

Regional Pass Program (EZ Transit Pass)

Summary of Policy

The purpose of the Regional EZ Transit Pass program is to provide a low technology, low-cost, immediately implementable program, so that transit patrons in Los Angeles County are able to benefit from seamless transfers in advance of the implementation of the Universal Fare System (UFS).

The price of the Monthly Regional Pass was set at \$58, and Elderly and Disabled \$29. The price for Zone premium was set at \$15 per zone increment, and Elderly and Disabled Zone premium at \$7.50.

All operators sell the pass from their current outlets and transit stores, and they market the pass through existing programs or through joint marketing efforts. Each operator is reimbursed at the rate of its current average fare per boarding multiplied by the operator's Regional Pass boardings.

The EZ Transit Pass Program currently consists of 17 transit operators, including agency bus and rail, the municipal operators and two locally funded transit systems.

Current members include:

1. Antelope Valley
2. Burbank Local Transit
3. City of Commerce
4. Culver City Municipal Bus Line
5. Foothill Transit
6. Gardena Municipal Bus Line
7. Glendale Beeline
8. LADOT
9. Long Beach Transit
10. Metro Bus & Rail
11. Montebello Bus Lines
12. Monterey Park Spirit Bus
13. Metrolink
14. Municipal Area Express (MAX)
15. Norwalk Transit
16. Pasadena ARTS Shuttle

17. Santa Clarita Transit
18. Santa Fe Springs MetroExpress
19. Santa Monica Big Blue Bus
20. South Pasadena Gold Link
21. Torrance Transit

Historical Perspective

In January 1999, Board adopted a motion directing staff to begin discussions with municipal operators with the objective of developing a consensus around a package of policy changes that would improve regional services for bus riders, operators, and labor. One of the elements to be included in that package was to establish an integrated regional pass and fare system to better serve our customer.

An Operator Taskforce was established consisting of General Managers of the local transit systems and agency Operations to develop a regional pass program. The taskforce developed an implementation plan, a work program, major milestones, and implementation schedule and timeline.

The program approach included two phases. The first phase included municipal operators and operators willing to participate in this Regional Pass Program. The second phase would include other operators, local systems, Metrolink, and other counties.

The program principals and framework included:

- **Keeping Operators Whole:** Commitment to keep all operators and Metro Operations whole. The Regional Pass would have no revenue loss to the participating operators.
- **Revenue Sharing:** Goal to achieve a balance between a methodology, which would be simple/easy to administer, yet fair to all participants.

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- **Price of Regional Pass:** Keep the price affordable yet allows some reasonable payback to the operators.
- **Use of Regional Funds:** Keep the Regional pass affordable, consider regional funds to subsidize the program participants (if needed)

Before the Board adopted the Regional Pass Program in April 2002, transit riders, who used more than one system or transferred between systems, had to be aware of multiple fares. This became very confusing for transit riders and discouraged new riders from seeking transit, as a means of completing local travel needs.

Now with the Regional Pass Program, it allows transit riders to transfer from one system to another without making transfer payments. The Program is a step toward the UFS, which will create seamless travel for transit riders through a regional fare collection system that includes all modes and operators.

In January 2003, the Board adopted the 2003-2007 Regional Transit Plan. The Regional Transit Plan is used to guide the efforts to improve the regional bus system and to sustain on-going service coordination efforts among the municipal operators and agency Operations. The Plan includes promoting seamless fare programs, such as the Universal Fare System, Regional (EZ) Pass Program, and Interagency Transfers.

In September 2003, the Board approved an agreement with Metrolink to integrate them into the Regional Pass Program. The purpose of integrating Metrolink into the EZ Transit Pass Program is to promote seamless transfers between Metrolink and transit services. Under the proposed integration, Metrolink fare media will be accepted as valid EZ Transit

Pass fare media on board participating EZ Transit Pass operators. Participating bus and rail operators, including the agency, will be reimbursed for the Metrolink fare boardings using funding derived from a surcharge that Metrolink collects with each ticket or pass purchase.

Last Board Action

June 7, 2004 – FY2004 Budget -Regional Pass Program (Funds were increased to \$3M to reflect the full scope of the program)

Board adopted:

- A. the Fiscal Year 2005 (FY05) Budget;
- B. the Reimbursement Resolution to authorize the expenditure of funds for capital construction and acquisition activities prior to issuance of debt for specific activities;
- C. the life-of-project increases and funding plan changes for capital projects; and
- D. the budgeted number of positions and estimated salary/benefit costs for each agency classification by department.

Attachment

Regional Pass Program

See Related

[2003-2007 Regional Transit Plan](#)

[Smart Card Technology for Transit Access Pass](#)

PROGRAM APPROACH

A. A Phased Approach Considered

- **First Phase:** include municipal operators and operators willing to participate in the Regional Pass Program (RPP) – (all fixed route Municipal Operators except Antelope Valley Transit Authority are participating, i.e., 12 transit operators including MTA Operations)
- **Second Phase:** Include other operators; local systems, Metrolink and other counties such as Orange County

B. Program Principles and Framework

- **Keeping Operators Whole:** Commitment to keep all operators and MTA Operations whole. In other words, Regional Pass to result in no revenue loss to MTA Operations or the participating operators
- **Revenue Sharing Methodology:** Goal to achieve a balance between a methodology that would be simple/easy to administer, yet fair to all participants.
- **Price of Regional Pass:** Keeping the price affordable yet sufficient to allow some reasonable payback to the operators
- **Use of Regional Funds:** To keep the Regional Pass affordable, consider regional funds to subsidize the program participants

C. Relationship to UFS

- Select revenue sharing methodology and regional pass price such that it can be directly transferred to or easily modified to continue when the upcoming UFS is implemented.

D. Distribution/Sales Network/Marketing

- Everyone participating has the option to sell the pass
- Operators and MTA sell the pass through their current sales outlets
- Operators market the pass through their own marketing programs and participate in joint marketing efforts

PROGRAM ELEMENTS

A. Price of the Regional Pass

- Transit riders likely to buy a regional pass are these who transfer from one system to another to complete their trips
 - Current cost of a trip with transfer to another system
 - \$47 - \$57 for cash paying customers (Table 1 attached)
 - \$52 - \$62 for MTA pass holders (Table 2 attached)
- Recommendation to consider \$58 as the price of the Regional Pass
- A \$29 Regional Pass for seniors/disabled or half of the price of the Regional Pass
 - An Express monthly regional pass with options of five or more zones
 - (Each zone at a \$15 price increment)
 - An express monthly senior and disabled pass with options of five or more zones
 - (Each zone at \$7.50 price increment)

B. Revenue Distribution Between Operators

- Methodology where revenues are distributed based on each operator's system average fare/boarding multiplied by the operators regional pass boardings
- This methodology keeps every operator whole, as the operators are reimbursed the same average revenue/boarding as they are currently collecting
- Since the revenue collected from the sale of the regional passes may be less than the revenue to be returned to the operators, some regional subsidy funds are needed (table 3 attached)

C. Cost of the Program: FY2003

• Cost of printing, distribution and processing (Estimated)	\$ 500,000
• Cost of marketing	\$ 150,000
• Cost of auditing	\$ 50,000
• Projected set aside of regional subsidy	\$ 1,300,000
• TOTAL	\$2,000,000.00

Funding Source: Proposition A & C/TDA administrative funds

D. Administrative Details

- MTA staff will work with the participating transit operators to execute an MOU and develop administrative guidelines to include:
 - Revenue and data reporting mechanism
 - Revenue reconciliation and reimbursement procedures, auditing requirements and other requirements necessary to proceed with the program