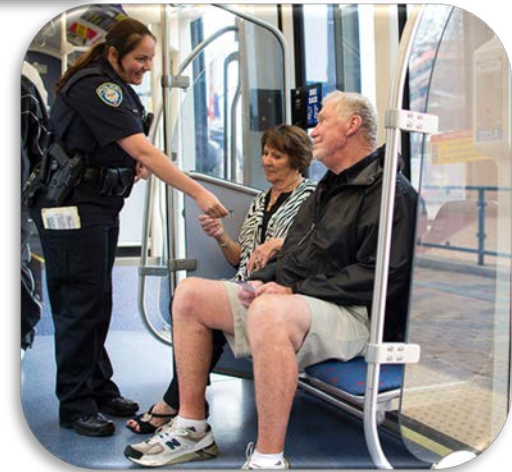


Fare Policy Discussion Background and History

Transportation Committee

Nick Eull
*Senior Manager of
Revenue Operations*
February 27th, 2017



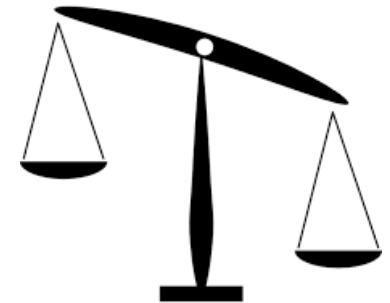
2013 Fare Policy Analysis Report

- Cross-functional group comprised of Metro Transit and MTS staff performed comprehensive fare policy review
- Recommendations incorporated information gathered from community partner conversations
- Effort and review was regionally focused
- Produced specific recommendations for consideration based on important regional factors



2013 Fare Policy Recommended Goals

- **SIMPLIFY** – Simplify fare system to improve customer service and fare compliance
- **SEAMLESS** – Preserve and enhance the common regional approach to fare policy that provides seamless travel for riders among providers and modes
- **RIDERSHIP GROWTH** – Promote ridership growth
- **GO-TO** – Increase customer use of Go-To technology that benefits riders and providers
- **FAIR FARES** – Set fares that reflect the costs of service while mitigating the negative impacts on those most reliant on transit and least able to afford fare increases
- **TECHNOLOGY** – Ensure compatibility with existing regional fare collections systems, processes and devices while supporting the need to integrate enhancements with technology
- **REVENUE RECOVERY** – Maintain or increase revenue recovery rate



2013 Study Policy Recommendations

- Eliminate peak period for buses and Metro lines
- Increase difference between express and local fares
- All-day reduced fares for youth, senior and Medicare card holders
- Reverse commute express routes at local fare levels
- Increase discount fares available to low income riders
- Eliminate or reduce 10% discount on stored value purchases
- Review/modify rush hour definitions
- Transit Link fares will be no less than Metro Mobility fares
- Consider free transfers only with Go-To card



2013 - 2016 Fare Policy Work

- Efforts focused on simplification and equity in a time of increased ridership, system expansion
- Looked at policy changes aimed at simplification
 - Elimination of peak differential in all fares
 - Elimination of reduced fare peak surcharges
 - Reduction of fare products to simplify overall fare structure
- Focused on maintaining revenue levels with any fare changes
- Resulted in Transit Access Pass (TAP) low income pilot tests

2017 Fare Change Goals

- **Generate Additional Fare Revenues** – *Increase revenues across all modes and service (Metro Transit, regional and contract service, Metro Mobility and Transit Link) while minimizing any ridership impacts*
- **Promote Equity** – *Price fares so that they account for an equitable portion of operating costs and reflect the ability of customers to pay*
- **Simplify** – *Make the fare structure easier to use and understand*



2017 Fare Change – What’s Being Considered

- Larger fare increase for express customers
- All-day reduced fares for seniors, youth and Medicare card holders
- Making TAP program permanent
- Reducing or eliminating stored value bonus
- Revising express definition from 4 to 5.5 miles
- Combining all express service into one price category

Dial-A-Ride Fare Policy Considerations

- No bonus or discount for Go-To fares
- Transit Link fares will match non-ADA fares (higher priced)
- Distance-based surcharge for rides over 15 miles (non-ADA)
- No “All You Can Ride” passes accepted on dial-a-ride service
- Provide Metro Mobility fare incentives for transferring to fixed route at select stations



Future Fare Policy Considerations

- Elimination of time-of-day surcharge
- Changing transfer policy
 - Transfer time
 - Go-To Card only transfers
- Reverse commute routes at local fare levels
- Scheduled, consistent fare change intervals tied to key KPI



Key Next Steps

- Regional Fare Committee meeting – March 1st
- Draft fare change proposal discussion – March 13th
- Vote to begin public comment process – March 27th/April 12th

