



Board Policy No. 432

District Operated Park and Ride Lot Pricing and Cost Recovery Policy

ADOPTED: 2/2012

RECENT AMENDMENT: 9/13/2017

SEE ALSO: N/A

SUBJECT CATEGORY: SECTION 400 - OPERATIONS

SUBSECTION: FACILITIES, PARKING, VEHICLE USE

CONTROL DEPARTMENT: FINANCE

I. PURPOSE

The purpose of this policy is to provide guidance on the pricing relative to District owned and/or operated Park and Ride facilities to ensure that budget and cost estimates for the construction/implementation and operation of Park and Ride facilities includes sufficient revenue to cover initial capital costs, recapitalization costs, maintenance costs, and operating costs. It is the intent of this policy to establish pricing considerations once the need for Park and Ride lots has already been determined.

II. PERSONS AFFECTED

Any employee, consultant or independent contractor who is involved in a business activity related to a District-operated Park and Ride Transit Center and all users of said facilities.

III. DEFINITIONS

"Park and Ride Facilities" include parking lots or structures that provide parking access adjacent to bus service over which the District has the discretion to set pricing levels, whether through direct ownership or through other designation.

"Operations and Maintenance" includes fee collection/enforcement, cleaning and maintenance of facility, and administrative oversight.

"Recapitalization" includes the costs of capital rehabilitation or replacement of the facility assets, separate from normal operations and maintenance costs. These costs can be amortized to determine the yearly amount required to fund the full cost.

IV. POLICY

A. Capital Costs

To the extent possible, capital costs for all Park and Ride infrastructure owned or operated by AC Transit will be funded by external capital sources or by fees collected at the Park and Ride facility.

B. Operating Costs

Operating costs of all Park and Ride infrastructure owned or operated by AC Transit shall be primarily funded by the users of the parking facility. Federal highway regulations clearly limit the fees that can be assessed at Park and Ride centers when federal highway funding has been used to construct that facility, such that the fees can only cover operating and maintenance costs; parking fees cannot be used to subsidize transit operations.

C. Fees

1. Parking fees should be sufficient to cover the normal operating and maintenance costs and the amortized costs of recapitalizing the facility, which shall be included in the long-range capital plan.
2. In the event that pricing for the lots decreases demand, the District shall seek non-District funds to pay for operations/maintenance and/or recapitalization of the facility. Notwithstanding grant requirements, in the event that funds are not available, the District should consider alternative operating scenarios up to and including decommissioning, unless a compelling business interest is established.

V. AUTHORITY

Budget for normal, on-going operations and maintenance and recapitalization of Park and Rider Transit Centers shall be acquired through the Operating and Capital Budget process.

Only the Board of Directors has the authority to set pricing. This includes any parking spaces designated as free or reduced pricing for carpools or vanpools. If appropriate, the Board may set pricing on a facility basis (Ref: PUC Sec. 24885).

The General Manager shall provide an annual report to the Board on the state of the District's facilities, including Park and Ride Transit Centers.