

Council Meeting  
April 28, 2009

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

**Members of the City Council:**

**SUBJECT: Transit – EZ Transit Pass Memorandum of Understanding (MOU)**

**RECOMMENDATION**

Recommendation of the Transit Director that City Council approve a Memorandum of Understanding (MOU) with the Los Angeles County Metropolitan Transportation Authority (Metro) for the continued participation in the EZ Transit Pass Program.

**FUNDING**

The program provides the Torrance Transit System (TTS) with annual estimated revenue of approximately \$222,000.

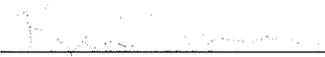
**BACKGROUND/ ANALYSIS**

The EZ transit program is a joint program between participating transit agencies in the Los Angeles County area. The EZ Transit Pass Program issues passes that allow patrons to transfer among participating systems, providing seamless travel and increased mobility throughout the greater Los Angeles County area. Participant transit agencies are reimbursed for their participation in the EZ Transit Pass Program based on the number of passengers that board their buses with EZ pass fare media. Torrance has participated in the EZ Transit Pass Program since FY 2003.

This MOU contains only slight modifications from the MOU previously in effect. There is a modification to the reimbursement rate for participant agencies, but if it results in lower reimbursement than the previous rate, the previous rate will be used. Other modifications are procedural in nature.

Approving and signing this MOU will provide TTS patrons with the continued convenience and cost savings of transferring between different transit agencies with a single pass, and it will provide TTS with continued EZ transit pass revenue. The conditions of this MOU are considered to be acceptable, and approval is recommended.

Respectfully submitted,

  
\_\_\_\_\_  
Kim Turner  
Transit Director

Concur:

  
\_\_\_\_\_  
LeRoy J. Jackson  
City Manager

Attachments: A) EZ Transit Pass Program Memorandum of Understanding (MOU)

MOU.PEZTOR  
MOU.PEMTOR

**EZ TRANSIT PASS PROGRAM  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
AND  
THE CITY OF TORRANCE**

This Agreement regarding **Usage and Fare Reimbursement** ("Agreement") is made and entered into as of **December 1, 2008**, by and between the Los Angeles County Metropolitan Transportation Authority (the "LACMTA"), a public agency, corporate and politic, and the City of Torrance (the "CITY"), a municipal corporation, operating Torrance Transit (TT) and Torrance Max, referred to herein individually as a "Party" or collectively as the "Parties."

**RECITALS**

This Agreement is made and entered into with respect to the following facts:

**WHEREAS**, the LACMTA and the CITY are currently Parties to the EZ transit pass Agreement regarding Usage and Fare Reimbursement, which is referenced as MOU.PEZ04TOR as amended (the "Existing Agreement"), for acceptance of EZ transit pass and Metrolink fare media on the CITY's bus service; and

**WHEREAS**, the Parties intend that this Agreement will replace and supersede the Existing Agreement and the Existing Agreement shall terminate as of June 30, 2007; and

**WHEREAS**, the EZ transit pass Program is a regional transit pass program which issues regular premium and special user regional passes (collectively, an "EZ transit pass") that will allow patrons to transfer among participating transit systems, thus providing seamless travel and increased mobility throughout the greater Los Angeles County area; and

**WHEREAS**, at the April 25, 2002 meeting of the LACMTA Board of Directors, the Board approved the LACMTA's participation in the EZ transit pass Program and approved program elements as described in the Board report, dated April 25, 2002, included herein in as **Attachment A**; and

**WHEREAS**, the CITY desires to continue its participation in the EZ transit pass Program; and

**WHEREAS**, the LACMTA and the CITY recognize that increased public transit use has a beneficial impact on the quality of life for the communities that are served; and

**WHEREAS**, the LACMTA and the CITY acknowledge and agree that the CITY's honoring of the EZ transit pass fare media as part of the CITY's operation of the TT and Torrance MAX shall provide greater convenience and easier mobility for public transportation users in Los Angeles County; and

**WHEREAS**, rules and procedures for participation in this program are outlined in the "Los Angeles County EZ transit pass Regional Program Guidelines for Participating Agencies," included herein and referenced as Attachment B (the "EZ transit pass Guidelines"). Amendments to the EZ transit pass Guidelines document can only be approved by a simple majority ruling of the Los Angeles County Bus Operations Subcommittee (BOS) and the Local Transit Systems Subcommittee (LTSS) with the concurrence of the LACMTA CEO; and

**WHEREAS**, the Parties expanded the EZ transit pass Program to include Metrolink fare media in order to further increase mobility and enhance the seamless travel experience in the greater Los Angeles County area; and

**WHEREAS**, at the September 25, 2003 meeting of the LACMTA Board of Directors, the Board approved the extension of the EZ transit pass Program to an annual renewing program and approved

the Southern California Regional Rail Authority's (SCRRA's) participation in the EZ transit pass Program; and

**WHEREAS**, "Metrolink Fare Boarding" refers to a boarding on an EZ transit pass participating transit system using Metrolink fare media; and

**WHEREAS**, the LACMTA is willing to reimburse participating Los Angeles County transit systems for Metrolink Fare Boardings through the EZ transit pass Program; and

**WHEREAS**, at the September 27, 2007 meeting of the LACMTA Board of Directors, the Board approved a new fare reimbursement method to be effective July 1, 2007; and

**WHEREAS**, the parties were notified of the new fare reimbursement method on November, 16, 2007; and

**WHEREAS**, there has been several months' delay in developing this Agreement to document the new fare reimbursement method; and

**WHEREAS**, the parties desire that the new fare reimbursement method be effective as of **July 1, 2007**.

**NOW, THEREFORE, THE PARTIES AGREE** to the terms and conditions set forth as follows:

#### **I. TERMINATION OF PRIOR AGREEMENT**

- A. The Existing Agreement is hereby terminated as of June 30, 2007.

#### **II. SERVICE PROVISION**

- A. The CITY will honor all valid EZ transit passes on all of the CITY's local fixed route service bus lines.
- B. The CITY will honor all valid Regular EZ transit passes endorsed with a premium stamp for the CITY's express bus service. The CITY will also honor all valid senior and disabled EZ transit passes, without a premium stamp. Identification requirements for seniors and the disabled are described in the Guidelines.
- C. For passengers using a base EZ transit pass without a premium stamp for the CITY's express bus service, a cash co-payment shall be required.
- D. The CITY will participate in the EZ transit pass Program in accordance with the terms and conditions contained herein and in the LACMTA Board report attached as **Attachment A** and the **EZ transit pass Guidelines** attached as Attachment B.
- E. METROLINK PARTICIPATION IN EZ TRANSIT PASS PROGRAM
1. The rules and procedures for accepting valid Metrolink fare media are outlined in the "Guidelines for Accepting Metrolink Fare Media", included herein by reference as **Attachment C** hereto, (the "Metrolink Fare Guidelines"). Amendments to the Metrolink Fare Guidelines document can only be approved by a simple majority ruling of the Los Angeles County Bus Operations Subcommittee (BOS) and the Local Transit Systems Subcommittee (LTSS) with the concurrence of the LACMTA CEO.

2. During the term of this Agreement, the LACMTA shall reimburse the CITY an amount equal to the net value of the total Metrolink fare boardings times the higher of the Average Fare or the Average Cash Fare, as defined in the EZ transit pass Guidelines.
3. The annual value of the reimbursements for Metrolink Fare Boardings provided for by this MOU is estimated at **\$2,000 for FY 2008-09**. It may increase or decrease each year depending on actual boardings and the fare policy of the CITY.
4. The description of Valid Metrolink Fare Media, the mechanics of the reimbursement for Metrolink Fare Boardings, and methods for counting or estimating Metrolink Fare Boardings are described in the Metrolink Fare Guidelines.
5. The CITY will honor all valid "Metrolink Fare Media" on all of the CITY's local fixed route bus lines.
6. The CITY will also honor all valid senior and disabled Metrolink fare media. Identification requirements for senior and disabled Metrolink Fare Media shall be the same as those described in the EZ transit pass Guidelines.
7. The Metrolink Fare Media shall now be considered part of the EZ transit pass Program and shall be considered valid regular EZ transit pass fare media.
8. Metrolink Fare Media include the EZ transit pass logo. LACMTA will work with SCRRA to ensure that Metrolink Fare Media continue to include the EZ transit pass logo and are updated as soon as possible when necessary to reflect any changes to the EZ transit pass logo.
9. The CITY may, at its option, choose to record Metrolink Fare Boardings as EZ transit pass boardings, so long as an accepted methodology is used to allocate the boardings between EZ transit pass Boardings and Metrolink Fare Boardings for purposes of reimbursement. Accepted methodologies for making this allocation are described in the Metrolink Fare Guidelines.
10. Subject to item II. E 9, above, the CITY shall be responsible for keeping accurate records of all "Metrolink Fare Boardings."
11. At its own expense, the LACMTA may conduct its own studies or surveys to verify the accuracy and reasonableness of the CITY's Metrolink Fare Boardings data on the TT and Torrance MAX system.
12. The CITY shall report to the LACMTA its total annual Metrolink Fare Boardings, a subset of its total EZ transit pass Boardings, within 90 days of the close of each fiscal year. The LACMTA may, at its own expense, audit the CITY's Metrolink Fare Boardings data collection methodology and the data itself as described in the EZ transit pass Guidelines.

### **III. EZ TRANSIT PASS FARE REVENUE REIMBURSEMENT/SALES/DISTRIBUTION OF MEDIA**

- A. In addition to the reimbursement for Metrolink Fare Boardings, during the term of this Agreement, the LACMTA shall also reimburse the CITY an amount equal to the net value of the total EZ transit pass boardings times the higher of the Average Fare or Average Cash Fare, as defined in the EZ transit pass Guidelines less the EZ transit pass sales revenue received by the CITY during the same period. The methodology for calculating Average Fare, Average Cash Fare and the mechanics of reimbursement are described in the EZ transit pass Guidelines.

- B. The annual value of the EZ transit pass reimbursements provided for by this MOU is estimated at **\$220,000 for FY 2008-09**. It may increase or decrease each year depending on actual boardings and the fare policy of the CITY.
- C. EZ transit pass Sales Revenue  
The CITY shall collect revenues from its sale of EZ transit passes. These revenues shall be accounted for and reported to the LACMTA in the fare reimbursement invoice as required by the EZ transit pass Guidelines.
- D. Media Cost and Distribution  
The LACMTA will have sole responsibility for the distribution of the EZ transit pass fare media to sales outlets and all of the CITY's designated outlets. The LACMTA will assume all costs for the printing and distribution of the EZ transit pass fare media.
- E. Marketing  
The CITY will market the EZ transit pass Program in its current customer service and marketing programs and participate in countywide joint marketing efforts.

#### IV. EZ TRANSIT PASS MEDIA SALES OUTLETS

- A. The EZ transit pass monthly sale period at all the CITY's designated sales outlets shall commence no earlier than the 25th of the previous month and continue until the 10th of the current EZ transit pass month.
- B. All of the CITY's designated sales outlets must enter into a consignment agreement with the CITY for the sale of the EZ transit pass fare media. All customer service to EZ transit pass sale vendors shall be conducted by the CITY.

#### V. DATA COLLECTION AND REPORTING

- A. The CITY shall be responsible for keeping accurate records of all EZ transit pass boardings. Accepted methodologies for data collection are described in the EZ transit pass Guidelines.
- B. Each invoice shall include the applicable MOU number.
  - For the EZ transit pass invoices, the MOU number is **MOU.PEZTOR**.
  - For Metrolink fare media invoices, the MOU number is **MOU.PEMTOR**.
- C. Invoices shall be sent to:

Los Angeles County Metropolitan Transportation Authority (LACMTA)  
Accounts Payable  
P.O. Box 512296  
Los Angeles, CA 90051-0296

A copy shall be sent to:

- Rufus Cayetano (for EZ transit pass)
- Patricia Chen (for Metrolink Fare Boardings)

Los Angeles County Metropolitan Transportation Authority (LACMTA)  
One Gateway Plaza, (Mailstop - 99-23-4)  
Los Angeles, CA 90012-2952

## **VI. INSPECTION OF RECORDS**

- A. At its own expense, the LACMTA may conduct its own studies or surveys to verify the accuracy and reasonableness of the CITY's EZ transit pass usage data on the TT and Torrance MAX system.
- B. Records of the LACMTA pertaining to this Agreement shall be available for inspection and review by the CITY at all reasonable times for a period of three years from the applicable request for reimbursement under the terms of this Agreement.
- C. Records of the CITY pertaining to this Agreement shall be available for inspection by the LACMTA at all reasonable times for a period of three years from the applicable request for reimbursement under the terms of this Agreement.

## **VII. AUDIT**

The CITY shall report to the LACMTA its total annual EZ transit pass boardings within 90 days of the close of each fiscal year. The LACMTA may, at its own expense, audit the CITY's EZ transit pass boarding data collection methodology and the data itself through the triennial performance audit.

## **VIII. TERM**

The Agreement shall commence on **July 1, 2007** and shall automatically renew each year on July 1, for an additional one-year term or until the EZ transit pass program is terminated. Each Party has the right to terminate this Agreement without cause or further obligation upon 120 days prior written notice.

## **IX. INDEMNIFICATION**

- A. The LACMTA shall indemnify, defend and hold harmless the CITY, its officers, agents and employees, from and against any and all liability, expense, including defense costs and legal fees, and claims for damage for any nature whatsoever, including, but not limited to bodily injury, death, personal injury or property damage arising from or in any way connected with services to be performed by the LACMTA pursuant to this Agreement.
- B. The CITY shall indemnify, defend and hold harmless the LACMTA and its officers, agents and employees, from and against any and all liability, expense, including defense costs and legal fees, and claims for damage of any nature whatsoever, including, but not limited to bodily injury, death, personal injury or property damage arising from or in any way connected with services, including, without limitation the TT and Torrance MAX services, to be performed by the CITY pursuant to this Agreement.

## **X. NOTICE**

All formal notices, demands and communications to be given hereunder by either Party shall be made in writing and may be effected by personally or by U.S. mail to the addresses listed below:

Los Angeles County Metropolitan Transportation Authority (LACMTA)  
One Gateway Plaza  
Los Angeles, CA 90012-2952

Attention: Rufus Cayetano  
EZ transit pass Project Manager  
Phone: (213) 922-2379

or

Attention: Patricia Chen  
Metrolink Project Manager  
Phone : (213) 922-3041

CITY OF TORRANCE (CITY)  
3031 Torrance Boulevard  
Torrance, CA 90503

Attention: James Lee  
Phone: (310) 618-6924

**XI. ATTORNEYS FEES**

Disputes regarding the interpretation or application of any provision of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is required to enforce or interpret the provisions of this Agreement, the prevailing Party in such litigation shall be entitled to an award of reasonable attorney's fees in addition to any other relief to which it may be entitled.

**XII. WAIVER**

Waiver by any Party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

**XIII. BINDING EFFECT**

This Agreement shall be binding upon each of the Parties hereto.

**XIV. GOVERNING LAW**

This Agreement shall be interpreted and construed according to the laws of the State of California, and venue shall lie in a court of competent jurisdiction in Los Angeles County, California.

**XV. SEVERABILITY**

If any of the provisions of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions nevertheless will continue in full force and effect without being impaired or invalidated in any way.

**XVI. ENTIRE AGREEMENT**

This Agreement, the EZ transit pass Guidelines, the Metrolink Fare Guidelines, any other documents incorporated herein by specific reference and any other EZ transit pass Program related documents mutually agreed to by the Parties shall constitute the entire understanding between the LACMTA, and the CITY regarding the EZ transit pass Program. This Agreement supersedes all prior oral or written negotiations, representations or agreements including, without limitation, any existing joint pass agreement(s) between the Parties. This Agreement may not be amended, nor any provision or breach hereof waived, except in writing signed by the Parties which expressly refers to this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed and attested by their respective duly authorized officers.

CITY OF TORRANCE  
("CITY")

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY (LACMTA)

BY: \_\_\_\_\_  
Frank Scotto  
Mayor

BY: \_\_\_\_\_  
Arthur T. Leahy  
Chief Executive Officer

Date: \_\_\_\_\_

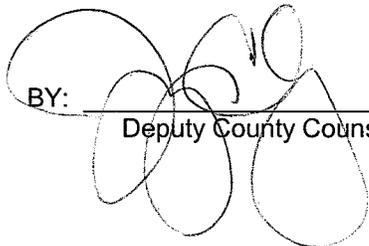
Date: \_\_\_\_\_

ATTEST:  
  
\_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:  
Raymond G. Fortner, Jr.  
County Counsel

BY: \_\_\_\_\_

BY:  \_\_\_\_\_  
Deputy County Counsel



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PLANNING & PROGRAMMING COMMITTEE  
April 18, 2002

Metropolitan  
Transportation  
Authority

**SUBJECT: LOS ANGELES COUNTY'S FIRST REGIONAL PASS PROGRAM**

**ACTION: APPROVAL**

One Gateway Plaza  
Los Angeles, CA  
90012-2952

**RECOMMENDATIONS**

- A. Authorize the MTA participation in a multi-agency Regional Pass Program, as described in Attachments A & B.
- B. Allocate \$2 million in fiscal year 2003 from the current Prop A & C /TDA administrative funds to implement this program.

**ISSUE**

MTA and the twelve Los Angeles County municipal operators have been working closely together to establish the first Regional Pass in the Los Angeles region. MTA Board approval is required prior to its implementation. The recommended actions will not change the present MTA bus or rail fare structure, but will add a regional pass option for the MTA and all municipal transit operators in Los Angeles County.

**POLICY IMPLICATIONS**

Development of this program is consistent with MTA's regional planning role to provide a coordinated transit system. The Regional Pass, the first of its kind in Los Angeles, is an important step toward making transit more customer friendly and inviting for our transit customers. This is also an initial step as we move forward with the Universal Fare System (UFS) implementation. The Regional Pass program is designed such that it can be easily integrated into the UFS system.

**OPTIONS**

The primary alternative is not to implement this program until the Universal Fare system is ready. This alternative is not recommended, as the Regional Pass Program has been coordinated and is consistent with the implementation of UFS. Moreover, the Regional Pass Program lays the framework for UFS and will be continued and integrated into the UFS.

## FINANCIAL IMPACT

The cost of the program is estimated at approximately \$2 million for fiscal year 2003. Funds are available in the Proposition A and C/TDA administration fund balance. TDA law specifically requires MTA as the regional planning entity to provide a coordinated transit system.

## BACKGROUND

Los Angeles County is a large area where transit services are provided by 16 municipal operators, Metrolink, and numerous cities. Operators offer a variety of fares and different pass options. This is extremely confusing and inconvenient for transit riders who use more than one system or transfer from bus to rail to complete a trip. The multiplicity of fare instruments discourages new riders from sampling transit as a means of completing local travel needs. A Regional Pass, allowing riders to transfer from one system to another without worrying about transfer payments and fare differentials will be a significant step in providing a seamless transit trip to our transit customers in Los Angeles County.

Work effort towards such a pass started in November 2001. A multi-operator task force, the general managers of the Transit Systems and MTA staff have been working closely to develop the Regional Pass program. The Bus Operations Subcommittee (BOS) has approved the program in concept, with the understanding that staff will work with them to develop the administrative details.

The main elements of the program are outlined below:

### A. Two-phased Approach:

- Phase 1: 12 fixed-route municipal operators and MTA
- Phase 2: invite participation from local systems, Metrolink and other counties

### B. Price of Pass:

- Monthly Regional Pass - \$58;
- Elderly and disabled pass - \$29 (meets Federal requirements for a half-fare option for elderly and disabled);
- Zone premium priced - \$15 per zone increment;
- Elderly and disabled zone premium - \$7.50 per zone increment

C. Distribution and Sales: All operators will sell the pass from their current outlets and transit stores. All operators will market the pass from their current marketing programs and joint marketing efforts.

D. Revenue Sharing: Each operator is reimbursed at the rate of its current average fare per boarding times the operator's Regional Pass boardings. This methodology results in no revenue loss to the operators.

- E. Cost of the Program: The cost is estimated at \$2 million, to be funded from TDA/Prop A and C “off the top” administrative funds. MTA is responsible for the printing and distribution cost of the pass. The program is described in detail in Attachments A and B.

NEXT STEPS

- Develop MOU Agreements with the transit operators (April 27, 2002 to June 27, 2002)
- Scheduled implementation – July 2002

ATTACHMENTS

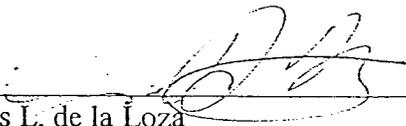
- A. Program Approach
- B. Program Elements

Prepared by: Nalini Ahuja  
Project Manager

Working Group:

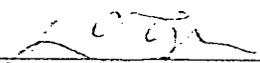
Brynn Kernaghan, Long Beach  
Dana Lee, Norwalk Transit  
Connie Hill, Santa Clarita Transit  
Ashok Kumar, MTA Operations  
MTA Staff, Finance Department

Phil Aker, LADOT  
Paula Faust, Montebello Bus Lines  
Andre Colaiace, Culver City Bus Lines  
Dave Feinberg, Big Blue Bus



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James L. de la Loza  
Executive Officer  
Countywide Planning & Development



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Roger Snoble  
Chief Executive Officer

**REGIONAL PASS**

Cash Customer making transfers from a Municipal operator system to MTA bus or rail

OPERATORS	FARE	INTER AGENCY TRANSFER	COST OF MORNING TRIP	COST OF RETURN TRIP	COST OF ROUND TRIP W/IT OPERATORS/MTA TRANSFER	MONTHLY TOTAL COST
CULVER CITY MUNICIPAL BUS LINES	\$0.75	\$0.25	\$1.00	\$1.60	\$2.60	\$52.00
FOOTHILL MUNICIPAL	\$0.90	\$0.00	\$0.90	\$1.60	\$2.50	\$50.00
GARDENA MUNICIPAL BUS LINES	\$0.50	\$0.25	\$0.75	\$1.60	\$2.35	\$47.00
L.A.D.O.T	\$0.90	\$0.25	\$1.15	\$1.60	\$2.75	\$55.00
LA MIRADA TRANSIT	\$1.00	\$0.25	\$1.25	\$1.60	\$2.85	\$57.00
LONG BEACH TRANSIT	\$0.90	\$0.35	\$1.25	\$1.60	\$2.85	\$57.00
MONTEBELLO BUS LINES	\$0.90	\$0.25	\$1.15	\$1.60	\$2.75	\$55.00
NORWALK TRANSIT	\$0.60	\$0.25	\$0.85	\$1.60	\$2.45	\$49.00
SANTA CLARITA TRANSIT	\$1.00	\$0.25	\$1.25	\$1.60	\$2.85	\$57.00
SANTA MONICA BIG BLUE BUS	\$0.50	\$0.25	\$0.75	\$1.60	\$2.35	\$47.00
TORRANCE TRANSIT	\$0.75	\$0.15	\$0.90	\$1.60	\$2.50	\$50.00
MTA	\$1.35	\$0.25	\$1.60	\$1.00	\$2.60	\$52.00

NOTE: Monthly cost based on 20 round trips per rider

## PROGRAM APPROACH

### A. A Phased Approach Considered

- First Phase: include municipal operators and operators willing to participate in the Regional Pass Program (RPP) – (all fixed route Municipal Operators except Antelope Valley Transit Authority are participating, i.e., 12 transit operators including MTA Operations)
- Second Phase: Include other operators; local systems, Metrolink and other counties such as Orange County

### B. Program Principles and Framework

- Keeping Operators Whole: Commitment to keep all operators and MTA Operations whole. In other words, Regional Pass to result in no revenue loss to MTA Operations or the participating operators
- Revenue Sharing Methodology: Goal to achieve a balance between a methodology that would be simple/easy to administer, yet fair to all participants.
- Price of Regional Pass: Keeping the price affordable yet sufficient to allow some reasonable payback to the operators
- Use of Regional Funds: To keep the Regional Pass affordable, consider regional funds to subsidize the program participants

### C. Relationship to UFS

- Select revenue sharing methodology and regional pass price such that it can be directly transferred to or easily modified to continue when the upcoming UFS is implemented.

### D. Distribution/Sales Network/Marketing

- Everyone participating has the option to sell the pass
- Operators and MTA sell the pass through their current sales outlets
- Operators market the pass through their own marketing programs and participate in joint marketing efforts

## ATTACHMENT B

**PROGRAM ELEMENTS****A. Price of the Regional Pass**

- Transit riders likely to buy a regional pass are these who transfer from one system to another to complete their trips
- Current cost of a trip with transfer to another system
  - \$47 - \$57 for cash paying customers (Table 1 attached)
  - \$52 - \$62 for MTA pass holders (Table 2 attached)
- Recommendation to consider \$58 as the price of the Regional Pass
- A \$29 Regional Pass for seniors/disabled or half of the price of the Regional Pass
- An Express monthly regional pass with options of five or more zones
  - (Each zone at a \$15 price increment)
- An express monthly senior and disabled pass with options of five or more zones
  - (Each zone at \$7.50 price increment)

**B. Revenue Distribution Between Operators**

- Methodology where revenues are distributed based on each operator's system average fare/boarding multiplied by the operators regional pass boardings
- This methodology keeps every operator whole, as the operators are reimbursed the same average revenue/boarding as they are currently collecting
- Since the revenue collected from the sale of the regional passes may be less than the revenue to be returned to the operators, some regional subsidy funds are needed (table 3 attached)

**C. Cost of the Program: FY2003**

• Cost of printing, distribution and processing (Estimated)	\$ 500,000
• Cost of marketing	\$ 150,000
• Cost of auditing	\$ 50,000
• Projected set aside of regional subsidy	\$ 1,300,000
• <b>TOTAL</b>	<b>\$2,000,000.00</b>

Funding Source: Proposition A & C/TDA administrative funds

**D. Administrative Details**

- MTA staff will work with the participating transit operators to execute an MOU and develop administrative guidelines to include:
  - Revenue and data reporting mechanism
  - Revenue reconciliation and reimbursement procedures, auditing requirements and other requirements necessary to proceed with the program

**REGIONAL PASS  
MTA PASS HOLDERS MAKING TRANSFERS TO OTHER OPERATORS**

PASS HOLDERS	OPERATORS	FARE	TOTAL MONTHLY ONE WAY FARE	COST OF MONTHLY ROUND TRIP
\$42.00	CULVER CITY MUNICIPAL BUS LINES	\$0.75	\$15.00	\$57.00
\$42.00	FOOTHILL TRANSIT	\$0.90	\$18.00	\$60.00
\$42.00	GARDENA MUNICIPAL BUS LINES	\$0.50	\$10.00	\$52.00
\$42.00	L.A.D.O.T	\$0.90	\$18.00	\$60.00
\$42.00	LA MIRADA TRANSIT	\$1.00	\$20.00	\$62.00
\$42.00	LONG BEACH TRANSIT	\$0.90	\$18.00	\$60.00
\$42.00	MONTEBELLO BUS LINES	\$0.90	\$18.00	\$60.00
\$42.00	NORWALK TRANSIT	\$0.60	\$12.00	\$54.00
\$42.00	SANTA CLARITA TRANSIT	\$1.00	\$20.00	\$62.00
\$42.00	SANTA MONICA BIG BLUE BUS	\$0.50	\$10.00	\$52.00
\$42.00	TORRANCE TRANSIT	\$0.75	\$15.00	\$57.00

**Regional Pass  
Revenues Distributed based on Operators System average fare/boarding**

Operators	Estimated Regional Pass Boardings	Revenue from Regional Pass sold	Operators System Current Average Fare/Boarding	Revenue share of operators
Walk Transit	56,901	\$ 780,880	0.45	\$ 25,605
Orinda Municipal Bus Lines	243,968	\$ 780,880	0.36	\$ 87,828
Antebello Bus Lines	547,712	\$ 780,880	0.57	\$ 312,196
Long Beach Transit	1,615,483	\$ 780,880	0.50	\$ 807,742
Santa Monica Big Blue Bus	688,810	\$ 780,880	0.36	\$ 247,972
North Hill Transit	3,078,309	\$ 780,880	0.80	\$ 2,462,647
Liver City	335,817	\$ 780,880	0.50	\$ 167,909
Total	5,055,394	\$ 780,880	0.57	\$ 2,881,575
Total	11,622,394	\$ 6,247,037	0.59	\$ 6,993,473

**Assumptions:**

- Regional Pass boardings estimate assumes 15% of current interoperator boardings and 90% of current joint pass boardings will transfer to Regional Pass boardings.
- Assumed 80 boardings per pass per month
- Assumed the average pass price per passenger to be \$43-(55% regular, 45% senior/disabled)
- Regional funds required in FY 03: \$746,436 (difference between regional pass revenue and revenue returned to operators)
- Number of passes sold in FY 03: 145,280
- The subsidy estimated is projected to be \$1.3 million:
- (a) based on data anticipated from LADOT, Torrance and Santa Clarita
- (b) the subsidy calculation is based on an estimate of expected regional pass boardings, actual boardings may be different
- (c) this ensures sufficient funds are budgeted to reimburse the operators
- (d) subsidy amount will be adjusted based on actual data when the program is in place

## ATTACHMENT B

**Los Angeles County EZ Transit Pass Regional Program  
Guidelines for Participating Agencies**

This document prescribes the Guidelines for participation in the Los Angeles County Regional EZ transit pass Program. This document is an attachment to the MOU between participating agencies and the Los Angeles County METRO and has binding force and effect. Amendments to this document must be approved by a simple majority of the Los Angeles County Bus Operations Subcommittee (BOS) and Local Transit Systems Subcommittee (LTSS) with the concurrence of the METRO CEO.

The EZ transit pass program is a regional pass program that will allow patrons to transfer among participating transit systems, thus providing seamless travel and increased mobility throughout the greater Los Angeles County area.

**A. Types of EZ transit pass Fare Media to Be Honored by Participating Agencies:**

<u>TYPE OF PASS</u>	<u>SUB-CATEGORY</u>
REGULAR PASSES	Monthly
SENIOR/DISABLED	Monthly
REGULAR PASS with Zone	Monthly
SENIOR/DISABLED with Zone	Monthly

**B. List of Participating Agencies**

Antelope Valley Transit Authority  
 Beach Cities Transit  
 City of Burbank – Burbank Local Transit  
 City of Carson  
 City of Commerce  
 City of Huntington Park  
 City of Monterey Park – Spirit Bus  
 City of Pasadena – Area Rapid Transit System  
 City of Santa Fe Springs – Metro Express  
 City of South Pasadena – GoldLink  
 Culver City Municipal Bus Lines  
 Foothill Transit  
 Gardena Municipal Bus Lines  
 Glendale Beeline  
 Long Beach Transit  
 Los Angeles Department of Transportation  
 Los Angeles County Metropolitan Transportation Authority  
 Montebello Bus Lines  
 Norwalk Transit

Palos Verdes Peninsula Transit Authority  
 Santa Clarita Transit  
 Santa Monica's Big Blue Bus  
 Torrance Municipal Area Express  
 Torrance Transit

Additional Agencies may join the EZ transit pass program with the concurrence of the Participating Agencies.

### C. Methodologies for Recording EZ transit pass Boardings

#### 1. Actual boardings as recorded in farebox data

Agencies that can produce farebox data that records actual EZ transit pass boardings may use this boarding number for fare reimbursement.

#### 2. Boardings based on survey data.

- Boarding Data compiled from onboard surveys can be used for fare reimbursement.
- These surveys can also be used to document undercounting of EZ transit pass boardings.
- Surveys must use a reliable statistical methodology to record EZ transit pass boardings on a line by line basis.
- Surveys must be conducted at least once per fiscal year.

### D. EZ transit pass Fare Reimbursement

1. Operator boardings shall be reimbursed at the higher of average fare or average cash fare.
2. Data used to calculate the annual average fare or average cash fare is for the same fiscal year that reimbursement is requested, i.e. Fiscal Year 06-07 estimated data will be used for Fiscal year 06-07 reimbursement. The annual average fare or average cash fare can be calculated using either Option 1 or Option 2.

#### Average Fare:

##### Option 1:

**All Farebox Revenue:** All fare revenue including pass sales.

**All EZ transit pass Sales Revenue:** All EZ transit pass revenue received from METRO.

**Student Fare Revenue:** All revenue cash and pass fare media not part of the EZ transit pass program, i.e. student and college fares.

**All Boardings:** Total of all boardings.

**All EZ transit pass Boardings:** Total boardings using EZ transit pass media to board bus.

**Student Fare Boardings:** Total boardings using college or student fare media to board bus.

**Complimentary Boardings:** Complimentary boardings such as legally blind, children or other free boardings.

Average Fare =

$$\frac{\text{All farebox Rev} - \text{All EZ transit pass Sales Rev.} - \text{Student Fare Revenue}}{\text{All Bdgs.} - \text{All EZ transit pass Bdgs.} - \text{Student Fare Bdgs.} - \text{Comp. Bdgs.}}$$

Reimbursement Methodology = Average Fare X EZ transit pass system boardings

Option 2 (different annual average fares for each type of EZ transit pass media):

**Local Revenue:** Total revenue form local cash fares and all local pass sales.

**Senior Local Revenue:** Total revenue from senior cash fares and all senior pass revenue.

**Express Revenue:** Total revenue from all express service cash fares and all express pass revenue.

**Senior Express Revenue:** Total Revenue from senior express cash fares and senior express pass revenue.

**Local Boardings:** Total boardings paying a local cash fare or using a local pass.

**Senior Local Boardings:** Total boardings paying a senior cash fare or using a senior pass.

**Express Boardings:** Total boardings paying express cash fare or using an express service pass.

**Senior Express Boardings:** Total boardings paying senior express cash fare or using a senior express pass.

**Complimentary Boardings:** Proportion of complimentary boardings associated with Local Average Cash Fare, Senior Average Cash Fare, and Express Average Cash Fare, respectively.

**Note:** A separate calculation for annual average cash fare is to be completed for each type of EZ transit pass fare media. No calculations should include student fare revenues, student boardings or complimentary boardings.

Local Average Fare =

$$\frac{\text{Local Revenue}}{\text{Local Boardings}}$$

Senior Average Fare =

$\frac{\text{Senior Fare Revenue}}{\text{Senior Boardings}}$

Express Average Fare =

$\frac{\text{Express Revenue}}{\text{Express Boardings}}$

Senior Express Average Fare =

$\frac{\text{Senior Express Revenue}}{\text{Senior Express Boardings}}$

Reimbursement Methodology:

Local Average Fare X Local EZ transit pass boardings

Senior Average Fare X Senior EZ transit pass boardings

Express Average Fare X Express EZ transit pass boardings

Senior Express Average Fare X Senior Express EZ transit pass boardings

### Average Cash Fare:

#### Option 1:

**All Farebox Revenue:** All fare revenue including pass sales.

**All EZ transit Pass Sales Revenue:** All EZ transit pass revenue received from METRO.

**Student Fare Revenue:** All revenue cash and pass fare media not part of the EZ transit pass program, i.e. student and college fares.

**Multiride Fare Revenue:** All revenue from multi-ride passes or tickets or other fare media.

**All Boardings:** Total of all boardings.

**All EZ transit pass Boardings:** Total boardings using EZ transit pass media to board bus.

**Student Fare Boardings:** Total boardings using college or student fare media to board bus.

**Multi-ride Fare Boardings:** Boardings using multi-ride fare media to board bus.

**Complimentary Boardings:** Complimentary boardings such as legally blind, children or other free boardings.

Average Cash Fare =

$\frac{\text{All farebox Rev} - \text{All EZ transit pass Sales Rev.} - \text{Student Fare Rev.} - \text{Multi-ride Fare Rev.}}{\text{All Bdgs.} - \text{All EZ transit pass Bdgs.} - \text{Student Fare Bdgs.} - \text{Comp. Bdgs.} - \text{Mult-ride Bdgs.}}$

Reimbursement Methodology = Average Cash Fare X EZ transit pass system boardings

Option 2 (different annual average cash fares for each type of EZ transit pass media):

**Local Revenue:** Total revenue from local cash fares and all local pass sales.

**Senior Local Revenue:** Total revenue from senior cash fares and all senior pass revenue.

**Express Revenue:** Total revenue from all express service cash fares and all express pass revenue.

**Senior Express Revenue:** Total Revenue from senior express cash fares and senior express pass revenue.

**Multi-ride Revenue:** Proportion of revenue from multi-ride fare media associated with Local Average Cash Fare, Senior Average Cash Fare, and Express Average Cash Fare, respectively.

**Local Boardings:** Total boardings paying a local cash fare or using a local pass.

**Senior Local Boardings:** Total boardings paying a senior cash fare or using a senior pass.

**Express Boardings:** Total boardings paying express cash fare or using an express service pass.

**Senior Express Boardings:** Total boardings paying senior express cash fare or using a senior express pass.

**Multi-ride Boardings:** Proportion of boardings using multi-ride fare media to board bus associated with Local Average Cash Fare, Senior Average Cash Fare, and Express Average Cash Fare, respectively.

**Complimentary Boardings:** Proportion of complimentary boardings associated with Local Average Cash Fare, Senior Average Cash Fare, and Express Average Cash Fare, respectively.

**Note:** A separate calculation for annual average cash fare is to be completed for each type of EZ transit pass fare media. No calculations should include student fare revenues, student boardings or complimentary boardings.

Local Average Cash Fare =

$$\frac{\text{Local Revenue} - \text{Local Multi-ride Revenue}}{\text{Local Boardings} - \text{Local Multi-ride Boardings}}$$

Senior Average Cash Fare =

$$\frac{\text{Senior Fare Revenue} - \text{Senior Multi-ride Revenue}}{\text{Senior Boardings} - \text{Senior Multi-ride Boardings}}$$

Express Average Cash Fare =

$$\frac{\text{Express Revenue} - \text{Express Multi-ride Revenue}}{\text{Express Boardings} - \text{Express Multi-ride Boardings}}$$

Senior Express Average Cash Fare =

$$\frac{\text{Senior Express Revenue} - \text{Senior Express Multi-ride Revenue}}{\text{Senior Express Boardings} - \text{Senior Express Multi-ride Boardings}}$$

Reimbursement Methodology:

Local Average Cash Fare X Local EZ transit pass boardings

Senior Average Cash Fare X Senior EZ transit pass boardings

Express Average Cash Fare X Express EZ transit pass boardings

Senior Express Average Cash Fare X Senior Express EZ transit pass boardings

3. Each Agency will collect EZ transit pass boardings on its system, based on the methodology in Paragraph C. Each agency will submit to METRO at the end of the current fiscal year actual boarding counts. At the end of the fiscal year, the agency will reconcile the average fare or average cash fare with METRO based on actual revenue and boardings. Payments will be adjusted based on the reconciled average fare or average cash fare. Alternatively, operators may choose to update the average each month using actual revenue and boardings data for that month's invoice.
4. An Agency may also request adjustments based on final audited boardings, as determined by statistically valid survey as described in Item C, #2.
5. For an Agency to receive reimbursement from METRO, as described above, the agency shall invoice METRO on a monthly or quarterly basis. Each invoice shall contain the calculation of the number of all valid EZ transit pass boardings honored for all fixed routes that the agency operated and the Average Cash Fare (estimated or actual). Invoices shall also include the total EZ transit pass sale revenue received by the Agency. The total remittance to the Agency will be the net value of the total EZ transit pass boardings times the Average Fare or Average Cash Fare minus the EZ transit pass sales revenue. All unused, unsold EZ transit passes shall accompany the invoice from the agency.
6. All appeals to the reimbursement process, including fare revenue calculation, shall be brought by a Participating Agency to the Bus Operations Subcommittee (BOS) and Local Transit Systems Subcommittee (LTSS). The EZ transit pass Working Group will make a recommendation to the full BOS and LTSS, which will make recommendations for final resolution by the METRO CEO

**E. EZ transit pass Media Sales Rules**

1. The EZ transit pass monthly sale period shall commence no earlier than the 25th of the previous month and continue until the 10th of the current EZ transit pass month.
2. All sales outlets must enter into a consignment agreement with METRO or the participating agencies. All customer service to sale vendors shall be conducted by METRO staff or the participating agencies.
3. Mail and online orders can commence earlier than the 25th of the month as determined by the participating agencies' internal deadlines.

4. METRO will supply participating agencies with EZ transit pass fare media between the 10th and 15th of the month.

#### F. Audit

1. Each Agency's procedures for recording boardings and invoicing will be subject to audit each year at Metro's expense. The audits covering fiscal years 2003-04 through 2005-06 will be conducted as part of the Triennial Performance Audit. The audits for subsequent years will be conducted as annual EZ transit pass audits. An Agency may conduct its own EZ transit pass audit, so long as it uses the same scope of work that METRO uses for its EZ transit pass audit.
2. Each Agency shall include in its annual Transit Performance Measurement (TPM) Report the EZ transit pass boardings for the year.

#### G. Service Provision

1. Each Agency will honor all valid EZ transit passes on all of its local Fixed route service bus lines.
2. Each Agency will participate in the EZ transit pass program in accordance with the EZ transit pass Agreement regarding usage and fare reimbursement between METRO and the Agency, the METRO Board report dated April 25, 2002 as approved by the METRO Board, and these Guidelines.

#### H. Identification Requirements for Senior and Disabled

1. Seniors – Passengers must be at least 62 and show proof of age to purchase and to board using one of the following identification cards: DMV senior (or license), Medicare, Long Beach Transit senior, METRO senior, Torrance Transit senior, Gardena Municipal Bus Line senior, or appropriate senior identification.
2. Disabled/Medicare – Passengers must be disabled and show one of the following identification cards to purchase and to board: Access Paratransit, DMV placard receipt, LACTOA, Medicare, Long Beach Disabled, or appropriate disabled identification.

Effective July 1, 2007

Approved:

*Carol Inge for*  
 METRO CEO *Roger Snoble*

DATE 10-11-07

### Guidelines for Accepting Metrolink Fare Media

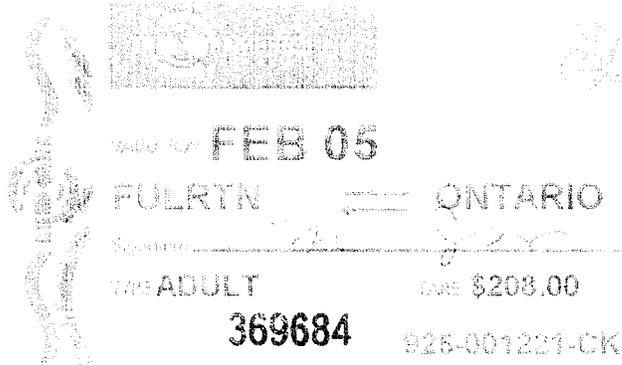
This document prescribes the Guidelines for EZ transit pass Operator Acceptance of Metrolink fare media. The participation of SCRRA in the EZ transit pass Program will provide further opportunities for seamless fare transfers between a maximum number of transit services operating in Los Angeles County.

- A. Sample Fare Media And Instructions For Determining Whether Fare Media Are Valid  
Exhibit 1 attached hereto contains graphic images of all current Metrolink fare media. Each image is headed by the name of the fare medium and a short guideline for determining whether the medium is valid. The LACMTA will provide an update to Exhibit 1 to the AUTHORITY upon changes to the Metrolink Fare media.
- B. Methods For Recording Metrolink Fare Media Boardings
1. Actual Boardings As Recorded In Farebox Data  
Agencies who can produce farebox data that records actual Metrolink Fare Boardings, separate and distinct from other boardings, can use this boarding number for Metrolink Fare Reimbursement.
  2. Boardings Based on EZ transit pass Operator Survey Data  
For operators who either cannot produce farebox data to record actual boardings, or for whom it is not feasible at this time to record Metrolink Fare Boardings separately from other EZ transit pass boardings, boarding Data compiled from onboard surveys can be used for Metrolink fare reimbursement. Surveys must use a reliable statistical methodology to record Metrolink Fare Media boardings on a line by line basis. Surveys must be conducted at least once per fiscal year.
  3. Boardings Based on SCRRA Origin-and-Destination Survey Data  
Boarding Data compiled from on-board surveys of Metrolink passengers can be used for fare reimbursement. In order to ensure that all Metrolink Fare Boardings are captured, and thereby for the survey data to be allowable for reimbursement, survey questions must include all transit usage on the calendar day of the survey.
- C. Metrolink Fare Reimbursement
- Average fare shall be calculated according to Section D. of the EZ transit pass Guidelines. Should the AUTHORITY have reason to believe that patrons using Metrolink Fare Media are likely to have a higher average fare than the AUTHORITY's general ridership, the AUTHORITY shall provide the LACMTA with a written request for a higher reimbursement rate, documented with a justification for the requested rate. The LACMTA shall review the request. If the higher rate is deemed by the LACMTA to be justified, the LACMTA shall reimburse at the higher rate, subject to readjustment in accordance with the processes set out in Section D, parts 1,2,3,4 and 5 of the EZ transit pass Guidelines, as applied to Metrolink Fare Boardings.
- D. Audit, Service Provision, and Identification Requirements for Senior and Disabled
- Requirements regarding Audit, Service Provision and Identification for Senior and Disabled shall be the same for Metrolink Fare Boardings and Reimbursement as for other EZ transit pass boardings and reimbursements, and shall be administered in accordance with Articles F, G and H of the EZ transit pass Guidelines.

**Metrolink Fare Matrix  
Ticket Samples as of 11/05**

**Monthly Pass:** Valid through the month printed on the ticket, and must be signed.

Adult



Monthly passes are valid for unlimited transfers to and travel on all participating EZ transit pass operator services. The Monthly Pass is valid for local base fare only.

Ticket category types include Adult, SRDIS for Senior or Disabled and STDT for Student.

**Round Trip Ticket:** Valid only for travel on the date printed on ticket.

Adult Weekday



0900056

TYPE

7:13P 03JUN04

ADULT PE

LAUS / BURBANK \$ 6.75

RETURN 006-017992-CD



Youth Weekend (OP)



0627206

TYPE

VALID UNTIL

6:06P 19JAN05

YOUTH OP

ELMNTE / SBRNADO \$ 7.25

RETURN 925-001221-CK



Adult Weekend (OP)



0627207

TYPE

VALID UNTIL

6:06P 19JAN05

ADULT OP

LSIERRA / CHTSWTH \$16.00

RETURN 925-001221-CK



Round Trip tickets are valid for unlimited transfers to and travel on all participating EZ transit pass operator services. The ticket is valid for local base fare only.

Ticket category types include Adult, SRDIS for Senior/Disabled, Youth, Peak (PE) and Off Peak (OP).

**One Way Ticket:** Valid only for travel on the date printed on ticket.

Senior/Disabled



**2602734**

VALID UNTIL  
11.37A 29DEC04      TYPE  
SRDIS OP  
DNEANA / ORANGE      \$ 2.75  
008-044723-CD



Adult Weekend (OP)



**0917212**

VALID UNTIL  
6:06P 19JAN05      TYPE  
ADULT OP  
RCH CUC / NRIDGE      \$ 7.50  
925-001221-CK

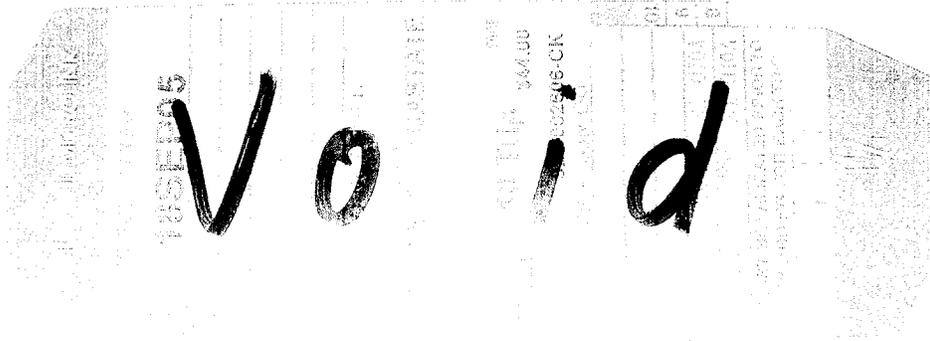


One Way tickets are valid for unlimited transfers to and travel on all participating EZ transit pass operator services. The ticket is valid for local base fare only.

Ticket category types include Adult, SRDIS for Senior/Disabled, Youth, Peak (PE) and Off Peak (OP).

**10 Trip Ticket:** Valid through the date printed on ticket, and must be validated before riding the train.

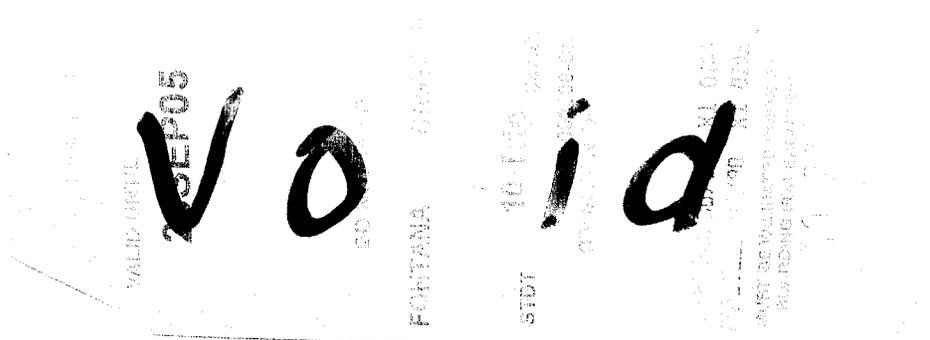
Adult



Senior/Disabled



Student



10-Trip Tickets must be validated for the day of travel to be accepted on connecting transit. Once validated, 10-Trip tickets are valid for unlimited transfers to and travel on all participating EZ transit pass operator services. The ticket is valid for local base fare only.

Ticket category types include Adult, SRDIS for Senior/Disabled, STDT for Student.

**Future Date One Way and Round Trip Tickets:** A new type of ticket that can be purchased in advance, for travel on a specific day. Tickets are valid for travel only on the day(s) printed on the ticket.

One Way Senior/Disabled

 **0927323**  
 VALID ON TYPE  
**23JUN05** SRDIS PE  
**LAUS / GLENDL** \$ 2.25  
**925-001365-CK**



Round Trip Adult

 **0927211**  
 LEAVE ON 20JAN05 TYPE  
 RETURN ON 21JAN05 ADULT PE  
**CAMARIL / COVINA** \$19.25  
**925-001221-CK**



Future Dated tickets are valid for unlimited transfers to and travel on all participating EZ transit pass operator services. The ticket is valid for local base fare only.

Ticket category types include Adult and SRDIS for Senior/Disabled.

**Group Ticket:** Valid only for travel on the date printed on the ticket.

Group



0927210

LEAVE ON 22JAN05

TYPE

RETURN ON 22JAN05

GROUP OP

TUSTIN / OCNSIDE

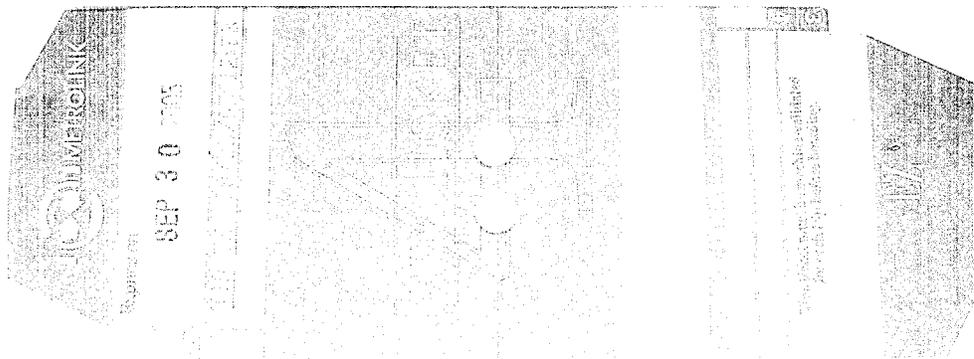
\$ 7.00

925-001221-CK



Group tickets are valid for unlimited transfers to and travel on all participating EZ transit pass operator services. The ticket is valid for local base fare only.

**4-Trip Ticket:** Valid through date printed on ticket, and must be validated before each boarding.



4-Trip Tickets must be validated for the day of travel to be accepted on connecting transit. Once validated, 4 Trip tickets are valid for unlimited local transfers to and travel on all participating EZ transit pass operator services. The ticket is valid for local base fare only.

**New Promotional 7 Day Pass:** Must be signed prior to use and have an expiration date stamped on the pass. Good for travel on Amtrak Rail 2 Rail service, all Metrolink lines, and most connecting transit, including all participating EZ transit pass operators services where it is valid for the local base fare only.

