

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 8/12/2026

Staff Report No. 26-282

TO: AC Transit Board of Directors
FROM: Salvador Llamas, General Manager/Chief Executive Officer
SUBJECT: Update on the District's EasyPass program

BRIEFING ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving an update on the District's EasyPass program.

Staff Contact:

Claudia Burgos, Executive Director of External Affairs & Customer Experience

STRATEGIC IMPORTANCE:

Goal - Strong Public and Policymaker Support

Initiative - Financial Efficiency and Revenue Maximization

The EasyPass program offers an opportunity to provide a commuter benefit program to service-area organizations and their constituents in an effort to increase ridership and afford the District forecasted annual fare revenue.

BUDGETARY/FISCAL IMPACT:

There is no fiscal impact associated with this briefing item report.

BACKGROUND/RATIONALE:

The AC Transit EasyPass program has long played a vital role in increasing District ridership and encouraging a modal shift to public transit. The roots of the EasyPass program can be traced back to AC Transit's first universal pass program which began in 1999. Today, the EasyPass program offers employers, residential communities and Colleges/Universities the ability to buy annual passes for a defined pool of participants at a reduced rate, as governed by Board Policy 334. This report will cover the status of the program in fiscal year 2026 (FY26) and the developments that have taken place over this time.

Current Program Status

Currently, the program is comprised of 45 active clients with an eligible participation pool (eligible EasyPass card holders, also referred to as participants) of 90,732. The program ended FY26 with an estimated annual total contract value of \$9.1 million. Participants took over 4.9 million trips with their passes this year. While

the key performance metrics (KPMs) remained relatively flat compared to FY25, EasyPass participant trips saw an increase of 5% and accounted for 12% of the total boardings for the District in FY26.

Full KPM details are provided below:

- **Participant Trips: 4,937,586** (5% increase from FY25)
- **Eligible Participants: 90,732** (8.4% decrease from FY25)
- **Estimated Annual Contract Value: \$9.1M** (even from FY25)
- **Active Clients: 45** (6.2% decrease from FY25)

There were five client programs that did not renew in FY26; Lion Creek Crossing, Ashland Place, Fourth and U Apartments, The Emery, and Park Alameda Apartments. The loss of these affordable and standard residential development clients can be attributed to funding-related issues, including loss of their grant funding and management/ownership group transfers or sales of the properties. Staff will continue to stay in contact about rejoining with these previous clients to track if additional grant funding can be secured and to gauge the interest from new ownership groups.

Attachment 1 illustrates KPMs for Participant Trips, Eligible Participants, Estimated Annual Contract Value and Active Clients for the period of FY22-FY26. A full list of active clients can be found on Attachment 2, showing each active client's city, participant pool count, management group, and ward location.

Program Management

As stated in Board Policy 334, the primary goal of the EasyPass program is to increase ridership for the District by encouraging a modal shift from single-occupancy vehicles to public transit, creating life-long public transportation users and advocates. As part of the last annual report to the Board, staff identified three key areas of focus to maximize ridership in FY26:

1. Prioritization of retaining active clients while concentrating client acquisition on leads that will make the highest impact
2. Increasing ridership through the existing pool of eligible participants with streamlined marketing tactics
3. Ensuring the successful and smooth transition of the EasyPass lead staff member to minimize impacts to active clients

Program management progress for these areas of focus in FY26 are outlined below in the following two categories: Contracts & Lead Generation, and Marketing & Events.

Contracts & Lead Generation

There were significant client-related efforts throughout FY26, with EasyPass onboarding six new clients along with eleven client program renewals:

- **New Clients:** Black Panther Apartments, Hayward Senior Housing, ArtHaus Telegraph, Nellie Hannon Gateway, Alameda Housing Authority (Estuary I and Linnet Corner Apartments), and California State University East Bay (CSUEB).
- **Renewed Clients:** East Bay Paratransit, City of Berkeley, Residence Inn Berkeley, 3900 Adeline Apartments, Satellite Affordable Housing Associates (The Orchards on Foothill, Harper Crossings, Camino 23), Rise at Berkeley, Berkeley Way and Hope Center, Jones Berkeley Apartments, Peralta Community Colleges District, San Francisco Bay University, and Northeastern University Oakland.

Prioritizing staff time to ensure current clients remain in the program remains a top priority, and the tasks

related to new/renewal client contracts play a vital role in this. Contract-related tasks take considerable time, with some contract cycles taking months or years, and require substantial staff resources because of internal coordination and time-sensitive aspects of the process.

An example of complications beyond the standard new client process is CSUEB, the largest client addition to EasyPass since the transition of Mills College to Northeastern in 2021. At the time of last year's report, the contract process was complete but onboarding for the new program had not yet begun. In addition to the considerable resources required to establish the new client, develop the card distribution process, and produce more than 10,000 student cards, the District also needed to address service-related impacts. This included an impact from increased student ridership on Line 60, which provides direct service to the University. Through close collaboration between the University and AC Transit staff from the Planning, Transportation, Maintenance, and Marketing teams, overcrowding concerns were addressed with temporary solutions including additional service between Hayward BART and the campus, along with increased service messaging to students, before a permanent service update took place in February 2026. These significant changes resulted in increased reliability, reduced crowding, and ultimately a satisfied client. With the Fall 2026 Semester quickly approaching, Marketing staff will continue to work with CSUEB on EasyPass messaging and outreach to students in an effort to increase ridership for FY27. Staff also developed a targeted marketing campaign aimed at increasing card activations for CSUEB launching this summer, which is covered in the "Marketing & Events" section of this report.

CSUEB represents the fifth College/University EasyPass program, in addition to UC Berkeley, Peralta Community Colleges District, Northeastern University, and San Francisco Bay University. Local College/University active clients account for a large percentage of both contract value and participant pool size for the program, as illustrated in charts 1 and 2 of Attachment 3. Charts 4 and 5 further illustrate this impact, with the top 3 active clients for contract value and participant pool size being in the College/University category. Therefore, Staff prioritized outreach efforts to other local College/University clients, including recent meetings with representatives from Samuel Merritt University and Lincoln College. Staff will continue to engage with these and other potential College/University clients to share information and gauge interest in FY27.

Staff will continue to prioritize retention efforts for existing clients to maintain the program's current annual revenue and as time permits, focusing any lead development on potential clients that will make the highest impact on both ridership and revenue for the District. Marketing, outreach, and client/participant engagement have bolstered ridership for FY26, and are outlined in the next section, including a newly developed campaign that will be launched in FY27.

Marketing & Events

While staffing resource limitations continue to present challenges to the management and expansion of the program, the successful transition to a new EasyPass lead over the last year has had a direct positive impact on the ridership growth in FY26. Through this transition period, processes were further streamlined to increase efficiency to ensure the continuation of the large number of renewals (nearly 25% of all active clients this year) and increased client communications and events could be managed with the current available resources without disrupting the day-to-day programmatic tasks.

Outreach to both clients and their eligible participants is essential for the management of the EasyPass

program. These efforts for outreach and marketing are critical to the success of each client's program and consist of a multi-channel mix of email newsletters, video/phone communications, social media posts, printed materials and events. While many of these methods have become standardized in recent years, there was a significant effort to continue prioritizing staff presence at in-person client events in FY26. Because these are not "one-time transactions", proactive communication is vital to building trust, minimizing client churn, and providing actionable feedback about evolving client needs. These events also play a key role in strengthening the program's relationships with participants to promote the service and increase ridership, further strengthening the health of the program and the relationship with each client.

20 events were attended by staff (up from 12 in FY25):

- **Residential events:** Lion Creek Crossings (National Night Out), Hayward Senior Commons (New Client Onboarding and Promotion), Miraflores Affordable Housing (Resident Promotions), Hana Gardens Senior Housing (New Client Onboarding and Promotion), Nellie Hannon Gateway Affordable Housing (New Client Onboarding and Promotion), and Maudelle Miller Shirek Affordable Housing (Resident Promotions).
- **College/University events:** UC Berkeley (Caltopia, Spring Forum, Transportation Reception), Berkeley Community College (Fall semester kick off for International students), San Francisco Bay University (Flock Day, Fall semester kickoff), Cal State East Bay (al Fresco Day, Green Resource Fair), Laney College (Fall and Spring semester kick offs), and College of Alameda (Fall and Spring kick offs).
- **Employer events:** Stanford Research Park (Earth Month) and The City of Berkeley (Benefits Day)

Along with the increased presence at events, staff developed a pilot EasyPass marketing campaign strategy launching later this summer, with the goal of growing ridership through existing clients. In the face of limited resources, this strategic plan will test a more hands-off approach to ridership growth and will target students at two College/University clients that have been identified as having potential growth opportunities: CSUEB and Peralta Community Colleges. Digital display ads will be scheduled with the start of the Fall Semester, encouraging students to pick up and activate their EasyPass cards, while also promoting the benefits they receive with their pass. These ads will be in addition to increased direct messaging to students in coordination with each client's transportation department, including in-person event outreach. To evaluate the effectiveness and visibility of this marketing pilot, staff will monitor card activation and ridership reports to compare to similar data from previous years.

In anticipation of additional staff resources becoming available in the future, efficient lead development strategies targeting impactful new clients are also being researched. One potential campaign being explored focuses on lead development efforts for new employer clients surrounding the Sales Force Transit Center in Downtown San Francisco. Messaging would be directed to two defined audiences; one to existing Transbay commuters highlighting program benefits and encouraging riders to ask their employers about adding EasyPass, and a second targeting individuals holding HR and/or Benefit positions at large employers within close proximity of the Transit Center. These digital display ads would be in combination with in-person tabling at the Transit Center during peak commute hours to share information on the EasyPass program with commuters. Staff will continue to identify new strategies for program growth that could be launched if additional staffing is secured.

Future and Next Steps

While the most essential tasks have been prioritized to help maintain the program's current levels, as time

permitted, staff explored additional resource opportunities in FY26 to support program management, as outlined in last year's report. This included coordinating internally with the Human Resources and Legal departments to discuss alternative staffing support, connecting with the Grants team to explore ridership-focused funding options, and reviewing technology or process enhancements that can further streamline program management that have been used by other agencies or are available from MTC.

Pricing

A major program update will be addressed in FY27, as staff will be returning to the board later this year with proposed amendments to Board Policy 334, "EasyPass: Goals & Methodology", to propose future pricing beyond FY29.

Consultant

As requested by the Board, staff has developed a draft scope of work needed to procure an EasyPass consultant for early FY27. Working with the Procurement department, details of the scope include securing a local market expert to execute a market study that will outline the following:

- Resources needed to maintain program's current levels
- Market size and growth opportunities
- Target firmographics for each client category
- Competitive analysis for market share, pricing, and alternative programs including BayPass
- Barriers/challenges to expanding the program

Staff is currently in the process of finalizing the scope of work in order to issue a request for proposals.

Next Generation Clipper & the MTC BayPass Pilot Program

The regional transition to Next Generation Clipper (NGC) has presented operational challenges to the EasyPass program's existing card management processes. While there have been many fixes to critical issues, the full impact of these challenges are still being evaluated, ridership reporting gaps and card production issues will need to be addressed in the short term. Staff will continue to monitor along with MTC on progress and solutions for these challenges related to NGC while coordinating with the program's largest clients, including University of California, Berkeley (UCB), as well as internal departments within the District, as needed, to identify new processes needed to ensure there are no gaps or delays in service, reporting, or card production.

Currently the MTC BayPass Pilot and EasyPass share two clients: UCB and the Alameda Transportation Management Association, with the UCB BayPass program going to referendum this year. There have also been recent discussions for Stanford University to consolidate their multiple commuter benefit programs and join BayPass, but those conversations are ongoing ahead of their EasyPass renewal date at the end of calendar year 2026. As the BayPass pilot program continues to expand, staff will work with representatives from MTC and BayPass to ensure current EasyPass processes, ridership levels, and projected revenues from clients are considered as BayPass evolves, to protect the EasyPass program while maximizing ridership and forestalling any potential revenue impacts.

ADVANTAGES/DISADVANTAGES:

The advantage to growing the EasyPass program is to increase ridership for the District.

ALTERNATIVES ANALYSIS:

There is no alternative analysis for this is a briefing item.

PRIOR RELEVANT BOARD ACTION/POLICIES:

- Staff Report 25-384 - AC Transit EasyPass Update
- Board Policy 334 - EasyPass: Goals & Methodology

ATTACHMENTS:

1. EasyPass Key Performance Metric Charts FY22-26
2. EasyPass Active Client List FY26
3. EasyPass Customer Relationship Manager Dashboard

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