

Meeting Agenda

Fare Integration Task Force

Members:

Michael Hursh, Chair **Denis Mulligan, Vice Chair**

**Carolyn M. Gonot, Daryl Halls, Beth Kranda, Carter Mau,
Therese W. McMillan, Kate Miller, Robert Powers,
Rick Ramacier, Michael Tree, and Jeffrey Tumlin**

Monday, July 19, 2021

1:30 PM

Board Room – 1st Floor (REMOTE)

In light of Governor Newsom’s State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via webcast, teleconference, and Zoom for Task Force members who will participate in the meeting from individual remote locations.

A Zoom panelist link for meeting participants will be sent separately to Task Force members.

The meeting webcast will be available at <http://mtc.ca.gov/whats-happening/meetings>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number. Task Force Members and members of the public participating by Zoom wishing to speak should use the “raise hand” feature or dial *9. When called upon, unmute yourself or dial *6. In order to get the full Zoom experience, please make sure your application is up to date.

Attendee Link: <https://bayareametro.zoom.us/j/89296032148>

**Join by Telephone Dial (for higher quality, dial a number based on your current location) US:
+1 408 638 0968 or +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 312 626 6799
or +1 646 876 9923 or +1 301 715 8592 or 877 853 5247 (Toll Free) or 888 788 0099 (Toll Free)**

Webinar ID: 892 9603 2148

International numbers available: <https://bayareametro.zoom.us/j/kdHvHp32SI>

Detailed instructions on participating via Zoom are available at:

<https://bayareametro.zoom.us/j/keF6DXG0Ji>

<https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom>

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

1. Roll Call / Confirm Quorum

Quorum: A quorum of this committee shall be a majority of its regular voting members (7).

2. Chair's Introduction / Remarks - Hursh

3. Consent Calendar

- 3a. [21-0832](#) Minutes from the May 17, 2021 Meeting

Action: Task Force Approval

Attachments: [03a FITF Minutes 05-17-2021.pdf](#)

4. Information

- 4a. [21-0834](#) Project Update and Pathway to Policy Recommendations

Discuss of ongoing work tasks and presentation on a pathway to the development of draft project recommendations which will be presented at the September Task Force meeting.

Action: Information

Presenter: William Bacon, MTC Co-Project Manager
Michael Eiseman, BART Co-Project Manager

Attachments: [04a FCIS July Project Update.pdf](#)

5. Public Comment / Other Business

*Task Force Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6.*

6. Adjournment / Next Meeting

The next meeting of the Fare Integration Task Force will be held on Monday, August 16, 2021 at 1:05 pm remotely and by webcast as appropriate depending on the status of any shelter in place orders. Any changes to the schedule will be duly noticed to the public.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.

Meeting Minutes - Draft

Fare Integration Task Force

Members:

Michael Hursh, Chair Denis Mulligan, Vice Chair

*Daryl Halls, Beth Kranda, Carter Mau, Therese W. McMillan,
Kate Miller, Robert Powers, Rick Ramacier, Evelyn Tran,
Michael Tree, and Jeffrey Tumlin*

Monday, May 17, 2021

1:05 PM

Board Room – 1st Floor (REMOTE)

1. Roll Call / Confirm Quorum

Present: 9 - Task Force Member Halls, Task Force Member McMillan, Task Force Member Miller, Vice Chair Mulligan, Task Force Member Ramacier, Task Force Member Tree, Task Force Member Tumlin, Task Force Member Tran, and Task Force Member Kranda

Absent: 3 - Chair Hursh, Task Force Member Powers, and Task Force Member Mau

Ahsan Baig acted as a delegate and voting member of the Board in place of Michael Hursh. Actions noted below as “Hursh” were taken by Baig.

Michelle Bouchard acted as a delegate and voting member of the Board in place of Carter Mau. Actions noted below as “Mau” were taken by Bouchard.

Pamela Herhold acted as a delegate and voting member of the Board in place of Robert Powers. Actions noted below as “Powers” were taken by Herhold.

2. Chair’s Introduction / Remarks - Hursh

3. Consent Calendar

Upon the motion by Task Force Member Ramacier and second by Task Force Member Kranda, the Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye: 12 - Chair Hursh, Task Force Member Halls, Task Force Member McMillan, Task Force Member Miller, Vice Chair Mulligan, Task Force Member Powers, Task Force Member Ramacier, Task Force Member Tree, Task Force Member Tumlin, Task Force Member Tran, Task Force Member Kranda and Task Force Member Mau

3a. [21-0682](#) Minutes from the April 19, 2021 Meeting

Action: Task Force Approval

Attachments: [03a_FITF Minutes_04-19-2021.pdf](#)

4. Subcommittee Reports

- 4a. [21-0683](#) Policy Advisory Council Fare Coordination and Integration Subcommittee Report

Summary of materials presented and discussions from the Policy Advisory Council Fare Coordination and Integration Subcommittee on May 10, 2021.

Action: Information

Presenter: Adina Levin, Policy Advisory Council Fare Coordination and Integration Subcommittee Chair

Attachments: [4a Policy Advisory Council Meeting Summary.pdf](#)

5. Information

- 5a. [21-0684](#) Project Update and Discussion of the Business Case Evaluation and Modeling Approach

Discussion of the Fare Coordination/Integration Study's approach to using modeling and a business case process to evaluate policy recommendations.

Action: Information

Presenter: William Bacon, MTC Co-Project Manager
Michael Eiseman, BART Co-Project Manager

Attachments: [05a_May 17 FTIF Presentation..pdf](#)

Aleta Dupree spoke on this item.

Roland Lebrun spoke on this item.

Ian Griffiths of Seamless Bay Area, spoke on this item.

6. Public Comment / Other Business

Aleta Dupree was called to speak.

7. Adjournment / Next Meeting

The next meeting of the Fare Integration Task Force will be held on Monday, June 21, 2021 at 1:05 pm remotely and by webcast as appropriate depending on the status of any shelter in place orders. Any changes to the schedule will be duly noticed to the public.



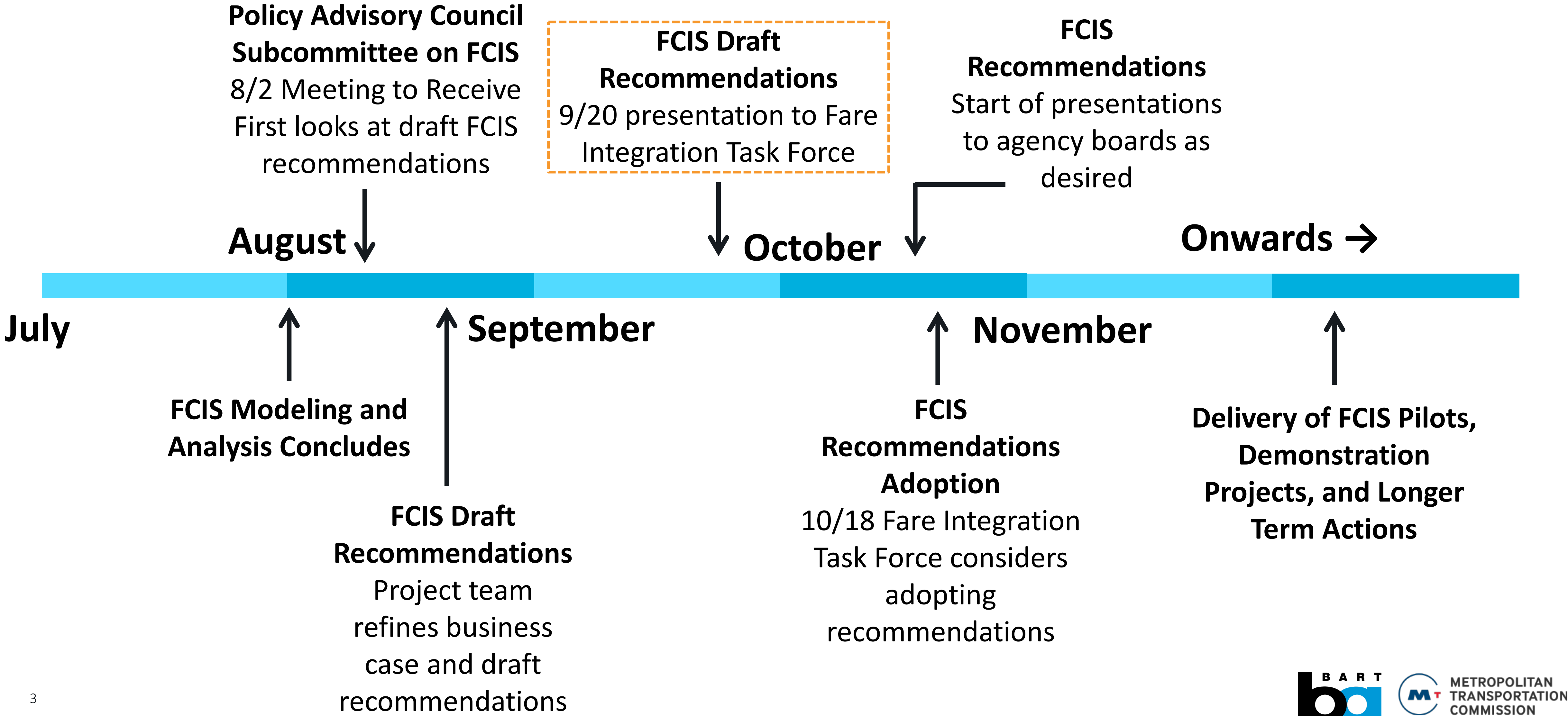
Task Force Meeting Overview

AGENDA

1. FCIS: Review of Work and Analysis
2. Integration Tiers
3. Business Case Framework
4. Next Steps



Schedule Update



Transit Fare Policy Should Encourage Transit Use for All Kinds of Users



Project Problem Statement

Fare policy is one among several factors that have constrained the growth of transit ridership in recent years. Current fare policies are informed **by funding and governance models that incentivize locally-focused fares** without providing a coherent set of policies to set fares that support ridership growth.

As a result, Fare Coordination and Integration has a role to play in restoring transit ridership, supporting recovery from the COVID-19 pandemic, and **delivering the transportation system the Bay Area needs** for its coming decades of growth.

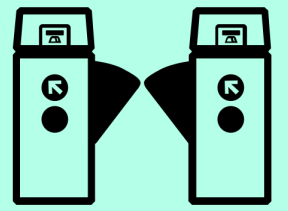
The following key issues define how fares impact ridership and contribute to the key challenges which detract from rider experience:



Customer Value

Current fare policies can lead to a disconnect between the fare charged and the value a customer places on their trip.

Payment Experience



Current fare products, passes, payment technologies, and payment experiences may not be legible.

Key Issues



Equity

Current fares may not consistently meet the needs of Equity Priority Communities.

Future Transit



Current fares may not optimize the ridership and benefits of proposed transportation investments.

What can we directly influence through Fare Integration?

FCIS Developing Areas of Focus

Price Barriers

At any given level of cost recovery, does the region's fare structure:

- Offer competitive prices for all types of trips?
- Offer competitive prices for trips that involve more than one agency?

Learnability & Legibility

- Is the fare structure easy to learn and understand?
- Does the learnability and legibility of the fare system encourage people to adopt transit and use it frequently?

Equity

- Do different agency approaches to equity initiatives limit or optimize overall impact?
- How do other FCIS focus areas affect Equity Priority Populations in particular?

Important & Related Fare Policy Issue

Affordability

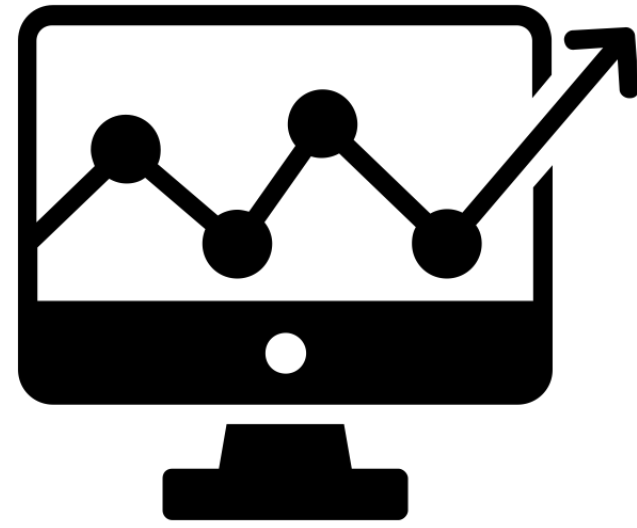
- Is the Bay Area's transit system affordable to people at all income levels?
- What role do programs like Clipper START serve in making transit affordable (e.g., what is the income eligibility threshold?)

Refresh on the FCIS Process

The FCIS team is applying a **business case approach** to evaluate six fare integration options. Originally the project team had hoped to share draft recommendations and results of the business case evaluation today, however unexpected delays in several areas has caused the team to postpone discussing recommendation until the September Task Force meeting.

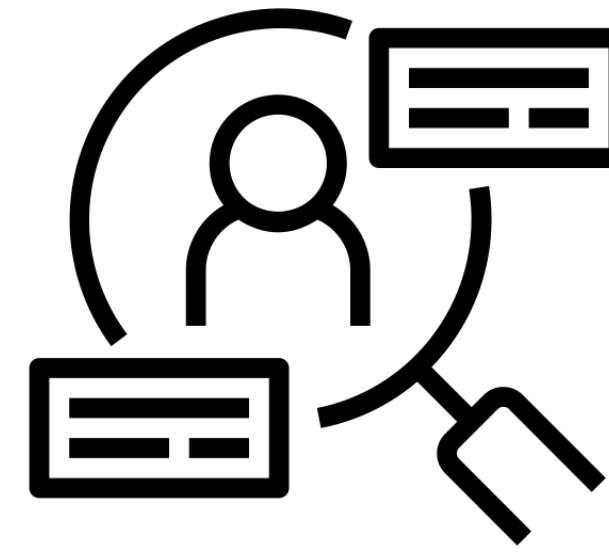


Ongoing Analysis is Crucial to Eventual Recommendations



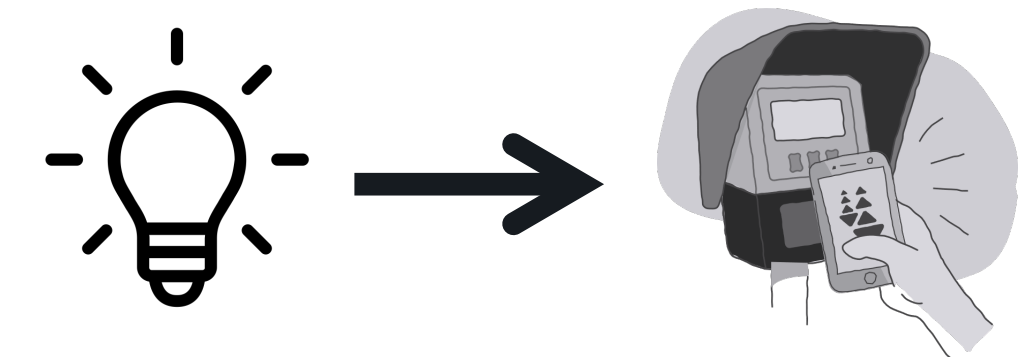
Travel Demand Model

The project team is currently utilizing MTC's *Travel Model 1.5* (same model used in Plan Bay Area 2050) to analyze possible ridership impacts of potential fare policy changes as well as the performance of fare policy change relative to other service and capital investments.



User Research: Prototype Testing

User research continues, focusing on testing how different types of transit users and non-users might experience possible fare policy changes.



Business Case & Implementation Recommendations

Developing FCIS recommendations involves turning ideas and into practicable actions.

The project team is working with agency staff and other stakeholders to socialize concepts and fine tune implementation considerations.

Decisions to Advance Fare Coordination/Integration – Where are we?

Decisions that have been made

- Launch the Fare Coordination and Integration Study
- Define the problem statement
- Define the evaluation framework
- Define the long-list
- Filter the longlist to a shortlist of options

Future decisions informed by FCIS recommendations

- Specific pricing points for the resulting structure
- Timelines to deliver the structure
- Resources and level of subsidy to allocate to the structure
- Revenue allocation model

Decisions we seek to make before end of FCIS

- What fare integration tier should inform the long-term fare policy and immediate delivery plan?
- What demonstrations should be implemented in the short term to prepare for the long-term structure?

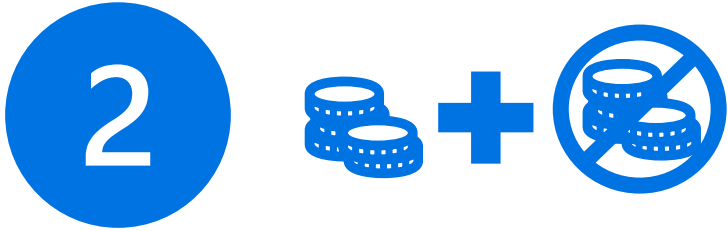
Focus Area of Today's Meeting

Four Tiers of Integration



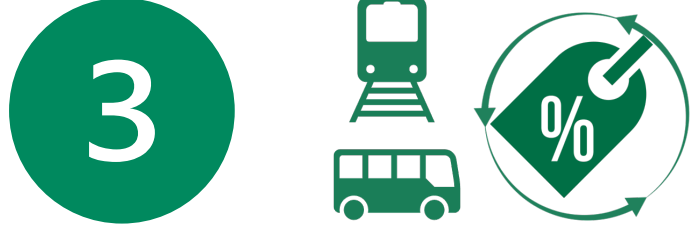
Overlays

- No change to existing structures
- Agreements on revenue allocation and pricing
- Potential subsidy



Transfer Discounts

- No change to existing individual fare structures
- Customers receive credit that makes all their transfers discounted or free
- Agreements on revenue allocation and pricing
- Ridership increases, subsidy, and/or fare increases to cover lost revenue



Regional Change

- Regional operators share common fare structure
- Agreements on revenue allocation, regional pricing model, and level of discounts to types of users
- New level of inter-agency cooperation and integration in fare policy management needed
- Ridership increases, subsidy, and/or fare increases to cover lost revenue



Regional + Local Change

- Changes to local and regional fares structures
- Fare policy management changes or comprehensive agreements between all 27 operators
- Advanced revenue allocation, grants, and potential rework of cost/funding models
- Greatest level of change does not automatically = greatest level of benefit to users



Could be partially delivered under C1

Requires C2 for complete delivery

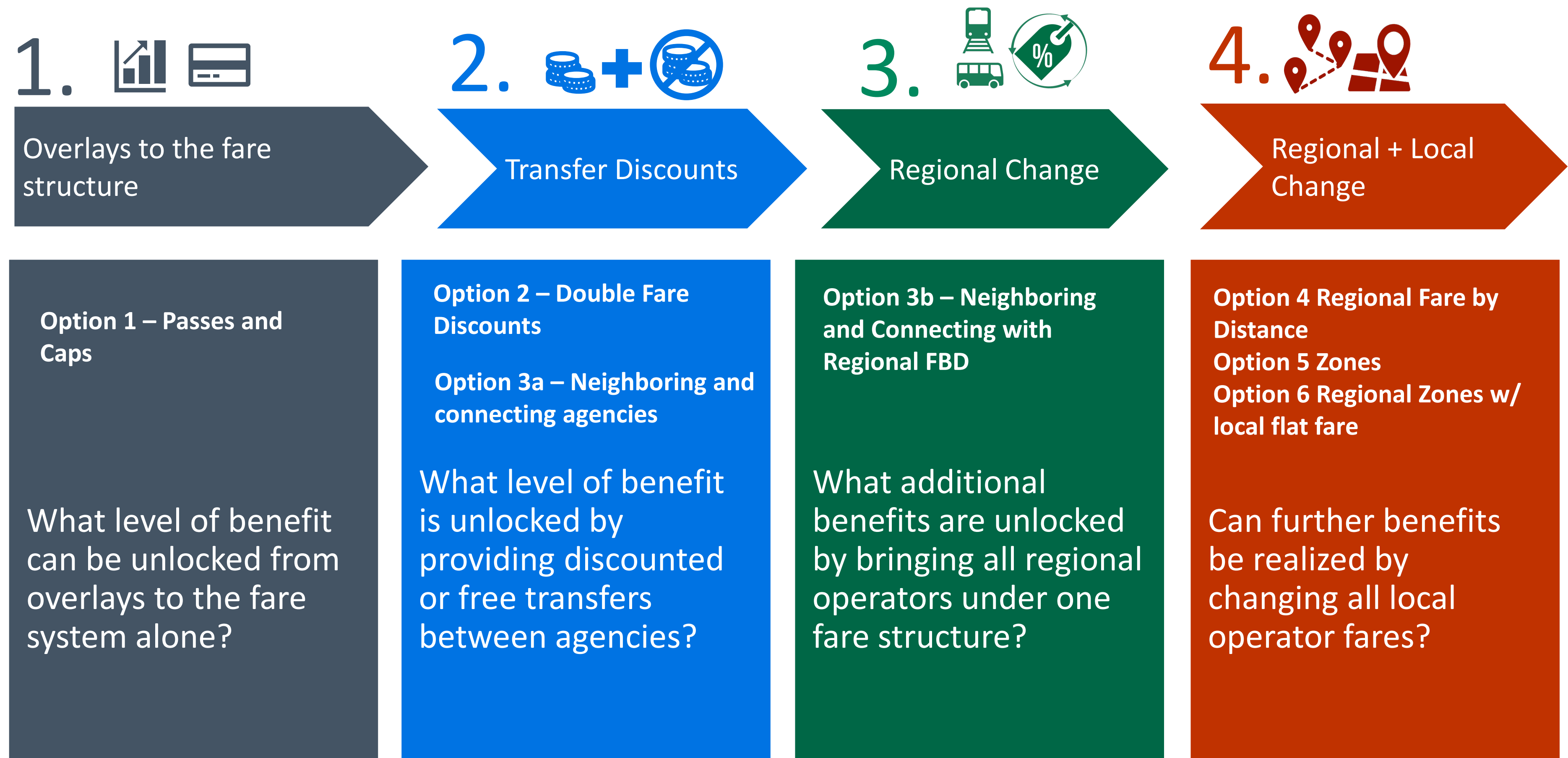


Could be delivered through agreements without institutional change

Requires institutional change

Business Case Methods – Investigating Extent of Integration

The fare integration business case assesses the benefits, costs, and requirements associated with increasing tiers of fare policy integration in the Bay Area.



The Devil is in the Details

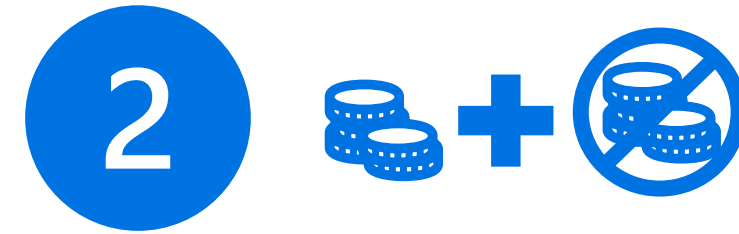
Snapshot of Some of the Considerations the FCIS is Examining



Overlays

- No change to existing structures

- Should the Bay Area have a pass model or a cap/accumulator model or both?
- How would revenue sharing work between agencies for a pass/cap?



Transfer Discounts

- No change to existing individual fare structures or prices

- How do you communicate to users a “free” transfer between local and regional transit?
- What’s the revenue impact likely to be, considering there are already lots of inter-agency transfer agreements?



Regional Change

- Regional operators share common fare structure

- What management approaches would allow an effective common zone or distance-based fare structure work for regional rail, ferry, and express bus?
- Could fares differ between agencies but use the same structure?




Regional + Local Change


- Changes to local and regional fares structures


- Is there an equitable way for users and for agencies to combine eight different local transit fares (from \$1.50 to \$2.50) into one?
- How would local discount programs function?
- Can we reconcile local funding levels with different fare revenue needs?

Business Case Framework

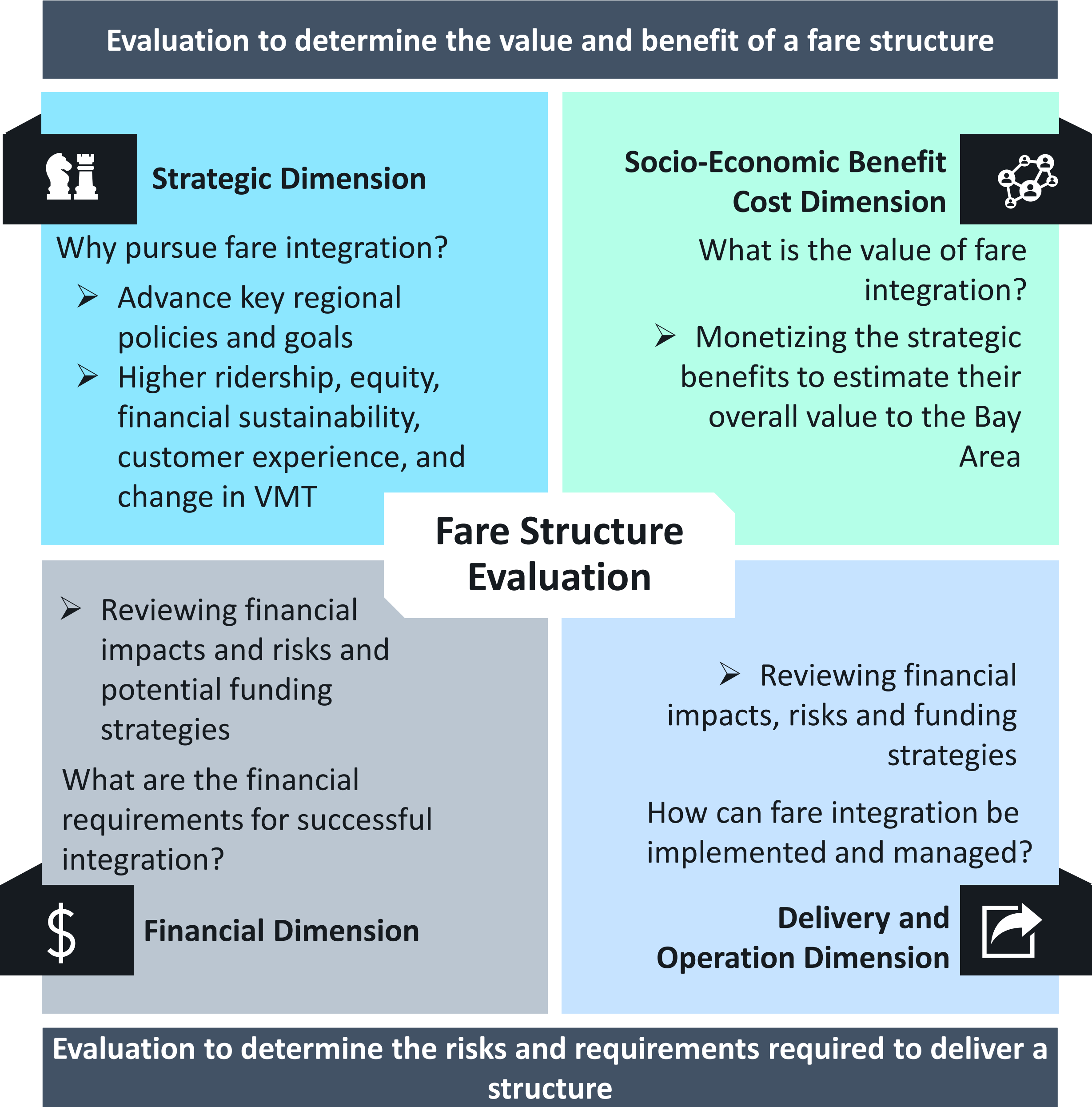
The business case framework reviews option performance holistically to explore:

 The overall benefits of integration

 The comparative benefits of each tier

 For tiers with multiple options, the specific benefits of each option and best option within a tier

Each option’s performance is presented as incremental to the status quo.



Next Steps

