Modification to the SamTrans Codified Tariff

Draft Proposal

SamTrans Board of Directors Meeting
April 3, 2019
Objective

- Align Codified Tariff with Board-adopted Fare Policy

- Outline current proposed fare changes and collect any feedback

- Understand impact of proposed fare changes to both ridership and revenues
Status

January
Fare Policy adopted

January - March
Codified tariff assessment, fare structure development, staff review

April
Board review and comment on proposed fare changes
(we are here)

May
Seek Board approval of proposed fare changes and an action to set public hearing date in July

May - July
Public meetings, outreach, and equity analysis

July
Public hearing

August
Seek Board adoption of proposed fare changes

August – February/July 2020
Implementation
Fare Change Overview

- Responsive to changing ridership patterns of current SamTrans riders.
- Makes SamTrans easier and more affordable to ride if making transfers in a journey are needed.
- Reduce administrative overhead by consolidating and removing certain fare products that are expensive to administer.
- Administrative changes to codified tariff which are necessary to implement express bus, microtransit, and the pilot taxi voucher program.
Proposed Fare Changes- Base Fare

Keep adult base fare at $2.25
- Indefinitely postpone the adult base fare increase to $2.50
- Most SamTrans riders make lower income compared to per capita median income in San Mateo County
Proposed Fare Changes – Transfers and Day Pass

Introduce free 2-hour transfers on SamTrans Mobile App and Clipper
– Approximately 30-40%* of passengers make at least one transfer per trip.
  ▪ 25% of passengers making at least one transfer pay with Clipper cash
  ▪ 32% with cash
  ▪ 24% with month pass (Clipper)

Reduce cost of day pass to twice the base fare
– Currently, the day pass is 2.5x the fare
– Option for cash paying customers; also available on Mobile App

*source: 2018 fare survey and 2019 triennial survey
Proposed Fare Changes - Tokens

Replace adult and youth coin tokens with paper tokens
- Approximately $300,000 in annual savings from token processing/handling.

Remove bundle token discount.
- Tokens are sold at an approximately 20% discount from the base fare in bundles of 10.
- Potential impact to special populations via social service institution sales.
Proposed Fare Changes – Change Cards

Remove change cards

– Although it is not advertised, passengers can receive a change card when they overpay their fare.
– Issuing change cards can create unreasonably long dwell time at stops and create distracting customer service situations for operators.
Proposed Fare Changes – Out of SF Fare

Remove out-of-SF Fare

– Currently, $4 for trips originating in San Francisco and ending in San Mateo County. This does not apply to Youth or ED customers.
– Out-of-SF fare category is confusing for passengers, complicates the fare structure/business rules, and is difficult to enforce.
– Fare reduction for out-of-SF passengers on 292, 397, 398
– This change provides room in the fare structure for implementation of the Express Bus fare.
Proposed Fare Changes – Express Fare

Express Service fares

- Premium fare price point in order to align with premium service level
- 10% Clipper discount pursuant to codified tariff and agreements with MTC to promote Clipper
- Base fare
  - Cash: $4.50
  - Clipper: $4.00
Proposed Fare Changes – Group Sales

Remove 50-ticket ride book product
– This change would eliminate the fifty-ticket ride book in favor of a simple bulk order of tokens.

Remove group sales practice
– A 20% discount on tickets is afforded to groups of 25+ that pre-order.
– This change would eliminate the practice of group sales in favor of simply purchasing a bulk order of tokens.
Proposed Fare Changes

Add “Microtransit” service definition
Pilot microtransit service launching in Pacifica.

Add “On-Demand Taxi Voucher” service definition The on-demand taxi subsidy pilot program offers same-day, curb to curb taxi and accessible taxi service at a reduced rate in the program area. Available to older adults (age 65+) and people with disabilities.
Budget impact, cost, and implementation

- Aggregate annualized impact of all changes
  - Ridership: 2% increase, or 234,000 more trips per year
  - Revenue 4% decrease, or $629,640 less revenue per year
  - Cost per new rider: $2.69/person (system average: $7.34/person)

- One-time cost to implement (Clipper): Approx. $200,000
  - Transfers, express bus fare configurations

- Costs may be offset by potential administrative savings from removing coin tokens – approx. $300,000 per year

- Time to implement: 6-12 months
  - Mostly driven by Clipper, though some changes will be shorter or immediate upon Board approval.
Next Steps

- Receive Board feedback
  - Revise recommendations, if necessary
- Return to the Board in May
  - Review final proposed changes
  - Action to set the public hearing in July
- Public comment process begins
- Hold public hearing in July; seek approval in August