

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 6/12/2019

**Staff Report No.** 19-153

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**TO:** AC Transit Board of Directors  
**FROM:** Michael A. Hursh, General Manager  
**SUBJECT:** Amendments to Board Policy 333

### ACTION ITEM

#### **RECOMMENDED ACTION(S):**

Consider the adoption of Resolution 19-016 approving amendments to Board Policy 333, including a change in title to Fare Policy Goals and Methodology.

#### **BUDGETARY/FISCAL IMPACT:**

There is no budgetary or fiscal impact associated with this policy amendment.

#### **BACKGROUND/RATIONALE:**

In early 2018, staff began an analysis of the fare structure and a review of the fare policy goals, with special emphasis on boarding efficiency, dwell-time reduction, and increased Clipper usage. The amended policy is a culmination of many months of deliberative processes and incorporates the goals and methodology on which fares are based. Key changes to the policy are a result of actions taken by the Board to modify the goals, fare structure and the methodology used to establish fares. Some of the key changes are as follows:

- Revises each of the six fare policy goals to include “fare payment methods”.
- Adds a goal related to “fiscal responsibility”.
- Bases the rate of fare increases on an inflation index for Bay Area cities, using historical inflation data and conservative staff projections for the next five years.
- Increases Clipper incentives to 25 cents for the Adult Single Fare.
- Uses the Clipper fare instead of the cash fare to set 31-Day Pass and monthly pass prices.
- Establishes that the Senior/Disabled Monthly Pass and Youth 31-Day Pass will be 30 times Clipper Single Fare.
- Establishes that the cost of the Cash Day Pass would be two (2) times the single cash fare, plus 50 cents, rounded to the nearest 50 cents; and that the Day Pass using Clipper and Day Pass Accumulator (DPA) will cost two (2) times the single Clipper fare, plus 50 cents, rounded to the nearest 50 cents.
- The 7-Day Pass shall be available through other non-cash means in the future, including as an accumulator pass, as technology permits.

In addition, staff has removed all fare tables from the policy and makes references to the various resolutions adopted by the Board to set fares. Nearly a decade ago, staff believed in housing this information in one place

- the Fare Policy; however, doing this has made the process of amending the policy more difficult. In addition, the process of setting fares is not a policy-matter; however, the methodology used to determine fares, is. Staff also proposes changing the name of the fare policy to "Fare Policy Goals and Methodology".

Staff requests adoption of Resolution 19-016 approving amendments to Board Policy 333, including a change in title to Fare Policy Goals and Methodology. If approved, this policy will go into effect on July 1, 2019.

**ADVANTAGES/DISADVANTAGES:**

This amendment significantly simplifies Board Policy 333 - Fare Policy, from the existing policy. Unlike the current version, the amended policy would serve as a framework for decision-making, rather than as reference to specific fare details at any given time. This sets long-term fare policy goals and a fare structure that should require very few amendments in the future.

**ALTERNATIVES ANALYSIS:**

One alternative would be to leave the basic policy as-is and only update the specific fare schedule changes and attributes approved by the Board. This is not recommended because it would be a missed opportunity to update the fare policy to meet the longer-term needs of the District in terms of improving policy efficiency and convenience.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

Staff Report 17-234e Transbay Fare Proposal Decision

Staff Report 18-199d Local Fare Changes

Board Resolution No. 18-012

Board Resolution No. 19-088

**ATTACHMENTS:**

1. Resolution No. 19-016
2. Exhibit A: Board Policy No. 333 - Fare Policy Proposed Amendment

**Approved by:**

Claudia L. Allen, Chief Financial Officer

Denise C. Standridge, General Counsel

**Reviewed by:**

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**Prepared by:**

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