ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



# STAFF REPORT

### **MEETING DATE:** 11/12/2020

Staff Report No. 20-409

TO:AC Transit Board of DirectorsFROM:Michael A. Hursh, General ManagerSUBJECT:Amendments to Board Policy 333

## **ACTION ITEM**

### RECOMMENDED ACTION(S):

Consider the adoption of Resolution 20-061 approving amendments to Board Policy 333, Fare Policy Goals and Methodology, incorporating the provision of free transfers on All-Nighter service, eliminating the paper version of the BART-to-Bus transfer, including an accumulator function in the District's mobile ticketing application, codifying changes previously approved and reorganizing the policy.

### STRATEGIC IMPORTANCE:

Goal - Strong Public and Policymaker Support Initiative - Financial Efficiency and Revenue Maximization

Incorporating recent Board actions and new fare media into Board policy will make it easier for the public and other stakeholders to find and understand District fare policy and reduce potential fare collection conflicts.

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

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

The introduction of the accumulator function on the mobile ticketing application could potentially reduce fare revenue because customers will no longer have to buy passes prior to use. However, there is also the potential for an increase in revenue since the convenience of the products could attract more riders. Either way, the impact will be small until the mobile ticketing application is more widely used.

### BACKGROUND/RATIONALE:

On August 5, 2020, the Board of Directors adopted a proposal to provide free transfers for All-Nighter service between the hours of midnight and 6:00 AM. On September 23, 2020, the Board adopted a proposal to eliminate the paper version of the BART-to-Bus transfer (SR 20-269a and Resolution 20-046). Both fare policy changes became effective after adoption.

In addition, on October 19, 2020, the District launched its mobile ticketing application, Token Transit, which has accumulator functionality. Staff recommends amending Board Policy 333 to allow for the application of the accumulator function to multi-trip passes - BP 333 currently provides for this option for weekly passes, the

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amendment would add the accumulator function to all multi-trip passes for all riders using the mobile ticketing application. The Metropolitan Transportation Commission (MTC), with its exclusive rights to sell electronic fare products on Clipper, granted the District permission to employ the accumulator function in the mobile ticketing application to all types of multi-trip passes to help boost ridership during the pandemic and subsequent recovery.

Per Board Policy 110, introduction of new fare media requires Board approval and an amendment to the District's fare policy. Pending approval, staff intends to apply the accumulator functionality to all multi-trip passes on the mobile ticketing application at the end of this quarter or beginning of the next quarter, following the development of a robust public outreach effort. The roll-out of the accumulator function would eliminate the need to sell individual discount passes on Token Transit.

Finally, staff recommends revising Board Policy 333 to make minor clarifications and reorganize and eliminate duplicative policy language.

Adoption of Resolution 20-061 approving amendments to Board Policy 333 would integrate all of the referenced changes into AC Transit Board Fare Policies, supporting the Fare Policy goal of transparency.

### ADVANTAGES/DISADVANTAGES:

This amendment ensures that all fare policy is easy to find and located in one document. There are no disadvantages to making this change.

### ALTERNATIVES ANALYSIS:

The only alternative would be to leave the policy as-is and leaving the changes as results of the Board actions. This would make the District's fare structure more difficult to find and understand. Because this would make the fare policy less transparent, staff does not recommend this alternative.

### PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy 333: Fare Policy Goals and Methodology Staff Report 20-285 Free All-Nighter Transfer Staff Report 20-269a BART-to-Bus Paper Discount Transfer Ticket Board Resolution No. 20-046 Approving the Elimination of the Paper BART-to-Bus Transfer

### ATTACHMENTS:

1. Resolution 20-061 with related Exhibit (Board Policy No. 333 (Redlined))

### Prepared by:

Sally Goodman, Title VI Program Administrator

### Approved/Reviewed by:

Chris Andrichak, Acting Deputy Chief Finance Officer Claudia L. Allen, Chief Financial Officer Salvador Llamas, Chief Operating Officer Lynette Little, Director of Civil Rights & Compliance Jill A. Sprague, General Counsel Linda A. Nemeroff, District Secretary