



Board Report

File #: 2016-0859, File Type: Program

Agenda Number: 37.

**EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 17, 2016**

**SUBJECT: COMMUNITY COLLEGE STUDENT TRANSIT PASS PILOT PROGRAM - MOTION
49.1**

**ACTION: APPROVE TITLE VI ANALYSIS AND UNIT REDUCTION AND ADD A 12-MONTH
TRANSITIONAL PASS TO THE TWO YEAR UNIVERSAL COLLEGE STUDENT
TRANSIT PASS (U-Pass) PILOT PROGRAM ENDING SUMMER 2018**

RECOMMENDATION

CONSIDER:

- A. APPROVING the **unit reduction for undergraduate students from 8 units to 6 units beginning Spring 2017;**
- B. CREATING a **reduced fare Transitional Pass to U-Pass participants for 12 months after graduation;** and
- C. APPROVING the Title VI Analysis required by Civil Rights department.

ISSUE

As part of an ongoing effort to pursue strategies to increase student transit ridership, motion 49.1 requested an assessment of the feasibility of piloting a Universal Community College Student Transit Pass Program (See Attachment A).

Currently, there are more than 1.4 million public college students in Los Angeles County, and only 14,000 (1%) are actively participating in Metro's reduced fare college pass programs, the College/Vocational (C/V) Pass and Institutional Transit Access Pass (I-TAP) programs. In addition, the C/V and I-TAP programs are only offered to full-time students who represent only 30% of public school students in Los Angeles County, while the remaining 70% of students are considered part-time and are not eligible for these programs. Lastly, Metro's systemwide average fare per boarding (FPB) is \$0.75 while the I-TAP group rate pricing is only generating \$.29 per boarding. The I-TAP group rate pricing model is no longer revenue neutral to Metro. Under their current configuration, these programs are not reaching a large enough percentage of the student population to encourage ridership growth.

Riding transit is an important life skill that should be learned at a young age. Many adults who have not previously ridden transit are intimidated by learning new routes and afraid of getting lost on an unfamiliar system. Broadening the use of transit at the college level will teach this skill and create riders for life because users will understand the system.

DISCUSSION

Full-time undergraduate and graduate students in Los Angeles County are eligible for a reduced fare College/Vocational 30-day pass that is offered at \$43 per month, a 57% discount from the regular Metro 30-day pass which is \$100 per month. In order to be eligible for the C/V pass, undergraduate students must be enrolled in a minimum of 12 units or 12 hours of in-classroom study per week for a minimum of 3 consecutive months. Graduate students must be enrolled in a minimum of 8 units of in-classroom study per week for a minimum of 3 consecutive months. Students can purchase the reduced fare TAP card directly from Metro and load it at Ticket Vending Machines (TVMs), customer centers, vendor outlets, or online.

In 2003 the Board adopted the I-TAP program. This program was designed to increase student ridership, while keeping the program revenue neutral for Metro. The I-TAP program allows schools to purchase passes directly from Metro on a semester or quarterly basis. There were four (4) schools participating in the I-TAP program in 2016 - Pasadena City College, Rio Hondo College, University of California Los Angeles (UCLA) and University of Southern California (USC - graduate students only).

In May 2016, the Board adopted the Universal College Student Transit Pass (U-Pass) Pilot Program. This program was designed to partner with schools to utilize technology and improve accessibility to reduced fares to increase student ridership, while keeping costs low for students. Students of participating schools can purchase semester passes online or on campus. They receive a sticker with an embedded TAP chip, which turns their student ID into a TAP card that can be renewed each semester. Schools partner with Metro in co-branded marketing and collect payments from students to fund the program. At the end of the semester, the schools are only billed for actual rides taken by students at the reduced rate of \$0.75 per boarding and the maximum charge is capped at \$43 per student per month to match the existing C/V program.

Fall 2016 Participation

For Fall 2016, six (6) schools participated in the U-Pass Pilot Program:

- California Institute of Technology (CalTech)
- California State University, Northridge (CSUN)
- Los Angeles Trade Technical College (LATTC)
- Pasadena City College (PCC - Transition from ITAP)
- Rio Hondo College (Rio - Transition from ITAP)
- Santa Monica College (SMC) - Test Group

Previously, there were 7,402 I-TAP participants. As of October 17, 2016, there were 8,367 participants in the U-Pass and I-TAP programs combined, which is an increase of 965 participants or 13% (see chart below). In the first 8 weeks of the program, there were 474,959 boardings in the

combined programs.

I-TAP and U-Pass Participants

School	ITAP (Fall 2015)	ITAP and U-Pass (Fall 2016)
PCC	3,724	2,119
Rio Hondo	1,198	1,868
UCLA (12-Units or More)	1,194	1,194
USC (Graduate Students)	1,286	1,286 (Fall 2015)
CSUN	0	1,647 (Fall 2015)
LATTC	0	182
CalTech	0	1
SMC	0	70
Totals	7,402	8,367

Success of the program has been largely due to schools subsidizing passes, Metro's presence on participating campuses, co-branded marketing, and ease of purchasing passes.

Title VI

All U-Pass participants were required to complete a demographic survey. The data from this survey shows that 93% of the participants are ethnic and 75% of the participants are at or below the poverty level in Los Angeles County based on the regional cost of living. The percentage of minorities for Metro's service area is 77% and the percentage of low-income individuals in the service area is 15.9%. Therefore, the U-Pass fare reduction does not create a disparate impact or disproportionate burden because the benefit falls on a population that is more minority and low-income than the overall service area (See Attachment B).

Reducing the Minimum Unit Requirement

In the initial External Task Force meetings, many of the schools requested that the minimum units required to obtain a reduced fare pass be significantly reduced, or even eliminated.

The U-Pass Pilot Program initially reduced the units required to participate from 12 to 8 units for undergraduate students and from 8 to 6 units for graduate students. In the May 2016 Board Report, staff committed to reporting back on the financial impact of this change within the first six months of the program with analysis on whether or not this requirement should be reduced further. The financial impact of reducing the unit requirement from 8 units to 6 units cannot be determined until it has been implemented in Spring 2017. However, preliminary data for Fall 2016 showed that 71% of the U-Pass participants were full-time students carrying 12 or more units. Only 2,207 or 29% of the participants were part-time students carrying 8-11 units. Of the part-time participants who responded to the survey, 74 students (3.35%) were formerly Metro 30-Day or EZ Monthly pass holders, 570

were new Metro riders, and 654 riders were part-time riders paying cash fares who have now converted to pass holders. While it is difficult to determine the financial impact, this data indicates that allowing part-time students to participate resulted in a net ridership gain. Therefore, staff recommends reducing the unit threshold for undergraduate students from 8 units to 6 units beginning in Spring 2017 to further increase student participation and ridership (See Attachment C).

Transitional Pass Program

Staff recommends creating a reduced fare Transitional Pass available at \$43 per month to U-Pass participants for 12-months after graduation. Once approved, MCS staff will work with TAP Operations to establish the policies and procedures for implementing and managing the program.

Regional U-Pass

Several of the current and future U-Pass and I-TAP schools have agreements with multiple transit agencies to provide service, which is accessed on a single fare instrument. Although the schools pay each transit provider separately, all passes are loaded onto a single TAP sticker or card. U-Pass schools with multiple existing agreements, or in current discussions for multiple agreements, are:

- Rio - Metro, Foothill Transit, Montebello Bus, Norwalk Transit, El Monte Transit, and LA County El Sol
- University of California, Los Angeles (UCLA) - Metro, Santa Monica Big Blue Bus (BBB), Culver CityBus
- El Camino College (ECC) - Metro, Torrance Transit, Gardena Transit (G-Trans)
- Cerritos College - Metro, Norwalk Transit, Long Beach Transit
- California State University, Los Angeles (CSULA) - Metro, Foothill Transit
- CalTech - Metro, Pasadena Transit
- PCC - Metro, Pasadena Transit
- Santa Monica College (SMC) - Metro, BBB

Many other municipal providers have also expressed interest in joining the U-Pass Program. It would benefit students and transit agencies to have one Regional U-Pass that is valid on all Regional Pass participating agencies. Staff recommends moving forward on creating this pass, which will require the agreement of all participating municipal operators.

Spring Semester Participation

For Spring 2017 implementation, MCS staff is in negotiations with the following schools:

- CSULA
- Cerritos College
- East L.A. College (ELAC)
- El Camino College (ECC)
- LA Mission College
- Pierce College
- SMC - Full Implementation

- University of Southern California (USC - Graduate Students)
- UCLA - Transition from ITAP

DETERMINATION OF SAFETY IMPACT

This program does not affect the incidence of injuries or healthful conditions for patrons or employees. Therefore, approval of this request will have no impact on safety.

FINANCIAL IMPACT

The financial impact of reducing the unit requirement for undergraduates from 8 units to 6 units cannot be determined until Spring 2017 semester has been completed. However, in Fall 2016, the reduction of the undergraduate unit requirement from 12 units to 8 units resulted in a 29% increase in student participation. Therefore, staff recommends decreasing the requirement to 6 units to allow additional part-time students to enroll in the program.

Impact to Budget

The funding source for the MCS programs is Enterprise Fund operating revenues including sales tax and fares. The source of funds for this action, operating revenues, is eligible to fund bus and rail operating and capital expenditures.

The expansion of the U-Pass program may warrant an evaluation of the staffing in the mid-year FY 17-18 budget process.

ALTERNATIVES CONSIDERED

1. Due to the lack of widespread usage, difficulty of administration, and the loss of revenue, staff does not recommend continuing the I-TAP program during the U-Pass Pilot Program. The USC graduate student program will be converting to U-Pass in Spring of 2017. UCLA is currently in negotiations. All current I-TAP schools will be converted to U-Pass.
2. Metro will continue to offer the regular monthly College/Vocational Pass for students at schools not participating in the U-Pass pilot program.

NEXT STEPS

1. Continue to communicate details of U-Pass Pilot Program with all 77 schools in L.A. County and target 10 or more schools to participate in the program.
2. Implement Transitional Pass Program
3. Begin discussions with Municipal agencies to create a countywide U-Pass.
4. Continue to seek additional funding to further reduce the cost of the program to schools and will work with schools to identify other sources of funding such as parking fees and/or fines, student association fees, and/or activity fees and/or referendums and as a means of subsidizing the program.
5. Continue to partner with schools to address transit service and service alignment issues.
6. As part of the midyear budget process for FY17, MCS will be requesting 3 FTE positions in

lieu of the Inland Transportation Services (ITS) vendor contact to assist with the growth of the U-Pass pilot program and the new 3-Month Promotional Employer Pass (PEP) program (See Attachment D).

Metro Commute Services (MCS), which includes the Annual Transit Access Pass (A-TAP), Business Transit Access Pass (B-TAP), the Youth On the Move (YOTM), Jury Pass Program, and the new 3- Month Promotional Employer Pass (PEP) programs, as well as the recently approved Universal College Pass (U-Pass) Pilot Program, conducted a cost benefit analysis of its current staff. The results indicate an annualized staffing cost of \$2.49 million, which consists of 15 staff member (see below).

Current Staffing	Total Annualized Cost	Staff Count
Program Support Vendor (ITS)	\$ 651,072.00	1
Metro FTE (Fully Burdened- Non Contract)	\$ 1,214,720.00	7
Metro TCU (Fully Burdened)	\$ 522,750.00	5
As Needed/ELTP	\$ 105,040.00	2
Total Annual Cost	\$ 2,493,582.00	15

MCS is tasked with growing ridership among college students in Los Angeles County through the U-Pass program, and assisting with increasing ridership along the new rail extensions and bus lines through the 3-Month PEP. MCS is requesting to add two (2) Sr. Account Executives to assist with marketing the programs and one (1) Administrative Analyst for Tap Operations to in assist in program administration. A cost benefit analysis was completed with the additional the 3 FTE positions (see below) and the result indicated a decrease of 10% to \$2.24 million from \$2.49 million in staffing costs, which is a \$243,000 savings for the agency (See Attachment E).

Recommended Staffing	Total Annualized Cost	Staff Count
Metro FTE (Fully Burdened- Non Contract)	\$ 1,621,841.00	10
Metro TCU (Fully Burdened)	\$ 522,750.00	5
As Needed/ELTP	\$ 105,040.00	2
Total Annual Cost	\$ 2,249,631.00	17

ATTACHMENTS

Attachment A - File #:2016-0333, Board Report on Approve Adoption of Universal College Student Transit Pass (U-Pass) Pilot in response to Motion 49.1

Attachment B - Title VI Data for U-Pass Pilot Program


Attachment C - U-Pass Participant Survey Analysis

Attachment D - Board Box on Promotional Employer Program (PEP)

Attachment E - Staffing Cost Analysis

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Phillip A. Washington
Chief Executive Officer

**Board Report**

File #:2016-0333, **File Type:**Program

Agenda Number:

**REGULAR BOARD MEETING
MAY 26, 2016****SUBJECT: COMMUNITY COLLEGE STUDENT TRANSIT PASS PILOT PROGRAM - MOTION
49.1****ACTION: APPROVE ADOPTION OF UNIVERSAL COLLEGE STUDENT TRANSIT PASS
(U-PASS) PILOT PROGRAM****RECOMMENDATION**

Adopt the Universal College Student Transit Pass (U-Pass) Pilot Program.

ISSUE

As part of an ongoing effort to pursue strategies to increase student transit ridership, motion 49.1 requested an assessment of the feasibility of piloting a Universal Community College Student Transit Pass Program.

Currently, there are more than 1.4 million public college students in Los Angeles County, and only 14,000 (1%) are actively participating in Metro's reduced fare college pass programs, the College/Vocational (C/V) Pass and Institutional Transit Access Pass (I-TAP) programs. In addition, the C/V and I-TAP programs are only offered to full-time students who represent only 30% of public students in Los Angeles County, while the remaining 70% of students are considered part-time and are not eligible for these programs. Lastly, Metro's systemwide average fare per boarding (FPB) is \$0.75 while the I-TAP group rate pricing is only generating \$.29 per boarding. As a result, the I-TAP group rate pricing model is no longer revenue neutral to Metro, and combined, these programs are not reaching a large enough percentage of the student population.

Riding transit is an important life skill that should be learned at a young age. Many adults who have not previously ridden transit are intimidated by learning new routes and afraid of getting lost on an unfamiliar system. Broadening the use of transit at the college level will teach this skill in conjunction with other learning and create riders for life because users will understand the system.

DISCUSSION

Full-time undergraduate and graduate students in Los Angeles County are eligible for a reduced fare College/Vocational 30-day pass that is offered at a \$43 per month, a 57% discount from the regular Metro 30-day pass which is \$100 per month. In order to be eligible for the C/V pass, undergraduate students must be enrolled in a minimum of 12 units or 12 hours of in-classroom study per week for a minimum of 3 consecutive months. Graduate students must be enrolled in a minimum of 8 units of in-classroom study per week for a minimum of 3 consecutive months. Students can purchase the reduced fare TAP card directly from Metro and load it at Ticket Vending Machines (TVMs), customer centers, vendor outlets, or online.

In 2003 the Board adopted the I-TAP program. This program was designed to increase student ridership, while keeping the program revenue neutral for Metro. The I-TAP program allows schools to purchase passes directly from Metro on a semester or quarterly basis. Currently, there are only four (4) colleges participating in the I-TAP program:

- UCLA and USC are enrolled in the retail pricing model. The retail pricing model is the regular price of \$43/month or \$9.92/week multiplied by the number of weeks in a semester. (The weekly rate has been corrected to \$10.03 moving forward to reflect the 30-day rate divided by 30 multiplied by seven days.)
- Pasadena City College and Rio Hondo College are enrolled in the group rate pricing model. The group rate pricing model is based on the total number of full-time students multiplied by the group rate multiplied by the number of weeks in a semester.

Ridership data indicates that the I-TAP group pricing model resulted in a substantial increase in transit ridership over a five (5) year period (2010 - 2014):

- PCC increased ridership from 11% to 41% of their full-students
- Rio Hondo increased ridership from 7% to 44% of their full-time students

This resulted in an average ridership increase of 7% per year. Additional Metro bus services were added to support this growth in ridership. However, the current I-TAP Program at PCC and Rio Hondo is no longer revenue neutral for Metro. The average fare collected for these programs is \$0.29 per boarding versus the system average of \$0.75. Currently, there are approximately 7,000 active I-TAP users and 16,400 active College/Vocational TAP cards, but on average only 6,800 C/V Monthly Passes are being loaded.

In addition, Metro has not been utilizing existing and new technologies efficiently to improve these programs. Currently, the I-TAP and C/V paper applications are processed and uploaded manually. C/V applications became available online in September 2015 and represent approximately 5% of the total applications received since then. In March 2016, staff added a web link to the online application from the College Programs page on Metro.net and online applications rose to 9%. Metro has been processing an average of 2,100 paper applications per month and also handling the verification of each individual student's units, which has caused a wait time of 4-6 weeks for students to receive their C/V TAP cards from the time of application. However, many students are registering for their classes online and colleges have the ability to electronically verify their enrollment. Online

registration could be modified to allow students to add transit participation along with their enrollment. New TAP chip technology also exists which would allow a sticker with an embedded computer chip and an RFID antenna to be applied directly to the student ID cards, replacing the need for photo ID C/V TAP Cards. Just like existing TAP cards, these chips have the ability to be loaded remotely, reducing the need for a student to physically go an office to reload or reactivate their cards once they have registered.

U-Pass Task Force Results

In November 2015, Metro Commute Services established two (2) U-Pass Task Force teams that included:

Internal Task Force (Metro):

- Office of Management and Budget (OMB)
- TAP Operation
- Office of Extraordinary Innovation

External Task Force:

- Los Angeles County colleges and universities including:
 - California Institute of Technology (CalTech)
 - California State University Dominguez Hills
 - California State University Long Beach (CSULB)
 - California State University Los Angeles (CSULA)
 - California State University Northridge (CSUN)
 - Cerritos Community College
 - Citrus College
 - LA Community College District (LACCD)
 - LAUSD Adult Vocational Programs (LAUSD)
 - Mount San Antonio College (Mt. SAC)
 - Pasadena City College (PCC)
 - Rio Hondo Community College
 - University of California at Los Angeles (UCLA)
 - University of Southern California (USC)
- Local municipal transit providers and organizations including:
 - Foothill Transit
 - Long Beach Transit
 - Los Angeles Department of Transportation (LADOT)
 - Move L.A.

In addition, an online survey was distributed to collect feedback from the colleges. The survey was anonymous to allow for the highest level of honest feedback and addressed issues such as satisfaction with existing Metro transit service, and cost and funding of student transit programs. Primary findings from the survey included:

- College transit programs are currently funded through pass sales, student fees, revenue from

-
- parking fines and fees, and associated student associations
- 73% are very satisfied or satisfied with the transit service at their campus
 - 82% say not having enough parking is an issue on their campus
 - 64% do not believe they have adequate funding for the program
 - 30% feel that not including part-time students is limiting participation, and
 - 60% are willing to co-market a Universal Pass program on their campus with Metro support

As a result of the feedback from the, Internal and External Task Force teams and survey responses, the overall recommendations are as follows:

- Make passes more affordable for students
- Make passes more accessible for part-time students
- Make program easy to understand and administer

U-Pass Pilot Program

Upon Board approval, Metro Commute Services will implement a two-year U-Pass pilot program beginning in Fall 2016. U-Pass Pilot Program will:

1. Target at least 10 new schools to participate in the program.
2. Reduce the minimum units required under the pilot to 8 units or more per quarter/semester to allow more part-time students to participate in pilot program.
3. Transition to a pay per boarding model:
 - a. Charge an estimated boarding fee of \$0.75 per boarding, which is the cash-boarding equivalent of the 30-day College/Vocational pass. Payment must be made by the school at the beginning of the term and the rate will be reassessed annually as part of the budget process.
 - b. For the introductory term, estimated boardings will be based on existing I-TAP or C/V ridership data. If the school does not have existing data, the initial student participation will be estimated at 10% of eligible students. Any overage paid by the school based on the estimated boardings for the introductory term will be credited toward the payment for Term 2.
 - c. For the second term and subsequent terms, estimated boardings will be adjusted to reflect the actual boardings from the previous term based on TAP data.
 - d. At the end of the second term and each subsequent term, actual boardings will be reconciled against the initial fee payment and a charge or credit will be issued to the school based on the difference, capped at \$43 per month (\$10.03 per week) per participant.
 - e. Schools may elect to cover the cost of the program through student fees, other funding, or by charging the students for participation. Fees collected from students may not exceed \$43/month or \$10.03/week, and the total amount collected may not exceed the total amount due to Metro.
 - f. Schools are encouraged to build U-Pass participation into their existing class registration process to allow for a seamless integration and the ability to charge the appropriate student fees, if any.

4. Schools will be responsible for collecting demographic data to assist in completion of the required Title VI analysis, for verifying enrollment eligibility for each quarter/semester, and for distributing or reactivating TAP stickers/cards for eligible students. Schools are encouraged to collect as much information as possible as part of online registration, which will also allow cards to be activated and loaded electronically by Metro.
5. Schools will report all issued TAP card/sticker numbers to Metro for tracking purposes and to facilitate replacements.
6. Schools are encouraged to partner with Metro for in-kind marketing materials and promotion of the U-Pass Program.
7. Establish goal of increasing student participation by 10% over existing C/V and I-TAP levels during the two year pilot program and use the data from the pilot program as a foundation for establishing an ongoing U-Pass program, which will ultimately replace both the I-TAP and the C/V programs. Performance measures to be assessed include:
 - a. Compare total U-Pass revenue and boardings to current I-TAP and C/V revenue and boardings and assess changes in fare revenues and ridership among the college/vocational student population
 - b. Assess changes in ridership on key lines near pilot schools
 - c. Compare the percentage of students who were issued passes on a term-by-term basis to assess changes in utilization of the U-Pass

DETERMINATION OF SAFETY IMPACT

This program does not affect the incidence of injuries or healthful conditions for patrons or employees. Therefore, approval of this request will have no impact on safety.

FINANCIAL IMPACT

As a pilot, this program will be managed within existing resources. Therefore, there will be no financial impact at this time.

Impact to Budget

As a pilot, this program will be managed within existing resources. Therefore, there will be no impact to budget at this time.

ALTERNATIVES CONSIDERED

Reduction of Units

Reducing the unit requirements for the U-Pass program was considered. With the existing 12-unit requirement for undergraduate students, there are approximately 14,000 active college transit program participants. This represents 3% of the total eligible public school students who meet the

requirement.

Decreasing the unit requirement for the U-Pass pilot program to 9 units (semester) or 8 units (quarter) would increase the potential pool of eligible participants by 17%, or approximately 250,000 public students. Based on the current 3% participation, this could result in about 7,500 new college/vocational riders. Decreasing the unit requirement for the U-Pass pilot program to 6 units would increase the potential pool of eligible participants by 35%, or approximately 536,000 public students. Based on the current 3% participation, this could result in about 16,000 new college/vocational riders.

For both cases, increasing the potential pool of eligible participants will likely result in revenue loss for Metro, with the possibility of recouping the loss through a potential increase in new riders. However, the potential revenue impact will depend on how many of the new college/vocational riders were full fare transit riders (negative impact to revenue) versus how many are new transit riders (positive impact to revenue).

Because the financial impact of the unit reduction will not be known until the overall fare revenue changes for the pilot program and the agency can be assessed, staff recommends starting the pilot program with an 8-unit minimum requirement with a commitment to review the revenue impact after six months and consider lowering the requirement to 6 units based on the assessment. The 12-unit requirement for current monthly C/V passes will remain intact.

The College/Vocational Pass requires graduate students to be enrolled in 8 or more units. Under the U-Pass Pilot Program, staff is recommending reducing the units required for graduate students from 8 units to 6 units. The 8-unit requirement for graduate students utilizing monthly C/V passes will remain intact.

Continuation of I-TAP and C/V Programs

Due to the lack of widespread usage, difficulty of administration, and the loss of revenue, staff does not recommend continuing the I-TAP program during the U-Pass Pilot Program. All current I-TAP schools will be converted to U-Pass. However, Metro will continue to offer the regular monthly College/Vocational Pass for students at schools not participating in the pilot program.

NEXT STEPS

Upon approval of this pilot program, Metro will:

1. Communicate details of U-Pass Pilot Program with all 77 schools in L.A. County and target 10 or more schools to participate in the program.
2. During initial registration period, schools will collect required Title VI data from participating students. Title VI evaluation will be conducted and a findings report will be brought back to the Board of Directors for approval prior to the end of the sixth month of the pilot program.
3. During the pilot program, Metro will continue to seek additional funding through Greenhouse

Gas Reduction Fund/Low Carbon Transit Operations Program (LCTOP) revenue Cap and Trade, the South Coast Air Quality Management District's Mobile Source Air Pollution Reduction Review Committee (MSRC), or other sources to further reduce the cost of the program to the schools and will work with schools to identify other sources of funding such as parking fees and/or fines, student association fees, and/or activity fees and/or referendums and as a means of subsidizing the program.

4. During the pilot program, Metro will continue to partner with schools to address transit service and service alignment issues.

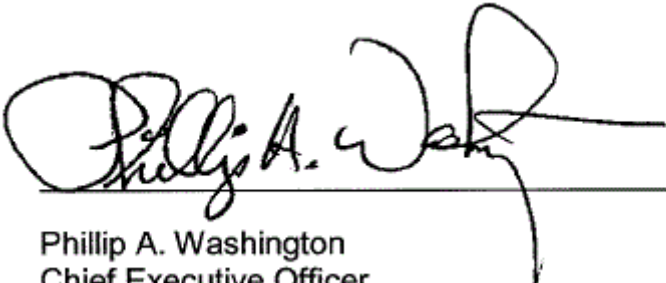
ATTACHMENTS

Attachment A - Motion 49.1 Community College Student Transit Pass Pilot Program

Attachment B - Report 49 on Community College Student Transit Pass Pilot Program in response to Motion 49.1

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Phillip A. Washington
Chief Executive Officer

Attachment B - Title VI Analysis Data for U-Pass Pilot Program - Fall 2016

Based on Poverty Levels from the 150% column of the “2016 Federal Poverty Guidelines” Table:

Size of Family Unit	Poverty Level
1	\$17,820
2	\$24,030
3	\$30,240
4	\$36,450
5	\$42,660
6	\$48,870
7	\$55,095
8	\$61,335
9	\$61,335
10	\$61,335

Income Summary (Based on Total Surveys Received as of 10/20/16)

School	Below Level	Below %	Above L	Above %	N/A*	N/A %	Total
CalTech	0	0	1	100	0	0	1
CSUN	1529	74%	453	22%	90	4%	2072
LATTC	680	88%	78	10%	12	2%	770
PCC	1964	75%	560	21%	90	3%	2614
Rio Hondo	1948	71%	657	24%	130	5%	2735
SMC	102	82%	21	17%	2	2%	125
Totals	6223	75%	1770	21%	324	4%	8317

*Student did not answer question

All Schools:

Race	Responses	% of Total
Asian and Pacific Islander	1110	13%
Black	427	5%
Hispanic	5624	68%
Native American	55	1%
White	486	6%
2 or More	509	6%
None	102	1%
Total	8313	100%

**Survey Data Analysis
10.20.16**

Attachment C - U-Pass Participant Survey Analysis 10-17-16	Full-Time	Part-Time	Total	% Breakdown Results (Full-Time & Part-Time)	% Breakdown Results (Part-Time)	% Breakdown Results (Full-Time)
Total Survey Completed	5,401	2,207	7,608		29.01%	70.99%
If you currently ride Metro, what type of fare do you use?						
College /Vocational Pass	747	189	936	12.30%	8.56%	13.83%
Regular 30 day /EZ Pass	139	74	213	2.80%	3.35%	2.57%
Pay as you go	1,980	654	2,634	34.62%	29.63%	36.66%
I don't ride Metro	715	570	1,285	16.89%	25.83%	13.24%
No Reponses	1,820	720	2,540	33.39%	32.62%	33.70%
Total	5,401	2,207	7,608			
Number of units currently enrolled in?						
6 units	0	492	492	6.47%	22.29%	0.00%
7 units	1	130	131	1.72%	5.89%	0.02%
8 units	0	286	286	3.76%	12.96%	0.00%
9 units	0	455	455	5.98%	20.62%	0.00%
10 units	0	356	356	4.68%	16.13%	0.00%
11 units	1	273	274	3.60%	12.37%	0.02%
12 units	5,393	3	5,396	70.93%	0.14%	99.85%
No Response	6	212	218	2.87%	9.61%	0.11%
Total	5,401	2,207	7,608			
Are you currently enrolled at another college						
Yes	123	185	308	4.05%	8.38%	2.28%
No	4,632	1,945	6,577	86.45%	88.13%	85.76%
No Reponses	646	77	723	9.50%	3.49%	11.96%
Total	5,401	2,207	7,608			
Current employment status						
Full-Time	365	372	737	9.69%	16.86%	6.76%
Part-Time	1,645	748	2,393	31.45%	33.89%	30.46%
Not Employed	3,338	1,053	4,391	57.72%	47.71%	61.80%
No Reponses	53	34	87	1.14%	1.54%	0.98%
Total	5,401	2,207	7,608			



Metro

Los Angeles County
Metropolitan Transportation Authority

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May 12, 2016

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON
CHIEF EXECUTIVE OFFICER

FROM: PAULETTA TONILAS 
CHIEF COMMUNICATIONS OFFICER

SUBJECT: PROMOTIONAL EMPLOYER PASS PROGRAM

ISSUE

To increase ridership along new service corridors, including Line 501 Pasadena to North Hollywood Express, Gold Line Extension, and Expo Line Phase 2, and to increase participation in Employer Annual Pass Program (EAPP), which includes the Annual Transit Access Pass (ATAP) and Business Transit Access Pass (BTAP) Program, Metro Commute Services (MCS) Staff is recommending implementing a short-term Promotional Employer Pass Program (PEPP) that will serve as an introduction to Employer Programs.

DISCUSSION

Currently, the ATAP and BTAP programs require a high level of financial commitment from employers, who may not be familiar with the benefits of offering an employer-sponsored transit pass program. MCS would like to create a pilot promotional pass program for businesses at a reduced cost for a period of three months to increase ridership along new service corridors and familiarize employers with transit pass programs so that they understand the benefits of longer-term participation in Metro's Employer Annual Pass Program (EAPP).

In addition, Line 501 is experiencing low ridership at approximately 500 riders per day. This line could potentially serve many large employers along its route. Having a new tool to promote the service to employers would help increase ridership.

Promotional Employer Pilot Program (PEPP) criteria

- One-time promotion only
- New Employers only – Current TAP Corporate Accounts and EAPP participants are excluded
- Cost is \$50 per month for each regular tap card preloaded with three (3) Metro 30-Day Passes (one-time cost of \$150) per individual employee named on list provided with signed agreement
- Minimum will be based on 10% of total employees with proof of employment
- Users must be an employee of the business
- Employers may purchase passes for more than 10% of employees, if desired, but no refunds will be given for unused passes
- Payment in full for three-month period is required upfront
- Employers must distribute passes and collect required employee information for Metro

Administrative requirements

- Signed Agreement and Payroll Report
- Check payment for total due prior to pass delivery
- Employee list with individual TAP Registration and aggregate Title VI information for data purposes only

Duration of promotional outreach

- 12 months of outreach from each rail/bus opening
- Promotional program provides reduced fare for a maximum of three months per employer, and is not subject to Title VI requirements (per Office of Civil Rights).

NEXT STEPS

1. Create marketing materials and web landing page for program
2. Determine the business near line 501, Gold Line and Expo Line extensions by using:
 - Leads from phone and web inquiries
 - Letter/Email Blast with web link forwarded to Regional Rideshare Database listings
 - Cold calling businesses in new service area
3. Collect TAP ridership data to share with business and determine success of program
4. Convert companies to A/BTAP participants based on TAP data

Attachment E - Staffing Cost Analysis

Staffing (Current)								
Title	Estimated Salary	Fringe NC 49.2% & TCU 57.3%	Workers' Comp @ .7% & TCU 7.8%	Allocated Overhead (39.9%)	Cost per Staff	# of Positions	Total Cost	
Director of MCS	\$ 140,000.00	\$ 68,880.00	\$ 980.00	\$ 55,860.00	\$ 265,720.00	1	\$ 265,720.00	
Communications Manager	\$ 100,000.00	\$ 49,200.00	\$ 700.00	\$ 39,900.00	\$ 189,800.00	1	\$ 189,800.00	
SR. Account Executive	\$ 75,000.00	\$ 36,900.00	\$ 525.00	\$ 29,925.00	\$ 142,350.00	4	\$ 569,400.00	
Tap Manager	\$ 100,000.00	\$ 49,200.00	\$ 700.00	\$ 39,900.00	\$ 189,800.00	1	\$ 189,800.00	
Tap Lead Agent	\$ 55,000.00	\$ 31,515.00	\$ 4,290.00	\$ 21,945.00	\$ 112,750.00	1	\$ 112,750.00	
Tap Agent	\$ 50,000.00	\$ 28,650.00	\$ 3,900.00	\$ 19,950.00	\$ 102,500.00	4	\$ 410,000.00	
ELTP (\$25/hr.)	\$ 52,000.00	\$ -	\$ -	\$ -	\$ 52,000.00	1	\$ 52,000.00	
As Needed -SR. Account Executive (30 wk./1560 yr./ \$34 hr.)	\$ 53,040.00	\$ -	\$ -	\$ -	\$ 53,040.00	1	\$ 53,040.00	
As Needed -Administrative Analysis (30 wk./1560 yr./ \$28 hr.) (Vacant)	\$ 43,680.00	\$ -	\$ -	\$ -	\$ 43,680.00	0	\$ -	
Total						14	\$ 1,842,510.00	
Contract Annual Cost								\$ 651,072.00
							1	\$ 651,072.00

Total Annualized Cost with Current Staff	
Program Support Vendor (Inland Transportation Services)	\$ 651,072.00
Metro FTE (Non Contract)	\$ 1,214,720.00
Metro TCU Union	\$ 522,750.00
As Needed/ELPT	\$ 105,040.00
Total Annual Cost	\$ 2,493,582.00

Labor and Non Labor Cost with Current Staff	
Non-Labor	\$ 756,112.00
Labor	\$ 1,529,990.00
Over head	\$ 207,480.00
Total Annual Cost	\$ 2,493,582.00

Staffing (Recommendation)							
Title	Estimated Salary	Fringe NC 49.2% & TCU 57.3%	Workers' Comp @ .7% & TCU 7.8%	Allocated Overhead (39.9%)	Cost per Staff	# of Positions	Total Cost
Director of MCS	\$ 140,000.00	\$ 68,880.00	\$ 980.00	\$ 55,860.00	\$ 265,720.00	1	\$ 265,720.00
Communications Manager	\$ 100,000.00	\$ 49,200.00	\$ 700.00	\$ 39,900.00	\$ 189,800.00	1	\$ 189,800.00
SR. Account Executive (Added 2 Sr. AE. positions)	\$ 75,000.00	\$ 36,900.00	\$ 525.00	\$ 29,925.00	\$ 142,350.00	6	\$ 854,100.00
Administrative Analyst for TAP Operation	\$ 64,500.00	\$ 31,734.00	\$ 451.50	\$ 25,735.50	\$ 122,421.00	1	\$ 122,421.00
Tap Manager	\$ 100,000.00	\$ 49,200.00	\$ 700.00	\$ 39,900.00	\$ 189,800.00	1	\$ 189,800.00
Tap Lead Agent	\$ 55,000.00	\$ 31,515.00	\$ 4,290.00	\$ 21,945.00	\$ 112,750.00	1	\$ 112,750.00
Tap Agent	\$ 50,000.00	\$ 28,650.00	\$ 3,900.00	\$ 19,950.00	\$ 102,500.00	4	\$ 410,000.00
ELTP (\$25/hr.)	\$ 52,000.00	\$ -	\$ -	\$ -	\$ 52,000.00	1	\$ 52,000.00
As Needed -SR. Account Executive (30 wk./1560 yr./ \$34 hr.)	\$ 53,040.00	\$ -	\$ -	\$ -	\$ 53,040.00	1	\$ 53,040.00
Total						17	\$ 2,249,631.00

Total Annualized Cost Staffing Cost (Recommendations)	
Metro FTE (Non Contract)	\$ 1,621,841.00
Metro TCU Union	\$ 522,750.00
As Needed/ELPT	\$ 105,040.00
Total Annual Cost	\$ 2,249,631.00

Labor and Non-Labor Cost (Recommendations)	
Non-Labor	\$105,040.00
Labor	\$1,911,375.50
Over head	\$233,215.50
Total Annual Cost	\$2,249,631.00

Cost Sheet

Title	Estimated Salary	Fringe NC 49.2% & TCU 57.3%	Workers' Comp @ .7% & TCU 7.8%	Allocated Overhead (39.9%)	Cost per Staff	# of Positions	Total Cost
Director of MCS	\$134,305.60	\$66,078.36	\$940.14	\$53,587.93	\$254,912.03	1	\$254,912.03
Communication Manager	\$100,464.00	\$49,428.29	\$703.25	\$40,085.14	\$190,680.67	1	\$190,680.67
SR. Account Executive	\$70,000.00	\$34,440.00	\$490.00	\$27,930.00	\$132,860.00	4	\$531,440.00
Tap Manager	\$100,464.00	\$49,428.29	\$703.25	\$40,085.14	\$190,680.67	1	\$190,680.67
Tap Lead Agent	\$41,600.00	\$23,836.80	\$3,244.80	\$16,598.40	\$85,280.00	1	\$85,280.00
Tap Agent	\$37,440.00	\$21,453.12	\$2,920.32	\$14,938.56	\$76,752.00	4	\$307,008.00
Total							\$1,560,001.37
Requested Metro FTE's Positions							
Account Supervisor	\$85,000.00	\$41,820.00	\$595.00	\$33,915.00	\$161,330.00	1	\$161,330.00
SR. Account Executive	\$70,000.00	\$34,440.00	\$490.00	\$27,930.00	\$132,860.00	2	\$265,720.00
Total							\$427,050.00
As Needed							
ELTP (\$20/hr.)	\$41,600.00	\$0.00	\$0.00	\$0.00	\$41,600.00	1	\$41,600.00
SR. Account Executive (30 wk./1560 yr./ \$33.65)	\$52,949.00	\$0.00	\$0.00	\$0.00	\$52,949.00	1	\$52,949.00
Administrative Analysis (30 wk./1560 yr./ \$26.07 hr.)	\$40,669.20	\$0.00	\$0.00	\$0.00	\$40,669.20	1	\$40,669.20
Total							\$135,218.20
Vendor (ITS) (current)							
Contract Annual Cost							\$630,450.00
Appointment Setter	\$57,000.00					2	
SR. Account Executive	\$75,000.00					3	
Avg. Cost/5 Staff							\$126,090.00

Total Annualized Cost (Current)	
Program Support Vendor (ITS)	\$630,450.00
Metro FTE	\$977,032.70
Metro TCU	\$582,968.67
As Needed	\$135,218.20
Total Annual Cost (Current)	\$2,325,669.57

Total Annualized Cost (3 Additional Metro FTE)	
Program Support Vendor (ITS)	\$630,450.00
Metro FTE	\$1,404,082.70
Metro TCU	\$582,968.67
As Needed	\$135,218.20
Total Annual Cost	\$2,752,719.57

Annualized Vendor Cost (Current)			
	Avg. Cost/5 Staff	# of Staff	Annual Cost
Vendor (ITS)	\$126,090	5	\$630,450.00

Universal Pass Program (U-Pass)

Metro Board of Directors Meeting
December 1, 2016



Motion 49.1 (Ridley-Thomas) requested an assessment of the feasibility of piloting a Universal Community College Student Transit Pass (U-Pass) Program.

Goal: In May 2016, the Board approved a 2-year U-Pass Pilot Program for Colleges, Universities, and Trade Schools to increase college transit ridership and create a new generation of transit riders.

Objective: To transition to a more feasible pricing structure and reach a broader range of college students by reducing units required to participate, and collect the data and establish best practices necessary to establish a permanent program.

Initial Semester Participation:

- 2570 new riders in U-PASS program, since launch on 8/29
- 1285 of new participants did not previously ride Metro (50%)
- 13% increase over previous ITAP participation in first semester
- 29% of participants are part time students with 8-11 units
- Six (6) initial colleges included: CSUN, LATTC, Rio Hondo College, Pasadena City College, CalTech, Santa Monica College (test group of 100 students)

Title VI Analysis:

- Required in first 6 months of pilot program
- In Metro service area is 77% minority with 15.9% low income
- U-Pass participation is 93% minority with 75% low income
- No disparate impact or disproportionate burden found

Significant Changes Being Requested:

1. **Eligibility** – Units required to participate to be reduced from 8 to 6 units per semester.
1. **Transitional U-Pass** – Reduced college fare rate of \$43/mo. to be offered to U-Pass participants for one year after graduation.
2. **Regional U-Pass** – Countywide Regional U-Pass would allow participating students to board participating municipal agencies' buses and establish a per boarding reimbursement rate to agencies similar to the EZ Regional Pass

Schools joining the program in Spring 2017:

- California State University, Los Angeles (CSULA)
- LA Mission College
- Pierce College
- Santa Monica College (Full implementation)
- USC (Graduate students – transition from I-TAP)

Additional schools in discussion phase for Spring 2017:

- Cerritos College
- East Los Angeles College (ELAC)
- El Camino College (ECC)
- LA City College (LACC)
- UCLA (Transition from I-TAP)

Thank you!

For additional information visit:

www.metro.net/riding/colleges

For questions/participation contact:

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