

Information on the proposed fare increase/restructuring

Spring 2006



Massachusetts Bay Transportation Authority

Driven by Customer Service

Introduction from the General Manager



In any organization there are triumphs as well as challenges. While there is much to be proud of here at the MBTA, maintaining financial stability is our single greatest challenge. Like other transit properties, the MBTA is facing a fiscal year 2007 crisis - a budget shortfall of approximately \$70 million.

As our customer, it's important for you to understand the T's current financial situation and the circumstances that expanded the deficit we face today. We prepared this booklet in an effort to explain our budget shortfall, and the rationale for the proposed fare increase/restructuring.

What you should know about the T's financing structure:

1. "Forward Funding," a legislative mandate, requires the MBTA to be financially self-sufficient. To help us meet that goal, 20% of the sales tax receipts and assessments from 175 MBTA communities were established as primary revenue sources for the T.

Unfortunately, the timing of the introduction of Forward Funding coincided with the post-9/11 downturn of the economy in 2001. The result has been disappointing sales tax revenues that have not reached even the most conservative projections. The net loss in expected sales tax receipts since 2001 has been a total of \$113 million in funds for the MBTA.

2. We have the largest annual debt service payment of any transit agency in the country (27% of our budget), much of it going back years.
3. Increased energy costs for diesel fuel and compressed natural gas to keep our buses and trains running continue to grow.

4. One of the lowest fare recovery ratios of large transit agencies - total fare collection only funds 36% of the operating budget.

It's important to note that the MBTA is not alone. Many other cities have faced the same financial challenges and have had to raise fares and/or cut service. The T is making every effort to avoid a reduction in basic services.

Our proposal, detailed within the following pages, recommends:

- a fare increase that increases fare revenue by approximately 25%;
- a fare restructuring plan that eliminates inconsistencies, inequities and includes bus to rapid transit and rapid transit to bus transfers;
- leveraging the benefits of automated fare collection which both addresses fare evasion for those who try to cheat the system and provides our customers with flexible, convenient and easy-to-use service.

As General Manager, my goal is to improve service and make the MBTA financially self-sufficient. I support a new fare structure to meet that goal, and to support working people. The fact is, over a million riders a day depend on the MBTA to get to work, travel in the evening and on weekends. The MBTA, even with this fare increase, is still significantly more cost-effective than the alternatives of driving or taking a cab.

I urge you to voice your thoughts during our public meetings or contact us at fareproposal@mbta.com and work with us to arrive at a positive consensus. Until then, it is my goal to bring the MBTA to a sound financial position while improving reliability and customer service.

Sincerely,

Daniel A. Grabauskas
General Manager

How is the MBTA funded?

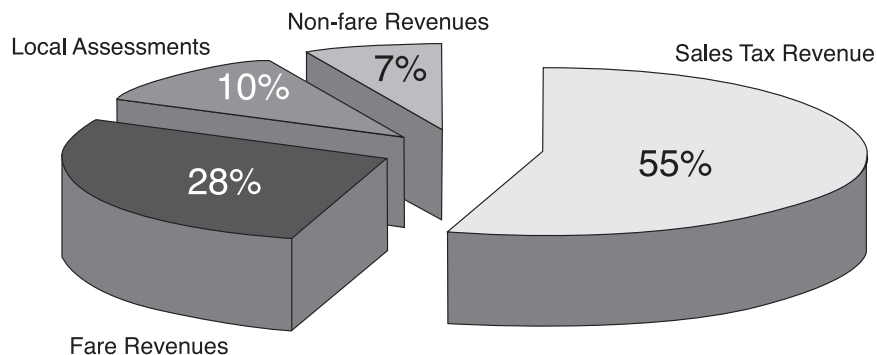
Six years ago, the MBTA underwent a strategic change in funding. The State Legislature's "Forward Funding" mandate in 2000, transformed the MBTA into a self-sustaining independent Authority, responsible for balancing its own budget annually from these four main sources of revenue:

- 20% of the state's sales tax receipts (excluding meals);
- defined assessments on localities served by the MBTA;
- customer fares; and

- non-fare revenues generated from advertising, real estate transactions (such as leases and land sales), parking revenue and other initiatives, such as corporate sponsorships.

These sources of revenue fund the operating budget and pay for debt service on \$5.2 billion of outstanding debt, the responsibility for which was inherited from the Commonwealth. Similar to a mortgage, paying on the principle of \$5.2 billion over time will eventually cost the T about \$8.1 billion, including \$2.9 billion in interest. On top of that, we also are responsible for funding special funds such as: the Capital Maintenance Fund, Deficiency Fund, and Stabilization Fund, which are vital to the T's continued operation.

MBTA Projected Revenues FY07 – \$1,344,005,508



Why is the MBTA's financial picture so bleak?

A combination of unforeseen events presented a "perfect storm" of financial challenges –

- the unrealized annual increases in state sales tax receipts – due to the state's slow retail market and sluggish economy, the MBTA has received \$113 million less in state sales tax receipts than what was projected at the onset of Forward Funding five years ago;
- the post-9/11 drop in employment, slowing population growth and downturn in the economy;
- escalating fuel prices and associated operating costs;
- an increase in security costs.

What has the MBTA done to improve service?

First and foremost and despite our financial setbacks, the MBTA has followed-through on promises made to our customers to continue to improve service. The year 2006 saw the culmination of major MBTA projects*; their funding pre-programmed from the Capital Investment Program and paid in part through federal funding. These projects include:

- the delivery of 581 new environmentally-friendly buses and 33 bi-level commuter rail coaches;
- improved accessibility with 48 new low-floor Green Line vehicles;
- the implementation of Automated Fare Collection;
- the lifting of speed restrictions on several lines through improvements in infrastructure and;
- improved escalator and elevator service.

- the Silver Line Waterfront service to Logan Airport;

* For a complete listing of MBTA projects please see the reverse side of the booklet.

What has the MBTA done to offset it's financial problems?

Automated Fare Collection (AFC) will make a substantial, positive impact on MBTA revenues. The 2005 conversion to AFC along the Blue Line, and subsequent 2006 conversions at stations along the Red, Orange, and Green Lines, have resulted in a decrease in fare evasion and an increase in certain types of passes sold. Similar benefits will soon be realized as the rest of the system is converted to AFC.

In addition, the MBTA has explored new sources of raising funds. We have raised non-fare revenue through sales and leases of property and by increasing transit advertising revenue and installing fiber optic communications. Other initiatives intended to offset budget gaps include:

- aggressively seeking refinancing opportunities to lower our interest rates, allowing us to reduce our debt service costs by \$6.5 million dollars;
- re-bidding contracts and entering into fuel hedges for diesel and natural gas, allowing us to buy fuel at stable market value;
- expanding the responsibilities of current employees as jobs are vacated;

- decreasing overtime and maintaining low employee head count;
- eliminating Night Owl service which had an extremely high net cost per passenger and low ridership;
- increasing our revenue recovery ratio by 3.1% (from 41.2% in FY '03 to 44.3% in FY '06) by generating revenue outside of fare collection;
- and strengthening the T's bond rating, currently the best of any state agency in Massachusetts, to provide an economic source of capital funding.

Notwithstanding the past few years of insufficient funding, the MBTA's goal of strict fiscal planning and new revenue generation continues. And because the T views fare rate hikes as a last resort, fares have remained among the lowest in the country.

Fares have remained among the lowest in the country.

How does the T compare with other transit agencies?

In the past two years, some transit agencies have increased fares and cut service to cope with their budgetary issues while others are now considering fare increases. Because the MBTA is America's first subway system, our infrastructure requires major resources to maintain in a state of good repair. In spite of this expense, we managed to keep our single mode trip fares among the lowest when compared to major transit agencies

across the nation. At the same time we recognize that our current fare for a trip that includes both bus and subway is among the highest.

As part of our fare increase/restructuring proposal described on the following pages, our customers will soon be able to ride anywhere on the local bus/rapid transit system for one fair price. This would result in MBTA fares that are still comparable to our peers and even lower in some cases.

Other transit system fares vs. MBTA fares

City	Single Mode Fare	Bus + Subway
Philadelphia	\$2.00	\$2.60
New York	\$2.00	\$2.00
Chicago	\$1.75*	\$2.00
Atlanta	\$1.75	\$1.75
San Francisco	\$1.50	\$1.50
Washington	\$1.35 - \$3.90** Rapid transit \$1.25 Bus	\$1.70 - \$5.15**

Boston (current)	\$1.25 - \$2.50** Rapid transit \$0.90 - \$1.55** Bus	\$2.15 - \$3.40**
Boston (proposed)***	\$1.70 Rapid transit \$1.25 Bus	\$1.70

* when paid with a Chicago card
 ** varies by distance
 *** when paid with a CharlieCard

How is fare restructuring going to help?

It's going to help make fares sensible and fair for all customers. Over the years, T customers have had to deal with a web of many complex and inconsistent fare rules throughout the system such as: exit fares at some stations, higher boarding fares at others and bus and rail reduced-rate transfers on only a handful of routes. If we don't restructure the fares now, the problem will only grow more confusing and potentially unfair to customers in the future.

Simplification and equity of fares
The new structure does away with our current system quirks, embraces flat-fare pricing, eliminates exceptions that create inequities and includes local bus to rapid transit transfers, an item long requested by advocates of public transportation.

Value pricing

The structure is based on the concept of "value pricing", which recognizes that customers value our core bus and rapid transit system in terms of whether it gets them to their destination safely and efficiently - not in terms of the distance they traveled or the connections they made.

In other words, customers will be able to ride anywhere on the rapid transit system and transfer to or from local buses for one fair price. A slightly lower fare is maintained for those customers whose trips involve only local buses.

Introduction of the new OnePass and the CharlieCard

In addition, a new OnePass will be introduced replacing the current Subway and Combo passes.

This new OnePass will allow customers to travel anywhere on the local bus and rapid transit systems for less than the price of an existing Combo Pass.

Automated Fare Collection offers the technology to implement a new fare structure more easily than ever. It decreases fare evasion - ensuring that every fare contributes to the bottom line.

The new structure does away with our current system quirks, embraces flat-fare pricing and eliminates exceptions that create inequities.

What is a CharlieTicket and a CharlieCard?



A CharlieTicket is a magnetically encoded paper ticket that contains either stored value or a pass. A stored value CharlieTicket will deduct your fare each time you ride the T. A CharlieTicket encoded with a pass functions the way your passes always have, allowing for unlimited travel for a certain period of time.



A CharlieCard is a durable plastic smart card containing a computer chip that electronically stores value and/or a pass. The CharlieCard is a "contactless" card that does not need to be inserted into a farebox or fare gate. It simply needs to be placed close to the CharlieCard target which makes travel faster. CharlieCards can be re-used over time to add stored value and/or passes at vending machines, fareboxes, retail sales terminals, MBTA ticket offices, and eventually online.

What are our choices?

The MBTA considered all possible options – from restructuring fares, to raising fares and/or reducing service. To resolve the budget shortfall, we have two options:

1. Reduce service and maintain existing fare levels:

Customers would experience the most drastic service reduction in MBTA history, including but not limited to:

- 50% reduction in bus and rapid transit service after 9:00 P.M. weekdays and all day weekends;
- reduction of up to 20 bus routes focusing on the top high net-cost per passenger bus routes;
- elimination of 50% of all Saturday and Sunday service and 50% of all

weekday Commuter Rail service after 9:00 P.M.; and

- elimination of The RIDE services in towns not mandated by law.
- ### 2. Raise and restructure fares and increase existing service levels:
- The fare increase and restructuring will favor those customers who regularly use the service and pay with the CharlieCard*, while charging a premium for customers who pay with CharlieTickets* or onboard using cash. Fares would also be simplified, eliminating "fare zones" on the local bus network and making all rapid transit trips the same price. (Please see chart for proposed fares on pages 12-13.)

*Pass prices are the same on either a CharlieCard or CharlieTicket.

How the changes will affect you



Base Fares (Stored Value)

Type of Travel	Stored Value on a CharlieCard	Stored Value on a CharlieTicket or cash
Local Bus	<ul style="list-style-type: none"> - Price change - Includes discounted transfer to rapid transit - Includes free local bus to local bus transfer 	<ul style="list-style-type: none"> - Price change - Surcharge - Does not include discounted transfer to rapid transit - Free local bus to local bus transfer (only when using CharlieTicket)
Rapid Transit	<ul style="list-style-type: none"> - Price change - Includes free transfer to local bus - Includes discounted transfer to express bus 	<ul style="list-style-type: none"> - Price change - Surcharge - Does not include free transfer to local bus
Express Bus	Routes now categorized as "Inner Express" or "Outer Express" <ul style="list-style-type: none"> - Price change - Includes free transfer to rapid transit 	<ul style="list-style-type: none"> - Price change - Surcharge - Does not include free transfer to rapid transit
Reduced Fares		
Senior/T.A.P.	- Price change only	
Student	- Price change only	
The RIDE	<ul style="list-style-type: none"> - Price change - Not available on a CharlieTicket or CharlieCard 	
Commuter Rail	<ul style="list-style-type: none"> - Price change - AFC not yet implemented. Anticipated in 2007. 	
Commuter Boat	<ul style="list-style-type: none"> - No price change - AFC not yet implemented. Anticipated in 2007. 	
Inner Harbor Ferry	<ul style="list-style-type: none"> - Price change - AFC not yet implemented. Anticipated in 2007. 	

☐ = Denotes structure change in addition to price. For specific pricing, see proposed fare chart.

Monthly Passes

Type of Travel	Passes on a CharlieCard	Passes on a CharlieTicket
Local and Express Bus	- Price change only	
Rapid Transit	<ul style="list-style-type: none"> - Price change - Now called the monthly OnePass - Offers unlimited travel on rapid transit and local bus 	
Combo Combo +		
Reduced Fares		
Senior/T.A.P.	- Price change only	
Student	- Price change only	
Commuter Rail	<ul style="list-style-type: none"> - CharlieCard not yet available. Anticipated in 2007. 	- Price change only
Commuter Boat	<ul style="list-style-type: none"> - CharlieCard not yet available. Anticipated in 2007. 	- No price change
Other Passes		
Weekly Combo and Combo+	<ul style="list-style-type: none"> - Price change - 1, 3 or 7 day "OnePass" offering a rolling period of unlimited travel from date of purchase on rapid transit, local bus and inner harbor ferries 	
Visitor		

2007 Proposed Fares

Base Fares (Stored Value)		
Type of Travel	Stored Value on a CharlieCard (Base Fare)	Surcharge for Stored Value on a CharlieTicket or cash payment on board
Local Bus	\$1.25 ^{1,2}	40¢ ² surcharge
Rapid Transit	\$1.70 ^{1,3}	55¢ surcharge
Local Bus + Rapid Transit	\$1.70	Pay each separately
Inner Express Bus ⁷	\$2.80	90¢ surcharge
Outer Express Bus ⁸	\$4.00	\$1.35 surcharge

Type of Travel	Single Ride Price
Commuter Rail Zone 1A	\$1.70
Commuter Rail Zone 1B	\$2.50
Commuter Rail Zone 1	\$4.25
Commuter Rail Zone 2	\$4.75
Commuter Rail Zone 3	\$5.25
Commuter Rail Zone 4	\$5.75
Commuter Rail Zone 5	\$6.25
Commuter Rail Zone 6	\$6.75
Commuter Rail Zone 7	\$7.25
Commuter Rail Zone 8	\$7.75
Commuter Rail Interzone 1	\$2.00
Commuter Rail Interzone 2	\$2.25
Commuter Rail Interzone 3	\$2.50
Commuter Rail Interzone 4	\$2.75
Commuter Rail Interzone 5	\$3.00
Commuter Rail Interzone 6	\$3.50
Commuter Rail Interzone 7	\$4.00
Commuter Rail Interzone 8	\$4.50
Commuter Boat	\$6.00
Inner Harbor Ferries	\$1.70
The RIDE	\$2.00 ⁴

Parking ⁵	Price
Quincy Center, Quincy Adams & Braintree	\$5.00
Chestnut Hill, Eliot & Waban	\$3.50
Riverside	\$3.75

Monthly Passes	
Type of Pass	On either a CharlieTicket or CharlieCard
Local Bus	\$40.00
Monthly OnePass ⁹	\$62.00
Inner Express Bus ⁷	\$89.00
Outer Express Bus ⁸	\$129.00

Type of Pass	On a CharlieTicket
Commuter Rail Zone 1A	\$62.00
Commuter Rail Zone 1B	\$62.00
Commuter Rail Zone 1	\$135.00
Commuter Rail Zone 2	\$151.00
Commuter Rail Zone 3	\$163.00
Commuter Rail Zone 4	\$186.00
Commuter Rail Zone 5	\$210.00
Commuter Rail Zone 6	\$223.00
Commuter Rail Zone 7	\$235.00
Commuter Rail Zone 8	\$250.00
Commuter Rail Interzone 1	\$65.00
Commuter Rail Interzone 2	\$77.00
Commuter Rail Interzone 3	\$89.00
Commuter Rail Interzone 4	\$101.00
Commuter Rail Interzone 5	\$113.00
Commuter Rail Interzone 6	\$125.00
Commuter Rail Interzone 7	\$137.00
Commuter Rail Interzone 8	\$149.00
Commuter Boat	\$198.00

Senior/T.A.P. OnePass	\$20.00
Student OnePass	\$20.00
1-Day OnePass	\$9.00
3-Day OnePass	\$16.00
7-Day OnePass	\$18.00

Notes:

- For customers without passes: only CharlieCard users will receive discounted transfers between rapid transit and bus. Customers paying with cash onboard buses and those using CharlieTickets will pay full-price for these transfers.
- Free transfers between local buses will be provided to customers paying with CharlieCards or CharlieTickets.
- Rapid transit includes all stations and stops on the Red, Green, Orange, Blue and Silver Line Waterfront. Fares will be charged at all surface Green Line stops in both directions.
- Zone structure eliminated. All RIDE trips \$2.00 each way.
- No change in parking rates at stations not shown in table.
- Senior cash fares equal 40¢ for local bus and 60¢ for rapid transit and half fare for all other services except The RIDE. Children aged 5-11 and students pay half fare on all services.
- Inner Express Bus fare charged for trips to/from Downtown Boston/Back Bay on Routes: 325, 326, 351, 424, 426, 428, 441, 442, 448, 449, 450, 455, 459, 501, 502, 504, 553, 554, 556, 558.
- Outer Express Bus fare charged for trips to/from Downtown Boston/Back Bay on Routes: 352, 354, 355, 500, 505.
- OnePass valid on both local bus and rapid transit.

How can I get involved?

Attend a public workshop

Hear the reasons for the fare increase/restructuring, offer your comments and dialogue with T officials.

May 15

Boston

4:30 P.M. - 6:30 P.M.
State Transportation Building
10 Park Plaza

Newton

6:00 P.M. - 8:00 P.M.
Newton City Hall
War Memorial Auditorium
1000 Commonwealth Avenue
(Russian translation will be available.)

May 16

Quincy

6:00 P.M. - 8:00 P.M.
Quincy City Hall
City Council Chambers
2nd floor
1305 Hancock Street
(Cantonese translation will be available.)

Dorchester

6:00 p.m. - 8:00 p.m.
Vietnamese American
Initiative For Development
42 Charles Street
(Vietnamese translation will be available.)

May 17

Andover

6:30 P.M. - 8:30 P.M.
Memorial Hall Library
Elm Square

May 18

Roxbury

6:00 P.M. - 8:00 P.M.
Dudley Sq. Branch Library
65 Warren Street
(Cape Verdean translation will be available.)

May 22

Boston

3:30 P.M. - 5:30 P.M.
Tip O'Neil Federal Bldg.
Auditorium, 1st floor
10 Causeway Street

May 23

Cambridge

6:00 P.M. - 8:00 P.M.
Cambridge City Senior Ctr.
806 Massachusetts Avenue

Chelsea

6:00 P.M. - 8:00 P.M.
Chelsea Library Auditorium
569 Broadway
(Spanish translation will be available.)

May 24

Worcester

6:30 P.M. - 8:30 P.M.
Worcester Public Library
3 Salem Square

May 25

Malden

6:00 P.M. - 8:00 P.M.
Malden City Hall
Council Chambers
200 Pleasant Street

- American Sign Language services available at all public workshops and hearings. All locations are fully accessible to persons with disabilities.
- Written comments will also be accepted through June 30, 2006 and should be mailed to MBTA, Ten Park Plaza, Boston, MA 02116, Attention: Fare Policy Committee.
- You can also e-mail your comments to fareproposal@mbta.com.

Attend a public hearing

Hear the reasons for the increase/restructuring and offer your recorded comments.

June 6

Boston

4:30 P.M. - 6:30 P.M.
Boston Public Library
700 Boylston Street

Framingham

6:30 P.M. - 8:30 P.M.
Framingham Town Hall
Memorial Hall
150 Concord Street

June 7

Lynn

6:30 P.M. - 8:30 P.M.
North Shore Community
College
(Spanish translation will be available.)

June 12

Attleboro

6:30 P.M. - 8:30 P.M.
Attleboro City Hall
Council Chambers
77 Park Street

June 13

Arlington

6:30 P.M. - 8:30 P.M.
Arlington Town Hall
Auditorium
730 Massachusetts Avenue

Frequently asked questions

1. You may be raising/restructuring fares but how are you improving service?

We've been steadily upgrading our bus fleet with more comfortable, low-floor buses equipped with on-board, front-door ramps, air conditioning and audio/visual automatic stop announcement equipment. We've been upgrading signage and communications on buses and in stations to better serve all customers of all abilities.

We built Silver Line Waterfront service from South Station to Logan and the South Boston Waterfront. In addition, we're nearing completion of the 3rd branch of Old Colony Commuter Rail service which will eventually transport an estimated 4,000 additional daily customers and remove 1,300 vehicles from the Southeast Expressway.

For further information on how your fares have been invested, see the back of this booklet.

2. Why are the proposed fares increasing so much for people using CharlieTickets or paying onboard with cash?

Similar to other transit properties across the country, our new fare structure rewards regular customers with extra savings for using a "tap-and-go" smart card (CharlieCard), to pay their fares. Customers can add value to their CharlieCards at any rapid transit station, at many convenient retail sales locations, MBTA ticket offices and eventually on the web. We even accept all major credit and debit cards.

3. How can I save money on T fares?

We recommend purchasing passes instead of buying single fares. Depending on your needs, the use of a monthly or one, three, and seven-day OnePass can reduce your costs substantially while offering unlimited use. Note that all pass prices are the same whether on a CharlieTicket or a CharlieCard.

4. Why is the new OnePass cheaper than the current combo pass?

Our proposed value pricing structure promotes the use of public transit by reducing the price for those pass users who ride multiple modes on our system.

5. Why have interzone fares gone down?

We are encouraging additional ridership on the outer ends of the commuter rail system because we have the capacity to accommodate more riders.

6. Why is my boat pass staying the same price?

Once the Greenbush line is running, costs will be comparable to the commuter rail fares that will be charged in Hingham.

7. What measures has the MBTA taken to cut costs?

Instead of raising fares, we increased revenues by selling our surplus property and increasing advertising revenues. We also negotiated the most cost-efficient energy supply contracts. Lastly, by implementing Automated Fare Collection, we are reducing fare evasion and ensuring the consistent collection of fares throughout the entire MBTA.

8. Can I still buy a subway pass?

Under the new fare structure, we've upgraded the subway pass to a new pass called, OnePass, which allows for unlimited travel on the entire rapid transit and local bus system for one low price.

9. Where can I get a CharlieCard?

Starting in November, CharlieCards will be available anywhere T passes are currently sold including: retail outlets, MBTA ticket offices, through the corporate pass program and eventually online. CharlieCards are not available at fare vending machines.

10. Can I still get a weekly pass?

The weekly pass has been changed to a 7 day OnePass which allows for a rolling week of unlimited service on rapid transit and local bus.

Glossary of terms

Automated Fare Collection (AFC): The new method of buying and paying for MBTA fares. AFC involves new state-of-the-art equipment and introduces new fare media – the CharlieCard. AFC replaces tokens and turnstiles.

CharlieCard: A durable plastic smart card containing a computer chip that electronically stores value and/or a pass. The CharlieCard is “contactless” card that does not need to be inserted into a farebox or fare gate. It simply needs to be placed close to the CharlieCard target which makes travel faster. CharlieCards can be re-used over time to add stored value and/or passes at vending machines, fareboxes, retail sales terminals, MBTA ticket offices, and eventually online.

CharlieTicket: A magnetically encoded paper ticket that contains either stored value or a pass. A stored value CharlieTicket will deduct your fare each time you ride the T. A CharlieTicket encoded with a pass functions the way your passes always have, allowing for unlimited travel for a certain period of time.

Debt service payment: Just like any consumer borrower, the MBTA pays for interest on its loans. Our debt service payment represents the total cost of borrowing money.

Discounted transfer: Allows CharlieCard holders to ride a second mode on their trip (rapid transit or local bus) for less than the full fare.

Fare recovery ratio: The amount of money the MBTA collects on fares versus what it costs to operate the system.

Fare restructuring policy: Our proposed fare restructuring policy utilizes flat-fare pricing

and eliminates exceptions that create fare inequities.

Forward Funding: A mandate initiated by the State Legislature which requires the MBTA to be financially self-sufficient.

Interzone: A fare type charged for commuter rail trips made between stations in zones 1-8

OnePass: The MBTA's new time-based pass for combined, unlimited rapid transit and bus use. OnePasses are available for 1, 3 or 7 days and for a month.

Public hearing: Provides participants the opportunity to provide formal testimony on the proposed plan.

Public workshop: Provides participants the opportunity to dialogue with and provide recommendations to MBTA personnel on refining the T's fare structure.

Revenue recovery ratio: The total amount of revenue the MBTA raises (including fares) versus what it costs to operate the system.

Stored value: The term used to describe purchasing fares for multiple rides and storing these fares on a CharlieTicket or CharlieCard.

Surcharge: An additional fee added to (1) a Commuter Rail fare when buying a fare onboard the train during peak morning and evening commuter times, or (2) a bus or rapid transit fare when using a CharlieTicket or paying onboard with cash.

Value pricing: Our proposed fare restructuring is based on the concept of value pricing, which promotes the usage of multiple modes of MBTA transportation and base fare prices on a consistent scale instead of distance traveled or number of connections made.

How your fares are being invested



Massachusetts Bay Transportation Authority

Driven by Customer Service

An important message from the General Manager

Did you know that the fares you pay everyday go toward investing in the system? In fact your valuable dollars are invested in implementing numerous initiatives all aimed at improving service. As General Manager of the MBTA, I am committed to increasing transportation service reliability, accessibility and overall customer service. Every dollar we spend is directly tied to maintaining and enhancing customer service.

Many of our service initiatives can already be seen, some are partially completed, while still others are in the design phase. In each case however, improving the customer experience is at the heart of each change.

The cumulative affect of all of these enhancements positions us to be a world-class leader within the transit as well as customer service industries.

Our efforts in managing your investment is directed at improving MBTA service.



Daniel A. Grabauskas, General Manager at the grand opening of automated fare collection at Airport Station.

It's important for you to know and understand where your investment is going. Your fares are the means that allow us to continue to maintain and repair America's oldest subway

system. Simply put, our efforts in managing your investment is directed at the following goals and improvements:

-
- **Fiscal stability**
 - **Service reliability**
 - **Preserving the system**
 - **Customer service**
 - **Safety and security**
 - **System-wide accessibility**
 - **Automated fare collection**
 - **Increasing ridership**
 - **Environmental commitments**
-

For your convenience, the following is a detailed list that illustrates our ongoing reinvestment in the system.

Bus Improvements

Investment

- Delivery of 581 low floor vehicles \$247.6 million
- Construction of bus maintenance facilities to fully service CNG and articulated vehicles, strengthening our environmental commitment \$177.3 million
- Procurement of 295 new vehicles – these state-of-the art buses will be handicapped-accessible, and equipped with global positioning satellite technology and on-board variable message boards. \$133 million
- Overhaul approximately 600 buses - including rebuilding engines and transmissions \$70 million
- Overhauled 371 buses, which included air-conditioning improvements and wheelchair upgrades \$58.3 million
- Upgraded bus facilities to fully service CNG, articulated, and electric trolley vehicles \$52.3 million
- Equip 400 buses with new bike racks \$300 thousand



“For the first time in the history of the T, 91% of our capital investment funds are ear-marked for repairing the system.”



Rapid Transit Improvements

- Upgrading stations – Orient Heights, Maverick, State Street, Government Center, Arlington, Copley, Kenmore, Ashmont, Shawmut, Fields Corner, Boston College, Brookline Village and Mattapan \$435.7 million
- Developed North Station Transportation Center \$260.3 million
- Green Line - procurement of 85 new No. 8 Cars, which will provide additional passenger capacity \$237.3 million
- Green Line - mid-life overhaul of 114 vehicles to rehabilitate all the vehicle’s major subsystems \$93.2 million
- Orange Line - upgraded signal systems on the north side to provide capacity for additional service \$79.2 million
- Red Line - mid-life overhaul of 58 vehicles to rehabilitate all the vehicle’s major subsystems \$66 million
- Orange Line - construct the necessary infrastructure improvements to provide additional service \$30 million
- Green Line - D Line (Highland Branch) and E Line track upgrades which allow for operation of No. 8 cars \$26.6 million
- Replacement or rehabilitation of nine subway bridges \$25.4 million
- Red Line - replaced traction motors, blower motors, car batteries and other critical components in 160 vehicles \$11.5 million
- Orange Line - design the next generation vehicle for the Orange Line \$10 million

Commuter Rail Improvements

- Greenbush restoration \$497.5 million
- Procurement of 75 bi-level coaches \$190 million
- Procurement of 38 locomotives \$120 million
- Delivery of 33 bi-level coaches to increase seating capacity \$85.6 million
- Mid-life overhaul of 75 Kawasaki coaches to rehabilitate all of the vehicle's major subsystems \$75 million
- Replacing/upgrading air conditioning, toilets and windows in 360 vehicles \$37.8 million
- Fairmount Corridor Improvement Project – includes repairs and painting of four bridges and reconstruction of two stations \$37.3 million
- Added over 1,400 new parking spaces at Commuter Rail stations in 2005, alone \$30.7 million
- Replacement or rehabilitation of six commuter rail bridges \$27.3 million
- Installation of mini-high platforms and tactile edging to increase station accessibility \$23.3 million
- Purchased new technology and hardware to improve train announcements \$5 million



System Wide Improvements

- Installation of Automated Fare Collection equipment within the rapid transit and bus systems to increase revenue control, convenience, ease of use and accounting \$202.9 million
- Replacement or rehabilitation of existing elevators and escalators (including plans for redundant elevators at Park Street, Harvard, Porter Square and Downtown Crossing Stations) \$182 million
- Painting, increased lighting, improved signage and seating within rapid transit stations \$47.8 million
- Replacement of existing public address and variable message systems, which will provide next stop announcements along with other passenger related information \$29 million
- Funded security enhancements such as: construction of hub management centers; installation of closed circuit television cameras and procurement of anti-terrorism equipment and training \$22.3 million