

King County Metro Transit

2007 Annual Management Report



King County



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King County Metro Transit 2007 Annual Management Report



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King County Metro Transit, 2007 Annual Management Report

GENERAL MANAGER'S NOTE

This report presents King County Metro Transit operating and financial statistics for 2007, and other information important for gauging how well the Transit Division is doing in providing safe, reliable, cost-efficient transportation services to the King County region.

Many of the Transit Division's key indicators for 2007 reflected the growing local economy and rising gasoline prices at that time. There were more commuters riding our service and people choosing Metro as an affordable alternative to filling up at the pump. In addition, there have been changes to the system to provide more convenient service to more destinations. We also developed new transit and vanpool markets by working closely with employers. This positioned the Transit Division to take advantage of the growing local economy and rising gasoline prices during the last four years. Overall, Metro transit ridership was up 7.1 percent and reached a new record of over 110 million in 2007. Vanpool ridership grew 18 percent for the year and the number of cars utilizing Metro's 126 park-and-ride lots continued to climb in 2007.

However, the improving economy during 2007 became a double-edged sword—it also resulted in increased traffic congestion, which impacted Transit's on-time performance, moving us back towards levels experienced in the late 1990s. Increased ridership also resulted in increasingly more crowded buses. Increasing gas prices were also accompanied by higher prices for diesel fuel, resulting in unanticipated cost increases for Transit.

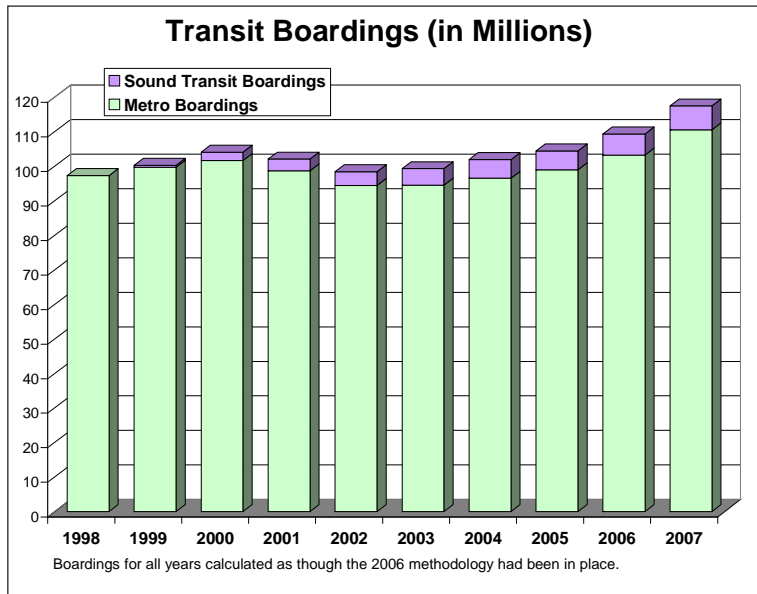
Other aspects of our service to customers continued to improve. Vehicle reliability improved and accidents were down. Police arrests on transit coaches and property during the year were up significantly, and there was a decrease in the number of assaults.

Taken together, these indicators show that more and more people turned to Metro for transportation alternatives. We continue to work hard to meet this demand by providing safe, convenient and reliable service.

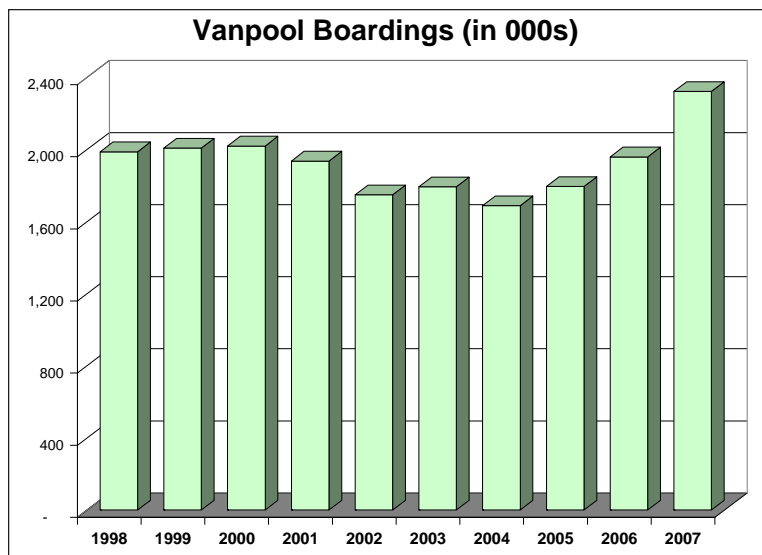
A handwritten signature in black ink, reading "Kevin Desmond". The signature is written in a cursive, flowing style.

Kevin Desmond, General Manager
Metro Transit Division

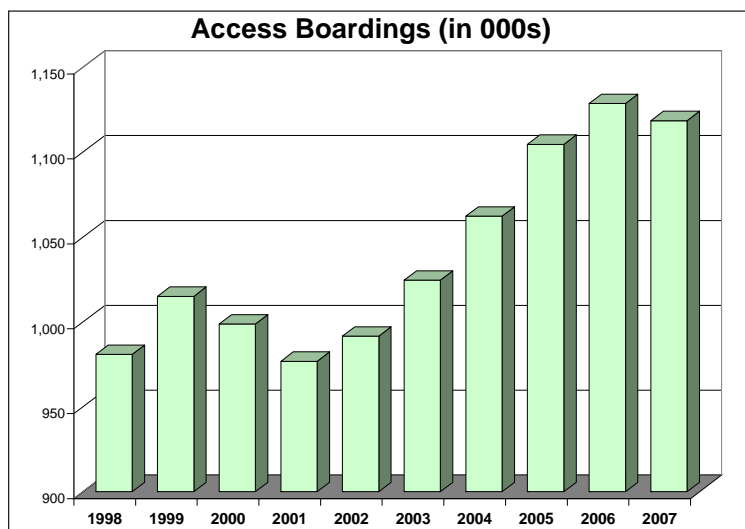
2007 PUBLIC TRANSPORTATION SERVICES-RIDERSHIP



Transit Ridership. Ridership on King County Metro Transit grew to a record 110.6 million passenger boardings in 2007, an increase of 7.1 percent over 2006 ridership. Growth accelerated as rising gasoline prices, combined with ongoing employment growth, strengthened demand for transit. Combined ridership on Metro and Metro-operated Sound Transit service was 117.5 million, another record.

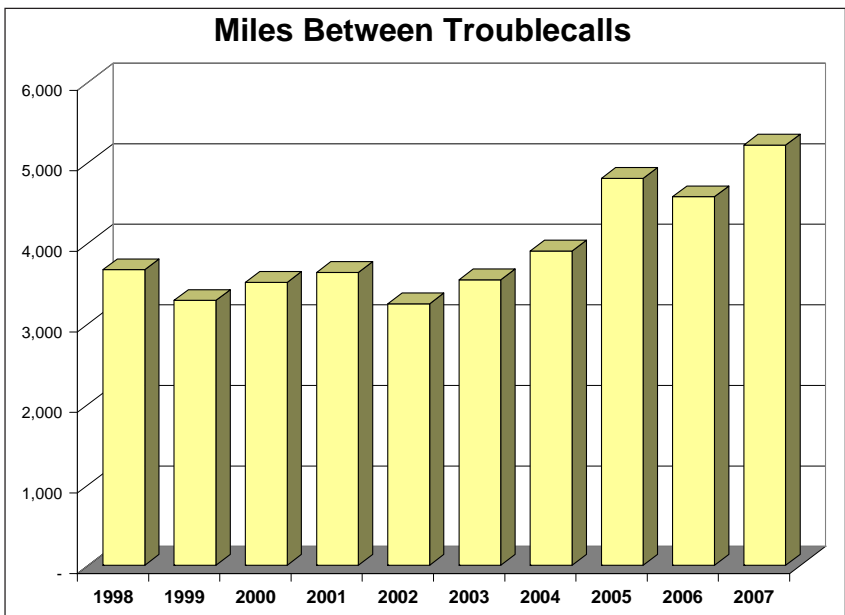


Vanpool Ridership. Vanpool ridership of 2,322,012 in 2007 was 18.1 percent greater than ridership in 2006. As with transit ridership, increased employment and rising gasoline prices have contributed to gains in vanpool ridership, as have staff efforts to partner with new employers and the State of Washington, and to identify "clusters" of Rideshare Online applicants. There were 845 vanpool vans in service as of the end of the year, an increase of 5.5 percent compared to a year earlier.

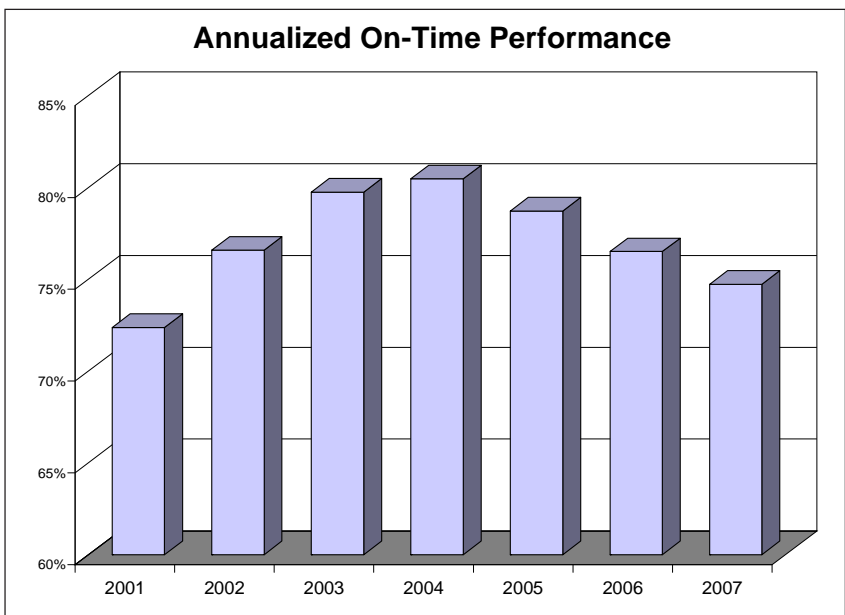


Access Program Ridership. Access passenger rides decreased 0.9 percent to 1,118,400 in 2007 compared with 1,128,496 in 2006. Over the same period of time, taxi scrip rides decreased 12.7 percent to 35,320 from 40,474. Access productivity was 1.74 trips per vehicle service hour for the year, slightly higher than that achieved in 2006.

TRANSIT OPERATIONS



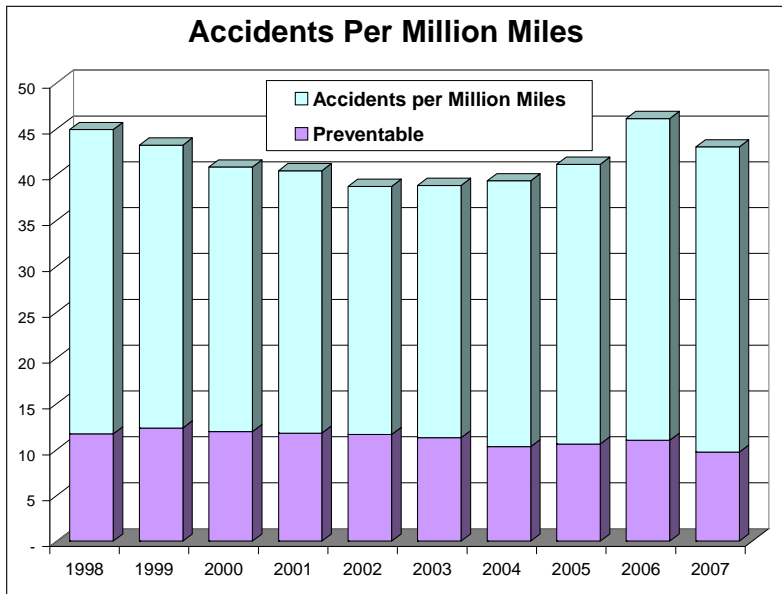
Vehicle Reliability. Miles between troublecalls increased in 2007 to a new record high level. Metro’s trolley fleet achieved the highest level ever, with nearly 53 percent improvement in reliability over 2006.



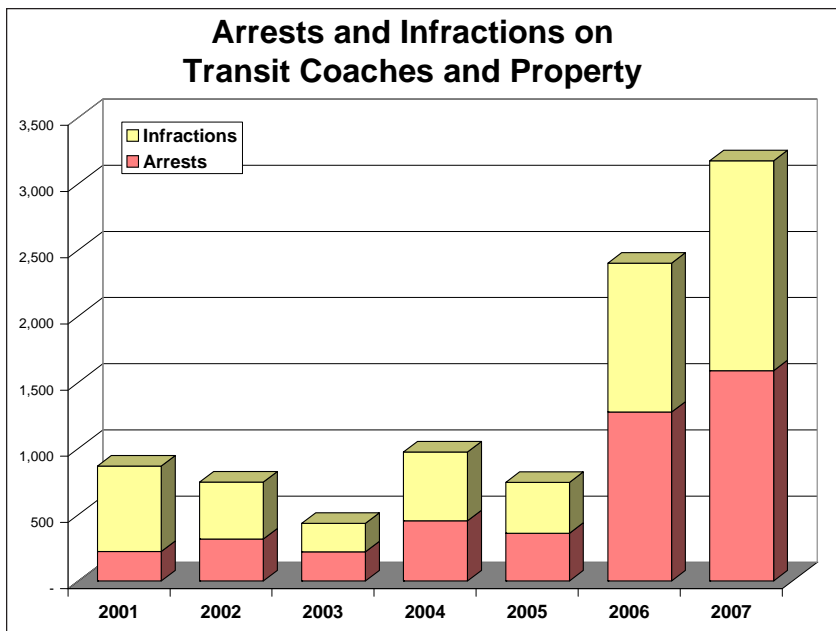
Service Reliability. On-time performance declined throughout much of 2007 compared to 2006. On-time performance averaged 74.7 percent for the three service changes in 2007, down 2.4 percent from the average of the three service changes in 2006.

The growth in the regional economy is resulting in increasing traffic congestion, which impacts on-time performance. Increased time for boarding/alighting due to increased ridership has also contributed to the decline.

TRANSIT OPERATIONS (cont'd)

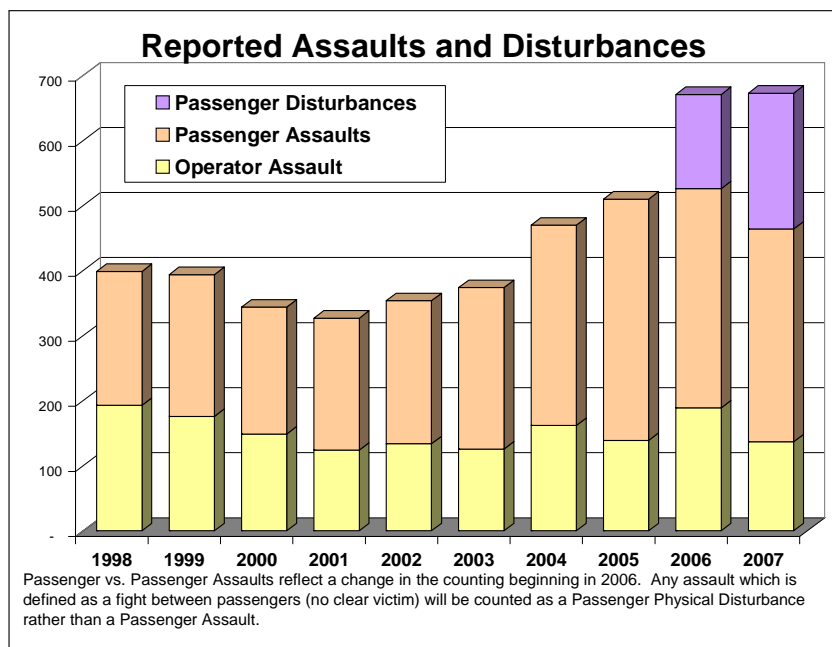


Safety. The accident rate per million miles was down 7.1 percent in 2007 to 43.0 from 46.1 in 2006, and the rate of preventable accidents was down 4.3 percent. Preventable accidents were 22.5 percent of total accidents for 2007, down from 23.9 percent a year earlier.



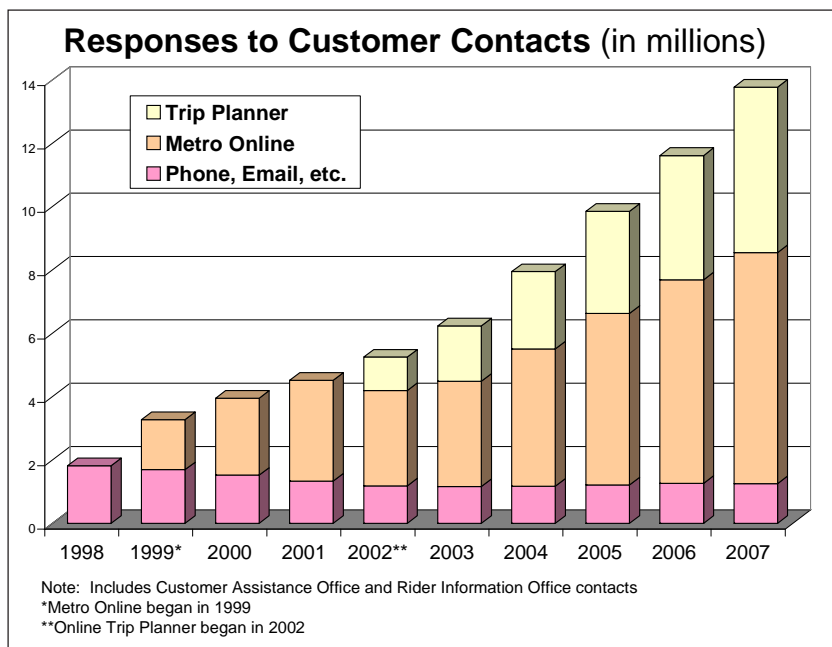
Security. Transit has placed increased emphasis on security since 2003. There was a substantial increase in full-time Metro Transit police beginning in 2006, and as a result of continuing efforts, arrests and other enforcement actions on transit coaches and property increased 32 percent over 2006 figures.

TRANSIT OPERATIONS (cont'd)

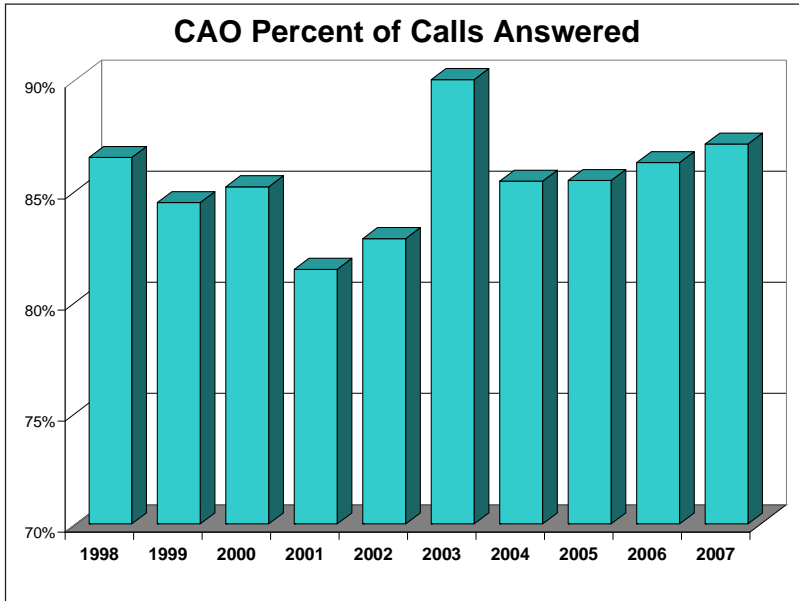


The number of physical assaults on operators during 2007 was 38 percent lower than during 2006. There was a 3 percent decrease in the total number of reported passenger assaults in 2007 and a 44 percent increase in reported passenger disturbances. Passenger assaults occur when there is an assault with a clear or identified victim. Altercations among riders that disperse on their own are considered disturbances.

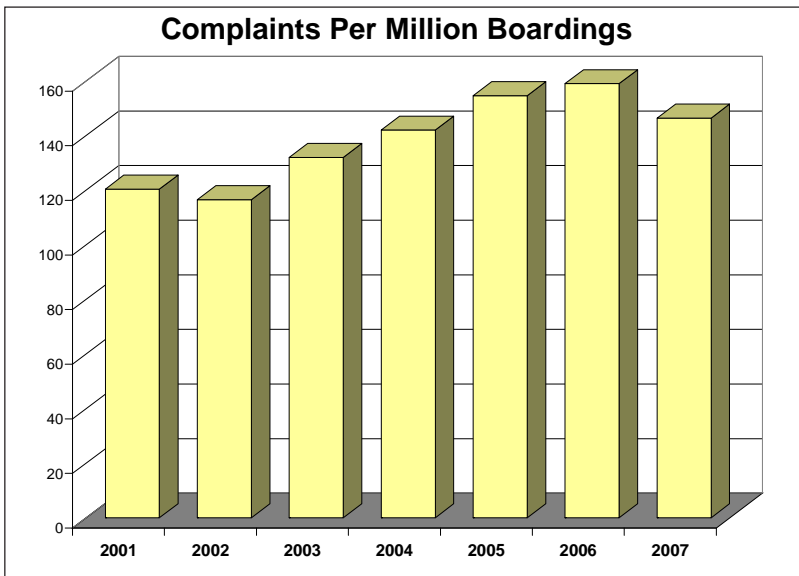
CUSTOMER SERVICES



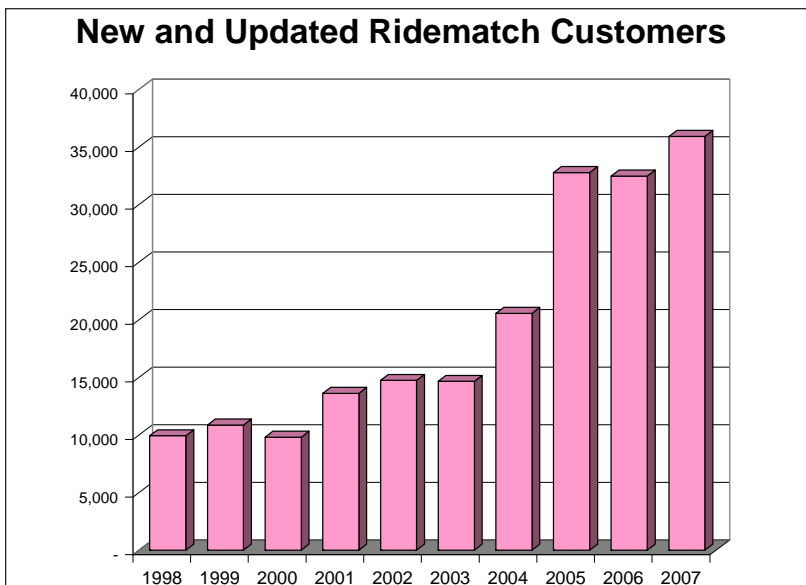
Metro has made it easier for customers to get information, resulting in dramatic growth in responses to customer contacts over the last ten years. There were 13.8 million responses to customer telephone and Internet inquiries in 2007 compared to 11.6 million in 2006, an increase of 18.9 percent. Internet sessions increased more than 21 percent and accounted for 91 percent of total customer responses in 2007. The total number of telephone calls to the Customer Assistance Office and the Rider Information Office increased 6.5 percent in 2007 compared to 2006.



The percent of calls answered in the Customer Assistance Office was 87 percent in 2007, slightly higher than the 86 percent answered in 2006.

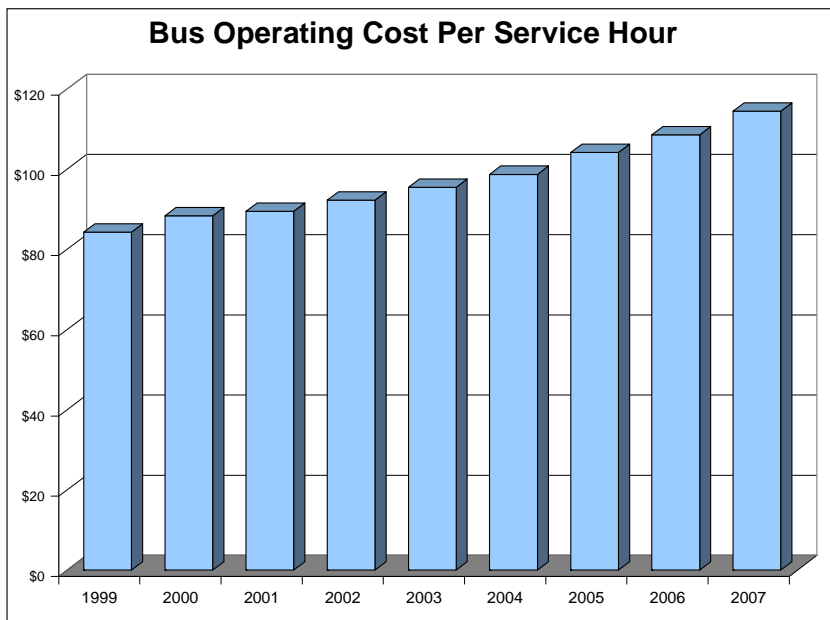


During 2007, complaints per million boardings were down 11 percent, service requests were up 10 percent, and commendations per million boardings were down 30 percent from a year earlier.

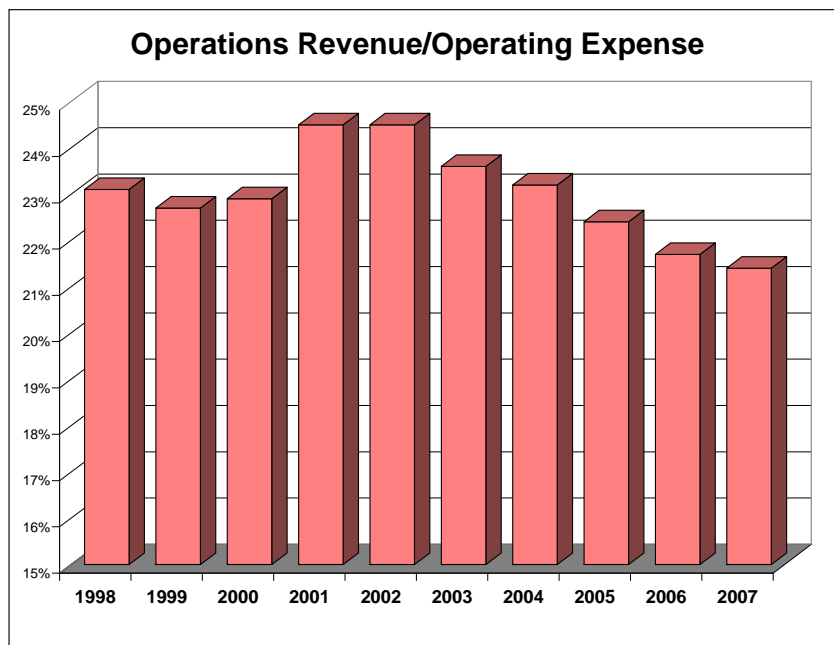


Ridematch requests remained high in 2007. Ridematching information was processed for 35,920 new and current customers, an increase of 10.5 percent from the number of requests in 2006. In addition, customers logged on to RideshareOnline.com almost 89,000 times during 2007.

FINANCIAL SUMMARY –Year-End 2007



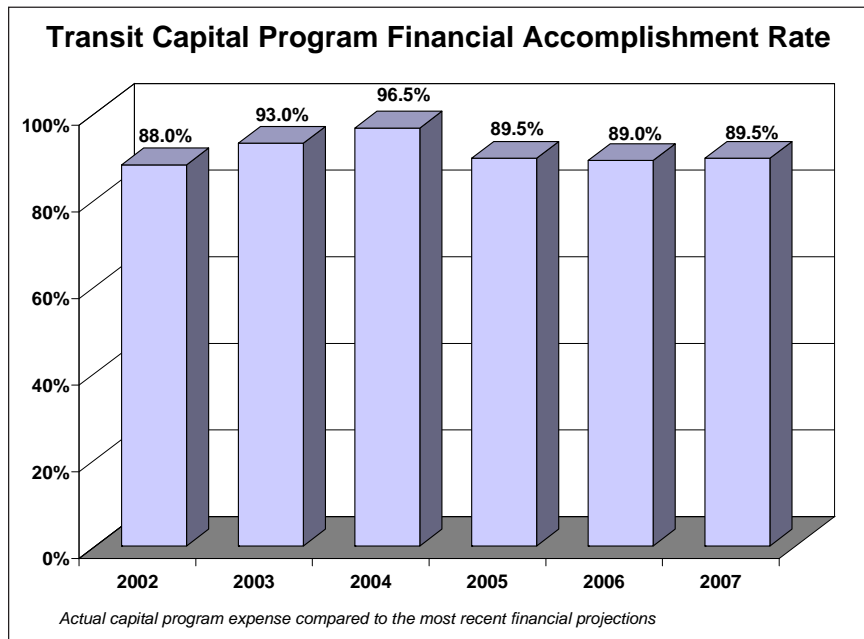
Metro’s operating cost per service hour increased 5.8 percent in 2007, to \$114.46. Key factors behind the increasing cost per hour have been the rapidly rising cost of diesel fuel and continued increases in the costs of medical and retirement benefits.



The operations revenue to operating expense ratio (OR/OE) for bus service was 21.4 percent for 2007. This compares to 21.8 percent for 2006 and 23 percent for 2005. OR/OE excludes rideshare, paratransit, water taxi and most operating grants.

CAPITAL PROGRAM HIGHLIGHTS

The Transit Capital Program spent \$68.5 million in 2007 to replace aging infrastructure and support service delivery and expansion. Maintaining existing infrastructure accounted for 51 percent of this year's capital expense. Providing new capacity and supporting the six-year service plan was 18 percent of expense, 28 percent went for projects with our regional partners and 3 percent for other projects. Projects with the largest expense were the Transit Asset Maintenance Program, Radio AVL Replacement and Redmond Transit Center.



In the current financial plan, Capital Improvement Project (CIP) expenditures were projected to be \$76.6 million. This equates to a planned to actual accomplishment rate of 89.5 percent, which is slightly under the 90 percent target. Projects with the largest underexpenditures were Operating Facility Capacity Expansion, due to an extended design phase, Radio AVL Replacements, due to vendor delay, and Tunnel Modifications, Enhancements and Retrofits, due to contractor delays in completing retrofit work.

Fleet

- Signed contracts to procure 35 27-foot buses as well as a flexible, multi-year procurement of articulated buses. New bus deliveries will begin in 2008, with 22 hybrid articulated vehicles.
- Converted 16 Breda dual mode buses to electric powered trolleys, completing the conversion of 59 vehicles to maximize the life of these coaches.
- Purchased 142 replacement vanpool vans as well as 10 additional vans, increasing the size of the vanpool fleet to meet customer demand.

Asset Replacement

- As part of the Transit Asset Maintenance Program: awarded a contract to replace the roof at the Component Supply Center—this work will be completed in early 2008; refurbished 239 bus shelters, completed upgrades of hydraulic freight and passenger elevators at the Transit Bases, advertised bids for replacing the Central Base HVAC System, and completed pavement rehabilitation and stabilization work at Bellevue and Ryerson Bases.
- Replaced 93 nonrevenue vehicles that met or exceeded replacement criteria. Replaced 254 personal computers, 15 laptops, and 19 network printers. Purchased blade servers and network attached storage to replace aging database servers and began migration to the new architecture.

Operating Facilities

- Completed construction of a roof fall protection project at the Transit bases to improve workplace safety and comply with new codes.
- Completed modifications to the Downtown Seattle Transit Tunnel in time for tunnel reopening in September.
- Relocated staff and installed new equipment in the Communications Center building in fall 2007.
- Completed a new steam-cleaning bay at Atlantic/Central base.
- Provided design, facility and vehicle maintenance support as well as staff training and customer information for start up of the South Lake Union Streetcar.

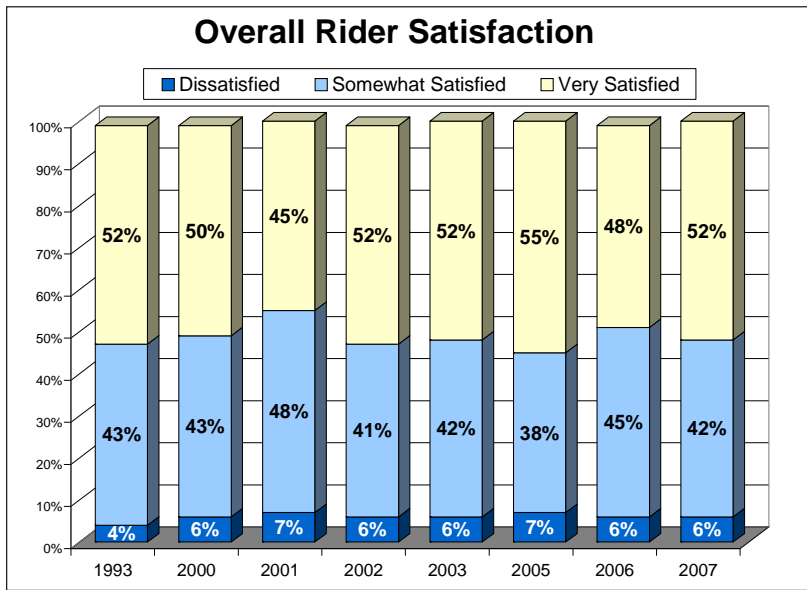
Passenger Facilities

- Substantially completed construction of the Redmond Transit Center and opened it for service in February 2008.
- Installed shelters at 125 new sites, exceeding the goal of sheltering 100 new sites. Made 113 non-shelter zone improvements.
- Awarded a design contract for RapidRide Passenger Facilities in June. The goal is to provide a distinctive look to shelters and stations along the five RapidRide corridors.
- Completed the design of lighting and security upgrades at four park-and-ride lots and the Northgate Transit Center.
- Signed a design contract for new passenger signage, with final design expected in early 2008.

Other

- Installed a new radio tower at Rattlesnake Mountain and finalized work on three other sites to prepare for the new radio system.
- Signed a vendor contract for the On Board System/Communications Center System project in April. In the fall, completed preliminary design review of this effort to replace and upgrade on-bus infrastructure and vehicle communications, including adding next stop announcements and internal signage.
- Accepted the Beta test for the Regional Fare Coordination Project (Smart Card). Equipment installation on buses was completed during 2007. Modifications and final testing will occur in 2008.
- Added an interface between the ACCESS scheduling and dispatch system and the Trip Planning system to provide ACCESS customers with fixed route alternatives for their trips.
- Implemented software that allows operators to pick their work assignment beginning in January 2008, as part of the BOSS project.
- Opened a parking structure at Northgate Mall in May, where Transit has contracted for shared use of 280 parking stalls as part of the Northgate Transit Oriented Development project.
- Activated a transit signal priority system on Lake City Way in December to improve bus travel times and schedule reliability.
- Completed trolley overhead modifications at Virginia between 4th and 5th and at Third and Lenora to improve operations and reduce delays. Also completed trolley overhead work necessary for Sound Transit to restore Pine Street service.

RIDER SATISFACTION



Metro’s customer satisfaction remains high. Ninety-four percent of riders in 2007 were somewhat or very satisfied with Metro overall. The percentage of riders who said they were “very satisfied” with Metro overall increased from the percent reported in 2006.

PUBLIC TRANSPORTATION FUND REVENUES—Year-End 2007

Source	Public Transportation Sub-Funds				2007 Adopted Budget
	Operating	Capital ¹	Revenue Fleet Replacement	Cross Border Lease	
					TOTAL
Operations					
Cash and Tickets	\$29,436,420				\$29,436,420
Passes	\$48,771,720				\$48,771,720
Other ²	\$9,706,999	\$(90,000)			\$9,616,999
<i>Subtotal Transit Operations</i>	\$87,915,139	\$(90,000)			\$87,825,139
Vanpool Operations	\$4,647,539	\$2,328,000			\$6,975,539
Paratransit Operations	\$574,804				\$574,804
<i>Total Operations</i>	\$93,137,482	\$2,238,000			\$95,375,482
Non-Operations					
Sales Tax	\$321,946,649	\$105,315,549	\$2,000,000		\$429,262,198
Grants ³	\$7,406,012	\$11,430,843	\$47,750,148		\$66,587,003
Other King County Funds ⁴	\$1,649,593				\$1,649,593
Sound Transit Service Contributions ⁵	\$41,381,146	\$14,705,649			\$56,086,795
South Lake Union Streetcar	\$110,220	\$568,258			\$678,478
Other Non-Operations ⁶	\$4,330,227	\$14,749,252	\$6,928,726		\$26,008,205
<i>Total Non-Operations</i>	\$376,823,847	\$146,769,551	\$56,678,874		\$580,272,272
TOTAL REVENUE THROUGH YEAR-END 2007	\$469,961,329	\$149,007,551	\$56,678,874		\$666,883,802
TOTAL REVENUE THROUGH YEAR-END 2006					\$593,349,521

¹Capital Fund and Bond Fund are combined.
²Contract service, Ride Free Area and transit advertising income.
³Grant reimbursements are subject to expenditures on eligible projects. Under expenditures in these projects result in less revenue being recognized.
⁴Payment by Roads, Fleet and Airport funds for services directly supporting their functions rather than King County Metro public transportation.
⁵Payment by Sound Transit for services directly supporting their functions.
⁶Investment income and other miscellaneous, non-operations revenue.

PUBLIC TRANSPORTATION OPERATING SUB-FUND EXPENDITURES—Year-End 2007

	2007 Expenditures	2007 Annual Budget
Transit Division		
General Manager	\$16,116,622	
Transit Overhead/Direct Charges	\$41,760,798	
Transit Operations	\$211,191,413	
Paratransit/Rideshare	\$48,671,190	
Vanpool Operations	\$3,958,072	
Vehicle Maintenance	\$82,184,753	
Power and Facilities	\$27,879,924	
Service Development	\$6,900,108	
Dart/Water Taxi	\$4,906,277	
Transit Information Technology	\$6,823,212	
Sales and Customer Services	\$12,209,866	
Commuter Trip Reduction	\$981,020	
Design and Construction	\$1,050,795	
Rail Operations	\$1,502,904	
South Lake Union Streetcar	\$148,167	
Diesel Fuel/Trolley Power	\$28,183,346	
Grants	<u>\$4,985,661</u>	
<i>Total Transit Division¹</i>	<i>\$499,454,129</i>	<i>\$503,780,457</i>
Other Department of Transportation		
Transportation Administration Division ²	<u>\$5,622,092</u>	<u>\$5,888,702</u>
2007 Transportation Operating Sub-Fund Total	\$505,076,221	\$509,669,159
Less: Planned Under-Expenditures	<u>\$0</u>	<u>(\$2,548,046)</u>
<i>Net Planned Expenditures</i>	<i>\$505,076,221</i>	<i>\$507,121,113</i>
Less: 2007 Sound Transit Contracted Services	(\$41,556,316)	(\$41,399,996)
2007 Support of Other King Co Funds/non-Transit Grants	<u>(\$1,649,593)</u>	<u>(\$1,799,683)</u>
2007 Transportation Operating Sub-Fund Total Expense, Net of Expenditures in Support of Other Funds	\$461,870,312	\$463,921,434
2006 Transportation Operating Sub-Fund Total Expense, Net of Expenditures in Support of Other Funds	\$433,108,247	

¹Sound Transit contributions reimburse a portion of these expenditures.²Roads, Fleet and Airport contributions reimburse a portion of these expenditures.**PUBLIC TRANSPORTATION CAPITAL SUB-FUND EXPENDITURES**—Year-End 2007

	2007 Expenditures	2007 Annual Projected Expense (excludes leases)
Paratransit Program	\$64,093	\$2,128,930
Asset Maintenance	\$15,498,014	\$18,637,507
Transit Fleet Procurement	\$1,848,672	\$2,209,645
Operating Facilities	\$7,014,328	\$11,779,947
Passenger Facilities	\$11,978,737	\$12,802,763
Rapid Ride	\$1,118,540	\$2,294,759
Speed, Safety and Reliability	\$1,510,441	\$4,136,114
Electric Trolley Bus	\$1,554,534	\$1,427,798
Transit/Business Systems	\$11,318,888	\$16,031,222
Reimbursables, Miscellaneous, 1% for Art	\$13,368,902	\$14,775,225
Van Program	<u>\$3,243,383</u>	<u>\$4,130,000</u>
Total Transportation Capital Sub-Fund Expenditures	\$68,518,532	\$90,353,910
Less: Planned Under-Expenditures		(\$13,756,847)
Net Planned Public Transportation Capital Sub-Fund Expenditures		\$76,597,063

Year-End 2007

TRANSIT STATISTICS—Year-End 2007

Excludes Vanpool and Paratransit

2007

2006

Transit System Including Metro and Sound Transit

Passenger Boardings ^{1,2}	117,492,162	109,388,007
Platform Hours ³	3,771,895	3,705,819
DART Service Hours	<u>67,963</u>	<u>65,304</u>
<i>Total Service Hours</i>	3,839,858	3,767,686
Platform Miles ⁴	48,867,161	47,745,497
Boardings/Service Hour	30.6	29.0
Boardings ⁵ /Platform Mile	2.39	2.28

Transit Miles Between Troublecalls	5,220	4,576
Passenger Accidents/Million Service Miles	7.9	7.4
Traffic Accidents/Million Service Miles	35.1	38.7
Preventable Accidents as a % of Total Accidents	22.7%	23.9%
Preventable Accidents per Million Service Miles	9.8	11.0
On-Time Performance ⁶	75%	77%

Metro Transit Only

Passenger Boardings ^{1,2}	110,600,190	103,242,414
Platform Hours ³	3,442,277	3,389,721
DART Service Hours	<u>67,963</u>	<u>65,304</u>
<i>Total Service Hours</i>	3,510,240	3,455,025
Platform Miles ⁴	43,065,082	42,277,283
Boardings/Service Hour	31.5	29.9
Boardings ⁵ /Platform Mile	2.55	2.43

Bus Operations Revenue ⁷	\$87,915,139	\$83,182,164
Bus Operations Revenue ⁷ /Boarding	\$0.79	\$0.81
Bus Operations Revenue ^{5,7} /Service Hour	\$25.07	\$24.10
Bus Operations Revenue ^{5,7} /Platform Mile	\$2.04	\$1.96

Bus Operating Cost ⁸	\$401,331,487	\$374,948,245
Bus Operating Cost ^{5,8} /Boarding	\$3.65	\$3.61
Bus Operating Cost ^{5,8} /Service Hour	\$114.46	\$108.63
Bus Operating Cost ^{5,8} /Platform Mile	\$9.22	\$8.78
OR/OE	21.4%	21.8%

¹ Includes all subcontracted (DART) service, Waterfront Streetcar and special event services.

² The automated passenger counting software used to estimate boardings was updated in 2006, resulting in a small change in ridership estimates. Ridership estimates for previous years have been updated to be consistent with this new software.

³ Includes all coach revenue (in service), deadhead and layover hours; excludes subcontracted (DART) service.

⁴ Includes all coach revenue (in service) and deadhead miles; excludes subcontracted service.

⁵ Excludes subcontracted (DART) service.

⁶ On-time performance data have been annualized using weighted service change data.

⁷ Includes all Public Transportation Fund Operating Sub-Fund Operations Revenue, less Vanpool and Paratransit.

⁸ Includes all Public Transportation Fund Operating Sub-Fund Expense less contributions from Roads, Fleet, Airport and Sound Transit. Excludes Water Taxi, Vanpool, Rideshare Services and Paratransit operating costs and some operating grants.

CUSTOMER SERVICES—Year-End 2007**Customer Relations¹****2007****2006**

Customer Assistance Office—The Customer Assistance Office responds to customers presenting commendations, complaints or service requests.

Incoming Customer Calls	80,994	78,710
Customer Calls Answered	70,548	67,898
% Answered	87%	86%
% Answered Within 2-1/3 Minutes	84%	83%
Email/U. S. Mail Received/In-Person Contacts, etc.	7,612	10,350
Total Customer Responses	78,160	78,248
Total Incoming Contacts	88,606	89,060

Contacts Recorded in the Customer Assistance Tracking System

Service Requests ² Received	2,617	2,371
Complaints ³ Received	16,143	16,709
Complaints/Million Boardings	137.4	152.7
Commendations/Million Boardings	15.9	20.8

Rider (RIO)/Bus Time Information—The Rider Information Office responds to customer inquiries received via direct telephone calls. Automated bus schedule information is provided through Bus-Time telephone calls, Metro Online sessions and Online Trip Planner visits.

Incoming Customer Calls	1,487,218	1,394,084
Incoming Customer Calls Answered (w/o Bus-Time)	832,830	843,737
Percent Answered Within 2-1/3 Minutes	49%	62%
Bus-Time Calls Answered	333,353	338,857
<i>Total Calls Answered</i>	1,166,182	1,182,594
<i>% Total Answered</i>	78%	85%
Online Trip Planner Visits	5,226,584	3,927,488
Estimated Metro Online Sessions	7,300,605	6,423,934
Estimated Total Internet Sessions	12,527,189	10,351,422
Total Customer Responses	13,693,371	11,534,016

Ridematch Services—King County Metro Transit provides regional computerized matching services to individuals in nine counties wishing to form or join a carpool or vanpool. Contacts are made by telephone, mail and through Metro's RideshareOnline.com Internet service. Metro also provides customized carpool and vanpool services to King County employers.

Rideshare Online Home Page Visits	347,653	267,324
Rideshare Online Logon Sessions	88,937	81,772
New Ridematch Customers	20,306	17,570
Update Ridematch Customers	15,614	14,923

¹ Includes contacts regarding Sound Transit service.

² Service Request: The customer requested an adjustment or change in service.

³ Complaint: The customer expressed dissatisfaction or discontent with the service received or with an incident that occurred.

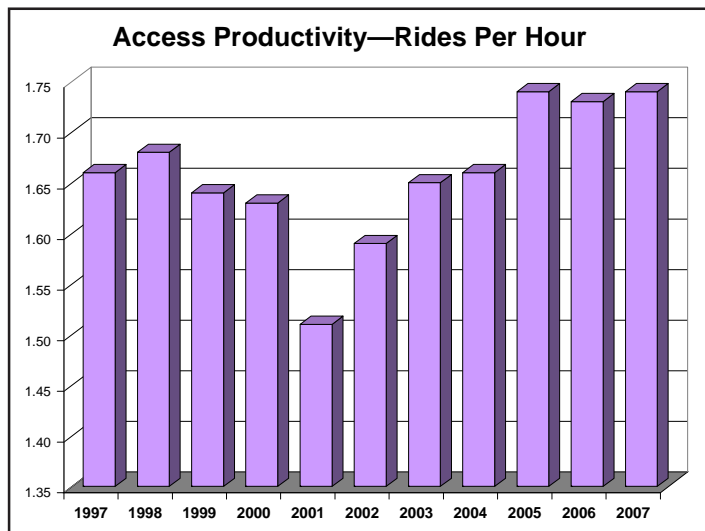
PARATRANSIT SERVICES—Year-End 2007

Transportation for people with disabilities and low-income seniors through either the ADA Paratransit Program or the Paratransit OPTIONS Program. Services include a taxi subsidy using scrip and the Access Transportation Van Service.

	2007	2006
Service Provided		
Access Passenger Rides	1,118,400	1,128,496
Taxi Passenger Rides	<u>35,320</u>	<u>40,474</u>
Total Passenger Rides	1,153,720	1,168,970
Service Revenue		
Cash Fares	\$303,578	\$166,828
ADA Pass Sales	<u>\$271,226</u>	<u>\$274,196</u>
Total Operations Revenue ¹	\$574,804	\$441,024
Service Cost		
Access Direct Operating Cost	\$40,159,679	\$39,231,321
Taxi Scrip Direct Operating Cost ²	<u>\$328,306</u>	<u>\$346,008</u>
Total Direct Operating Cost	\$40,487,984	\$39,577,329
Program Management Cost	<u>\$5,179,200</u>	<u>\$4,237,336</u>
Total Operating Cost	\$45,667,185	\$43,814,665
Paratransit Statistics		
Adjusted Direct Operating Cost/Access Psgr Ride	\$36.11	\$34.24
Adjusted Direct Operating Cost/Taxi Psgr Ride	\$9.15	\$8.39
Rides/Vehicle Service Hour	1.74	1.73
Number of Calls Handled	449,132	455,796
% Answered Within 3 Minutes	89%	91%
Percent of Demand Met	100%	100%

¹Total Operations Revenue does not include revenue from Regional Reduced Fare Passes, tickets or passengers transferring to or from regular bus service.

²Metro share of total cost. Customer pays a like amount.



DART SERVICE—Year-End 2007

DART is demand responsive transit service operated for the general public by private contractors. Reported in total transit passenger boardings.

	2007	2006
Passenger Boardings¹	830,138	736,626
Vehicle Hours	67,963	65,304
Revenue ²	\$143,709	\$146,769
Cost	\$4,281,061	\$3,968,043
Cost per Boarding	\$5.16	\$5.39

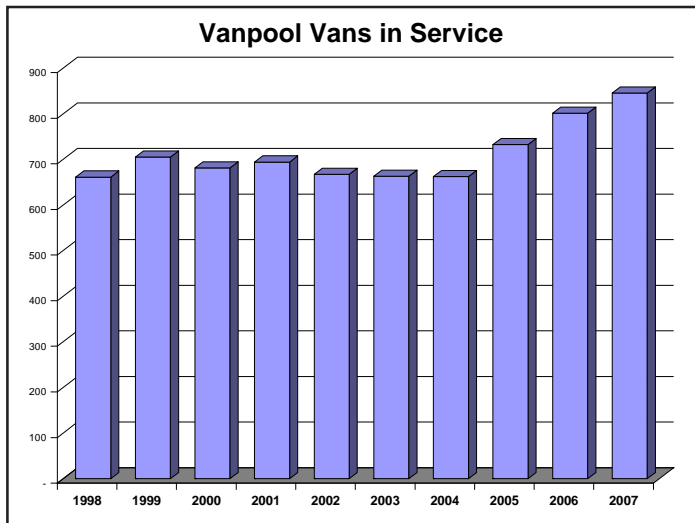
¹Estimate using daily head counts includes route 773 operated April through November to support the Water Taxi.

²Includes only cash fares.

VANPOOL SERVICES—Year-End 2007

	2007	2006
Service Provided		
Passenger Trips (Survey Based)	2,322,012	1,965,742
Vanpool Vans in Service as of 12/31	845	801
Vanpool Vans Available for Groups	27	28
Service Revenue		
Operating Revenue ¹	\$4,647,539	\$4,306,274
Service Cost		
Direct Operating Cost	\$3,935,056	\$3,602,078
Direct Program Management Cost	<u>\$1,649,708</u>	<u>\$1,540,827</u>
Total Operating Cost	\$5,584,764	\$5,142,905
Vanpool Statistics		
Vehicle Miles	10,598,269	10,136,703
Direct Operating Cost/Mile	\$0.37	\$0.36
Direct Operating Cost/Passenger Trip	\$1.69	\$1.83
Operating Revenue ¹ /Passenger Trip	\$2.00	\$2.19

¹ Excludes revenue of \$2,328,000 in 2007 and \$2,031,896 in 2006 to support the Vanpool Capital Improvement Program.



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WATER TAXI—Year-End 2007

	2007	2006
Operating Period	April 1-November 2	May 1-September 30
Passenger Boardings	161,331	122,650
Water Taxi Service	\$451,771	\$386,474
Route 773 Shuttle	\$216,931	\$185,808
Miscellaneous Costs	<u>\$65,080</u>	<u>\$35,249</u>
Total Cost of Service	\$733,782	\$607,530
Less: Fares and Other Revenue	\$218,524	\$171,102
Cost (Net of Revenue)	\$515,258	\$436,428
Direct Cost Per Boarding*	\$4.55	\$4.95

*Excludes administration and overhead.

OPERATING ENVIRONMENT—Year-End 2007

	2007	2006
Avg. Consumer Price Index (CPI) ¹	215.7	207.6
Avg. Regular, Unleaded Gas Price ²	\$2.94	\$2.78
King County Employment ³	1,200,200	1,176,700

¹ Annual average Consumer Price Index for Seattle-Tacoma-Bremerton CSMA (1982-84=100).

² Annual average, Seattle market, in 2007 dollars.

³ Washington State Employment Security Department, King County, annual average.

METRO TRANSIT EMPLOYEE INFORMATION—as of December 31, 2007

	Number of Employees (Head Count)¹	Budgeted Full-Time Equivalents (FTEs)
Transit General Manager ²	65	65.01
Transit Operations	214	216.35
Operators	2,694	2,230.28
Full Time 1,779 (head count)		
Part Time 915 (head count)		
Vehicle Maintenance	685	747.39
Power and Facilities	264	293.50
Service Development	78	76.65
Transit Information Technology	67	62.65
Sales and Customer Services	117	122.35
LINK	15	35.36
South Lake Union Streetcar	19	17.92
Design and Construction	77	85.00
Rideshare and Paratransit	<u>66</u>	<u>62.25</u>
<i>Total</i>	4,361	4,014.71

¹ Includes regular and term-limited employees

² Includes Safety, Security, Transit Human Resources and Research and Management Information

NOTE: Does not include local police officers working intermittently as Transit police.

TRANSIT FLEET INFORMATION—as of December 31, 2007

Service Fleet (Active)

Coaches	1,413	(100% of active fleet is accessible)
(1,027 gas/diesel, 149 trolley, 237 hybrid)		
Routes ¹	222	(100% of routes are accessible)

Bus Fleet

Metro Transit

Diesel—Standard Coaches (30', 35', 40')	605
Diesel—Articulated Coaches (60')	272
Trolley—Standard Coaches	100
Trolley—Articulated Coaches	79
Transit Vans (diesel engine)	28
Hybrid	215

Sound Transit

Diesel—Standard Coaches (40')	58
Diesel—Articulated Coaches (60')	34
Hybrid	<u>22</u>
<i>Total Active Fleet</i>	1,413

Reserve	16
Training	0
Waterfront Streetcars	5
Inactive	<u>85</u>
<i>Total Revenue Vehicles</i>	1,519

Estimated Active Fleet Age (Average In Years) 7.8

Coaches In Service (includes subcontracted DART service)

Maximum Weekday Coaches	1,185
Noontime Weekday Coaches	540
Maximum Saturday Coaches	468
Maximum Sunday Coaches	335
Average System Spare Ratio	19.17%

Scheduled Revenue, Deadhead, Layover Hours as Percentage of Platform Hours²

Scheduled Revenue Hours/Platform Hours	66.53%
Scheduled Deadhead Hours/Platform Hours . . .	11.55%
Scheduled Layover Hours/Platform Hours	21.93%

¹Includes DART service and Custom Bus but excludes Sound Transit Express and Custom Bus school routes that don't operate during the summer.

²Includes DART service, Custom Bus and Sound Transit Express.

FACILITIES INFORMATION—as of December 31, 2007

Operating Facilities:

Atlantic	East	South	Communications Building
Bellevue	North	Safety/Training Center	
Central	Ryerson	Van Distribution Center	

Maintenance Facilities*:

Atlantic	East	South
Central	North	Component Supply Center
Bellevue	Ryerson	Non-Revenue Vehicle

*The Waterfront Streetcar service has been replaced by temporary free bus service following closure and demolition of the streetcar maintenance barn. A new streetcar maintenance facility is planned for another location.

Facilities Maintenance:

Building Maintenance Headquarters	Transit Police and Facilities Maintenance	Field Maintenance Headquarters
Power Distribution Headquarters	Custodial Maintenance Headquarters	

Regional and Community Transit Centers:

Auburn*	Eastgate*	Kirkland	Bellevue Transit Center (owned 51% by Sound Transit, 49% by Metro)
Aurora Village	Federal Way*	Northgate	
Burien*	Issaquah*	Renton	

*in park-and-ride lot

Seattle Bus Tunnel (DSTP) - reopened 9/24/2007 after a 2 year closure to renovate for light rail.

Bus Stops (Zones)	9,510
Lighting Improvement Locations	701
Stops with Schedule Holders (single, double or midsize)	3,790
<i>(Total Schedule Holder Units in Use = 4,795)</i>	
Wheelchair-Fully Accessible Stops	7,276
Stops with Permanent Information Signs	314
Stops With Passenger Shelters	1,862
<i>Passenger Shelters with Murals 798</i>	
<i>Metro Owned and Maintained Passenger Shelters . . 1,533</i>	
Timetables Printed Year-to-Date	10,096,800

Park-and-Ride Lot Program	Number	Parking Capacity	% Used^{1,2}
Permanent (Major) Park-and-Ride Lots	67	20,885	77%
Metro Leased Lots	66	2,759	58%
<i>Total</i>	133	23,644	75%

¹ "Percent used" does not include lots with counts that are not available during the quarter.

² Fifteen permanent lots and five leased lots reported 100 percent or above capacity on average during fourth quarter 2007.

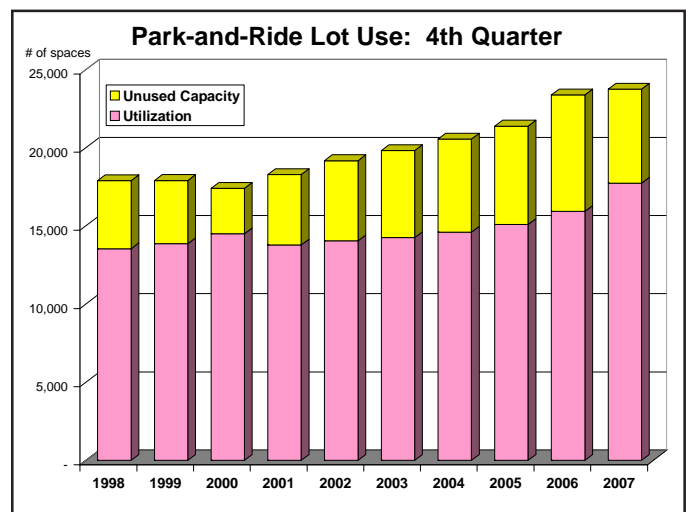
Trolley Overhead—Over 69 miles of street with two-way wire, and 36 substations (excluding tunnel)

HOV Lanes¹

82.26 miles	Interstate 5
35.98 miles	Interstate 90
65.58 miles	Interstate 405
13.56 miles	SR 520
20.00 miles	SR 167
4.42 miles	SR 99
5.72 miles	SR 522
1.38 miles	SR 509
15.62 miles	Arterials
2.60 miles	DSTP (Tunnel) NB and SB

244.52 Total Restricted Lanes for Transit Use

¹Total miles are those used by transit (including HOV ramps), not total HOV roadway miles in King County.



REGIONAL and KING COUNTY METRO TRANSIT FARES—December 31, 2007

Metro Fare Type	Cash Fare Per Trip	One Month PugetPass	Three Month PugetPass	Twelve Month PugetPass
One- and Two-zone ¹ Off-peak	\$1.25	\$45.00		\$495.00
One-zone ¹ Peak	\$1.50	\$54.00	\$162.00	\$594.00
Two-zone ¹ Peak	\$2.00	\$72.00	\$216.00	\$792.00

Other Monthly Passes	Pass Price
Access (Metro Only) Transportation Pass	\$8.75
Student (Public School District)	\$18.00
WSF Mukilteo/Clinton and \$0.75 PugetPass	\$73.10
WSF Mukilteo/Clinton and \$3.00 PugetPass	\$154.10
WSF Vashon Island and \$1.50 PugetPass	\$105.20
WSF Vashon Island and \$2.00 PugetPass	\$123.20
WSF Central Sound and \$1.50 PugetPass	\$157.10
WSF Fauntleroy/Southworth and \$1.50 PugetPass	\$114.20
WSF Passenger Only and \$1.50 Puget Pass	\$164.10
3-Way: WSF Central Sound, Kitsap Transit and \$1.50 Puget Pass	\$157.10
Youth (6-17)	\$18.00

Other Fares and Passes	Pass Price
Regional Day Pass (Sat., Sun. and holidays)	\$2.50
GoPass Per Quarter for Students	\$70.00 (quarter)
GoPass Per Quarter for S.C.C. Faculty/Staff	\$10.00 (quarter)
Senior Citizen and Disabled (with permit)	\$5.50 (per trip cash fare-\$0.25 off-peak, \$0.50 peak)
U-PASS Per Quarter for Students	\$44.00
U-PASS Per Quarter for Faculty/Staff	\$61.80
Visitor Scratch Pass	\$5.00

Permits and Stickers	Price	Ticketbooks	Price
Annual Reduced Fare Sticker	\$66.00	16 - \$0.25 tickets	\$4.00
Attendant Ride Free Permit	\$3.00	20 - \$0.50 tickets	\$10.00
Monthly Reduced Fare Sticker	\$5.50	10 - \$1.25 tickets	\$12.50
Regional Reduced Fare Permit	\$3.00	20 - \$1.50 tickets	\$30.00
		20 - \$2.00 tickets	\$40.00

Regional Reduced Fare Permits for senior/disabled riders are valid on Washington State Ferries, Community, Everett, Kitsap, Mason, Pierce, Jefferson, Intercity, Skagit and King County Metro Transit systems.

Regional Cash Transfer: A transfer issued with cash fare payment on any of the transit systems participating in the Puget Pass system (CT, ET, KCM, PT or ST) is valid for a one-zone or local trip on any of the other systems.

DART Service (Routes 291, 773, 901/903, 908/909, 914/916, 917, 918, 925, 926, 927, 935): Cash fares are the same as transit fares. Monthly and annual passes are valid for DART service. Route 773 operated April-October to support the Water Taxi. This was a “free fare” service funded through the budget proviso for the Water Taxi.

Vanpool/Custom Bus Fares: Vanpool fares vary by distance, number of riders, work schedule and van size (8, 12 or 15 passenger vans). For example, an average round trip of 55 miles per day in a 15-passenger van with 12 riders costs \$55.42 per month for each commuter. Custom Bus fares are established by route.

¹ Seattle is a zone; balance of King County is another. Zone division is the Seattle city limits.

ANNUAL SUMMARY 2003-2007

	2007	2006	2005	2004	2003
Service Area Square Miles	2,134	2,134	2,134	2,134	2,134
Service Area Population	1,861,300	1,835,300	1,808,300	1,788,300	1,779,300

Metro Transit Revenue Vehicle Fleet-

Metro Transit and Sound Transit Bus Service

Passenger Boardings ¹	117,492,162	109,388,007	104,461,689	101,915,208	99,325,901
Platform Hours ²	3,771,895	3,705,819	3,607,714	3,573,695	3,524,335
DART Service Hours	<u>64,068</u>	<u>61,867</u>	<u>65,366</u>	<u>63,677</u>	<u>61,397</u>
Total Service Hours	3,835,963	3,767,686	3,673,080	3,637,372	3,585,732
Platform Miles ²	48,867,161	47,745,497	47,036,390	47,066,473	46,438,309
Boardings per Service Hour	30.6	29.0	28.4	28.0	27.7
Miles per Troublecall	5,220	4,576	4,807	3,903	3,547
Diesel Fuel Used (Gallons)	10,152,021	11,157,396	10,252,215	10,001,223	10,024,658

Metro Transit Only Bus Service

Passenger Boardings ¹	110,600,190	103,242,414	98,957,216	96,507,443	94,559,994
Platform Hours ²	3,442,277	3,389,721	3,325,201	3,309,854	3,285,084
DART Service Hours	<u>64,068</u>	<u>61,867</u>	<u>65,366</u>	<u>63,677</u>	<u>61,397</u>
Total Service Hours	3,506,345	3,451,588	3,390,567	3,373,531	3,346,481
Platform Miles ²	43,065,082	42,277,283	42,151,848	42,408,669	42,317,379
Boardings per Service Hour	31.5	29.9	29.2	28.6	28.3
Electricity Used (kwh)	15,662,605	15,791,529	17,232,560	16,928,228	18,243,733

Other Metro Transit Service

Vanpool Ridership	2,322,012	1,965,742	1,795,611	1,688,996	1,793,748
Paratransit Ridership	1,153,720	1,168,970	1,149,277	1,112,405	1,076,755

King County Public Transportation Fund Financial Data

Operating Expense ³	\$461,870,312	\$433,108,247	\$403,402,962	\$383,899,455	\$365,822,697
Operations Revenue ⁴	\$93,137,482	\$87,929,462	\$84,665,830	\$81,311,454	\$78,264,738

Metro Transit Bus Financial Data

Bus Operating Cost per Boarding ^{5,6}	\$3.65	\$3.66	\$3.54	\$3.45	\$3.38
Bus Operations Revenue per Boarding ^{5,7}	\$0.79	\$0.81	\$0.81	\$0.80	\$0.78

Metro Transit Revenue Vehicle Fleet

Diesel	877	913	908	908	850
Trolley	179	162	137	144	146
Dual Mode	0	0	18	19	216
Hybrid	215	214	214	201	1
Other Buses (Training, Inactive)	85	111	120	266	125
Vanpool Vans (Groups in Operation)	845	801	732	662	663
Vanpool Vans (Available for Groups)	27	28	14	10	47
Transit Vans (Diesel)	28	35	35	35	35
Paratransit Vans	298	291	289	289	284

Metro Transit Employee Information (Head Count)

Operators	2,694	2,678	2,843	2,703	2,734
Other	1,667	1,613	1,400	1,596	1,630
Total Employees	4,361	4,291	4,243	4,299	4,364

¹ The automated passenger counting software used to estimate boardings was updated in 2006, resulting in a small change in ridership estimates. Ridership estimates for previous years have been updated to be consistent with this new software.

² Includes transit deadhead, layover and revenue hours/miles. Platform hours include subcontracted service hours.

³ Includes all Public Transportation Fund Operating Sub-Fund expense less contributions from Roads, Fleet, Water Quality and Sound Transit.

⁴ Includes vanpool and paratransit revenues, which are excluded from the OR/OE calculation (see page 3).

⁵ Estimates for 2002 through 2005 have been revised to reflect updated ridership estimates for those years.

⁶ Same as footnote #2, but excludes Vanpool, Rideshare Services, Paratransit operating costs, Water Taxi and some operating grants.

⁷ Includes all Public Transportation Fund Operating Sub-Fund Operations Revenue, less Vanpool and Paratransit.

Note: Numbers for 2005 may differ from those previously reported due to changes in reporting conventions.