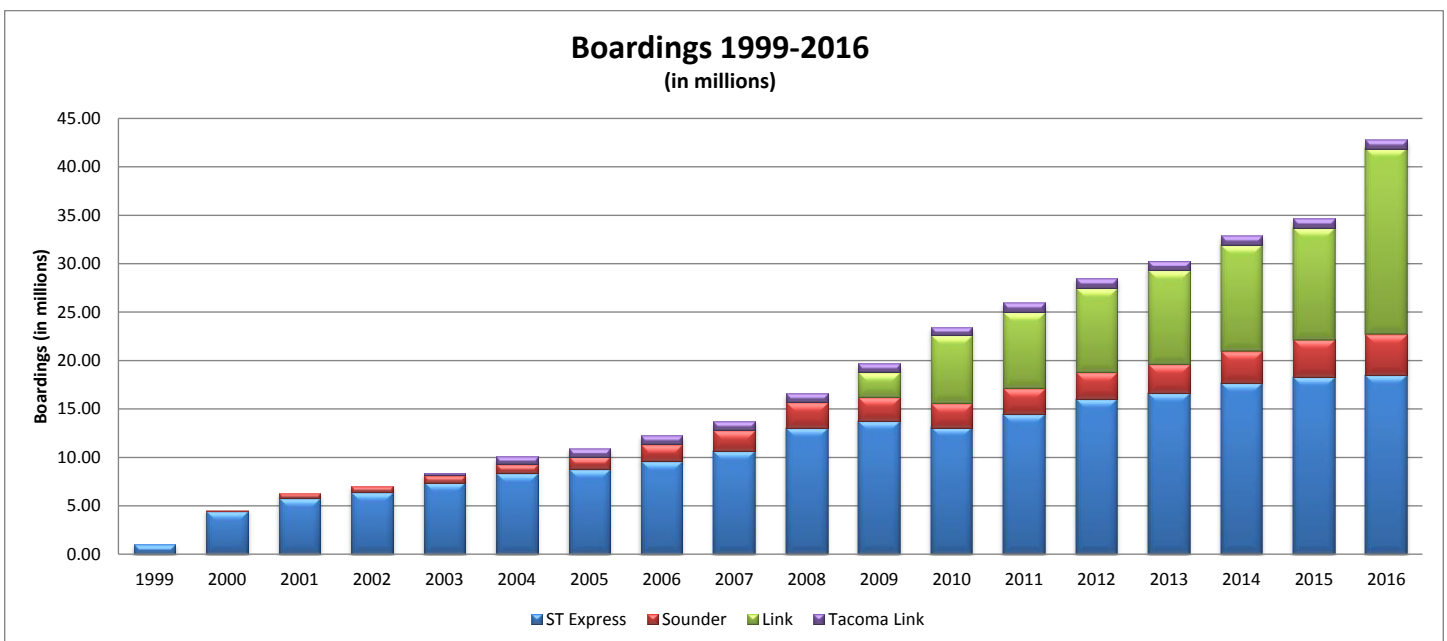
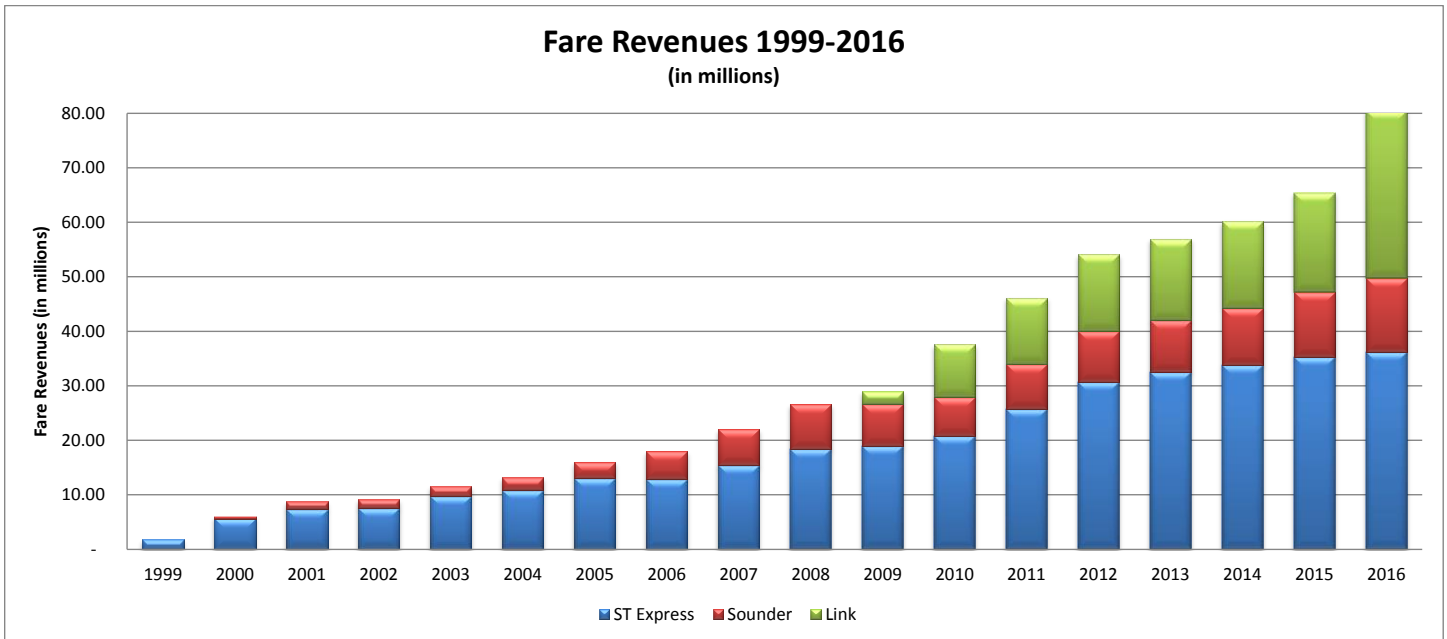
2016

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Sound Transit Key Operational Milestones

- 1999 - ST Express Bus started in September
- 2000 - Sounder commuter rail started in September
- 2003 - Tacoma Link started in August
- 2009 - Link light rail Initial Segment began in July
- 2012 - Sounder extension to south Tacoma and Lakewood began in October
- 2016 - Link light rail extension to Capitol Hill and UW Stations opened in March, Angle Lake in September



Fare Structure

Sound Transit’s fare structure varies based on mode of service used, distance travelled and fare category of the rider. Sound Transit currently supports the following fare categories:

Adult:	Customers from 19 to 64 years old
Youth:	Children 5 years and younger ride for free Children 6 to 18 years old or with a valid high school ID
Reduced Fare:	Seniors 65 years or older, persons with disabilities or Medicare card holders (requires a valid Regional Reduced Fare permit as proof of eligibility on buses)
Low Income:	People with household income of less than double the federal poverty level Enrollment at authorized ORCA LIFT offices with income verification

ST Express

ST Express bus provides transportation services throughout Snohomish County, King County, and Pierce County. The ST Express bus routes provide fast service between major cities and job centers, and allow for convenient transfers to train and local bus service.

Through Resolution R2015-29, the Board approved a fare change effective March 1, 2016 increasing fares by \$0.25 for Adult, Youth and Reduced Fare riders and expanding the Low Income adult fare to ST Express.

ST Express bus fares June 1, 2011 – February 29, 2016:

	One-county (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

ST Express bus fares March 1, 2016 - Present:

	One-county (within one county)	Multi-county fare (across county line)
Adult	\$2.75	\$3.75
Youth	\$1.50	\$2.75
Reduced Fare	\$1.00	\$1.75
LIFT	\$1.50	\$2.75

Sounder

Sounder commuter rail provides weekday transportation services from Seattle via two service lines. The South Line extends 47.6 miles from Seattle to Lakewood, servicing eight stations in Pierce and South King Counties. The North Line extends 34.2 miles from Seattle to Everett, servicing three stations in Snohomish County. Fares on Sounder are established as a base (minimum) fare of \$2.55 plus a distance surcharge of 5.5 cents per mile from King Street Station, rounded to the nearest \$0.25. Please see Appendix A for fare charts per station.

Through Resolution R2015-29, the Board approved a fare change effective March 1, 2016, introducing a Low Income adult fare to Sounder commuter rail; base fares increased by \$0.50 (from \$2.55 to \$3.05) for Adult and Youth, by \$0.25 for Reduced Fare riders.

Sounder train fares June 1, 2007 – February 29, 2016:

	North Line Fare Range	South Line Fare Range
Adult	\$2.75 - \$4.50	\$2.75 - \$5.25
Youth	\$2.00 - \$3.25	\$2.00 - \$3.75
Reduced Fare	\$1.25 - \$2.25	\$1.25 - \$2.50

Sounder train fares March 1, 2016 – Present:

	North Line Fare Range	South Line Fare Range
Adult	\$3.25 - \$5.00	\$3.25 - \$5.75
Youth	\$2.50 - \$3.75	\$2.50 - \$4.25
Reduced Fare	\$1.50 - \$2.50	\$1.50 - \$2.75
LIFT	\$2.50 - \$3.75	\$2.50 - \$4.25

Link

In 2016, Link light rail provides transportation services on a 20.3 mile line between the University of Washington and Angle Lake Stations, serving downtown Seattle and the Seattle-Tacoma International Airport, in King County. Fares on Link are established as a base (minimum) fare plus a distance surcharge, rounded to the nearest \$0.25. Please see Appendix A for fares charts per station.

	Fare Range Effective March 2015
Adult	\$2.25 - \$3.25
Youth	\$1.50
Reduced Fare	\$1.00
LIFT	\$1.50

Tacoma Link

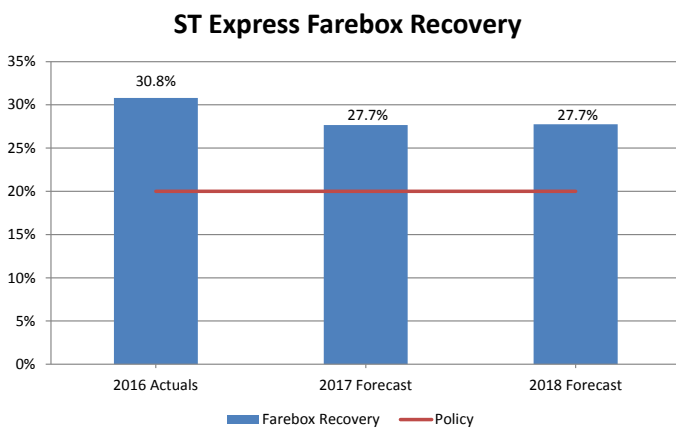
Tacoma Link light rail provides transportation services on a 1.6 mile line in downtown Tacoma between the Tacoma Dome and the Theater District/9th Street. Tacoma Link has operated as a fare free service since the line was completed in 2003 as the cost to collect fares exceeded the projected fare revenue. In April 2016, under resolution R2016-10, the Sound Transit Board deferred charging fares on Tacoma Link until service on the 2.4 mile Hilltop extension begins, currently planned for 2022.

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. Per Sound Transit fare policy, minimum farebox recovery ratio thresholds are established as follows:

- ST Express bus: 20%
- Sounder commuter rail: 23%
- Link light rail: 40%

ST Express



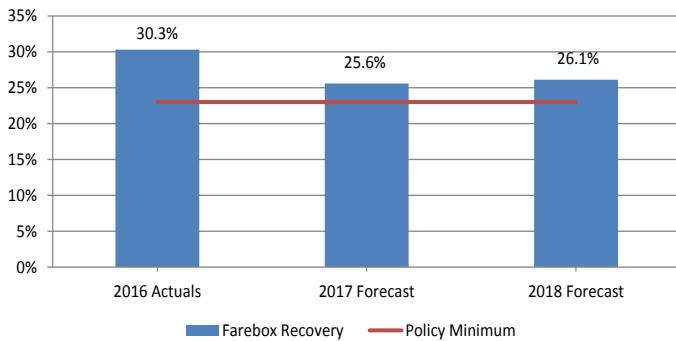
ST Express Farebox Recovery	Farebox Revenues	Operating Expenses	Farebox Recovery
2016 Actuals	\$36,192,028	\$117,528,059	31%
2017 Forecast	\$36,986,400	\$133,649,000	28%
2018 Forecast ¹	\$37,461,600	\$135,000,000	28%

Based on the current and forecasted figures for ST Express bus service, a fare change proposal is not required to maintain the minimum farebox recovery for 2017 and 2018.

¹ Forecasted operating expenses based on projections included in the 2017 Adopted Transit Improvement Plan

Sounder

Sounder Farebox Recovery

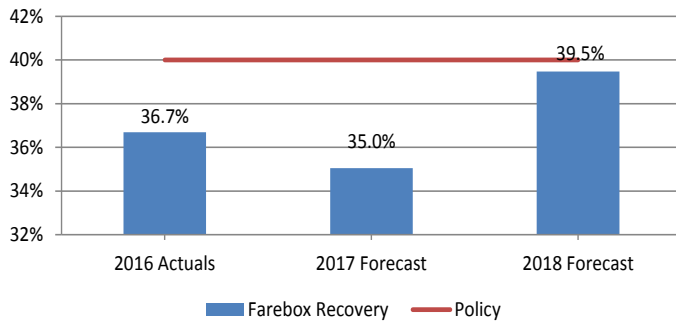


Sounder Farebox Recovery	Farebox Revenues	Operating Expenses	Farebox Recovery
2016 Actuals	\$13,578,495	\$44,819,343	30%
2017 Forecast	\$14,560,000	\$56,880,000	26%
2018 Forecast	\$15,405,000	\$59,000,000	26%

Based on the current and forecasted figures for Sounder service, a fare change proposal is not required to maintain the minimum farebox recovery for 2017 and 2018.

Link

Link Farebox Recovery



Link Light Rail Farebox Recovery	Farebox Revenues	Operating Expenses	Farebox Recovery
2016 Actuals	\$30,789,791	\$83,914,674	37%
2017 Forecast	\$36,411,000	\$103,908,000	35%
2018 Forecast	\$40,260,000	\$102,000,000	39%

The minimum farebox recovery of 40% for Link was established to apply to a line that includes ridership from Link expansions in 2016. The 40% recovery will be targeted once service to the University of Washington has matured in Q2 2018. Based on actuals through March 2017, Link is outperforming 2017 forecasts in ridership and cost projections with a farebox recovery of 38%

Passenger Fare Revenue by Mode

Overall, Sound Transit experienced growth in passenger fare revenue of \$15.1 million in 2016 with boardings increasing by 8.2 million. While all three modes experienced increased ridership over the previous year, Link accounted for 92% of overall ridership growth, driven in large part by the opening of the Capitol Hill and University of Washington Link light rail stations in March 2016. ST Express ridership was relatively flat in 2016, however still accounts for 45% of total passenger fare revenue. Sounder commuter rail continues to grow in popularity with ridership growth of 12% in 2016 on top of 15% growth in 2015.

In 2016, the overall average fare per boarding ('AFB') was \$1.92, down from \$1.94 in 2015 as the share of total boardings on Link increased to 46% from 34%; Link has the lowest fare values. The increases in ST Express and Sounder AFB are primarily due to fare increases implemented in March 2016.

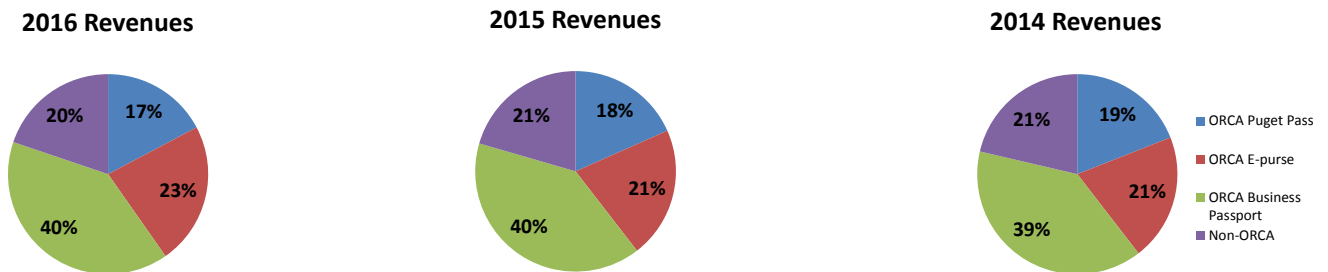
	REVENUES			% Change	
	2016	2015	2014	2016-2015	2015-2014
ST Express	\$ 36,192,028	\$ 35,301,384	\$ 33,838,556	3%	4%
Sounder	13,578,494	11,912,386	10,464,639	14%	14%
Link	30,789,792	18,211,874	15,876,942	69%	15%
	\$ 80,560,314	\$ 65,425,644	\$ 60,180,137	23%	9%

	BOARDINGS			% Change	
	2016	2015	2014	2016-2015	2015-2014
ST Express	18,470,408	18,312,624	17,669,833	1%	4%
Sounder	4,312,113	3,851,831	3,361,318	12%	15%
Link	19,121,621	11,530,411	10,937,883	66%	5%
	41,904,142	33,694,866	31,969,034	24%	5%

	AVERAGE FARE PER BOARDING			% Change	
	2016	2015	2014	2016-2015	2015-2014
ST Express	\$ 1.96	\$ 1.93	\$ 1.92	2%	1%
Sounder	3.15	3.09	3.11	2%	-1%
Link	1.61	1.58	1.45	2%	9%
	\$ 1.92	\$ 1.94	\$ 1.88	-1%	3%

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 Link ticket sales, and cash farebox receipts on ST Express. The use of ORCA products on Sound Transit services has accounted for approximately 80% of total passenger fare revenue the past three years.



The breakdown of detailed revenue and ridership amounts for all product types, passenger types and route-level details, rely on various assumptions for the allocation of non-ORCA generated revenues. These allocations may change and evolve as ridership and payment patterns change. The following is a brief description of the various fare payment methods and how those revenues are allocated.

ORCA Products

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 by the rider within the two hour transfer time. For trips involving multiple Agencies (linked trips), the highest total single fare of the linked trip is allocated among each of the Agencies travelled. Each Agency’s revenue allocation for a linked trip is based in proportion to the actual cash value of the fare each Agency would have charged for the service used.

ORCA Regional PugetPass 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 \$5.75 and are priced at 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.

ORCA Business Account Program includes either an annual regional pass program, the ORCA “Passport”, or a Business “Choice” 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 allocated to each Agency based on the annual rate specific to each agency.

Per Sound Transit Board policy, Business Passport agreements need to be “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”. The “fare revenue that would be expected” is established as the amount of fare revenue historically collected from the group of program participants, based on their transit use before the Passport program is put into place. This amount is established as the introductory price for the initial Passport

agreement. Since the introduction of Passport programs result in significant increases in transit ridership, the revenues also increase upon renewal of the Passport contracts, which are priced based on actual recorded ridership during the prior contract period.

Non-ORCA Products

TVM Tickets are paper tickets sold as a one-way ticket or a round trip/day pass via ticket vending machines ('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:

- Paper tickets such as human services tickets
- Unpaid rides including youth age 5 and under, Personal Care Attendants, free ride tickets, police officers or estimated fare evasion (see detail in "Special Rates of Fare" section)
- Mobile Ticketing (pilot project – started December 2016)

ST Express

ST Express is Sound Transit’s largest mode in 2016 by revenue, serving major transportation corridors and transit centers in the Sound Transit District. In 2016 revenue increased \$0.9 million in large part from the March 2016 fare change. Increased ridership of 0.2 million in 2016 is in part, a result of service hour growth focused on King County routes.

Fare Revenue by Payment Type

ST Express Payment Type	REVENUES			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport	\$ 15,718,127	\$ 15,647,198	\$ 14,507,159	0%	8%
ORCA Puget Pass	7,121,651	7,218,096	7,110,787	-1%	2%
ORCA E-purse	8,914,426	8,085,400	7,615,833	10%	6%
Non-ORCA	4,437,824	4,350,690	4,604,777	2%	-6%
Totals	\$ 36,192,028	\$ 35,301,384	\$ 33,838,556	3%	4%

ST Express Payment Type	BOARDINGS			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport	7,624,368	7,281,825	7,038,964	5%	3%
ORCA Puget Pass	3,067,020	3,242,022	3,248,449	-5%	0%
ORCA E-purse	4,114,134	3,998,326	3,775,409	3%	6%
Non-ORCA	3,664,886	3,790,451	3,607,011	-3%	5%
Totals	18,470,408	18,312,624	17,669,833	1%	4%

ST Express Payment Type	AVERAGE FARE PER BOARDING			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport ²	\$ 2.06	\$ 2.15	\$ 2.06	-4%	4%
ORCA Puget Pass	2.32	2.23	2.19	4%	2%
ORCA E-purse	2.17	2.02	2.02	7%	0%
Non-ORCA	1.21	1.15	1.28	5%	-10%
Totals	\$ 1.96	\$ 1.93	\$ 1.92	2%	1%

² ORCA Business Passport – fixed annual contracts that are priced based on previous year’s ridership. March 2016 fare increases and current year ridership growth are not reflected in pricing until contract renewal, resulting in decreased AFB.

Revenue by Passenger Type

Adult passenger fares account for 94% of total ST Express revenues with 3% from qualifying seniors and persons with disabilities (Reduced Fare) riders, 2% from youth passengers and 1% from ORCA LIFT (Reduced Fare) riders. Revenues and boardings for ST Express service are allocated among passenger types based on ORCA system reports and onboard data for non-ORCA products. With the introduction of the Low Income adult fare in March 2016, fares were increased by \$0.25 for Adult, Youth and RRFp riders.

ST Express Passenger Type	REVENUES			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	\$ 33,986,457	\$ 33,964,349	\$ 32,519,100	0%	4%
Youth	791,325	582,430	594,078	36%	-2%
Reduced Fare	970,548	754,604	725,377	29%	4%
Low Income	443,698	-	-	0%	0%
Totals	\$ 36,192,028	\$ 35,301,384	\$ 33,838,556	3%	4%

ST Express Passenger Type	BOARDINGS			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	16,254,966	16,549,460	15,934,913	-2%	4%
Youth	518,723	479,662	495,741	8%	-3%
Reduced Fare	1,295,885	1,283,502	1,239,179	1%	4%
Low Income	400,833	-	-	0%	0%
Totals	18,470,408	18,312,624	17,669,833	1%	4%

ST Express Passenger Type	AVERAGE FARE PER BOARDING			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	\$ 2.09	\$ 2.05	\$ 2.04	2%	0%
Youth	1.53	1.21	1.20	26%	1%
Reduced Fare	0.75	0.59	0.59	27%	0%
Low Income	1.11	-	-	0%	0%
Totals	\$ 1.96	\$ 1.93	\$ 1.92	2%	1%

Sounder

Sounder commuter rail service experienced an increase in fare revenues of \$1.6 million in 2016 and \$1.4 million in 2015 with increases in ridership of 460,000 in 2016 and 490,000 in 2015. In 2016, fare revenues on the south line increased by 14% and the north line by 16%.

The overall increase in 2016 Sounder AFB is due to the March 2016 fare change. The decrease in 2015 Sounder AFB is partially attributable to the King County Metro fare increase of \$0.25 that occurred in March 2015 – transfers to KCM from Sounder resulted in lower revenue apportionment to Sound Transit for linked trips involving both Sounder and KCM service using ORCA.

Revenue by Payment Type

Sounder Payment Type	REVENUES			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport	\$ 6,770,947	\$ 6,060,967	\$ 5,191,912	12%	17%
ORCA Puget Pass	2,649,141	2,278,929	2,095,052	16%	9%
ORCA E-purse	3,053,722	2,507,414	2,072,449	22%	21%
Non-ORCA	1,104,684	1,065,076	1,105,226	4%	-4%
Totals	\$ 13,578,494	\$ 11,912,386	\$ 10,464,639	14%	14%

Sounder Payment Type	BOARDINGS			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport	2,259,879	2,004,356	1,722,589	13%	16%
ORCA Puget Pass	690,869	659,878	595,691	5%	11%
ORCA E-purse	892,122	837,776	694,606	6%	21%
Non-ORCA	469,243	349,821	348,432	34%	0%
Totals	4,312,113	3,851,831	3,361,318	12%	15%

Sounder Payment Type	AVERAGE FARE PER BOARDING			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport ³	\$ 3.00	\$ 3.02	\$ 3.01	-1%	0%
ORCA Puget Pass	3.83	3.45	3.52	11%	-2%
ORCA E-purse	3.42	2.99	2.98	14%	0%
Non-ORCA	2.35	3.04	3.17	-23%	-4%
Totals	\$ 3.15	\$ 3.09	\$ 3.11	2%	-1%

³ ORCA Business Passport – fixed annual contracts that are priced based on previous year's ridership. March 2016 fare increases and current year ridership growth are not reflected in pricing until contract renewal, resulting in decreased AFB.

Revenue by Passenger Type

Adult passenger fares account for 97% of Sounder revenues due to the composition of the market for commuter rail service.

In addition to ridership increasing in 2016, revenue growth is also attributable to the March 2016 fare increase. The fare change established a new Low-Income adult fare; Adult and Youth fares increased by \$0.50, Senior/Disabled fares increased by \$0.25.

The Adult AFB growth, relative to Youth and Reduced Fare passenger types, is lower because over 54% of Adult boardings are ORCA Business Passport boardings. ORCA Business Passport is a fixed annual contract that is priced based on previous year's ridership and the March 2016 fare increase and current year ridership growth is not reflected in pricing until contract renewal.

Sounder Passenger Type	REVENUES			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	\$ 13,140,932	\$ 11,612,594	\$ 10,162,952	13%	14%
Youth	140,938	124,137	153,505	14%	-19%
Reduced Fare	223,006	175,655	148,181	27%	19%
Low Income	73,618				
Totals	\$ 13,578,494	\$ 11,912,386	\$ 10,464,638	14%	14%

Sounder Passenger Type	BOARDINGS			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	4,116,556	3,697,379	3,216,929	11%	15%
Youth	46,306	46,525	55,933	0%	-17%
Reduced Fare	120,532	107,927	88,456	12%	22%
Low Income	28,719				
Totals	4,312,113	3,851,831	3,361,318	12%	15%

Sounder Passenger Type	AVERAGE FARE PER BOARDING			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	\$ 3.19	\$ 3.14	\$ 3.16	2%	-1%
Youth	3.04	2.67	2.74	14%	-3%
Reduced Fare	1.85	1.63	1.68	13%	-3%
Low Income	2.56				
Totals	\$ 3.15	\$ 3.09	\$ 3.11	2%	-1%

Revenue by Line

Sounder revenues are allocated to the north and south lines based on the origin/destination of the trip taken. As a result of both a longer average trip length and fewer transfers related to north line boardings, the Sounder north AFB for 2016 was \$3.18 with the Sounder south AFB at \$3.15. A new mid-day south line round-trip was added in September 2016.

Sounder north		2016	2015	2014	Change	
					2016-2015	2015-2014
Revenues	\$	1,470,435	\$ 1,272,824	\$ 1,087,696	16%	17%
Boardings		463,152	392,193	331,031	18%	18%
AFB	\$	3.18	\$ 3.25	\$ 3.29	-2%	-1%

Sounder south		2016	2015	2014	Change	
					2016-2015	2015-2014
Revenues	\$	12,108,060	\$ 10,639,561	\$ 9,376,943	14%	13%
Boardings		3,848,961	3,459,638	3,030,286	11%	14%
AFB	\$	3.15	\$ 3.08	\$ 3.09	2%	0%

Sounder Special Event Service

Sound Transit offers special Sounder weekend service primarily for major sporting events held at CenturyLink Stadium and Safeco Field. Sounder event service included select Mariner, Sounders FC, and Seahawks games along with select days to the Washington State Fair.

Sounder Special Events		2016	2015	2014	Change	
					2016-2015	2015-2014
Revenues	\$	370,203	\$ 459,185	\$ 464,447	-19%	-2%
Boardings		90,235	117,546	124,265	-23%	-5%
AFB	\$	4.10	\$ 3.91	\$ 3.74	5%	3%
# of Events		28	29	33	-3%	-12%

Special Event service is particularly popular on the north line, which accounts for 40% of total Special event boardings but only 11% of total Sounder boardings.

Sounder north					Change	
Special Events	2016	2015	2014	2016-2015	2015-2014	
Revenues	\$ 133,073	\$ 153,893	\$ 144,841	-14%	5%	
Boardings	36,136	42,095	38,874	-14%	5%	
AFB	\$ 3.68	\$ 3.65	\$ 3.73	1%	-2%	
# of Events	28	29	31	-3%	-6%	

Sounder south					Change	
Special Events	2016	2015	2014	2016-2015	2015-2014	
Revenues	\$ 237,130	\$ 305,292	\$ 319,606	-22%	-6%	
Boardings	54,099	69,837	85,391	-23%	-10%	
AFB	\$ 4.38	\$ 4.37	\$ 3.74	0%	16%	
# of Events	28	29	33	-3%	-12%	

Link

Link experienced an increase of \$12.6 million in fare revenues in 2016 and \$2.3 million increase in 2015. Ridership on Link increased 7.6 million in 2016 and 592,000 in 2015. The 2016 increase in ridership can be attributed to the March opening of the 3.1 mile segment from downtown Seattle to Capitol Hill and University of Washington stations. In addition to the University Link extension, a new 1.6 mile segment of light rail opened in September between Sea/Tac Airport and Angle Lake Station.

The AFB for Link light rail service increased by 9% in 2015; this increase is attributable to the \$0.25 fare increase implemented March 2015.

Revenue by Payment Type

Link Payment Type	REVENUES			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport	\$ 9,671,898	\$ 4,439,097	\$ 3,842,592	118%	16%
ORCA Puget Pass	4,130,511	2,509,272	2,239,706	65%	12%
ORCA E-purse	6,581,391	3,261,554	2,656,798	102%	23%
Non-ORCA	10,405,992	8,001,951	7,137,846	30%	12%
Totals	\$ 30,789,792	\$ 18,211,874	\$ 15,876,942	69%	15%

Link Payment Type	BOARDINGS			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport	5,853,251	2,639,247	2,427,462	122%	9%
ORCA Puget Pass	2,609,374	1,672,010	1,572,964	56%	6%
ORCA E-purse	3,631,787	1,814,675	1,584,340	100%	15%
Non-ORCA	7,027,209	5,404,479	5,353,117	30%	1%
Totals	19,121,621	11,530,411	10,937,883	66%	5%

Link Payment Type	AVERAGE FARE PER BOARDING			Change	
	2016	2015	2014	2016-2015	2015-2014
ORCA Business Passport ⁴	\$ 1.65	\$ 1.68	\$ 1.58	-2%	6%
ORCA Puget Pass	1.58	1.50	1.42	5%	6%
ORCA E-purse	1.81	1.80	1.68	1%	7%
Non-ORCA	1.48	1.48	1.33	0%	11%
Totals	\$ 1.61	\$ 1.58	\$ 1.45	2%	9%

Revenue by Passenger Type

Adult passenger fares account for 91% of total Link revenues with 4% from youth passengers, 2% from qualifying seniors and persons with disabilities (Reduced Fare) riders and 2% from ORCA LIFT (Reduced Fare) riders. Youth represent 7% of total boardings on Link, compared to just 2% of ST Express boardings. The Low Income fare was introduced in March 2015 with ridership ramping in 2015 as the program grew.

⁴ ORCA Business Passport – fixed annual contracts that are priced based on previous year’s ridership. Current year ridership growth is not reflected in pricing until contract renewal, resulting in decreased AFB.

The Adult AFB growth, relative to Youth and Reduced Fare passenger types, is lower because over 36% of Adult boardings are ORCA Business Passport boardings. ORCA Business Passport is a fixed annual contract that is priced based on previous year's ridership, as contracts renew pricing will reflect ridership growth from ULink opening.

Link Passenger Type	REVENUES			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	\$ 28,124,160	\$ 16,614,946	\$ 14,695,525	69%	13%
Youth	1,336,386	924,849	815,057	44%	13%
Reduced Fare	684,455	456,590	366,361	50%	25%
Low Income	644,791	215,489	-	199%	-
Totals	\$ 30,789,792	\$ 18,211,874	\$ 15,876,943	69%	15%

Link Passenger Type	BOARDINGS			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	15,858,562	9,398,694	9,015,568	69%	4%
Youth	1,260,565	945,521	987,895	33%	-4%
Reduced Fare	1,266,319	937,290	934,419	35%	0%
Low Income	736,175	248,906	-	196%	-
Totals	19,121,621	11,530,411	10,937,883	66%	5%

Link Passenger Type	AVERAGE FARE PER BOARDING			Change	
	2016	2015	2014	2016-2015	2015-2014
Adult	\$ 1.77	\$ 1.77	\$ 1.63	0%	9%
Youth	1.06	0.98	0.83	8%	18%
Reduced Fare	0.54	0.49	0.39	10%	26%
Low Income	0.88	0.87	-	1%	-
Totals	\$ 1.61	\$ 1.58	\$ 1.45	2%	9%

Special Rates of Fare

This section describes all Sound Transit rates of fare other than the general retail rates as described in the Fare Structures section above. The Sound Transit Fare Policy allows for establishing a Special Rate of Fare under certain conditions for Special Event Service, Ride Free Zones, Peace Officer Fares, Discount and Free Fares (for the purpose of: marketing, educational outreach, customer relations, human services, demonstration of transit services and facility tours hosted by Sound Transit or local transit agencies, public emergencies, natural disasters) and Employer/Institutional Programs. The table below describes the types of discounted/free fares offered and the value of the total discount in 2016 compared with 2015. Each fare type is described further in the following sections.

Fare media provided for Transit Promotional and Marketing Campaigns, Educational Outreach and Transit Training and Customer Relations and Complaint Resolution include complimentary and discounted tickets/passes for one-way tickets on ST Express service valued at \$3.75 per trip (based on maximum value); Sounder day passes at \$10.00 per pass (North line) and \$11.50 (South or full line); and Link light rail day passes at \$6.50 per pass.

In 2016, the Special Rate of Fare discount provided increased by 14% over the previous year, with the discount continuing to represent 1% of total passenger fare revenue. The value of discount by mode was led by Link, which grew by 158% over the previous year. Link growth can be attributed to an increase in Human Services tickets and promotional campaigns centered on the opening of the ULink extension.

Type of Fare	Value of Discount	
	2016	2015
Free Ride Zone - Tacoma	\$ 628,671	\$ 652,186
Peace Officers	36,588	26,352
Transit Promotional and Marketing Campaigns	108,615	75,120
Educational Outreach and Transit Training	16,660	17,126
Customer Relations and Complaint Resolution	88,892	48,101
Transit Demonstrations and Tours	4,488	566
Amtrak RailPlus Program	3,864	3,913
Human Services	88,325	19,000
Paratransit	7,444	6,757
Public emergencies and natural disasters	18,078	28,722
Total	\$ 1,001,625	\$ 877,843
% of Total Fare Revenue	1%	1%

Mode	Value of Discount	
	2016	2015
ST Express	\$ 94,969	\$ 82,729
Sounder	61,745	59,024
Link	216,239	83,903
Tacoma Link	628,671	652,186
Total	\$ 1,001,625	\$ 877,843

Free Ride Zone – Tacoma Link

Currently Sound Transit receives \$29K under an agreement with the City of Tacoma and local Tacoma businesses in lieu of fares for Tacoma Link. This agreement eliminates the need for and cost of fare collection and enforcement.

The value of forgone revenue for these trips, assuming comparable transit fares and including the average fare impact of transfers, passes and discounts is approximately \$1.00 per boarding. Price elasticity would reduce boardings in response to a fare, so a realistic estimate of foregone revenue is approximately \$0.67 per boarding, or \$628,671 in 2016.

In 2016 there were 938,315 Tacoma Link boardings, down from 973,412 in 2015.

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.

Boarding estimate for Peace Officers is derived from the 2015-2016 Origin and Destination (O&D) survey. The percentage of Peace Officer boardings in 2015-2016 was applied to ridership in 2016 to estimate these boardings, resulting in \$36,588 of foregone revenue.

Promotional and Marketing Campaigns

As part of some Sound Transit promotional and marketing campaigns complimentary tickets/passes are provided. Foregone revenue was \$108,615 in 2016, up from \$75,120 in 2015. In 2016, 51% of total foregone revenue was from the ORCA Passport promotions coinciding with the opening of the University Link light rail extension. The additional forgone revenue in 2016 was from the distribution of 9,870 complimentary tickets/passes, down from 14,627 in 2015.

Educational Outreach and Transit Training

Sound Transit conducted 54 educational outreach and transit training events in 2016, primarily at local schools. Outreach included Link, Sounder and Martin Luther King Corridor Safety programs. In 2016, Sound Transit provided 3,443 discounted tickets/passes at these events, down from 3,685 in 2015. The total foregone revenue from educational outreach and transit training was \$16,660 in 2016 and \$17,126 in 2015.

Customer Relations and Complaint Resolution

For customer communications and complaint resolution complimentary tickets/passes are provided. The total foregone revenue was \$88,892 in 2016 and \$48,101 in 2015. The 2016 increase is due in part to customer relations needs with increased Link ridership. Reasons for complimentary and discounted tickets/pass distribution included elevator and escalator outages, and over-crowding during peak time. In 2016 there was an 81% increase in Ticket/Pass distribution over the previous year.

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

Complimentary and discounted tickets/passes are provided for transit demonstration activities. The total amount of foregone revenue from this program in 2016 was \$4,488 from 6 conferences and in 2015 was \$566. Different hosted groups and conferences affect the totals for this category from year to year.

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.

- In 2016, 1,215 RailPlus trips were taken by Sounder riders aboard Amtrak service with an average fare per boarding (AFB) of \$3.18; foregone revenue for these trips is estimated at \$3,864.
- In 2015, 1,204 RailPlus trips were taken by Sounder riders aboard Amtrak service with an average fare per boarding (AFB) of \$3.25; foregone revenue for these trips is estimated at \$3,913.

Sound Transits offers RailPlus, to preserve good customer service and foster positive customer relations.

Human Services Tickets

The Human Services (HS) Program is coordinated and funded by King County Metro (KCM) and is administered by King County and the City of Seattle. In 2016, a Link day pass was available to pre-qualified agencies at an 80% discount.

The HS Program provides subsidized transit tickets to eligible human services agencies. Human Services agencies give 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. Per agreement with KCM, ST receives 20% of the revenue generated from sales of the tickets.

The total foregone revenue resulting from the 80% fare discount provided for this program was: \$ 88,325 in 2016 and \$19,000 in 2015.

Paratransit Access to Sound Transit Fixed Route Service

In 2016, an estimated 3,877 trips were provided free of charge on ST fixed route modes for eligible paratransit shuttle riders. The forgone fare revenue for these trips is estimated at \$7,444. However, had these trips been taken on actual paratransit shuttle service, the cost would be approximately \$232,620.

Public Emergencies and Natural Disasters

In 2016, Sound Transit accommodated approximately 5,739 riders on special service buses due to mudslides and/or other ST Service cancellations. In 2015, we accommodated 9,295 riders.

The number of riders for 2016 reflects the ongoing success of ST Operation's strategy to ensure bus bridge service to customers in the event of rail service disruptions. The practice provides a level of service that anticipates customer's needs and provides immediate service so as to inconvenience riders as little as possible.

Coaches are contracted from Community Transit, KCM, Pierce Transit, and Starline Luxury Coaches. The marginal cost of the bus bridge is offset by reduced operating expenses, less revenues, when Sounder or other services are not able to operate.

Employer/Institutional Programs

A discount of no more than 20% may be granted provided that the bulk purchaser of the pass offers subsidy of at least 50 percent of the per pass purchase price to the individual pass recipients.

No discounts were given to Business Accounts in 2016.

APPENDIX A- Fares by Station

Sounder Fare Tables

Sounder south-Tacoma- Seattle

<i>Adult</i>	Lakewood	South Tacoma	Tacoma	Puyallup	Sumner	Auburn	Kent	Tukwila	Seattle
Lakewood		\$3.25	\$3.50	\$4.00	\$4.00	\$4.50	\$4.75	\$5.00	\$5.75
South Tacoma	\$3.25		\$3.25	\$3.75	\$4.00	\$4.25	\$4.50	\$5.00	\$5.50
Tacoma	\$3.50	\$3.25		\$3.50	\$3.50	\$4.00	\$4.25	\$4.50	\$5.25
Puyallup	\$4.00	\$3.75	\$3.50		\$3.25	\$3.50	\$4.00	\$4.25	\$4.75
Sumner	\$4.00	\$4.00	\$3.50	\$3.25		\$3.50	\$3.75	\$4.00	\$4.75
Auburn	\$4.50	\$4.25	\$4.00	\$3.50	\$3.50		\$3.25	\$3.75	\$4.25
Kent	\$4.75	\$4.50	\$4.25	\$4.00	\$3.75	\$3.25		\$3.25	\$4.00
Tukwila	\$5.00	\$5.00	\$4.50	\$4.25	\$4.00	\$3.75	\$3.25		\$3.75
Seattle	\$5.75	\$5.50	\$5.25	\$4.75	\$4.75	\$4.25	\$4.00	\$3.75	

<i>Youth</i>	Lakewood	South Tacoma	Tacoma	Puyallup	Sumner	Auburn	Kent	Tukwila	Seattle
Lakewood		\$2.50	\$2.75	\$3.00	\$3.00	\$3.50	\$3.50	\$3.75	\$4.25
South Tacoma	\$2.50		\$2.50	\$2.75	\$3.00	\$3.25	\$3.50	\$3.75	\$4.25
Tacoma	\$2.75	\$2.50		\$2.75	\$2.75	\$3.00	\$3.25	\$3.50	\$4.00
Puyallup	\$3.00	\$2.75	\$2.75		\$2.50	\$2.75	\$3.00	\$3.25	\$3.50
Sumner	\$3.00	\$3.00	\$2.75	\$2.50		\$2.75	\$2.75	\$3.00	\$3.50
Auburn	\$3.50	\$3.25	\$3.00	\$2.75	\$2.75		\$2.50	\$2.75	\$3.25
Kent	\$3.50	\$3.50	\$3.25	\$3.00	\$2.75	\$2.50		\$2.50	\$3.00
Tukwila	\$3.75	\$3.75	\$3.50	\$3.25	\$3.00	\$2.75	\$2.50		\$2.75
Seattle	\$4.25	\$4.25	\$4.00	\$3.50	\$3.50	\$3.25	\$3.00	\$2.75	

<i>Reduced Fare</i>	Lakewood	South Tacoma	Tacoma	Puyallup	Sumner	Auburn	Kent	Tukwila	Seattle
Lakewood		\$1.50	\$1.75	\$2.00	\$2.00	\$2.25	\$2.50	\$2.50	\$2.75
South Tacoma	\$1.50		\$1.50	\$1.75	\$2.00	\$2.00	\$2.50	\$2.50	\$2.75
Tacoma	\$1.75	\$1.50		\$1.75	\$1.75	\$2.00	\$2.00	\$2.25	\$2.50
Puyallup	\$2.00	\$1.75	\$1.75		\$1.50	\$1.75	\$2.00	\$2.00	\$2.25
Sumner	\$2.00	\$2.00	\$1.75	\$1.50		\$1.75	\$1.75	\$2.00	\$2.25
Auburn	\$2.25	\$2.00	\$2.00	\$1.75	\$1.75		\$1.50	\$1.75	\$2.00
Kent	\$2.25	\$2.25	\$2.00	\$2.00	\$1.75	\$1.50		\$1.50	\$2.00
Tukwila	\$2.50	\$2.50	\$2.25	\$2.00	\$2.00	\$1.75	\$1.50		\$1.75
Seattle	\$2.75	\$2.75	\$2.50	\$2.50	\$2.25	\$2.00	\$2.00	\$1.75	

Sounder North-Everett- Seattle

<i>Adult</i>	Everett	Mukilteo	Edmonds	Seattle
Everett		\$3.25	\$4.00	\$5.00
Mukilteo	\$3.25		\$3.75	\$4.50
Edmonds	\$4.00	\$3.75		\$4.00
Seattle	\$5.00	\$4.50	\$4.00	

<i>Youth</i>	Everett	Mukilteo	Edmonds	Seattle
Everett		\$2.50	\$3.00	\$3.75
Mukilteo	\$2.50		\$2.75	\$3.50
Edmonds	\$3.00	\$2.75		\$3.00
Seattle	\$3.75	\$3.50	\$3.00	

<i>Reduced Fare</i>	Everett	Mukilteo	Edmonds	Seattle
Everett		\$1.50	\$2.00	\$2.50
Mukilteo	\$1.50		\$1.75	\$2.25
Edmonds	\$2.00	\$1.75		\$2.00
Seattle	\$2.50	\$2.25	\$2.00	

Link

<i>Adult</i>	UW	Capitol Hill	Downtown Tunnel Stations*	Stadium	SODO	Beacon Hill	Mt. Baker	Columbia City	Othello	Rainier Beach	Tukwila Int'l	SeaTac/Airport	Angle Lake
UW		\$2.25	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.75	\$2.75	\$2.75	\$3.00	\$3.25	\$3.25
Capitol Hill	\$2.25		\$2.25	\$2.25	\$2.25	\$2.50	\$2.50	\$2.50	\$2.50	\$2.75	\$3.00	\$3.00	\$3.00
Downtown Tunnel Stations	\$2.50	\$2.25		\$2.25	\$2.25	\$2.25	\$2.50	\$2.50	\$2.50	\$2.50	\$3.00	\$3.00	\$3.00
Stadium	\$2.50	\$2.25	\$2.25		\$2.25	\$2.25	\$2.25	\$2.25	\$2.50	\$2.50	\$2.75	\$3.00	\$3.00
SODO	\$2.50	\$2.25	\$2.25	\$2.25		\$2.25	\$2.25	\$2.25	\$2.50	\$2.50	\$2.75	\$2.75	\$3.00
Beacon Hill	\$2.50	\$2.50	\$2.25	\$2.25	\$2.25		\$2.25	\$2.25	\$2.50	\$2.50	\$2.75	\$2.75	\$3.00
Mt. Baker	\$2.50	\$2.50	\$2.50	\$2.25	\$2.25	\$2.25		\$2.25	\$2.25	\$2.50	\$2.75	\$2.75	\$3.00
Columbia City	\$2.75	\$2.50	\$2.50	\$2.25	\$2.25	\$2.25	\$2.25		\$2.25	\$2.25	\$2.50	\$2.75	\$2.75
Othello	\$2.75	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.25	\$2.25		\$2.25	\$2.50	\$2.75	\$2.75
Rainier Beach	\$2.75	\$2.75	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.25	\$2.25		\$2.50	\$2.50	\$2.75
Tukwila Int'l	\$3.00	\$3.00	\$3.00	\$2.75	\$2.75	\$2.75	\$2.75	\$2.50	\$2.50	\$2.50		\$2.25	\$2.50
SeaTac/Airport	\$3.25	\$3.00	\$3.00	\$3.00	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.50	\$2.25		\$2.25
Angle Lake	\$3.25	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$2.75	\$2.75	\$2.75	\$2.50	\$2.25	

*Downtown Tunnel Stations include: Westlake, University St., Pioneer Square and International District

Youth – All one way fares \$1.50

Reduced Fare – All one way fares \$1.00

APPENDIX B- ST Express Route Detail

Revenue by Route

As discussed above, revenues for ST Express have increased due to the March 2016 fare change and increased ridership. Revenues for ST Express Routes are allocated as follows:

ST Express Route	REVENUES			Change	
	2016	2015	2014	2016-2015	2015-2014
510	\$ 1,398,847	\$ 1,412,567	\$ 1,385,566	-1%	2%
511	1,458,829	1,485,696	1,430,347	-2%	4%
512	2,971,823	3,018,130	3,131,269	-2%	-4%
513	524,627	551,307	509,873	-5%	8%
522	2,640,715	2,590,703	2,308,738	2%	12%
532	1,326,754	1,323,201	1,266,915	0%	4%
535	1,108,714	1,106,838	1,077,023	0%	3%
540	290,205	303,173	276,149	-4%	10%
541 ⁵	191,705				
542 ⁶	953,186	816,644	745,948	17%	9%
545	4,541,390	4,711,516	4,319,459	-4%	9%
550	4,960,120	4,887,548	4,578,418	1%	7%
554 ⁷	2,013,627	1,784,135	1,742,176	13%	2%
555/556	778,482	841,705	739,783	-8%	14%
560	823,413	824,986	833,726	0%	-1%
566	681,030	718,097	738,449	-5%	-3%
567	265,152	257,146	249,325	3%	3%
574	1,851,360	1,701,790	1,636,035	9%	4%
577	999,398	934,042	888,100	7%	5%
578	1,121,047	1,002,502	983,617	12%	2%
580 ⁸	160,168	38,580		315%	
586 ⁹	324,549	408,610	377,283	-21%	8%
590	1,898,614	1,869,670	1,955,397	2%	-4%
592	602,362	601,636	622,431	0%	-3%
594	1,897,834	1,693,782	1,592,228	12%	6%
595	244,734	260,404	263,274	-6%	-1%
596	163,343	153,628	172,204	6%	-11%
Red Lot Connector ¹⁰	-	3,346	14,823	-100%	-77%
Sounder Bus ¹¹	-	-	-	0%	0%
Totals	\$ 36,192,028	\$ 35,301,384	\$ 33,838,556	3%	4%

⁵ New route 541 started in March 2016 connecting Overlake Transit Center and University of Washington Link Station

⁶ Mid-day service added in March 2016 on route 542

⁷ Frequencies improved to 15-minutes in peak direction starting in March 2016

⁸ New route 580 started September 2015

⁹ Number of trips reduced from 20 to 16 starting in June 2015

¹⁰ Service discontinued in September 2015 with the start of route 580

¹¹ Routes operate as fare free service for bridge service during service interruptions

ST Express ridership increased by 1% in 2016 and 4% in 2015 due to service redeployments focusing on routes and hours that have the highest ridership.

ST Express Route	BOARDINGS			Change	
	2016	2015	2014	2016-2015	2015-2014
510	488,401	494,221	507,842	-1%	-3%
511	516,248	522,864	521,012	-1%	0%
512	1,424,904	1,431,104	1,456,019	0%	-2%
513	170,936	177,506	176,732	-4%	0%
522	1,568,904	1,555,511	1,439,579	1%	8%
532	531,172	511,765	505,967	4%	1%
535	512,940	508,603	508,370	1%	0%
540	160,862	168,214	131,239	-4%	28%
541 ¹²	132,851	-	-	0%	0%
542 ¹³	539,674	434,469	393,133	24%	11%
545	2,605,320	2,711,308	2,559,750	-4%	6%
550	3,151,998	3,044,248	2,864,487	4%	6%
554 ¹⁴	1,180,368	1,104,903	1,076,223	7%	3%
555/556	399,805	405,199	373,680	-1%	8%
560	522,058	557,407	570,607	-6%	-2%
566	386,674	421,641	420,751	-8%	0%
567	151,971	149,319	137,507	2%	9%
574	766,163	791,422	793,040	-3%	0%
577	486,572	472,731	468,828	3%	1%
578	574,684	586,488	582,150	-2%	1%
580 ¹⁵	124,657	29,885	-	317%	0%
586 ¹⁶	113,823	142,625	154,813	-20%	-8%
590	711,131	731,745	792,724	-3%	-8%
592	247,526	260,339	256,454	-5%	2%
594	784,995	790,495	740,311	-1%	7%
595	88,218	94,605	100,151	-7%	-6%
596	121,821	117,291	108,038	4%	9%
Red Lot Connector ¹⁷	-	17,296	20,359	-100%	-15%
Central Link Bus	1,090	71,299	-	-98%	0%
Sounder Bus ¹⁸	4,642	8,567	10,067	-46%	-19%
Totals	18,470,408	18,312,624	17,669,833	1%	4%

¹² New route 541 started in March 2016 connecting Overlake Transit Center and University of Washington Link Station

¹³ Mid-day service added in March 2016 on route 542

¹⁴ Frequencies improved to 15-minutes in peak direction starting in March 2016

¹⁵ New route 580 started September 2015

¹⁶ Number of trips reduced from 20 to 16 starting in June 2015

¹⁷ Service discontinued in September 2015 with the start of route 580

¹⁸ Routes operate as fare free service for bridge service during service interruptions

ST Express AFB increased 2% in 2016 and 1% 2015.

ST Express Route	AVERAGE FARE PER BOARDING			Change	
	2016	2015	2014	2016-2015	2015-2014
510	\$ 2.86	\$ 2.86	\$ 2.73	0%	5%
511	2.83	2.84	2.75	0%	3%
512	2.09	2.11	2.15	-1%	-2%
513	3.07	3.11	2.89	-1%	8%
522	1.68	1.67	1.60	1%	4%
532	2.50	2.59	2.50	-3%	4%
535	2.16	2.18	2.12	-1%	3%
540	1.80	1.80	2.10	0%	-14%
541 ¹⁹	1.44	-	-	0%	0%
542	1.77	1.88	1.90	-6%	-1%
545	1.74	1.74	1.69	0%	3%
550	1.57	1.61	1.60	-2%	1%
554	1.71	1.61	1.62	6%	-1%
555/556	1.95	2.07	1.98	5%	5%
560	1.58	1.48	1.46	7%	1%
566	1.76	1.70	1.76	4%	-3%
567	1.74	1.72	1.81	1%	-5%
574	2.42	2.15	2.06	13%	4%
577	2.05	1.98	1.89	4%	5%
578	1.95	1.71	1.69	14%	1%
580	1.28	1.29	-	-1%	0%
586	2.85	2.86	2.44	0%	17%
590	2.67	2.56	2.47	4%	4%
592	2.43	2.31	2.43	5%	-5%
594	2.42	2.14	2.15	13%	0%
595	2.77	2.75	2.63	1%	5%
596	1.34	1.31	1.59	2%	-18%
Red Lot Connector ²⁰	-	0.19	0.73	-100%	-74%
Sounder Bus	-	-	-	0%	0%
Tacoma Link Bus	-	-	-	0%	0%
Totals	\$ 1.96	\$ 1.93	\$ 1.92	2%	1%

¹⁹ New route 541 started in March 2016 connecting Overlake Transit Center and University of Washington Link Station

²⁰ Service discontinued in September 2015 with the start of route 580