

# T Transportation Committee

Meeting date: July 23, 2012,

For the Council Meeting of July 25, 2012

## ADVISORY INFORMATION

<b>Date:</b>	July 16, 2012
<b>Subject:</b>	Tokens: Temporary Fare Change Clarification
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Transit Fare Policy Changes 3-2-6, Implementing Procedure 3-2-6a
<b>Staff Prepared/Presented:</b>	Brian J. Lamb, General Manager, (612-349-7510) Ed Petrie, Director of Finance, Metro Transit, (612-349-7624) Tom Randall, Senior Manager Revenue Operations, (612-349-7624 )
<b>Division/Department:</b>	Metro Transit

### Proposed Action

That the Metropolitan Council approve a Temporary Fare Change for Tokens where a single token will be valid for both local peak and off-peak **and express** fares for up to a value of \$2.25 with the token sales price set at \$1.75, effective for the period of August 1, 2012 to April 30, 2013.

### Background

The Token Temporary Fare Change was approved by the Metropolitan Council on June 27, 2012 with Business Item 2012-186. The intent of the approved business item was to be valid **for both local and express fares** for up to a value of \$2.25. This business item clarifies that intent.

Tokens are sold to Social Service Organizations who distribute them to their clients at no cost. The tokens are sold for a list price of \$1.58 and are valid for fares of up to \$1.75. The \$2.25 fare requires use of two tokens for full payment which creates confusion with the customer and leads to fare disputes with the operators. To simplify the fare structure, this action would approve a temporary fare change for Tokens where a single token is valid for both local and express fares for up to a value of \$2.25 and are sold for a list price of \$1.75. The last survey of organizations purchasing tokens found over 92% of those responding favored this change.

### Funding

The maximum potential fare revenue loss resulting from the Token Temporary Fare Change will be approximately \$52,000 for the 9-month period of August 1, 2012 to April 30, 2013. The \$52,000 will be covered by cost savings in Metro Transit Bus Operations.

### Known Support / Opposition

There is no known opposition to this action.