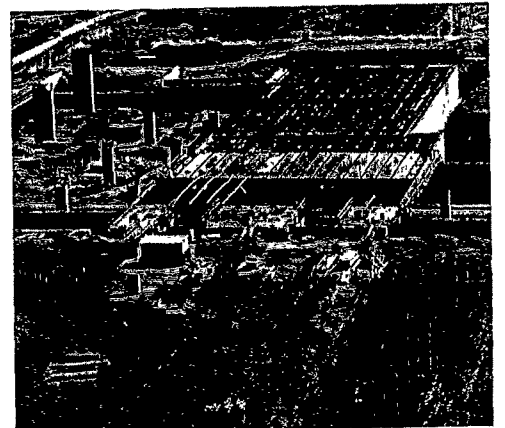
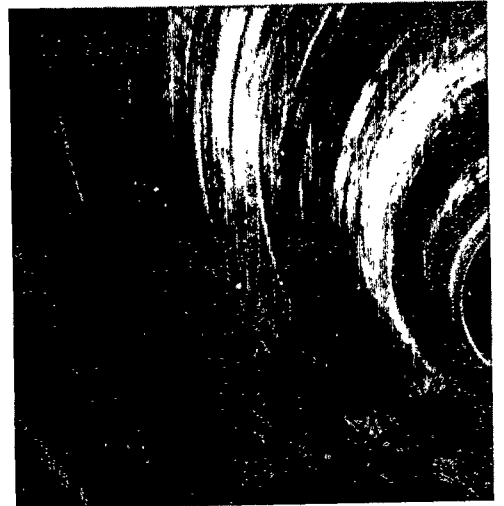
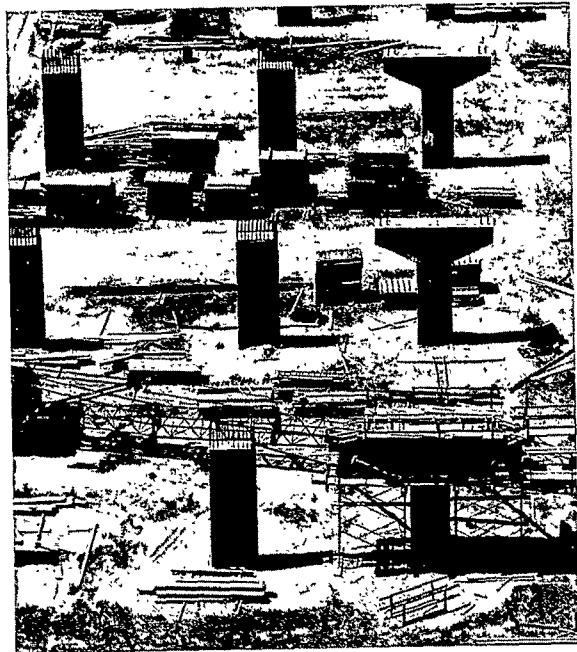
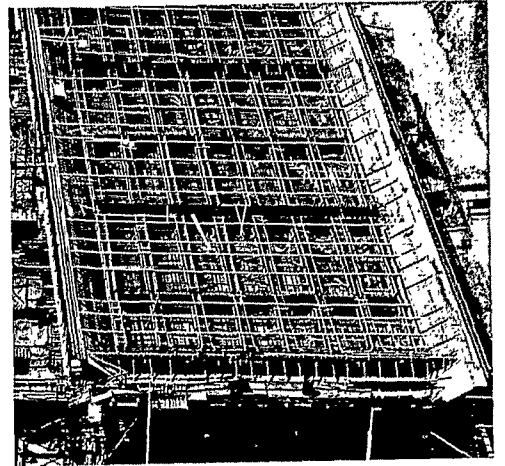
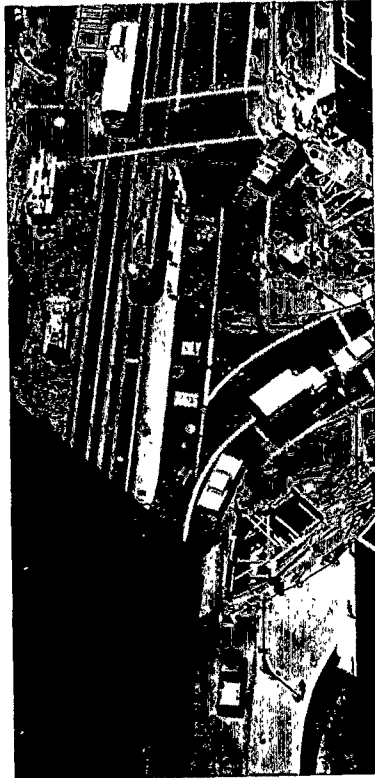
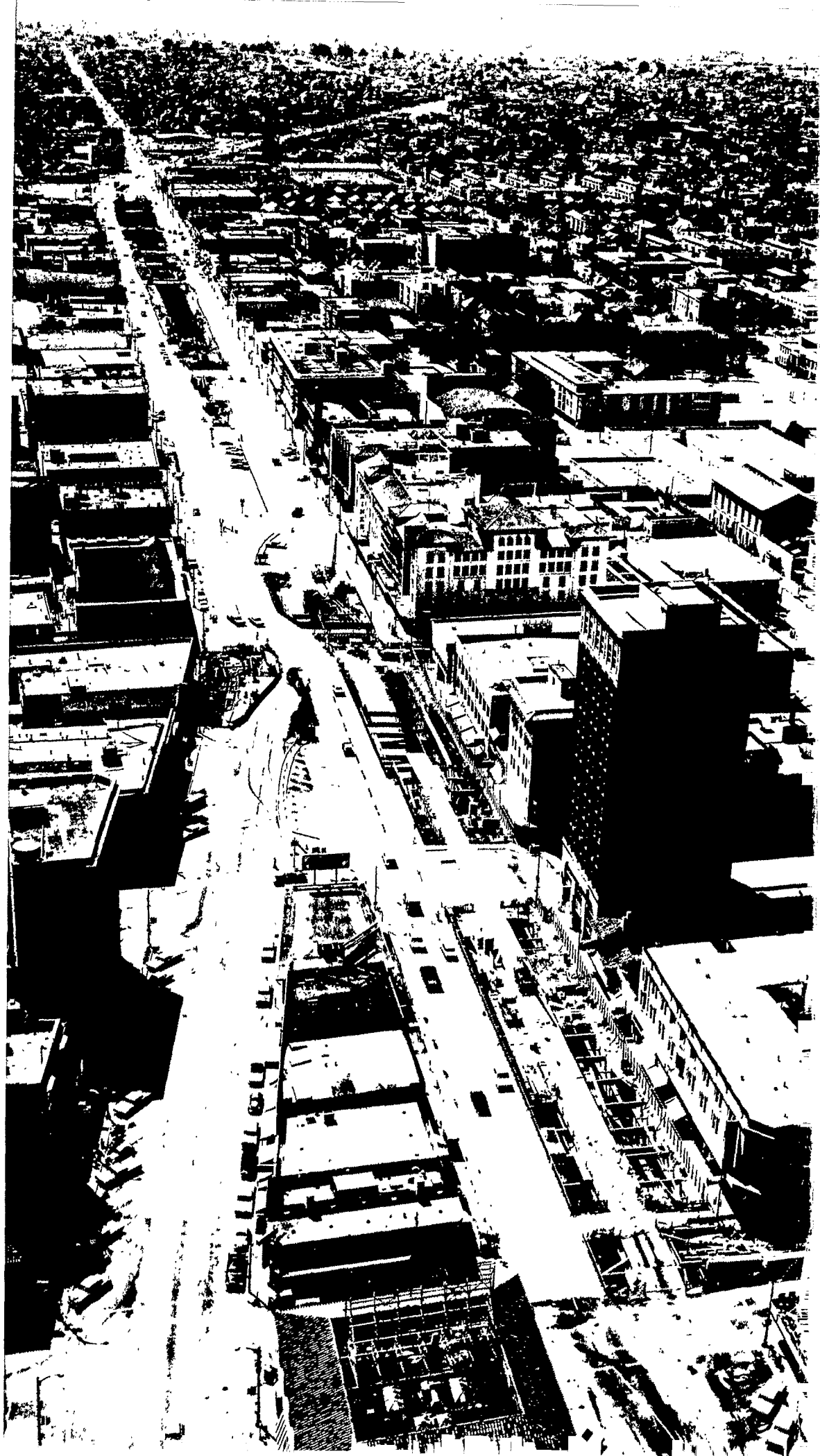


SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

ANNUAL REPORT 1966/1967



Wooden decking provides the street surface over the Bay Area Rapid Transit's central Berkeley Station, where construction has been underway for more than a year. The clear-span structure, built under a relocated park, is one of three subway stations in Berkeley.



BAY AREA RAPID TRANSIT DISTRICT
814 Mission Street, San Francisco, California

October 29, 1968

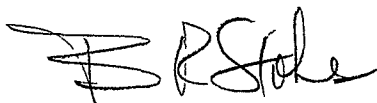
MEMORANDUM

To: All Employees
From: General Manager

I am pleased to attach for your personal reading a copy of the 1967-68 Annual Report covering our activities during this past fiscal period.

The accomplishments of the District are noteworthy, and any objective reading of the report is bound to impress the reader with this fact. All of you have had a hand in this regard, and I do not want our financial uncertainty to cause us to be hesitant about our overall record of past accomplishment.

Further, I want to commend all of you for your excellent 1968 United Crusade record. The final report indicates that, as employees, we are donating more money than ever before, and I hope you will share in my pride in this record. . . . \$7,592.00.



B. R. Stokes

attachment
BRS:rb

DIRECTORS

Alameda County

ARNOLD C. ANDERSON
WILLIAM S. GODFREY
SHERWOOD SWAN
GEORGE M. SILLIMAN

Contra Costa County

NEWELL B. CASE
H. L. CUMMINGS
JAMES P. DOHERTY
Vice-President
JOSEPH S. SILVA

San Francisco County

ALLAN E. CHARLES
ADRIEN J. FALK
President
ROGER D. LAPHAM, JR.
WILLIAM M. REEDY

STAFF

B. R. STOKES
General Manager

L. A. KIMBALL,
Assistant General Manager

RICHARD J. SHEPHARD
Secretary

DAVID G. HAMMOND
Director, Development and
Operations Department

JOHN M. PEIRCE
Director, Finance Department

T. L. CARLSON
Director, Real Estate and
Property Department

G. L. McDONALD
Director, Public Relations Department

WALLACE L. KAAPCKE
General Counsel

WARREN P. MARSDEN
Staff Counsel

W. E. BENEDICT
Director, Administration Department

G. B. OLSEN
Director, Personnel Department

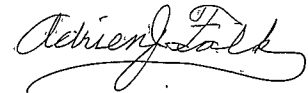
MESSAGE FROM THE PRESIDENT

Fiscal 1966-67 was the fifteenth year of development for the Bay Area's Rapid Transit system—dating from the start of preliminary transportation studies in 1951. In many ways it was the most significant.

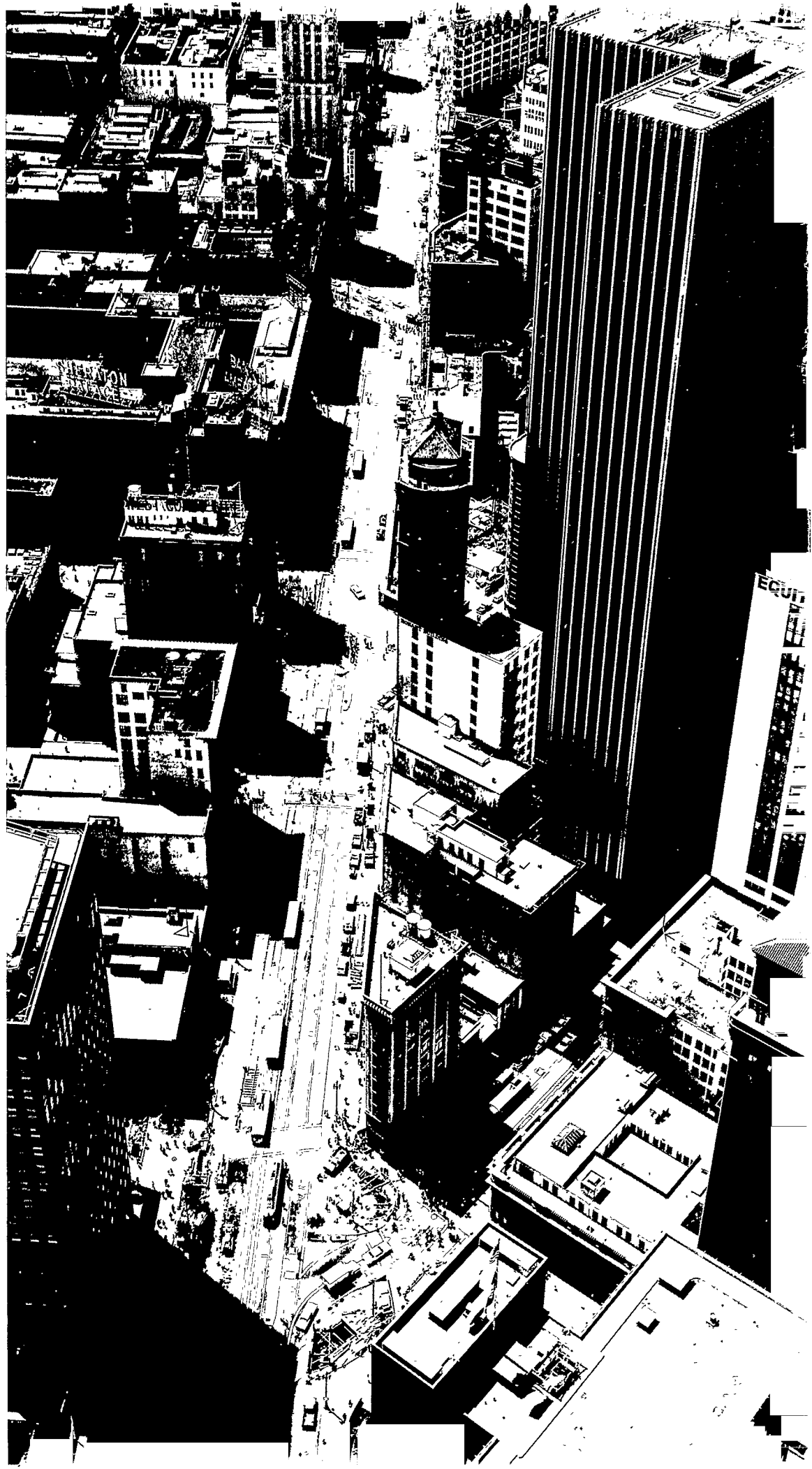
While previous years were typified largely by planning and engineering, and the securing of public support, this was the period in which the entire regional transit system began to take physical shape. The posing of new financial problems—though they also are significant—did not slow the pace of construction.

At the close of the fiscal year more than 2,000 workers, employed by 100 separate contracting and subcontracting firms, were actively engaged in construction of the system at 30 sites throughout the region. In numerous communities new public and private development projects costing many millions of dollars were launched as a direct consequence of the BART project.

We are confident that, with unified support of the region's community leaders and legislative representatives now reasonably assured, the matter of insufficient funding will be solved—just as problems of equal magnitude have been solved in earlier years of the development program.



Adrien J. Falk
President



REPORT OF THE GENERAL MANAGER

Construction of the Bay Area rail rapid transit system became apparent for the first time during fiscal year 1966-67 to residents in all three counties of Alameda, Contra Costa and San Francisco. By July, 1967, some 44 miles of the 75-mile network were under contract.

Among the year's major accomplishments:

- Placing of 23 additional miles of line under construction.
- Contracting for production of the network's automatic train control and communications system.
- Completion of design specifications for the District's first 250 transit cars.
- Acquisition of 675 additional parcels of land for the network's right-of-way, raising total acquisitions thus far to 78 per cent.
- Development of operation and maintenance procedures for the rapid transit system.
- Completion of the District's basic test track program, and launching of further refined equipment evaluations at the Diablo Test Track.
- Inauguration of plans for operating staff recruitment and training.
- Marketing of an additional \$120 million in bonds from the District's voter-approved \$792 million general obligation bond issue.
- Securing of \$26 million in federal construction funds.

While these accomplishments reflected marked progress toward development of the rapid transit system, the District also encountered various new problems.

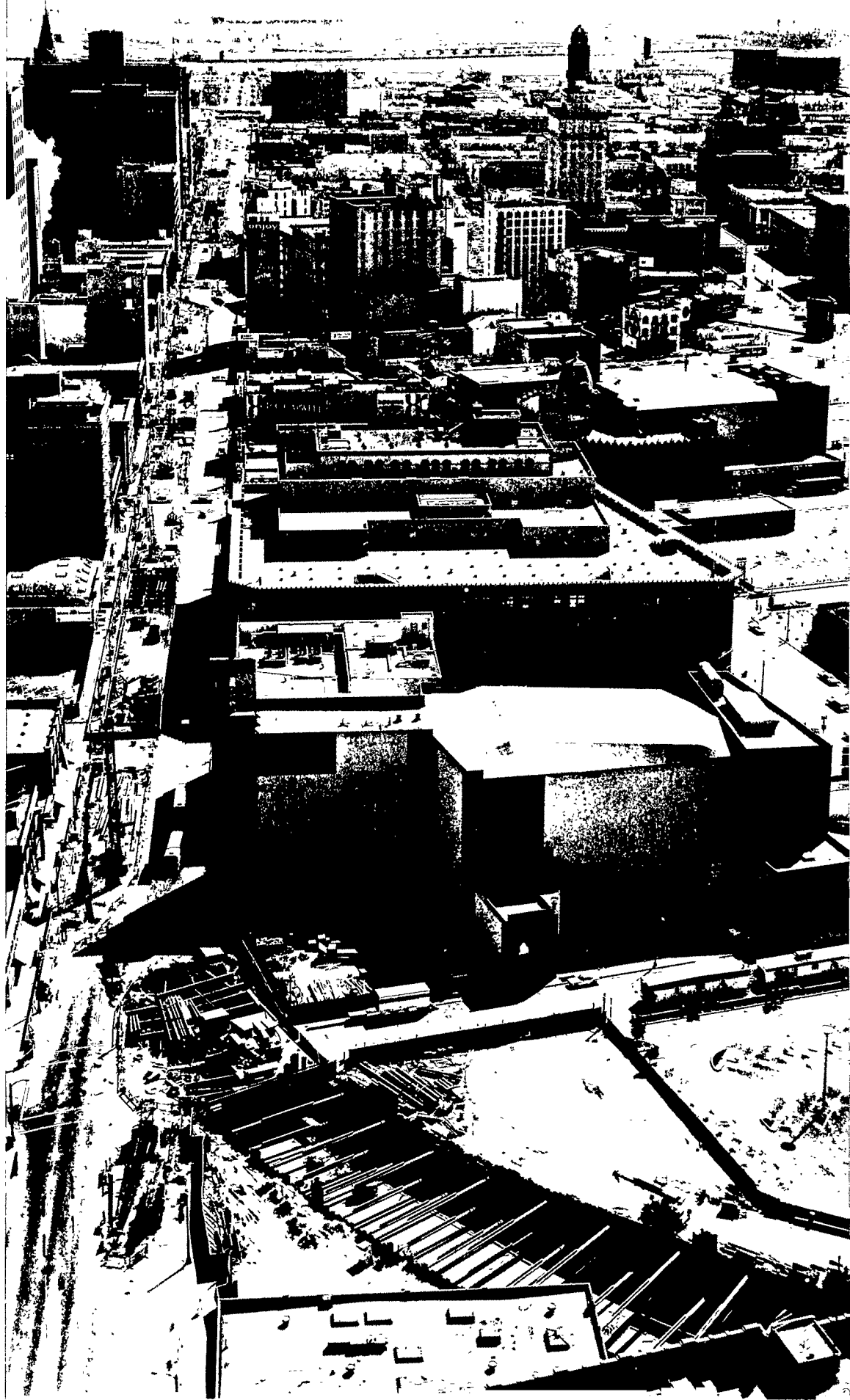
The dominant problem still to be solved was the need for additional funds to assure completion of the entire project.

When the District's electorate approved the general obligation bond issue in 1962, it was estimated that the capital cost of the system, including the Trans-Bay transit tube, would be \$923,213,000. This included an allowance of \$222,113,000 to cover inflation and contingencies.

Automobile traffic has been removed from portions of Market Street in San Francisco to permit BART construction at the Montgomery, Powell and Civic Center Stations. Several retail and financial buildings along Market Street, such as the 43-story Wells Fargo Building, already have planned private entrances to BART stations.



A spectacular "dig-in," involving 125 San Francisco school children, was held this summer to mark the start of Bay Area Rapid Transit construction on San Francisco's Market Street.



In July, 1966, a re-estimate, as currently revised, indicated that the cost of the basic system including the tube and approaches should be projected at \$1,131,710,000. This higher cost, based upon more complete engineering designs, was due to sharply-rising inflationary trends, construction delays resulting from court litigation and special engineering studies requested by several communities, and to improvements subsequently added to the system's design.

Other additions to the total project cost, which have been separately funded, are for equipment development and urban beautification projects—provided by \$8,601,000 in Federal transit demonstration grants—and for construction of additional subway extensions in the City of Berkeley. The latter cost, estimated at \$25,294,000, is being underwritten by a locally-approved bond issue and by an augmenting Federal grant.

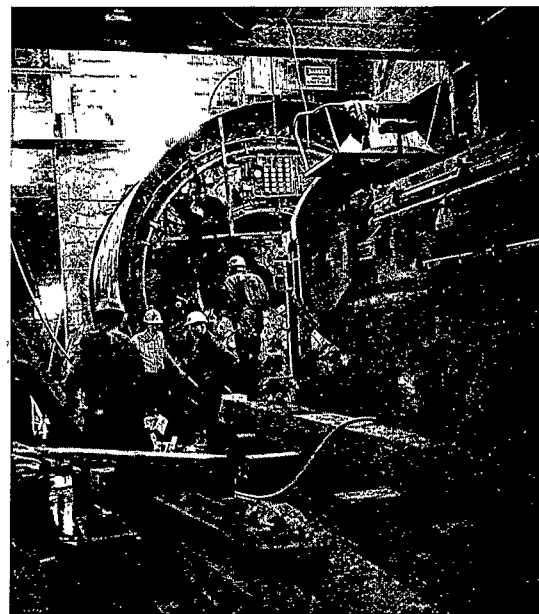
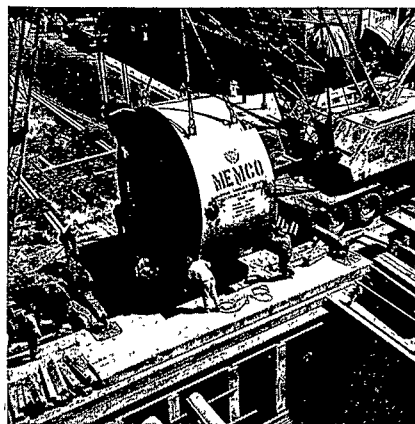
The District in fiscal 1966-67 received substantial new assistance from the California Legislature through the allocation of \$47,000,000 in additional toll bridge revenues to pay for increased construction costs of the Trans-Bay Tube. This, together with \$26,300,000 in capital construction grants received from the U.S. Department of Housing and Urban Development and \$15,000,000 in interest earned on re-invested bond proceeds, has reduced the District's current fund requirement to between \$120,000,000 and \$150,000,000.

As the fiscal year closed, the District was seeking new supplementary financing from the California Legislature.

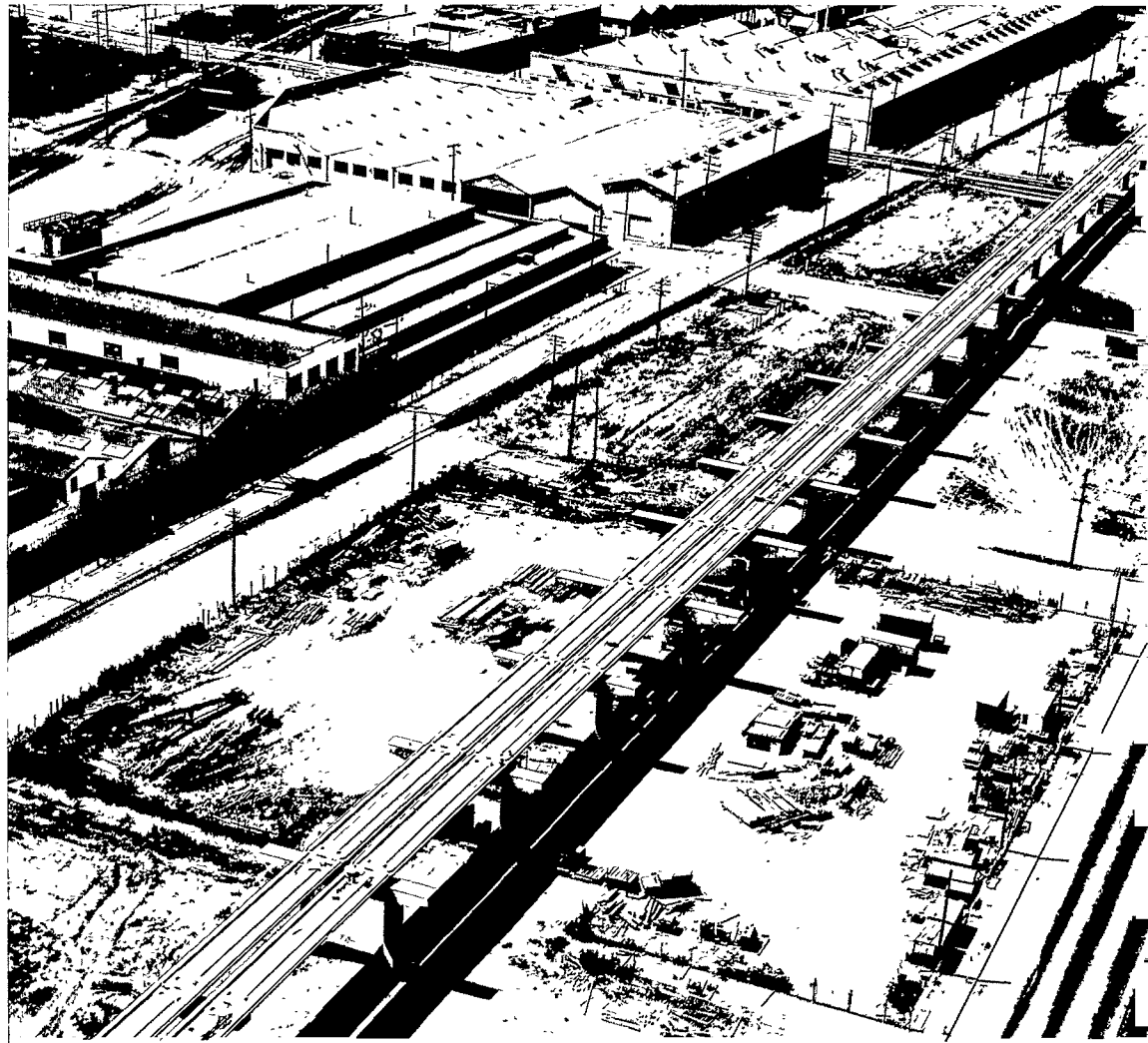
Despite the long-range financing problem, there was a continued acceleration of construction activity on the entire project. By the end of the fiscal year,

Wooden streets of a bygone era are recalled in downtown Oakland, where Bay Area Rapid Transit construction is moving ahead rapidly beneath curb-to-curb decking. The curving subway structure in the right foreground leads the Central Contra Costa and Richmond-Berkeley transit lines into the downtown Oakland subway system.

A 93-ton subway tunneling machine, the first of its kind to be used in the United States, is lowered into an access shaft at 15th and Mission Streets in San Francisco. Two such machines will excavate twin, mile-long tunnels connecting BART's Market and Mission Street lines.



Rapid transit trains will occupy single rights-of-way with the California State Division of Highways; in the upper view, BART's MacArthur Station is shown under construction in the center of the photograph, flanked by lanes of the new Grove-Shafter freeway in Oakland. In the lower view, aerial structures are shown at BART's San Leandro Station site.



nearly 2,500 construction workers were engaged at approximately 30 different sites throughout the three-county area. Total progress:

- Oakland—15 miles of transit line under construction; nine new segments begun.
- Central Contra Costa County—10 miles completed or under construction; one new segment.
- San Leandro-Hayward—6½ miles under construction; two new segments.
- San Francisco—4 miles under construction; eight new segments.
- Berkeley—1½ miles under construction; three new segments.
- Albany-El Cerrito—3½ miles completed or under construction.
- Trans-Bay Tube—3½ miles under construction.

Additional contracts for five more miles of transit line were ready to be awarded at the close of the year, and several other contracts had been advertised for construction bids. Overall design of the rapid transit system and its facilities had progressed to beyond the 75 per cent point. Some 2,822 of the 3,500 parcels of land necessary for the network's right-of-way had been acquired by the District real estate department.

As the project advanced, increasing emphasis was given to the visual design aspects of the system. The District Board of Directors, in order to exercise closer supervision over architectural phases of the project, retained as its special consultant the former Dean of Humanities at the Massachusetts Institute of Technology, John E. Burchard, who more recently had served as Acting Dean of the University of California School of Environmental Design.

His appointment followed the resignations of the District's architectural and landscape design consultants. In addition, the District employed a staff architect to review the visual design aspects of plans and specifications prepared by the many architects who are designing individual transit stations and landscaping projects.

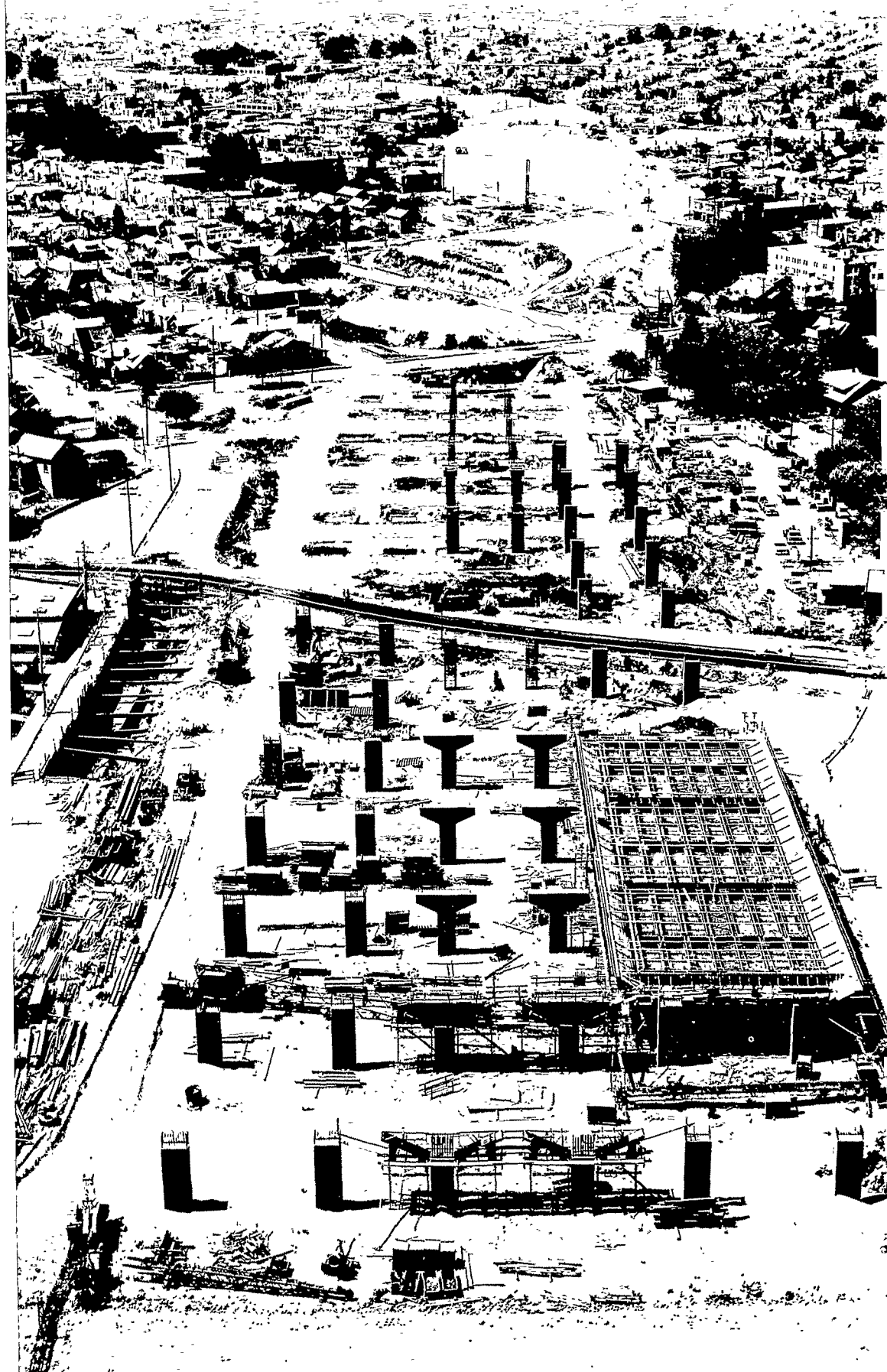
Operational planning was intensified through the addition of staff technical specialists to prepare for the scheduled start of passenger service on the regional transit network. Production specifications were completed for the District's first order of 250 transit vehicles. Also nearing completion were specifications for the system's automatic fare collection equipment.

Detailed design work already was underway on the automatic train control and communications system, for which a production contract was awarded.

Public relations activities of the District were aimed at three principal objectives: Easing the burden of construction activity on local communities, maintaining an adequate flow of public information concerning all phases of the rapid transit project, and developing a public awareness of the future importance of rapid transit service to the entire region.

Administratively, the District initiated various actions aimed at implementing its fair employment policies. Close liaison was continued with civil rights organizations to insure maximum development of employment opportunities for minority workers. A District-sponsored affirmative action program, devised through joint effort with construction contractors, Federal officials and building trades unions, has succeeded in broadening such training and employment opportunities on several construction sites.

The District also initiated a program for the provision of relocation assistance to occupants of property affected by the rapid transit project—in



accordance with new BART-sponsored State legislation and Federal grant requirements.

The District's coordinated insurance program continued to demonstrate its effectiveness during the fiscal year. A report submitted by Transit Insurance Administrators indicated that the program thus far produced an estimated \$1,164,121 in insurance premium savings.

The impact of the rapid transit project on the economy of the Bay Area became dramatically apparent with the heightened construction activity in communities along the transit route. Various public and private projects have been launched, including construction of numerous office buildings and residential developments. More than 15 firms in downtown San Francisco, Oakland and Berkeley are planning special underground entrances to connect with the transit subway stations. City and county agencies have launched other new projects to capitalize on public development opportunities adjacent to the rapid transit system.

Nearing completion at the end of the fiscal year was a joint study, co-sponsored by the Federal government, which would develop plans for coordinating operation of the regional BART network with the San Francisco Municipal Railway and the Alameda-Contra Costa Transit District.

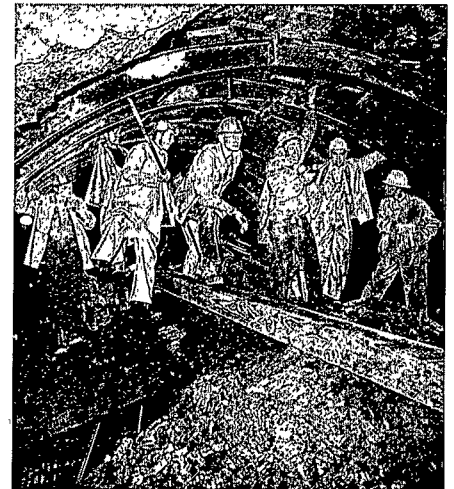
In December, 1966, the Board elected Adrien J. Falk to his eighth consecutive term as President of the Bay Area Rapid Transit District, and it elected James P. Doherty Vice-President, succeeding George M. Silliman.

This report is respectfully submitted to the Board of Directors pursuant to Section 28834 (e) of the Public Utilities Code.

B. R. Stokes
General Manager

Bay Area Rapid Transit's Rockridge Station in North Oakland occupies the median strip of the Grove-Shafter freeway near the intersection of College and Shafter Avenues. Parking for 550 cars at the station will be accommodated beneath the freeway structures, shown under construction at the station site.

A 4-mile tube beneath San Francisco Bay and a 3 1/2-mile tunnel through the Berkeley Hills are perhaps the two most important links in the BART network. At right, workmen are shown moments after the Berkeley Hills Tunnel was "holed through." At left, a section of the Trans-Bay Tube linking Oakland and San Francisco is shown in position on the floor of the bay. Fifty-seven sections will be necessary to complete the tube.



SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

BALANCE SHEET

June 30, 1967

ASSETS

Current assets:	
Cash (including time deposits of \$108,000,000)	\$110,370,514
U.S. Treasury bills, at cost	15,124,905
Miscellaneous receivables	1,013,756
Total current assets	126,509,175
Construction in progress—NOTE D	313,652,886
Debt Service Fund assets—NOTE A (including cash of \$15,290,018)	15,557,129
Contract Guaranty and Other Deposits (principally U.S. Government securities)	12,574,441
Office Furniture and Fixtures, at cost	258,193
	\$468,551,824

LIABILITIES AND CAPITALIZATION

Current liabilities:	
Construction contracts	\$ 7,853,568
Other	364,402
Total current liabilities	8,217,970
Other liabilities:	
Withheld from contractors on progress payments	6,612,049
Payable to State of California—NOTE C	12,342,450
Debt Service Fund—NOTE A	15,557,129
Capitalization:	
Construction funds:	
General Obligation Bonds ((\$812,500,000 authorized to be issued, including \$20,500,000 for Special Service District No. 1; \$370,000,000 issued and outstanding)—NOTE A	\$370,000,000
U.S. Government Grants—NOTE B	10,793,412
State of California Grant—NOTE C	28,799,050
	409,592,462
Accumulated net revenue	14,614,721
Total construction funds	424,207,183
General Fund accumulated net revenue	1,615,043
	425,822,226
	\$468,551,824

(See notes to financial statements)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED NET REVENUE

Fiscal Year Ended June 30, 1967

	CONSTRUCTION FUNDS	GENERAL FUND
Revenue:		
Taxes		\$2,490,375
Interest	\$ 6,582,384	50,801
Other	44,953	186
	6,627,337	2,541,362
Expenses:		
Personal services		2,242,316
Professional and specialized services	87,596	404,977
Rent, leased vehicles, and office expenses		325,695
Bond issuance expense	103,696	
Travel expense		59,344
Other	20,387	81,471
		3,113,803
Less charges to Construction in Progress		861,917
	211,679	2,251,886
Excess of revenue over expenses	6,415,658	289,476
Accumulated net revenue at beginning of year	8,199,063	1,325,567
Accumulated net revenue at end of year	\$14,614,721	\$ 1,615,043

Debt Service Fund

Revenue:		
Taxes		\$17,620,608
Interest		615,128
		18,235,736
Less matured interest		10,820,207
		7,415,529
Balance at beginning of year		8,141,600
Balance at end of year		\$15,557,129

(See notes to financial statements)

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 1967

NOTE A—GENERAL OBLIGATION BONDS

The District is authorized to issue \$792,000,000 of General Obligation Bonds of which \$370,000,000 were outstanding at June 30, 1967, with principal maturities from 1972 to 1999. Payment of both principal and interest on these bonds is provided by the levy of District-wide property taxes. In July, 1967, proceeds were received from the sale of an additional \$70,000,000 of General Obligation Bonds. In addition the electorate of Special Service District No. 1, formed to provide for construction of border-to-border subway within the City of Berkeley, authorized the issuance of \$20,500,000 of General Obligation Bonds guaranteed by property within that city. No Special Service District No. 1 Bonds were outstanding at June 30, 1967.

Bond interest is payable semiannually on June 15 and December 15 from the Debt Service Fund. The composite interest rate on bonds presently outstanding is 3.65%.

NOTE B—U. S. GOVERNMENT GRANTS

Under grant contracts the U. S. Department of Housing and Urban Development is providing financial assistance for research, beautification, and construction projects. The following grant contracts were in force as of June 30, 1967:

Project—Purpose	Estimated Cost	Maximum Grant	Funds Received
CAL-MTD- 2 Transit Design	\$ 9,329,000	\$ 6,219,333	\$ 6,081,886
CAL-MTD- 4 Fare Collection	1,700,000	1,133,333	947,756
CAL-MTD- 7 Transit Hardware	1,200,000	800,000	365,770
CAL-BD - 1 Beautification	497,725	447,953	--0--
Demonstration Grants		8,600,619	7,395,412
CAL-UTG- 6 Construction	34,098,000	13,100,000	2,295,000
CAL-UTG-11 Construction	45,204,850	13,200,000	1,103,000
Capital Grants		26,300,000	3,398,000
Total	<u>\$92,029,575</u>	<u>\$34,900,619</u>	<u>\$10,793,412</u>

NOTE C—STATE OF CALIFORNIA GRANT

Pursuant to Sections 30770-30782 of the California Streets and Highways Code the Department of Public Works of the State of California has authorized the District to construct the San Francisco-Oakland rapid transit tube and its approaches with State funds. Under Code Section 30778 the District must reimburse the State for costs applicable to the tube approaches in the amount of \$2,500,000 annually, commencing December 31, 1971. As of June 30, 1967 the District had received \$41,141,500 of which \$12,342,450 has been allocated to tube approaches.

NOTE D—CONSTRUCTION IN PROGRESS

In mid-1966 a re-estimate of project costs, based upon information then available, was initiated to determine the estimated cost of the rapid transit system at completion. This estimate, as currently revised, amounts to \$1,238,480,000 (including \$179,878,000 for the trans-bay tube to be financed by the State of California and \$72,875,000 for transit vehicles to be financed by revenue bonds payable solely from operating revenue). Presently, the ultimate cost of the system cannot be finally determined, as future economic conditions and possible changes in schedule to match fund availability may have a significant effect on the final cost of the system. It is contemplated that the system will be operational in 1971.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors of the
San Francisco Bay Area Rapid Transit District

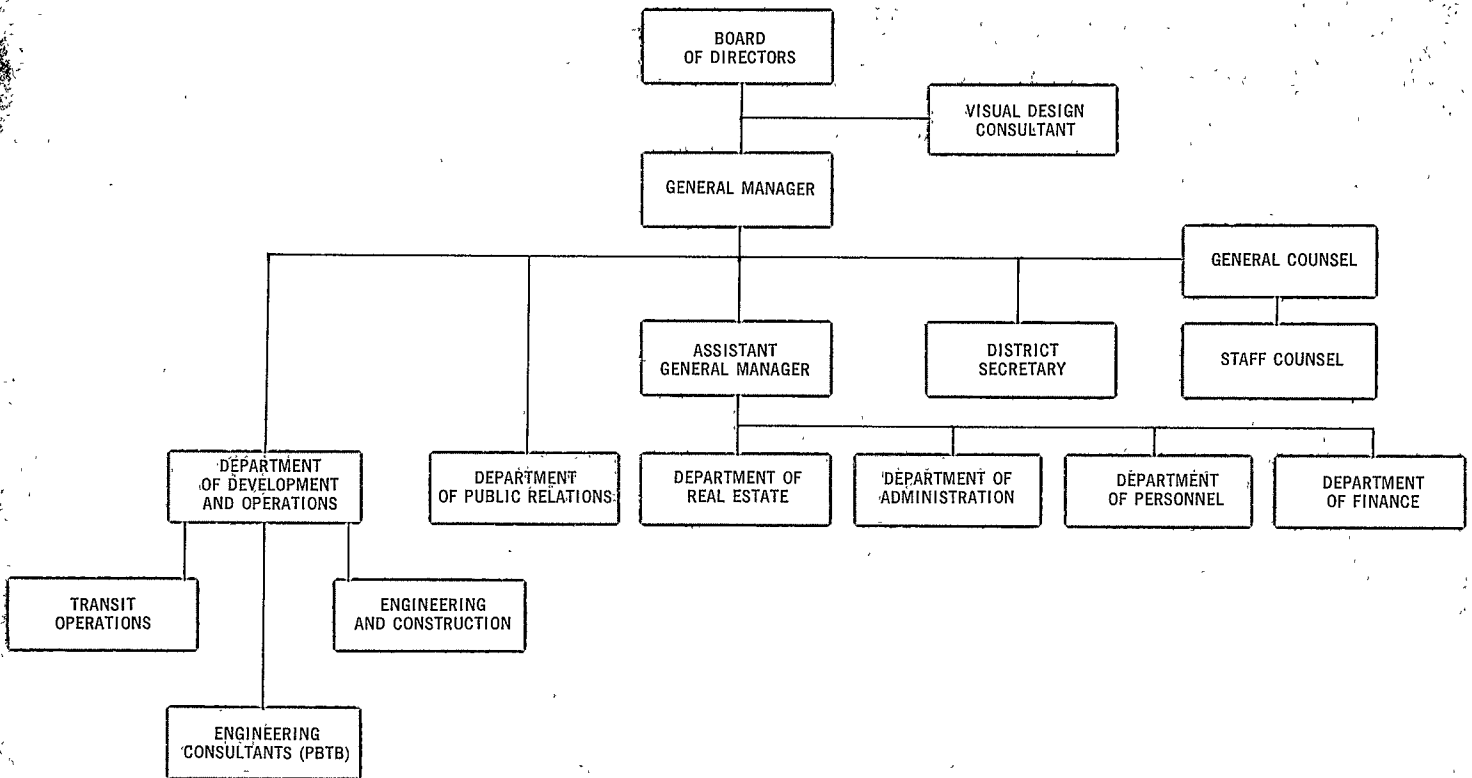
In our opinion, the accompanying balance sheet and the related statements of revenue, expenses and accumulated net revenue and debt service fund present fairly the financial position of the San Francisco Bay Area Rapid Transit District at June 30, 1967, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Price Waterhouse & Co.

Price Waterhouse & Co.

San Francisco, California
September 19, 1967

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT



BART DESIGN ORGANIZATION

PARSONS BRINCKERHOFF-TUDOR-BECHTEL,
ENGINEERING CONSULTANTS
VISUAL DESIGN CONSULTANT — JOHN E BURCHARD
INDUSTRIAL DESIGN, VEHICLE DESIGN — SUNDBERG-FERAR, INC
GRAPHICS DESIGN — ERNEST BORN

STATIONS

19TH STREET OAKLAND
12TH STREET OAKLAND
DALY CITY

ARCHITECTS

McCUE BOONE TOMSICK

LANDSCAPE ARCHITECTS

THEODORE OSMUNDSON

CONCORD
PLEASANT HILL
WALNUT CREEK
LAFAYETTE
ORINDA
SAN LEANDRO
BAY FAIR

MASTEN & HURD/JOSEPH ESHERICK

ANTHONY GUZZARDO

CIVIC CENTER

REID AND TARICS

MONTGOMERY STREET
POWELL STREET

SKIDMORE OWINGS & MERRILL

16TH STREET MISSION
24TH STREET MISSION

HERTZKA & KNOWLES

THEODORE OSMUNDSON

GLEN PARK
BALBOA PARK

CORLETT & SPACKMAN/ERNEST BORN

DOUGLAS BAYLIS

RICHMOND
BERKELEY
ASHBY PLACE
MacARTHUR
ROCKRIDGE

MAHER & MARTENS

ROYSTON, HANAMOTO
& MAYES

NORTH BERKELEY
OAKLAND WEST
SOUTH HAYWARD
UNION CITY
FREMONT

KITCHEN & HUNT

ROYSTON, HANAMOTO
& MAYES
ROBERT KITCHEN

EL CERRITO DEL NORTE
EL CERRITO PLAZA

DeMARS & WELLS

SASAKI, WALKER ASSOC.

LAKE MERRITT

GARDNER A. DAILEY & ASSOCIATES

JACK C. STAFFORD

FRUITVALE
COLISEUM

REYNOLDS & CHAMBERLAIN/NEILL SMITH

ANTHONY GUZZARDO

HAYWARD

WURSTER, BERNARDI & EMMONS

RALPH JONES

