

VII. STANDING COMMITTEES**B. Finance, Audit and Facilities Committee****UW Seattle Parking and U-PASS Rate Revisions****RECOMMENDED ACTION:**

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents adopt the attached “Seattle Campus Parking and U-PASS Fee Schedule” effective June 21, 2010 for summer quarter products and effective July 1, 2010 for daily, monthly, and annual products.

BACKGROUND:

The University transportation system has expenditures that include transit contracts, other transportation demand management expenses, parking system operational expenses, debt service, and capital projects. The program is funded with U-PASS fees, parking fees and fines, and central sources.

Transit costs have increased from \$12.4 million in FY08 to a projected \$22.8 million for FY11. The University’s transit costs are a product of transit fares and the number of rides taken by U-PASS participants. King County Metro Transit and other transit agency fares have risen sharply, triggered in part by their own budget shortfalls from declining sales tax proceeds. Metro fares alone have increased 53% since fall 2008 and an additional 11% increase is scheduled for January 2011. The number of rides taken by U-PASS participants has also increased dramatically. With the downturn in the economy, the average number of rides taken by existing U-PASS participants increased approximately 20%, the impact of which is being phased in over the AY10 and AY11 contracts.

The increase in transit costs comprises the bulk of the \$3.1 million deficit projected for the next fiscal year. The proposed rate increases close half of the gap. The remedy for the remaining half is expected to come from external cost savings measures, as well as program and organizational efficiencies.

There was significant public process around rate setting. Briefings were made to the appropriate committees of the student and faculty governing bodies and to SEIU 925. The fee proposal was reviewed and adopted by the University Transportation Committee, a committee comprised of faculty, student, organized labor, professional staff, and other stakeholder representatives. A public hearing was held to accept testimony on the proposed parking and U-PASS fee schedules and interested parties were also invited to submit comments online.

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Public comments included concerns about the poor timing of the increase given the economic climate, layoffs, and salary freeze; debate about the way in which costs of the transportation program are distributed among users of the various commute modes; concern about the size of the increases; concern about the reduction in the discount enjoyed by two-person carpools; and concern that the fee proposal was regressive in nature. Two percent of the comments were supportive in nature and another 12% expressed support of an increase in general, but objected to either the amount or the specific product to which the increase was assigned. Comments from constituency briefings included appreciation for efforts to control costs and to engage members of the public in the fee approval process.

Recognizing the need to stop the attrition of students from the U-PASS program that occurred as a result of the 2009 U-PASS rate increase, no increase is proposed for the student U-PASS. An increase of 10% is proposed for the faculty and staff U-PASS, which is less than the planned King County Metro fare increase of 11%.

The proposed fee schedule includes an average increase of 14% in parking rates. Pricing for each parking product was considered individually. The rates proposed for most daily and hourly visitor and student parking reflect no increases in an effort to maintain and expand access to campus by holding rates at levels comparable to the cost of parking at nearby privately owned facilities. The other key parking product, the Single Occupancy Vehicle permit will increase 18%. Single day parking for faculty, staff, and students is standardized at five dollars, just one third of the visitor parking rate.

The rate changes proposed also address other issues important to the UW community including:

- Equalizing the discounted occasional parking options available to transit users and active transportation commuters who walk or bike to campus
- Discontinuing rarely-used products and combining similar products to streamline operations and reduce administrative costs
- Expanding parking fees for UW owned vehicles to reflect the cost of providing the parking resources they utilize
- Establishing a single low rate for parking in parking lot E1, maintaining the resource for UW community members who require access to a discounted parking option while simplifying pricing
- Enhancing campus safety by making campus parking more affordable and accessible during nighttime hours
- Adjusting the Annual/Quarterly Carpool rate to reflect the cost of providing the

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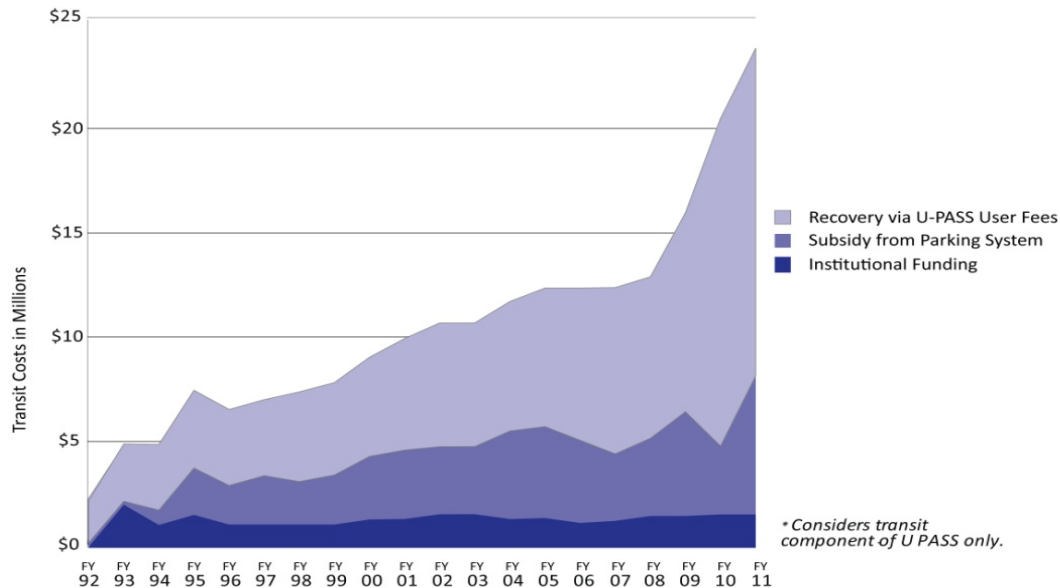
resource of parking, without requiring the purchase of U-PASS

- Encouraging active commuting by maintaining the cost of U-Powered U-PASS and fees for secure bicycle enclosure parking at 2009-10 levels

Attachments

1. U-PASS Cost & Cost Recovery Overview
2. Value Generation for U-PASS Users
3. U-PASS Participation and U-PASS Fees
4. Net Income with Fee Increases
5. Proposed Parking and U-PASS Rates 2010-2011

U-PASS Cost & Cost Recovery Overview



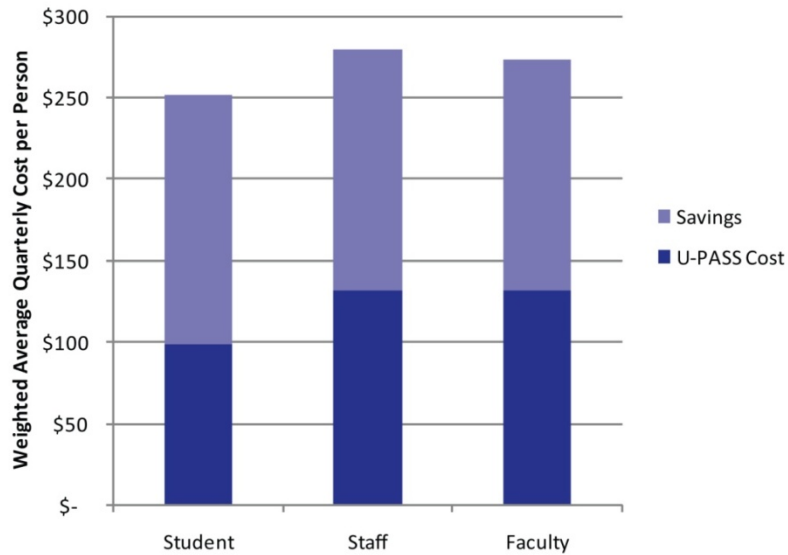
This chart demonstrates the pressure on the U-PASS funding model brought on by the current financial crisis. As students, faculty, and staff have experienced economic pressures, they have shifted from driving to transit at an accelerated rate (>10% increase in transit ridership each year since 2006). Transit agencies, which receive the majority of their operating dollars from sales tax proceeds, have been struggling and have raised fares by over 53% since the fall of 2008.

Institutional support for the U-PASS program has been nearly flat at approximately \$1.5M annually since the beginning of the program, falling from 35% in FY93 to just over 6% (projected) in FY10. Correcting this is proving challenging in the current economic environment.

The parking system has been able to provide an annual U-PASS subsidy in the \$3-5M range. With declining participation in the parking system and increasing sales and parking tax burdens, steep parking rate increases are necessary to maintain this subsidy.

ATTACHMENT 1

Value Generation for U-PASS Users

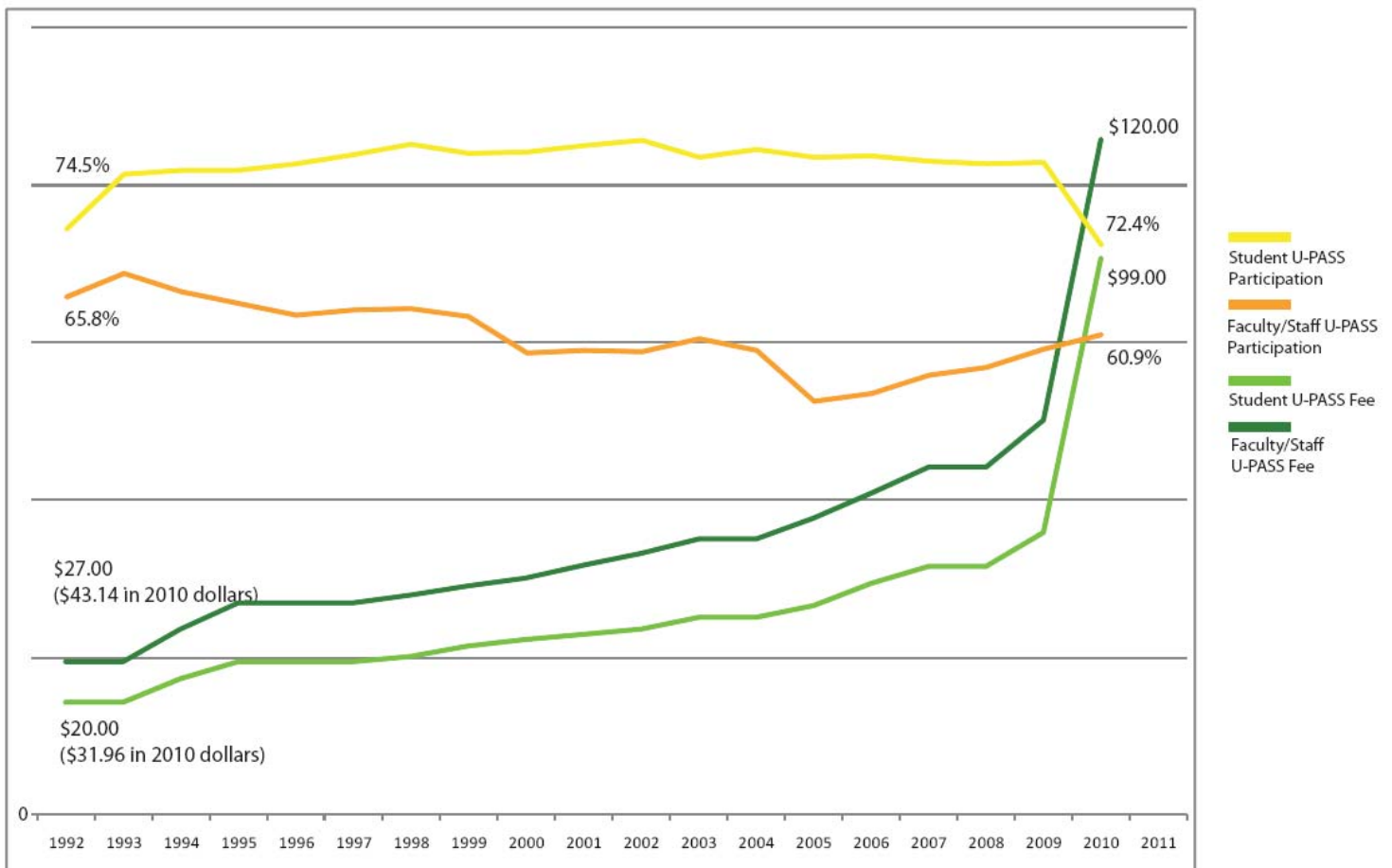


This chart demonstrates that even with the increased rates, the U-PASS program delivers significant value to transit users. The combined height of the stacked bar represents the average quarterly cost of the least expensive transit pass product(s) customers in each category would need to purchase to make their daily commutes. (Students, faculty, and staff have different average costs because of where they tend to live, relative to the University.) The dark blue portion of each column represents the U-PASS costs for that user group and the light blue represents real savings that the program generates for participants, even after rate increases.

These savings reflect transit costs only and do not affect additional categories of savings enjoyed by U-PASS participants including: tax savings via pretax payroll deduction, access to discounted parking through U-PASS “occasional parking” products, and access to savings on retail goods and services through the U-PASS merchant discount program.

ATTACHMENT 2

U-PASS Participation and U-PASS Fees



This chart illustrates the relative price sensitivity of student U-PASS participants as contrasted to Faculty and Staff U-PASS participants. While both populations experienced significant price increases during FY2010, Faculty and Staff participation was maintained while student participation fell precipitously to the lowest level in program history.

Stemming the tide of student attrition from the program is a key priority for Commuter Services as we seek to maintain the large and diverse group of users that helps to keep costs low for all. Faculty and Staff participants have shown minimal price sensitivity, indicating room for continued growth as merited by increases in Commuter Services' cost to purchase transit service on their behalf.

Net Income With Fee Increases

	2008-09	2009-10	2010-11
Operating Revenues			
Permit	7,722,290	8,703,329	10,444,205
Gate	5,542,733	5,925,999	5,875,473
Coin Operated	1,288,131	1,103,415	1,322,117
Other - Parking	1,182,172	1,400,073	1,400,073
Less: Sales Tax	(1,215,605)	(1,225,821)	(1,362,410)
Less: City Parking Tax	(1,013,004)	(1,290,338)	(1,434,116)
Parking sub-total	13,506,718	14,616,657	16,245,342
UPASS - Student	4,933,044	9,494,378	9,494,378
UPASS - Faculty/Staff	3,291,839	5,469,600	5,253,072
Transit Subsidy	1,495,242	1,346,240	1,346,240
Other - UPASS	39,687	31,099	32,654
UPASS sub-total	9,759,812	16,341,317	16,126,344
Total	23,266,530	30,957,974	32,371,687
Operating Expenses			
Salaries/Wages	3,038,544	3,869,497	3,958,584
Benefits	899,268	1,089,447	1,317,869
Transit Service - Metro	12,447,432	17,938,572	20,130,425
Rebate/Demand adj.		(1,916,363)	(1,623,008)
Transit Service - Community	1,619,683	1,603,881	1,625,778
Transit Service - Sound	1,216,897	1,757,154	2,373,118
Transit Service - Other	42,874	254,064	327,543
Camp Svcs - Phy Pl, other	475,038	855,258	935,240
Utilities	203,354	196,972	213,284
Other Operating Expenses*	1,808,796	2,790,451	2,730,212
Total	21,751,886	28,438,934	31,989,044
Net Operating Income	1,514,644	2,519,041	382,643
Non-Operating Income (Expense)			
ILP - WCGE \$1.3 million	(5,618)	(53,546)	(91,793)
Existing Debt Service \$20 million	(1,020,112)	(1,339,356)	(1,339,931)
Debt Service	(1,025,730)	(1,392,902)	(1,431,724)
University Overhead	(936,606)	(778,512)	(865,259)
Capital Equipment & Software	47,008		
Interest Income	230,786	249,751	277,580
Insurance Refund	328,425		
Total Non-Operating Income	(1,356,117)	(1,921,663)	(2,019,403)
Change in Fund Balance	158,527	597,377	(1,636,760)

* 08/09 reduced by \$615K bond reimbursement, 09/10 increased by \$400K bicycle initiative and deferred maintenance

ATTACHMENT 4

Proposed Parking and U-PASS Rates 2010-2011

As Approved by University Transportation Committee on April 12, 2010

Rates Unchanged from 2009

1. UW COMMUNITY – PERSONAL	Term	Current Price	Proposed	Change	Participants
Student U-PASS	Monthly	\$33.00	\$33.00	0%	27,533 (1460 gratis)
Faculty/Staff U-PASS (FlexPass)	Monthly	\$40.00	\$44.00	10%	13,871 (2789 gratis)
U-Powered U-PASS	Annual	\$40.00	\$40.00	0%	248
Annual/Quarterly Single Occupancy Vehicle (SOV) includes 1 gratis U-PASS	Monthly	\$120.00	\$141.00	18%	3141/825
Annual/Quarterly Carpool - 2 person with 2 gratis U-PASSes	Monthly	\$100.40	\$141.00	40%	835/196
- 3 person with 3 gratis U-PASSes	Monthly	\$140.40	\$141.00	.04%	in # above
- 4 person with 3 gratis U-PASSes	Monthly	\$180.40	\$141.00	%-22	in # above
Annual/Quarterly Swing Permit (2:30pm - 8:00am, M-F, Sat, 7:00am to noon)	Monthly	\$60.00	\$70.50	18%	75/5
Annual/Quarterly Night Permits (4:00pm to 8:00am, M-F, Sat, 7:00am to noon)	Monthly	\$40.00	\$47.00	18%	431/15
Annual Reserved Space	Monthly	\$240.00	\$282.00	18%	28
Annual/Quarterly Motorcycle, Scooter, Moped	Monthly	\$40.00	\$47.00	18%	166/54
Night Extension (valid only with Night Permit) - 3:30pm-4:00pm entry	Per Day	\$2.00	\$2.00	0%	12/mo
- 3:00pm-3:30pm entry	Per Day	\$3.00	\$3.00	0%	in # above
- 2:30pm-3:00pm entry	Per Day	\$6.00	\$6.00	0%	in # above

2. UW COMMUNITY – PERSONAL LIMITED USE	Term	Current Price	Proposed	Change	Participants
Individual Commuter Tickets (non U-PASS)	Per Day	\$7.00	\$5.00	-29%	1328
Individual Commuter Tickets (U-PASS)	Per Day	\$3.50	\$5.00	43%	3142
U-Powered U-PASS Commuter Ticket	Per Day	\$3.00	\$5.00	67%	n/a
Short Term Daytime	Per Day	\$6.00	\$7.05	18%	312
Short Term Swing	Per Day	\$3.00	\$3.53	18%	0
Short Term Night	Per Day	\$2.00	\$2.35	18%	866
Pay Per Use (PPUP) - UW Faculty, Staff & Affiliates only (with U-PASS/Without U-PASS)					1868/1582
4 days a pay period w/U-PASS	Per Day	\$3.50	\$5.00	43%	
4 days a pay period w/out U-PASS	Per Day	\$6.00	\$5.00	-17%	
Greater than 4 days w/U-PASS	Per Day	\$6.00	\$7.05	18%	
Greater than 4 days w/out U-PASS	Per Day	\$7.00	\$7.05	1%	
Carpool					
PPUP Carpool (2 + person) requires Husky Card and U-PASS	Per Day	\$1.02	\$3.00	194%	1740/mo
Impromptu Carpool (2 - 3 + person) - Upper Campus (U-PASS required)	Per Day	\$1.02	\$3.00	194%	1320/mo
E1 Lot Carpool (2 + person) requires Husky Card and U-PASS	Per Day	\$0.80	\$2.00	150%	2320/mo
Retiree Permit	Monthly	\$48.00	\$56.40	18%	13
Retiree	Per Day	\$1.00	\$1.00	0%	3600/mo
NightRide Pre-purchased Tickets (no charge w/UPASS)	Per Day	\$1.00	\$1.00	0%	250

3. UW COMMUNITY – UW BUSINESS & UW VEHICLES	Term	Current Price	Proposed	Change	Participants
Annual University Owned or Operated Vehicle	Annual	\$0.00	\$270.54	NEW	642
Stall Reserved for University Department	Monthly	\$240.00	\$282.00	18%	61
Department Out of Area (premium added to other permit product)	Monthly	\$10.00	\$20.00	100%	103
Annual Special Designators - "U" Universal (premium added to other permit product)	Monthly	\$15.00	\$20.00	33%	127
Annual Special Designators - "S" Service (premium added to other permit product)	Monthly	\$30.00	\$40.00	33%	13
Annual Special Designators Limited - "UL" (premium added to other permit product)	Monthly	\$10.00	Discontinued		18

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4. PUBLIC RATES	Term	Current Price	Proposed	Change	Participants
Daytime Rates - entry from 6:00am to 5:00pm, M-F					
Daily average - 0-30 minutes	Each	\$2.00	\$2.00	0%	
30 minutes to 1 hour	Each	\$3.00	\$3.00	0%	
over 1 hour to 2 hours	Each	\$6.00	\$6.00	0%	
over 2 hours to 3 hours	Each	\$9.00	\$9.00	0%	
over 3 hours to 4 hours	Each	\$12.00	\$12.00	0%	
over 4 hours	Each	\$15.00	\$15.00	0%	
Motorcycle, Scooter, Moped	Per Day	\$6.00	\$5.00	-17%	180/mo
Nighttime Rates - entry from 5:00pm - 9:00pm M-F, Sat 7:00am - noon					
0-30 minutes		\$2.00	\$2.00	0%	
30 minutes to 1 hour		\$3.00	\$3.00	0%	
over 1 hour		\$6.00	\$5.00	-17%	
CPG Night - start charging event rate at 5:00pm		\$10.00	\$10.00	0%	
Triangle Garage Rates (Note: Parking staff available beyond posted hours to collect parking fees)					
Daytime Rates - entrance between 6:00am and 5:00pm M-F					
0-30 minutes	Each	\$2.00	\$2.00	0%	
30 minutes to 1 hour	Each	\$3.00	\$3.00	0%	
over 1 hour to 2 hours	Each	\$6.00	\$6.00	0%	
over 2 hours to 3 hours	Each	\$9.00	\$9.00	0%	
over 3 hours to 4 hours	Each	\$12.00	\$12.00	0%	
over 4 hours	Each	\$15.00	\$15.00	0%	
Night Rates- entry from 5:00pm - 9:00pm M-F and Sat 7:00am - noon					
0-30 minutes	Each	\$2.00	\$2.00	0%	
30 minutes to 1 hour	Each	\$3.00	\$3.00	0%	
over 1 hour	Each	\$6.00	\$5.00	-17%	
Lost Ticket	Each	\$15.00	\$15.00	0%	
In/Out Privileges Card (Only with validation)	Each	\$15.00	\$15.00	0%	
Parking Card Permit - billed to UW department	Each	\$15.00	\$15.00	0%	
Mechanically Issued Rates					
Lot E1 - Cash	Per Day	\$7.00	\$6.00	-14%	1920/mo
Lot E1 - Husky Card	Per Day	\$4.00	\$6.00	50%	14,740/mo
Parking Meters	Hourly	\$3.00	\$3.00	0%	
Lot E4 daytime dispensers	Per Day	\$3.00	\$3.00	0%	
Tubby Graves/IMA	Hourly	\$3.00	\$3.00	0%	
West Campus night dispensers	Per Night	\$5.00	\$5.00	0%	
30 minute load/unload zone	30 min.	\$2.00	\$2.00	0%	

5. PRE-PURCHASED VISITOR	Term	Current Price	Proposed	Change	Participants
Departmental Commuter Tickets (for guests)	Each	\$15.00	\$15.00	0%	1960/mo
Universal Departmental Commuter Ticket (for guests)	Each		\$20.00	NEW	
Night Department Commuter Tickets (for guests)	Each	\$6.00	\$5.00	-17%	in # above
VIP Departmental Visitor (in 5 Ticket Booklet)	Booklet	\$200.00	Discontinued		24
President's Club Permits	Each	\$7.50	\$10.00	33%	791
Daytime - Visitors	Per Day	\$15.00	\$15.00	0%	1261
Nighttime - Visitors	Per Day	\$6.00	\$5.00	-17%	474
Parking Card - Daytime entry	Per Day	\$15.00	\$15.00	0%	1402
Parking Card - Nighttime entry	Per Day	\$6.00	\$5.00	-17%	
E1 Permit	Weekly	\$35.00	\$30.00	-14%	
Metro Bus Tickets (at face value)	Booklet	\$35.00	Discontinued		7000

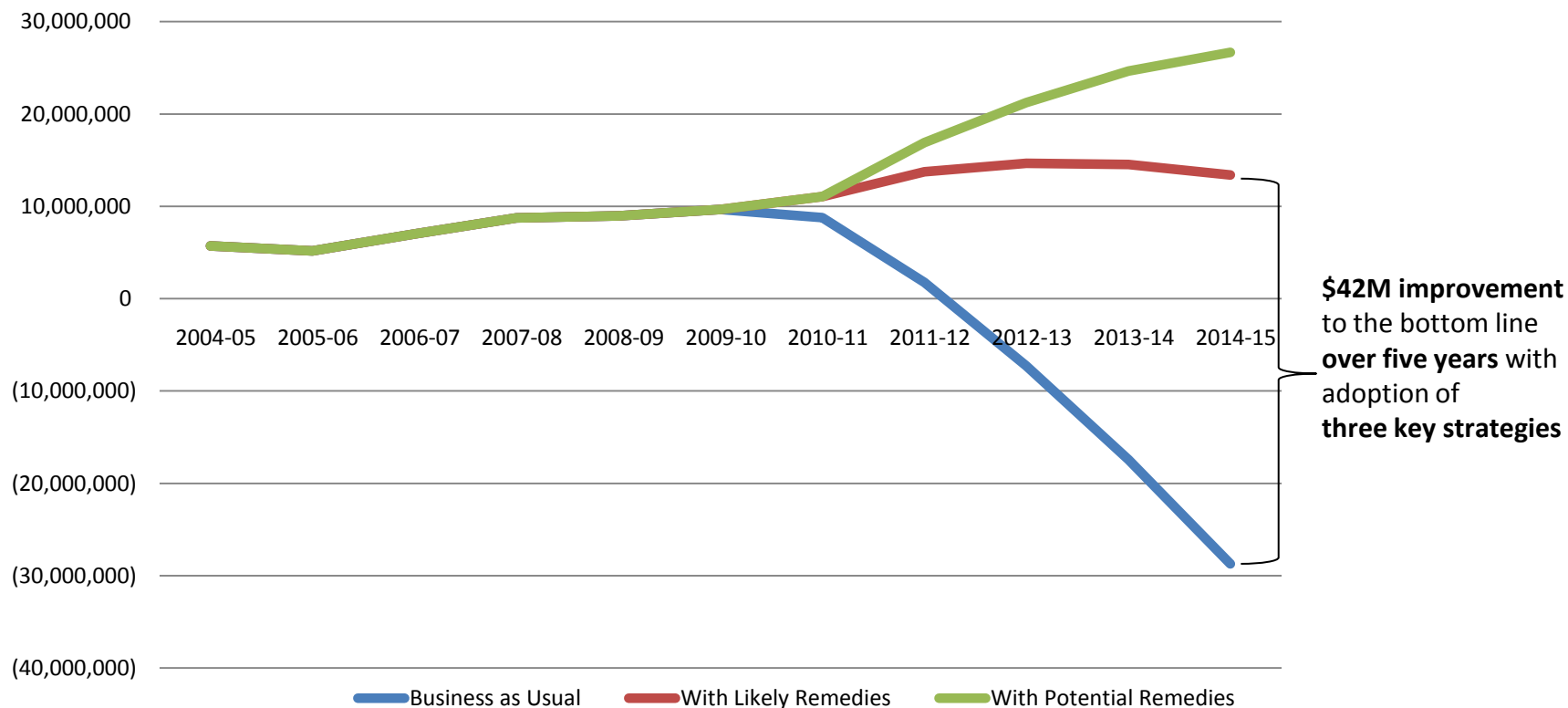
6. SECURE BICYCLE PARKING	Term	Current Price	Proposed	Change	Participants
Key Deposit	Deposit	\$85.00	\$85.00	0%	
Locker Rental	Annual	\$120.00	\$140.00	17%	550
Bike Enclosure Rental	Annual	\$40.00	\$40.00	0%	75

7. SPECIAL EVENTS & ARRANGED PARKING	Term	Current Price	Proposed	Change	Participants
Football and events in excess of 24,000 in attendance					
Autos - weekend 3 or more persons, weekdays 4 or more persons	Per Day	\$15.00	\$20.00	33%	
Autos - weekend Fewer than 3 persons, weekdays fewer than 4 persons	Per Day	\$25.00	\$25.00	0%	
Motorhomes	Per Day	\$50.00	\$100.00	100%	
Additonal fee for trailer	Per Day		\$25.00	NEW	
Private Buses	Per Day	\$75.00	\$100.00	33%	
Men's Basketball, Windemere, Weekday Daytime Events					
E lots South of Wahkiakum	Per Day	\$15.00	\$15.00	0%	
E lots North of Wahkiakum	Per Day	\$7.00	\$7.00	0%	
Weekend and after 5:00pm General Arena Sports Events					
E lots South of Wahkiakum	Per Day	\$7.00	\$7.00	0%	
E lots North of Wahkiakum	Per Day	\$7.00	\$7.00	0%	
Weekend and after 5:00pm Outdoor Sports					
E lots South of Wahkiakum	Per Day	\$7.00	\$7.00	0%	
E lots North of Wahkiakum	Per Day	\$7.00	\$7.00	0%	
Other Events					
E lots South of Wahkiakum	Per Day	\$15.00	\$15.00	0%	
E lots North of Wahkiakum	Per Day	\$7.00	\$7.00	0%	
Events at Other Campus Locations	Per Day	\$15.00	\$15.00	0%	

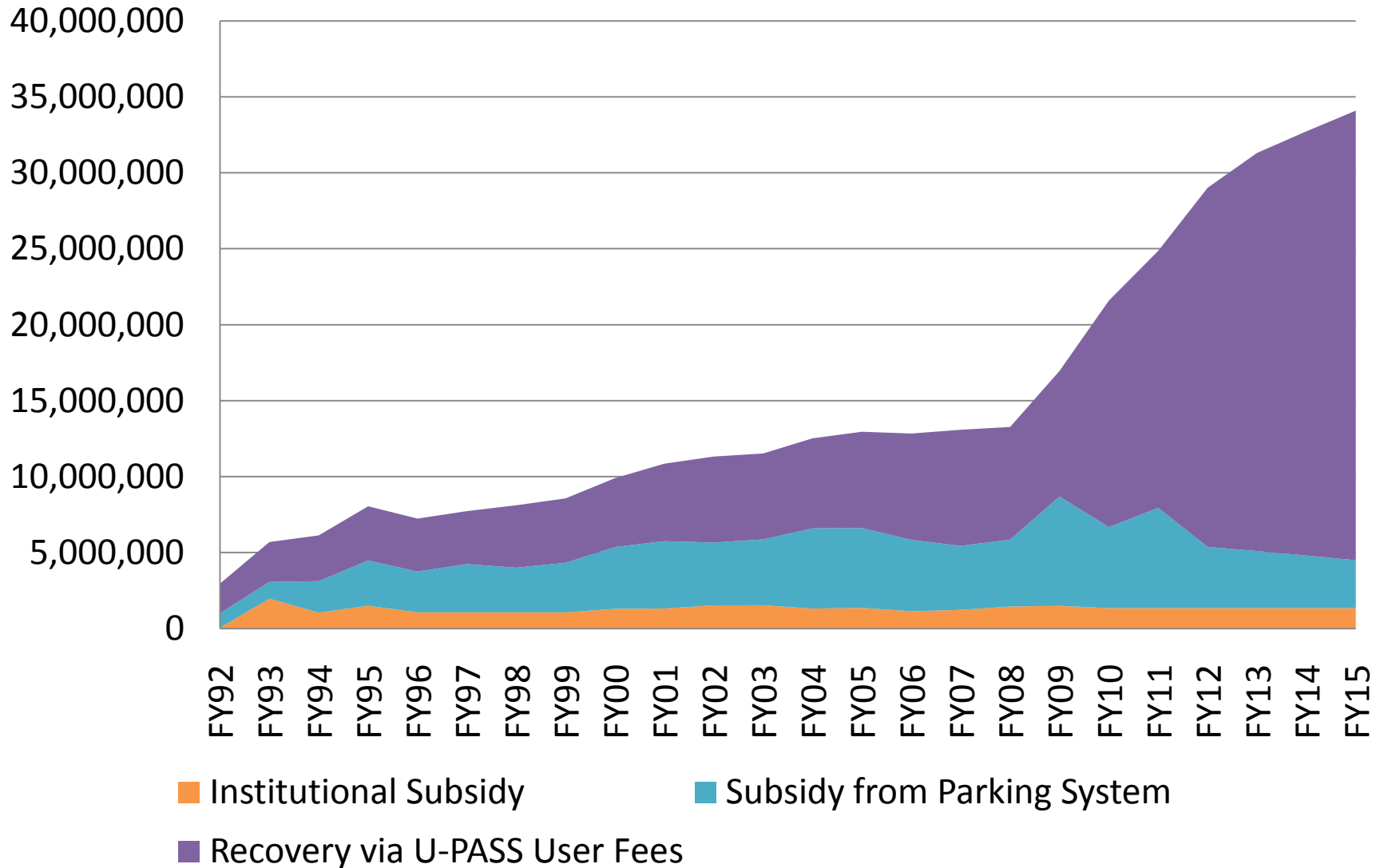
8. ADMINISTRATIVE FEES	Term	Current Price	Proposed	Change	Participants
Parking Replacement Fees					
UW Parking Card Replacement	Each	\$25.00	\$25.00	0%	
Hang Tag Permit Replacement	Each	\$25.00	\$50.00	100%	67
Hang Tag Permit 2nd Replacement	Each	\$35.00	Discontinued		
4545 15th Ave (N28) Access Card Replacement	Each		\$35.00	NEW	
UPASS Replacement					
Student U-PASS Replacement (after 1st week)	Each	\$40.00	\$40.00	0%	
Faculty Staff U-PASS - First Replacement	Each	\$50.00	\$50.00	0%	246
1st quarter	Each	\$50.00	\$50.00	0%	in # above
Each additional quarter	Each	\$40.00	\$40.00	0%	in # above
Faculty Staff U-PASS - Second Replacement	Each	\$70.00	\$70.00	0%	in # above
1st quarter	Each	\$70.00	\$70.00	0%	in # above
Each additional quarter	Each	\$60.00	\$60.00	0%	in # above
Failure to Return U-PASS Upon Withdrawal					
Student withdrawal within 7 days	Each	\$200.00	\$200.00	0%	
Student withdrawal after 7 days	Each	\$99.00	\$99.00	0%	
Handling Fees					
Validation Coupon Handling Fee	Each	\$0.20	\$0.20	0%	
Returned Departmental Products Fee	Each	10%	10%	0%	
Parking Product Rush Processing Fee (less than 5 business days)	Each		10%	NEW	

Commuter Services Strategic Reserves

(sum of capital, price stabilization, and debt coverage reserves)



U-PASS Funding Streams and Program Cost (Business as Usual)



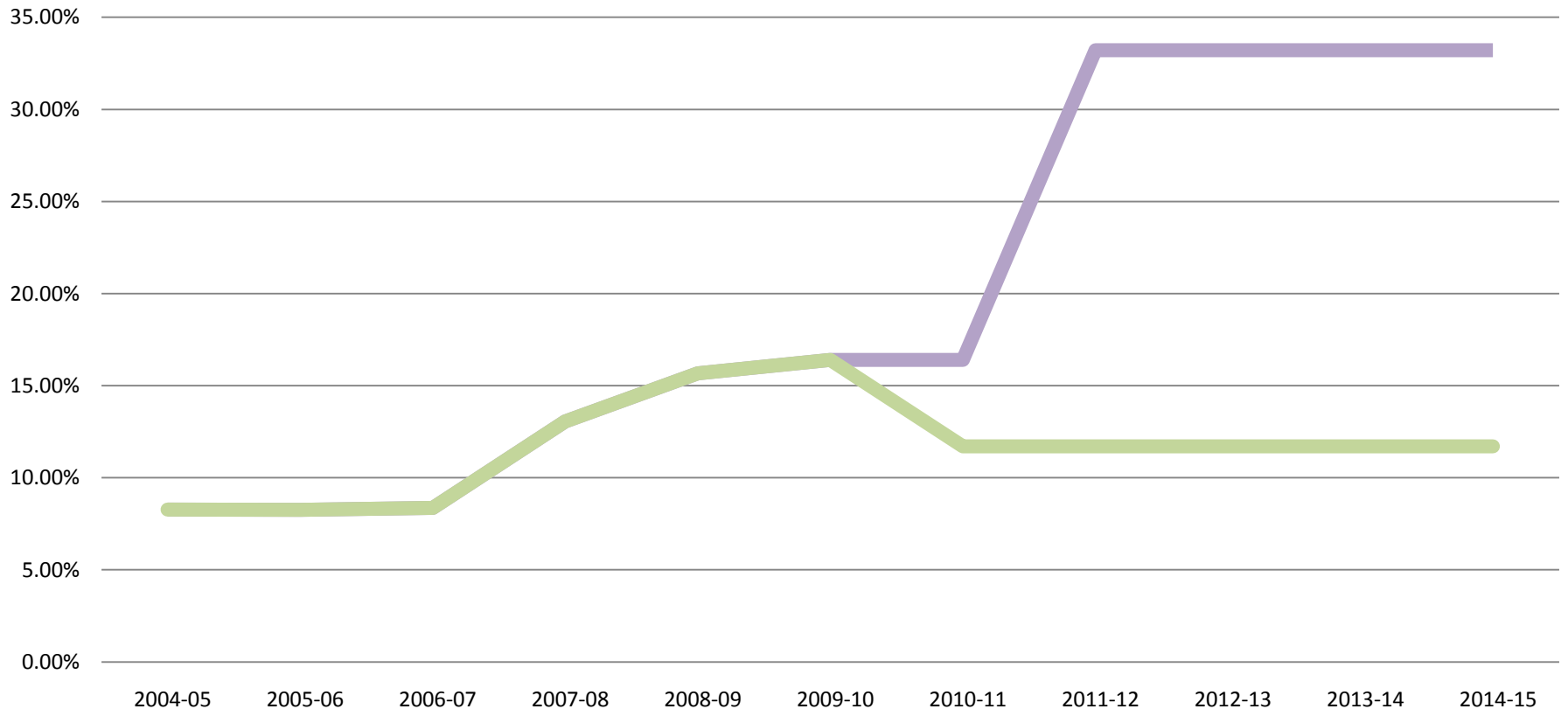
Key Strategies

- Mitigate the Tax Burden
- Reduce Transit Costs
- Increase Socialization / Decrease Price Point

Mitigate the Tax Burden

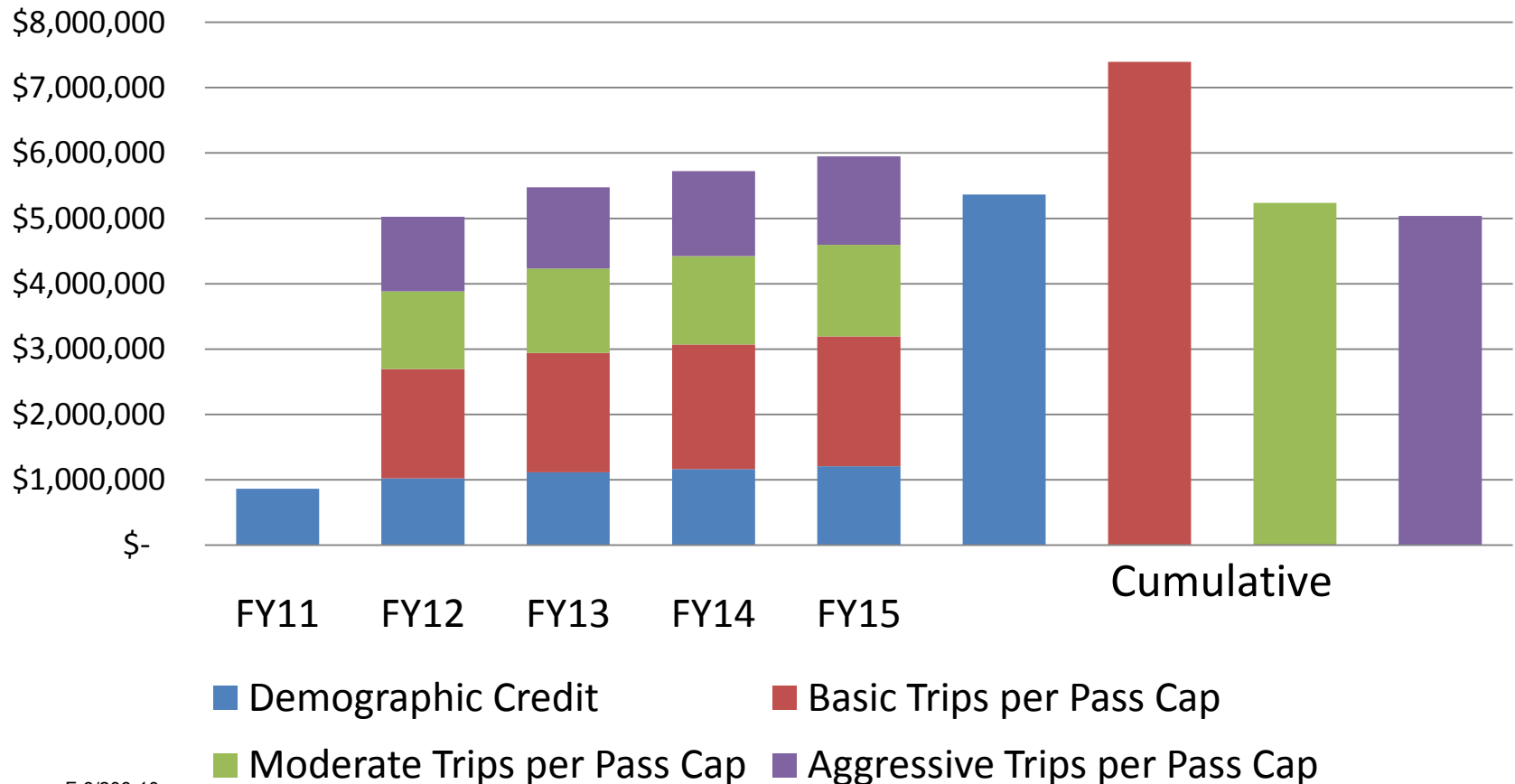
Parking Effective Tax Rate

Tax Burden / Parking Fees



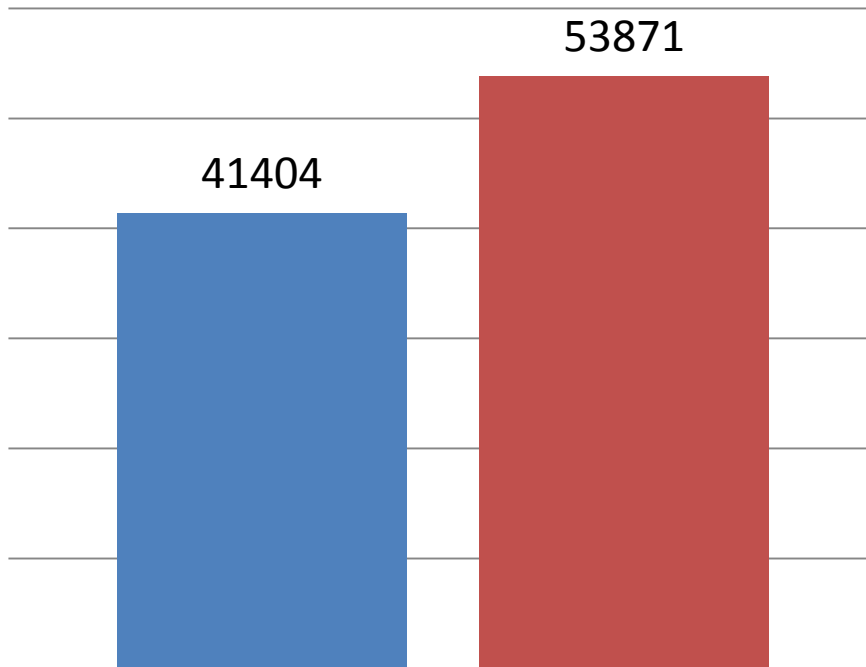
Reduce Transit Costs

Potential Transit Cost Savings (Reflects KC Metro Only)



Increase Socialization / Decrease Price Point

Impacts of Universal Student U-PASS



U-PASS Participants

■ FY10 ■ FY12



Student U-PASS Fee

■ FY10 ■ FY12