



# Metropolitan Transportation Commission

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Agenda

### Policy Advisory Council Fare Coordination and Integration Subcommittee

*Adina Levin, Chair      Wendi Kallins, Vice Chair*

#### *Members*

*Bob Allen, Abigail Cochran, Mark Cordes,  
Anne Olivia Eldred, Christina Gotuaco, Ian Griffiths,  
Tisha Dee Hartman, Richard Hedges, Jonathon Kass,  
Gwen Litvak, Monica Mallon, Adrian Mendoza, and  
Brian Stanke*

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Monday, August 2, 2021

10:00 AM

Yerba Buena - 1st Floor (REMOTE)

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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 Fare Coordination and Integration Subcommittee members who will participate in the meeting from individual remote locations. A Zoom panelist link for meeting participants will be sent separately to Fare Coordination and Integration Subcommittee 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. Fare Coordination and Integration Subcommittee 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/88971750566>

Telephone (Toll Free) US: 877 853 5247 or 888 788 0099

Webinar ID: 889 7175 0566

International numbers available: <https://bayareametro.zoom.us/j/88971750566>

Detailed instructions on participating via Zoom are available at:

<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](mailto: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.

The Policy Advisory Council advises the Metropolitan Transportation Commission on transportation policies in the San Francisco Bay Area, incorporating diverse perspectives relating to the environment, the economy, and social equity.

## 1. Welcome

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

## 2. Roll Call / Confirm Quorum

*Quorum: A quorum of this committee shall be a majority of its regular non-ex-officio voting members (8).*

### 3. [21-0759](#) Minutes of the March 12, 2021 and May 10, 2021 Meetings

**Action:** Subcommittee Approval

**Attachments:** [03i\\_FCI Minutes\\_Mar 12 2021.pdf](#)  
[03ii\\_FCI Minutes\\_May 10 2021.pdf](#)

### 4. [21-0760](#) Fare Coordination / Integration Study and Business Case Project Status Update and First Look at Recommendations

**Action:** Information

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

**Attachments:** [04\\_Presentation..pdf](#)

## 5. New Business

*Members of the subcommittee may bring up new business for discussion or addition to a future agenda.*

## 6. Public Comments / Other Business

*Note: The subcommittee will not take action on items not listed on today's agenda.*

*Policy Advisory Council Fare Coordination and Integration Subcommittee 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.*

## 7. Adjournment / Next Meeting

**The next meeting of the Policy Advisory Council Fare Coordination and Integration Subcommittee will be held Friday, September 10, 2021, at 2:00 p.m. 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](http://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.

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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.

MTC's Chair and Vice-Chair are ex-officio voting members of all standing Committees.





# Metropolitan Transportation Commission

## Meeting Minutes - Draft

### Agenda Item 3

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Policy Advisory Council Fare Coordination and Integration Subcommittee

*Adina Levin, Chair      Wendi Kallins, Vice Chair*

### *Members*

*Bob Allen, Abigail Cochran, Mark Cordes,  
Anne Olivia Eldred, Ian Griffiths, Tisha Dee Hartman,  
Richard Hedges, Randi Kinman, Gwen Litvak,  
Monica Mallon, Adrian Mendoza, Brian Stanke, and  
Laura Tolkoff*

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Friday, March 12, 2021

2:00 PM

Yerba Buena - 1st Floor (REMOTE)

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### 1. Welcome

### 2. Roll Call / Confirm Quorum

**Present:** 13 - Member Cochran, Member Eldred, Member Hedges, Vice Chair Kallins, Member Kinman, Chair Levin, Member Mendoza, Member Griffiths, Member Hartman, Member Mallon, Member Stanke, Member Cordes and Member Tolkoff

**Excused:** 1 - Member Litvak

**Absent:** 1 - Member Allen

Subcommittee Member Jonathon Kass resigned from the subcommittee and was replaced by Laura Tolkoff.

Policy Advisory Council Members Christina Gotuaco and Michelle Hernandez were also in attendance.

### 3. [21-0319](#) Minutes of the January 22, 2021 Meeting

**Action:** Subcommittee Approval

**Attachments:** [03 FCI Minutes Jan 22 2021.pdf](#)

**Upon the motion by Member Hedges and second by Member Griffiths, the Minutes of the January 22, 2021 Meeting were unanimously approved. The motion carried by the following vote:**

**Aye:** 13 - Member Cochran, Member Hedges, Vice Chair Kallins, Member Kinman, Chair Levin, Member Mendoza, Member Griffiths, Member Hartman, Kass, Member Mallon, Member Stanke, Member Cordes and Member Tolkoff

**Absent:** 3 - Member Eldred, Member Litvak and Member Allen

Member Eldred arrived after the approval of the Minutes of the January 22, 2021 Meeting.

4. [21-0320](#) i. Fare Coordination / Integration Study and Business Case Project Status Update

Project update on user research and upcoming project tasks.

ii. Pathways to Integration, Alternative Fare Policies, and Evaluation Frameworks

Discussion of pathways to integration and the development of alternative fare policies and evaluation frameworks.

**Action:** Information

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

**Attachments:** [04 Presentation.pdf](#)  
[04 Gwen Litvak Comments on Presentation.pdf](#)

Written public comments were received from:  
Subcommittee Member Litvak.

**5. New Business**

**6. Public Comments / Other Business**

**7. Adjournment / Next Meeting**

The next meeting of the Policy Advisory Council Fare Coordination and Integration Subcommittee will be held Monday, May 10, 2021, at 2:00 p.m. 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.



# Metropolitan Transportation Commission

## Meeting Minutes - Draft

### Agenda Item 3

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Policy Advisory Council Fare Coordination and Integration Subcommittee

*Adina Levin, Chair      Wendi Kallins, Vice Chair*

### *Members*

*Bob Allen, Abigail Cochran, Mark Cordes,  
Anne Olivia Eldred, Ian Griffiths, Tisha Dee Hartman,  
Richard Hedges, Jonathon Kass, Randi Kinman,  
Gwen Litvak, Monica Mallon, Adrian Mendoza, and  
Brian Stanke*

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Monday, May 10, 2021

2:00 PM

Yerba Buena - 1st Floor (REMOTE)

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### 1. Welcome

### 2. Roll Call / Confirm Quorum

**Present:** 8 - Member Cochran, Member Hedges, Vice Chair Kallins, Chair Levin, Member Mendoza, Member Litvak, Member Stanke and Member Kass

**Excused:** 2 - Member Kinman and Member Hartman

**Absent:** 5 - Member Eldred, Member Griffiths, Member Mallon, Member Allen and Member Cordes

Policy Advisory Council Members Veda Florez was also in attendance.

### 3. [21-0616](#) Minutes of the March 12, 2021 Meeting

**Action:** Subcommittee Approval

**Attachments:** [03\\_FCI Minutes\\_Mar 12 2021.pdf](#)

The Minutes of the March 12, 2021 Meeting were deferred to the next meeting as a constant quorum was not present.

4. [21-0617](#)
- i. Fare Coordination / Integration Study and Business Case Project Status Update
  - ii. Pathways to Integration, Alternative Fare Policies, and Evaluation Frameworks

- i. Project update on user research and upcoming project tasks.
- ii. Discussion of pathways to integration and the development of alternative fare policies and evaluation frameworks.

**Action:** Information

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

**Attachments:** [04 May Presentation.pdf](#)

Roland Lebrun was called to speak.  
Aleta Dupree was called to speak.

## 5. New Business

## 6. Public Comments / Other Business

Roland Lebrun spoke on this item.  
Aleta Dupree spoke on this item.

## 7. Adjournment / Next Meeting

The next meeting of the Policy Advisory Council Fare Coordination and Integration Subcommittee will be held Monday, June 7, 2021, at 10:00 a.m. 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.





## Policy Advisory Council Fare Coordination and Integration Subcommittee

Agenda Item 4  
August 2, 2021





# Policy Advisory Council Fare Coordination and Integration Subcommittee (FCIS) Meeting Overview

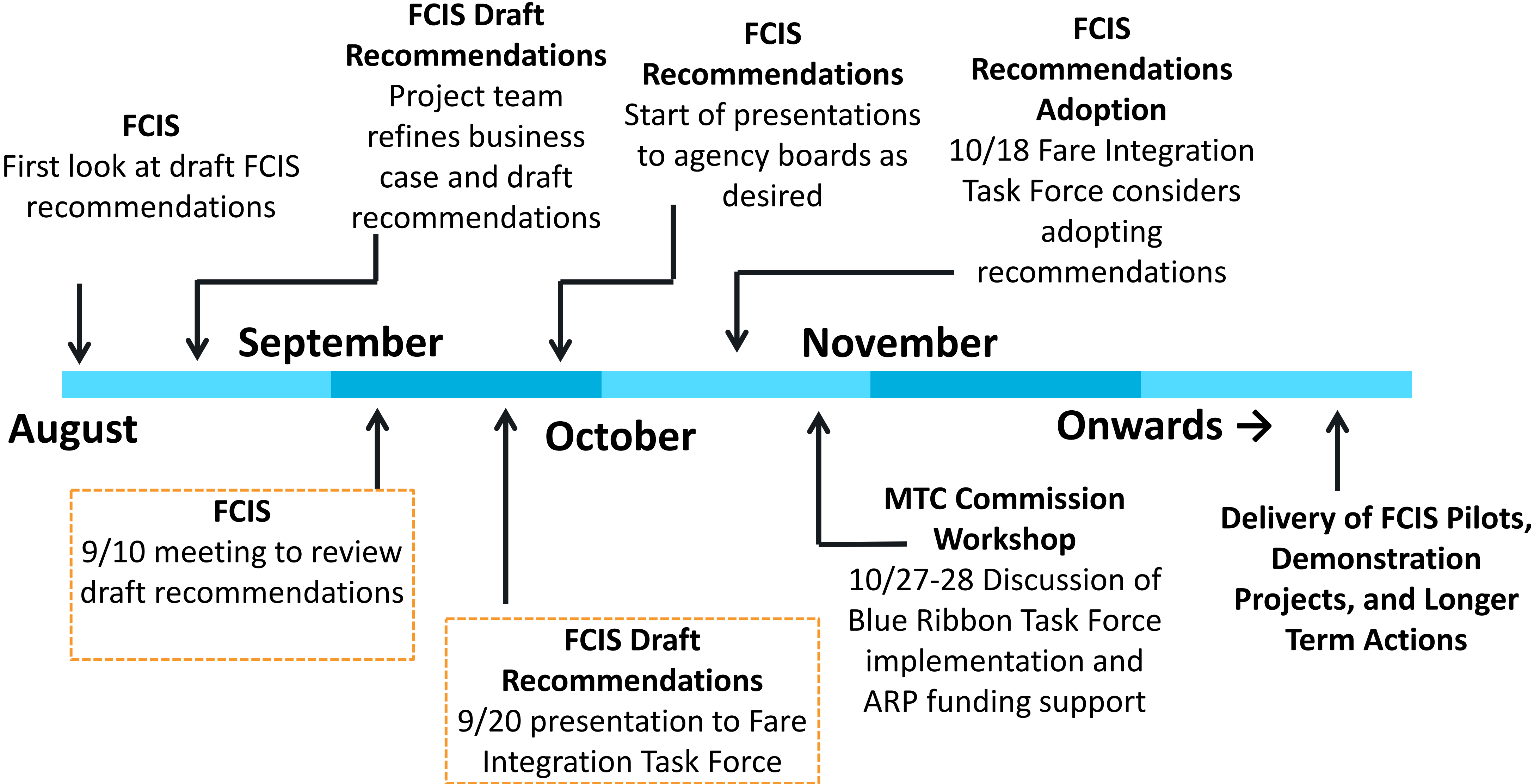
## AGENDA

1. Schedule Update
2. Integration Tiers Review
3. How we will make recommendations
4. Initial Delivery Assessment
5. Next Steps





# Schedule Update



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

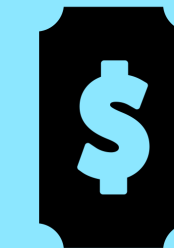


# Project Problem Statement

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.

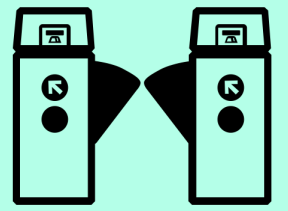
**The following key issues define how fares impact ridership and contribute to the key challenges which detract from rider experience:**



## 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?)

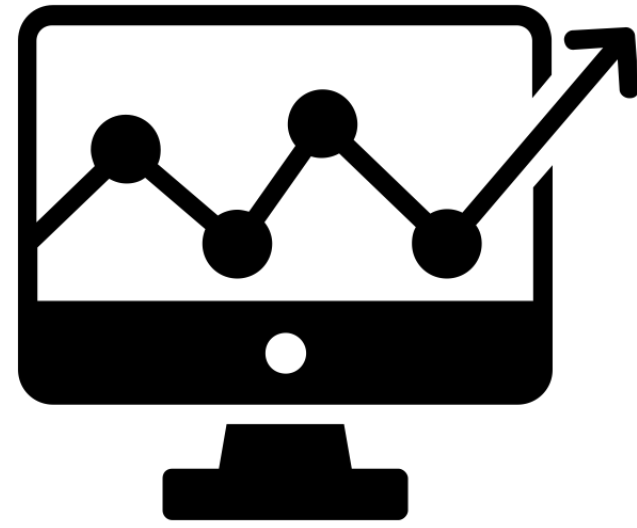


# Refresh on the FCIS Process

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.

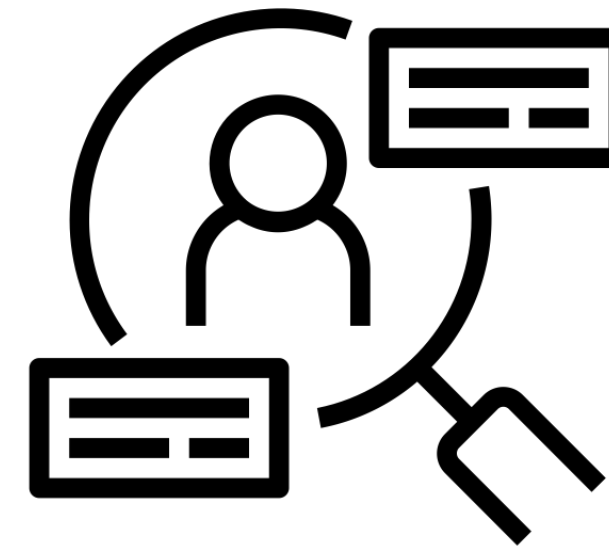


# Ongoing Analysis is Crucial to Eventual Recommendations



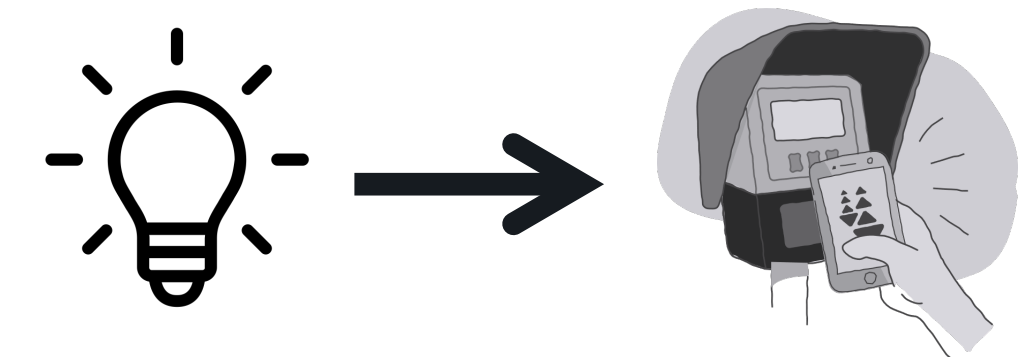
## Travel Demand Model

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*

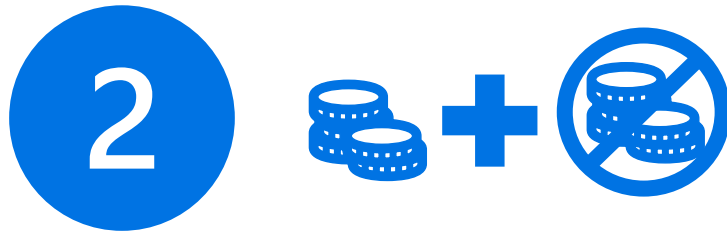
# Fare Integration Tiers

# 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

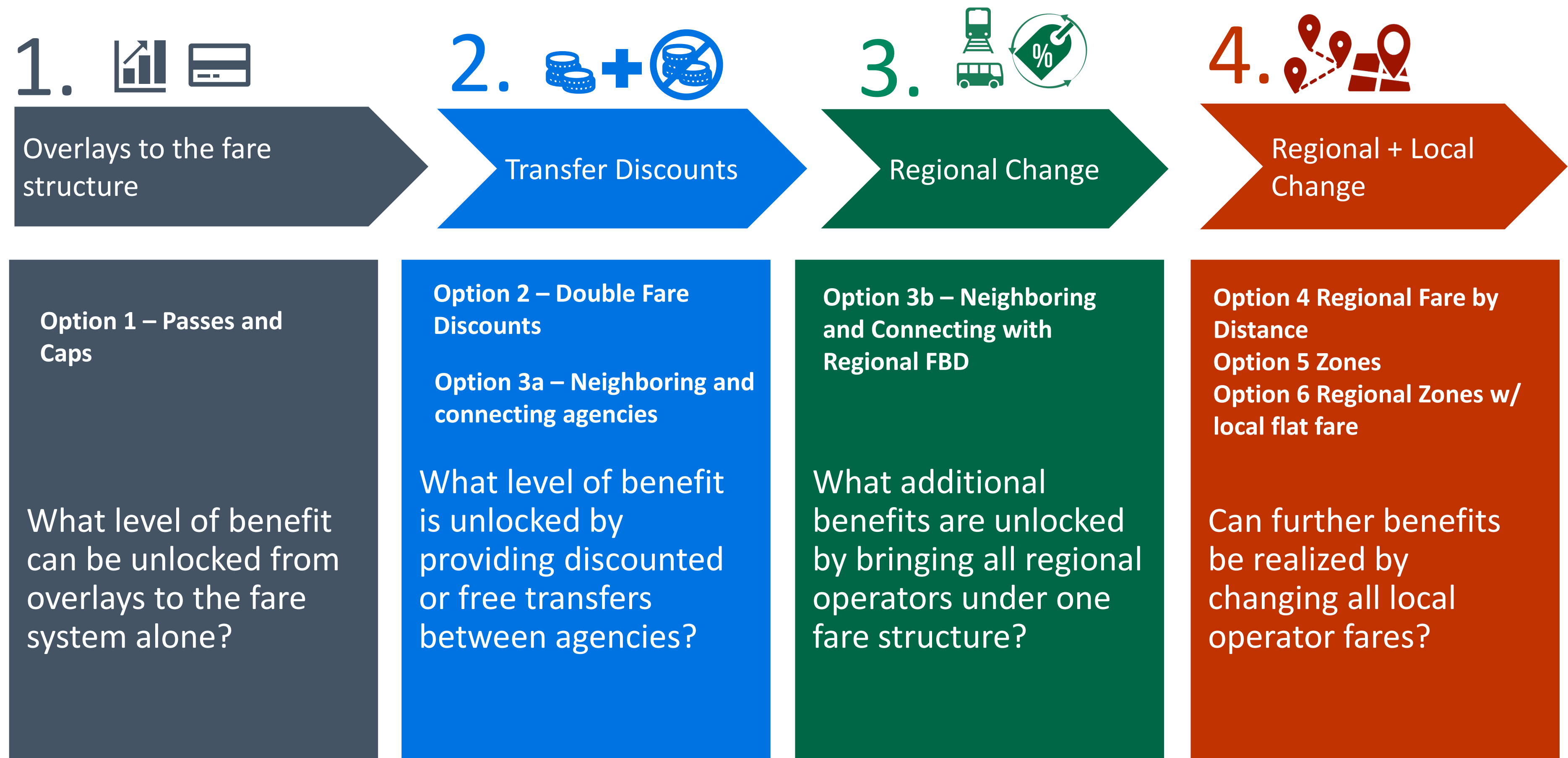


Could be delivered through agreements without institutional change

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

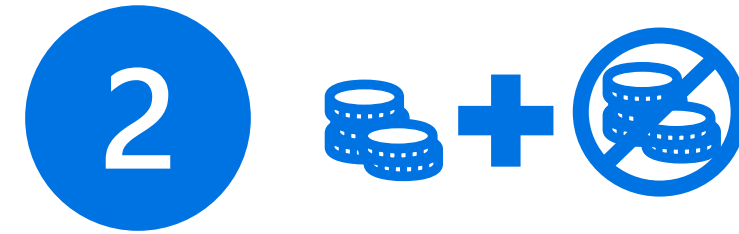
## *Snapshot of Some of the Considerations the FCIS is Examining*



### 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?

# Formulating Recommendations



# Structure of Recommendations

Recommendations will be structured into four phases based on the business case analysis, which includes staff working group and stakeholder engagement, modelling and forecasting, and customer research.

Recommendations for earlier phases will be made to support realization of the long term vision.

## *Phase 1 - Pre Clipper 2*

- Should different tier 1 caps or passes or tier 2 discounts be tested through a demonstration project?
- Should elements of tier 1 or 2 be fully implemented before c2?

## *Phase 2 - Clipper 2 Launch*

- Should elements of tiers 1 and 2 be implemented during C2 delivery to support the long term vision?

## *Phase 3 – Short Term Post C2*

- Which elements of the long term structure should be prioritized for rapid development (with an aim to implement shortly after C2?)

## *Phase 4 – Long Term Post C2*

- Should Tier 2, Tier 3, or Tier 4 be the basis of the long term fare structure for the region?

# How will recommendations be made?

The business case framework will be used to make recommendations based on:



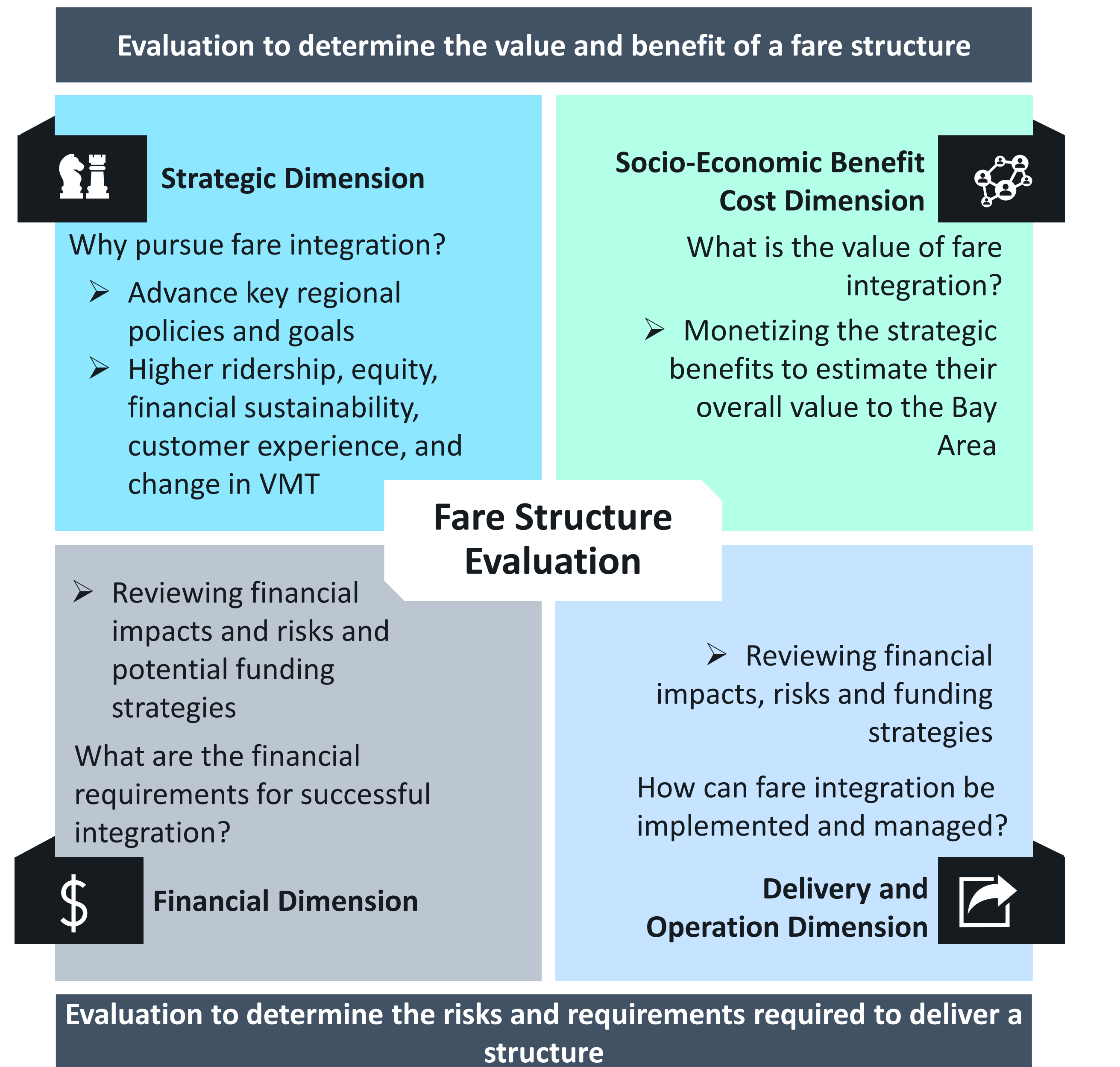
The overall benefits of integration



The comparative benefits of each tier

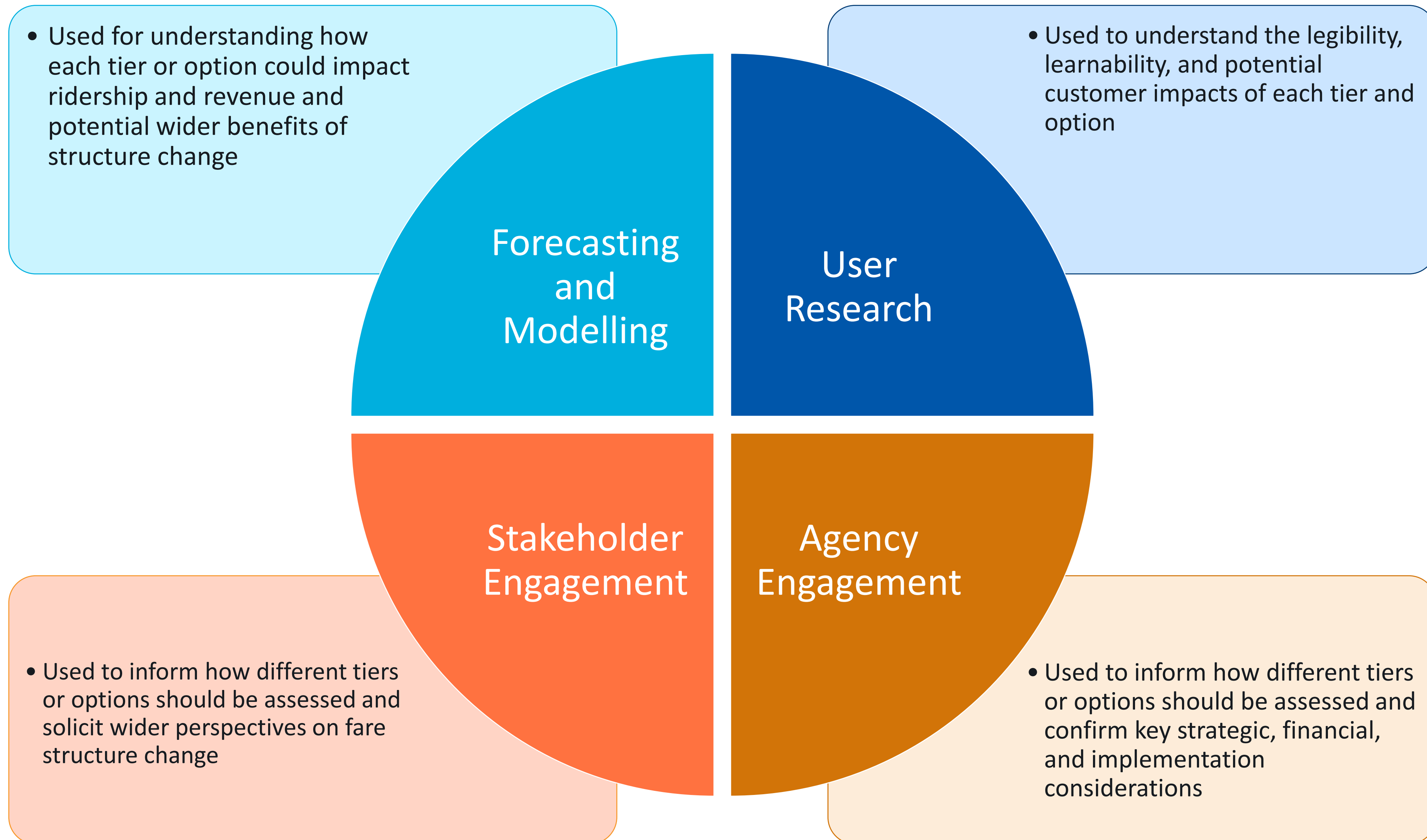


For tiers with multiple options, the specific benefits of each option and best option within a tier





# What is considered in a business case?



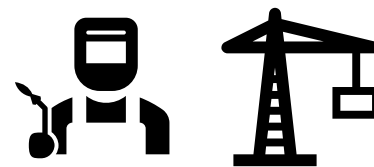
# Initial Findings from Implementation Assessment

# Exploring Implementation

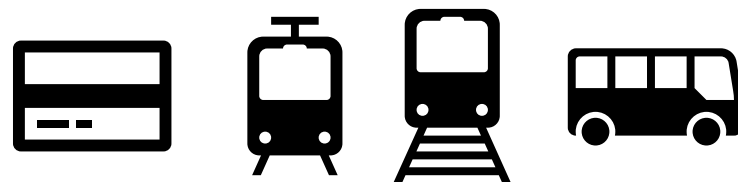
Our team conducted an analysis on the [requirements](#) for successful implementation and sustained performance for each tier and option:



Management – how will issues, risks, challenges, and changes will be managed over time?



Delivery – how is it implemented and procured?



Operations – how it will ‘run’ on a day to day basis?

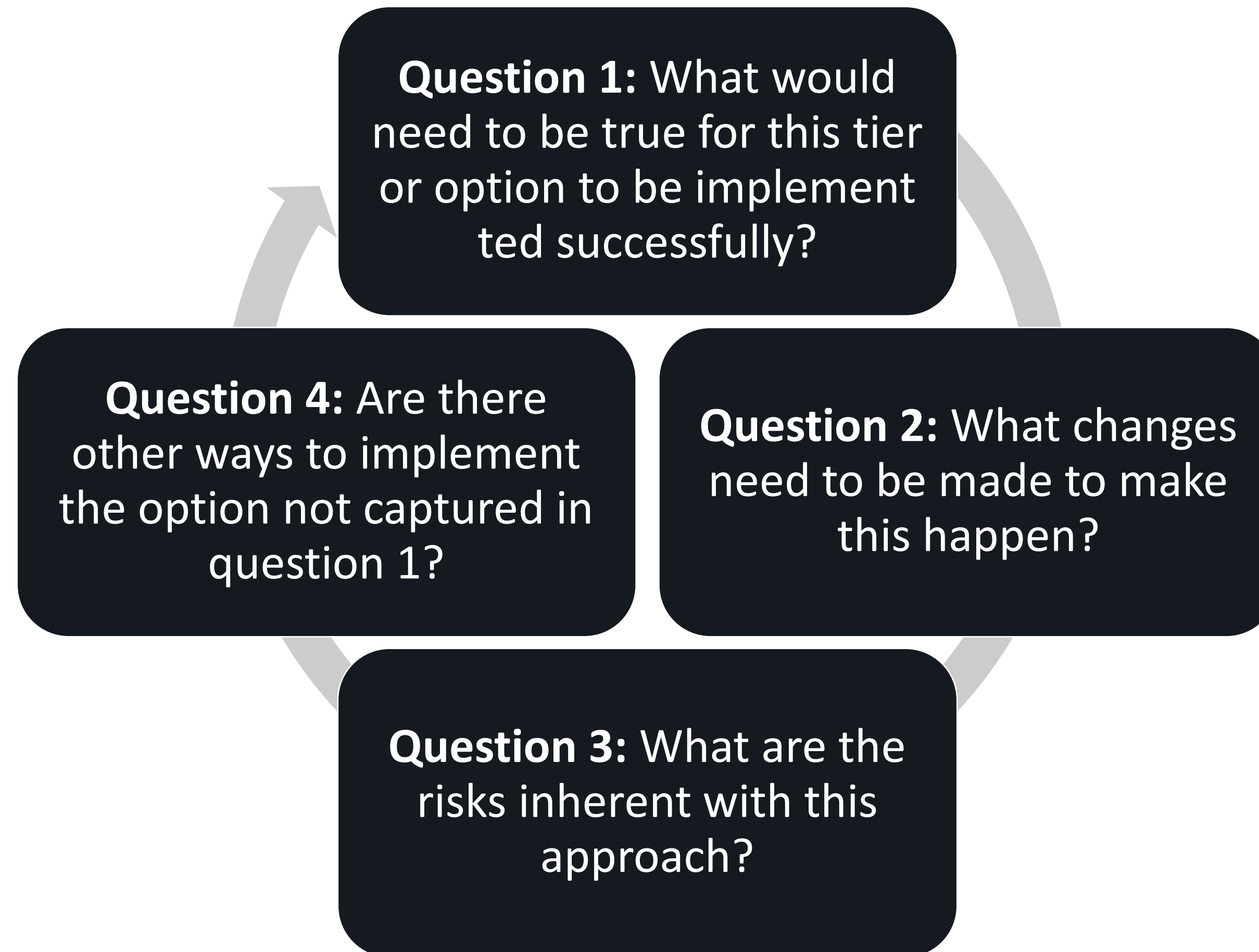


Regulatory Issues – what state or federal regulations need to be considered?

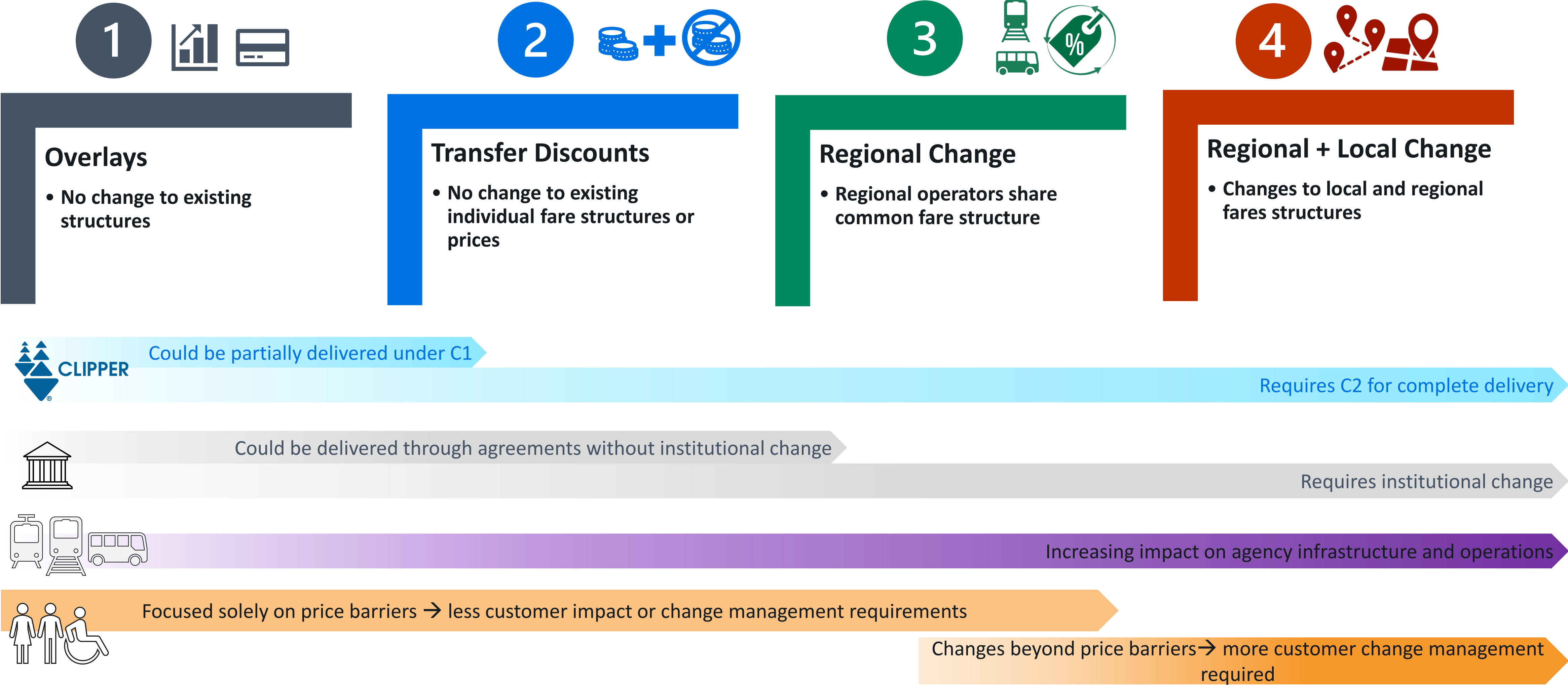


Risk – what risks need to be actively managed and which ones can be mitigated?

**To complete this analysis, we explored four questions iteratively through several workshops**



# Overall Findings



# 1 Overlays – Delivery Requirements

## Passes Under Consideration

- ☐ All-agency Individual fixed-price pass
- ☐ All-agency Individual tiered pass (trip multiplier model – ie Puget Sound and DC region)
- ☐ All-Agency Employer/Institutional Bulk Pass (ie Puget Sound Orca Pass)

## Caps/Accumulators Under Consideration

- ☐ All-agency cap – trip-based
- ☐ All-agency cap – cost-based
- ☐ All-agency cap – cost-based (Clipper START only)

## Management – low impact

- ☐ Can be delivered with inter-agency agreements
- ☐ OR Can be delivered and managed centrally across the region → increased revenue allocation and pricing complexity

## Technology – low impact

- ☐ Can be partially delivered with existing technology and fully delivered with C2

## Agency Infrastructure and Operations – low impact

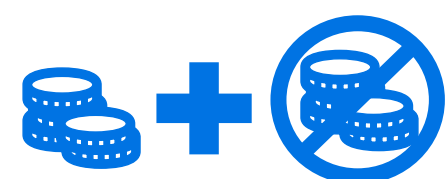
- ☐ Minimal changes – can be rolled out with operator training on the passes with some investment in marketing and communications

## Customers – low impact

- ☐ Pass is opt in, would require marketing
- ☐ If a cap, will automatically apply to customers and will not require additional action to access



## 2



## Discounts – Delivery Requirements

### Transfer Discounts Under Consideration

- ☐ No- or low-cost transfers for local-local, local-regional –
  - *customer cost limited to highest-cost segment of trip*
- ☐ No- or low-cost transfers (regional-regional)
  - *Transferring customer receives a discount equivalent to 'seat fee' or typical local transit fare*

### Management – low impact / medium impact

- ☐ Can be delivered with inter-agency agreements
- ☐ OR can be delivered and managed centrally
- ☐ Will require a for revenue allocation – either centrally or on agency pair basis

### Technology – low impact

- ☐ Can be partially delivered with existing technology or completely with C2 under the initial roll out

### Agency Infrastructure and Operations – low impact

- ☐ Minimal changes – can be rolled out with staff training and supporting advertising material
- ☐ Could be marketed / communicated centrally

### Customers – low impact

- ☐ Only transferring riders impacted – change management focused on explaining discount
- ☐ Simpler to roll out if a general region-wide discount applied



## Regional Change – Delivery Requirements

### Regional Change Under Consideration

- ☐ Common fare structure for regional services – distance-based
- ☐ Common fare structure for regional services – zone-based

### Management – low impact / medium impact

- ☐ Can be partially delivered with inter-agency agreements (ie, two regional operators agree on a joint structure)
- ☐ OR can be delivered centrally across the region → one manager is responsible for setting fares and allocating revenue

### Technology – medium impact

- ☐ Requires C2 and new fare setting approaches for one or more agencies

### Agency Infrastructure and Operations – medium impact

- ☐ Requires new fare collection infrastructure, marketing materials, and staff training for all agencies that are integrated
- ☐ Could be done on inter-agency basis or centrally

### Customers – low impact / medium impact

- ☐ All regional operators already use a form of distance or zones, so change management would focus on helping a select set of customers understand and use the new structure





## Regional + Local Change – Delivery Requirements

### Regional + Local Change Under Consideration

- ☐ Common distance-based fare structure for regional services + local flat fare
- ☐ Common zone-based fare structure for regional services + local flat fare
- ☐ Common fare structure for all services – zone-based

### Management – **high impact**

- ☐ Fare setting authority would need to be transitioned to a central manager
- ☐ Requires an overhaul of revenue allocation and/or subsidy/funding allocation

### Technology – **medium impact / high impact**

- ☐ Requires C2, new fare setting methods for all agencies
- ☐ Region wide zones would require tap off or a 'check out' function on buses

### Agency Infrastructure and Operations – **high impact**

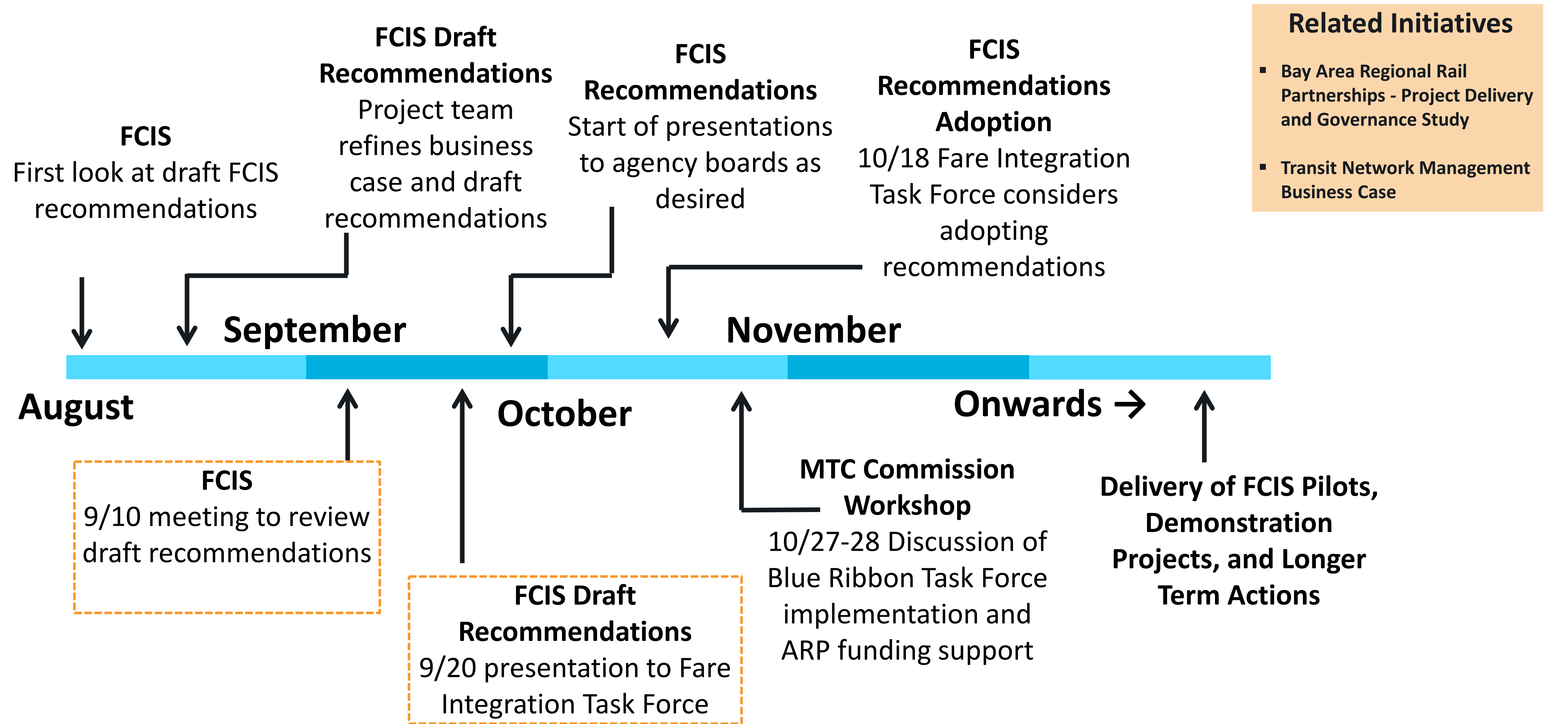
- ☐ Requires a range of new fare collection infrastructure, marketing materials, and staff training for all agencies
- ☐ Check out function on buses could have boarding / alighting impacts and operational impacts
- ☐ Some operators will require new subsidy to cover shortfalls in fare revenue

### Customers – **medium impact / high impact**

- ☐ Customers will have to learn distance/zones for regional (see previous slide)
- ☐ Customers will either learn a flat fare for local (limited impact) or a zone structure which is more complex and will have wide-ranging changes for trips that used to be under an operator flat fare

# Next Steps

# Next Steps



# Appendix

# Most users only interacted with one fare structure daily

While over the span of a year, nearly 1.7 million Bay Area travelers used multiple agencies, on a day-to-day basis only approximately 8% used multiple agencies in a trip, while 14% may used multiple agencies across a day.

**About 87% who interacted with more than one fare structure ride BART, SFMTA/Muni, or AC Transit as their primary agency.**

