

Receive and File: Fare Capping Response to Motion 36

Executive Management Committee

September 17, 2020

Fare Capping/Best Fares – How it Works

- Instead of paying for a pass up front, customers use their TAP cards to pay-as-they-ride to earn 1-day, 7-day or 30-day passes
- Customers load their TAP cards with Stored Value and tap their TAP cards at fareboxes, station validators and gates
- Once the customer reaches the fare equivalent of a pass within the required pass period, the remaining rides are at no cost

Example of Daily Capping when Traveling Local Routes in One Day

	Trip 1	Trip 2	Trip 3	Trip 4	Trip 5	Total Cost
One-Ride	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$8.75
Daily Capping with Stored Value	\$1.75	\$1.75	\$1.75	\$1.75	No Charge	\$7.00

Fare Capping Implementation Strategy

- Additional software development required to TAP system
- TAP cards will need “fare capping” programming
- 9 to 12 months development and testing
- Preliminary estimate to develop software is about \$5 million
- Minimum 6-month pilot for the fare capping of day pass for select Metro customers
- Will return to the Board within six months with full implementation plan and budget

Fare Capping Phased Approach

Phase 1: Pilot Rollout, Metro only, Day Pass Capping

- Select pilot test group
- Monitor and expand
- Minimum of six months

Phase 2: Pilot Expansion, Metro only

- Expand to all customers
- Expand to other Metro passes

Phase 3: Explore Potential for Regional Fare Capping

- Work with TAP partner agencies to explore development of possible regional daily, weekly and monthly capping

Review EZ Transit Pass Pricing

- EZ transit pass is valid on Metro and 22 municipal operators
- Adjustments to pricing must be a regional decision since EZ transit pass revenues are shared among 23 transit operators
- Pricing must be considered in relation to the promotional \$50 Metro 30-Day pass and all monthly passes offered by other operators
- Special working group convened in July, made up of representatives from Metro and EZ participating agencies
- Meetings will be held monthly to assess regional financial impacts of potential adjustments
- Recommendation to come by end of 2020