FARE INTEGRATION PROJECT UPDATE
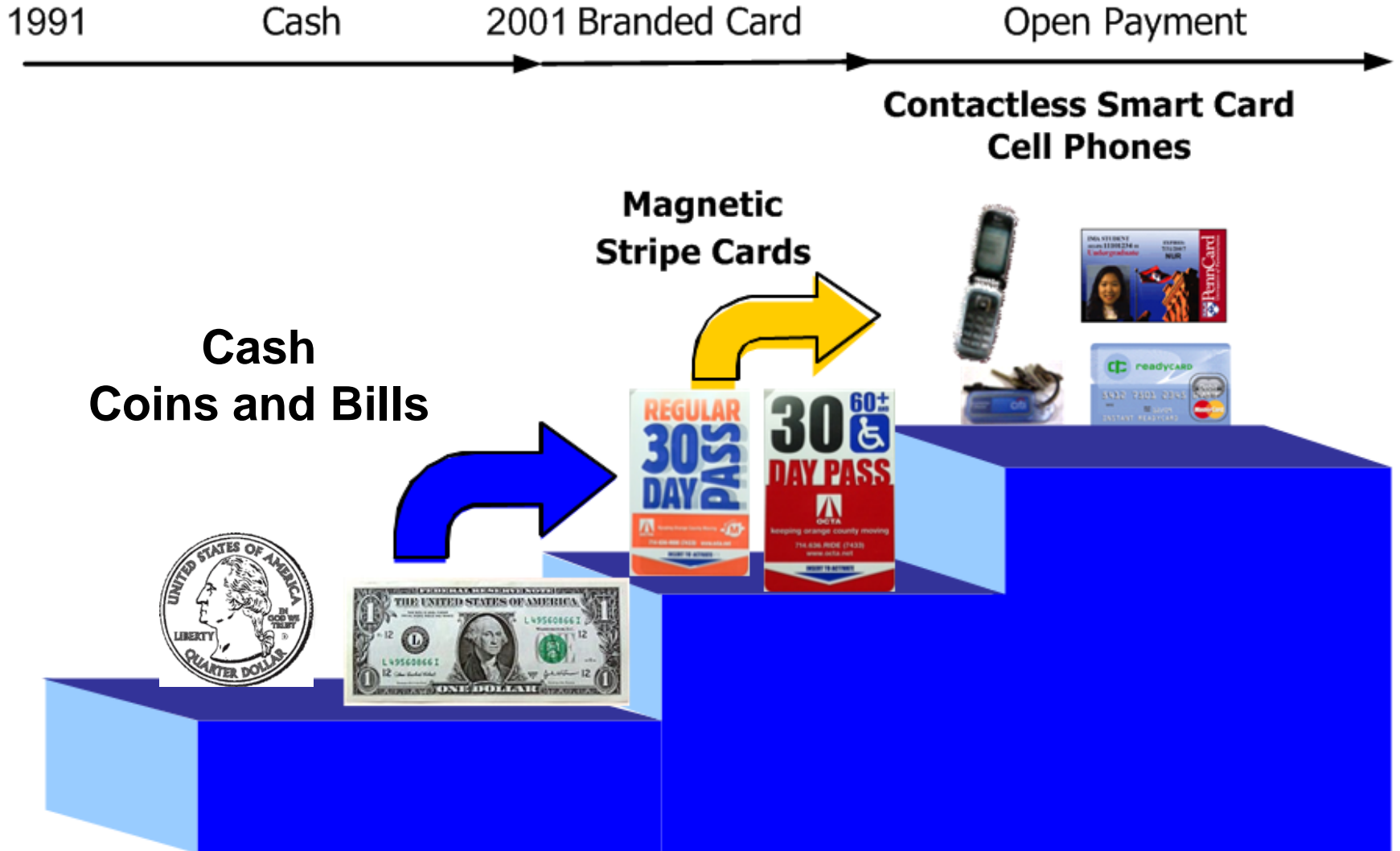
Project Benefits and Goals

OCTA

- Better integrate fare collection system with other county transit projects (M2, Go Local, and MSEP)

- Reduce dwell time at bus stops

- Utilize new technology to reduce cost of handling cash payment

- Improve travel time

- Ease of transferring from one bus to another or from bus to rail, regardless of service provider

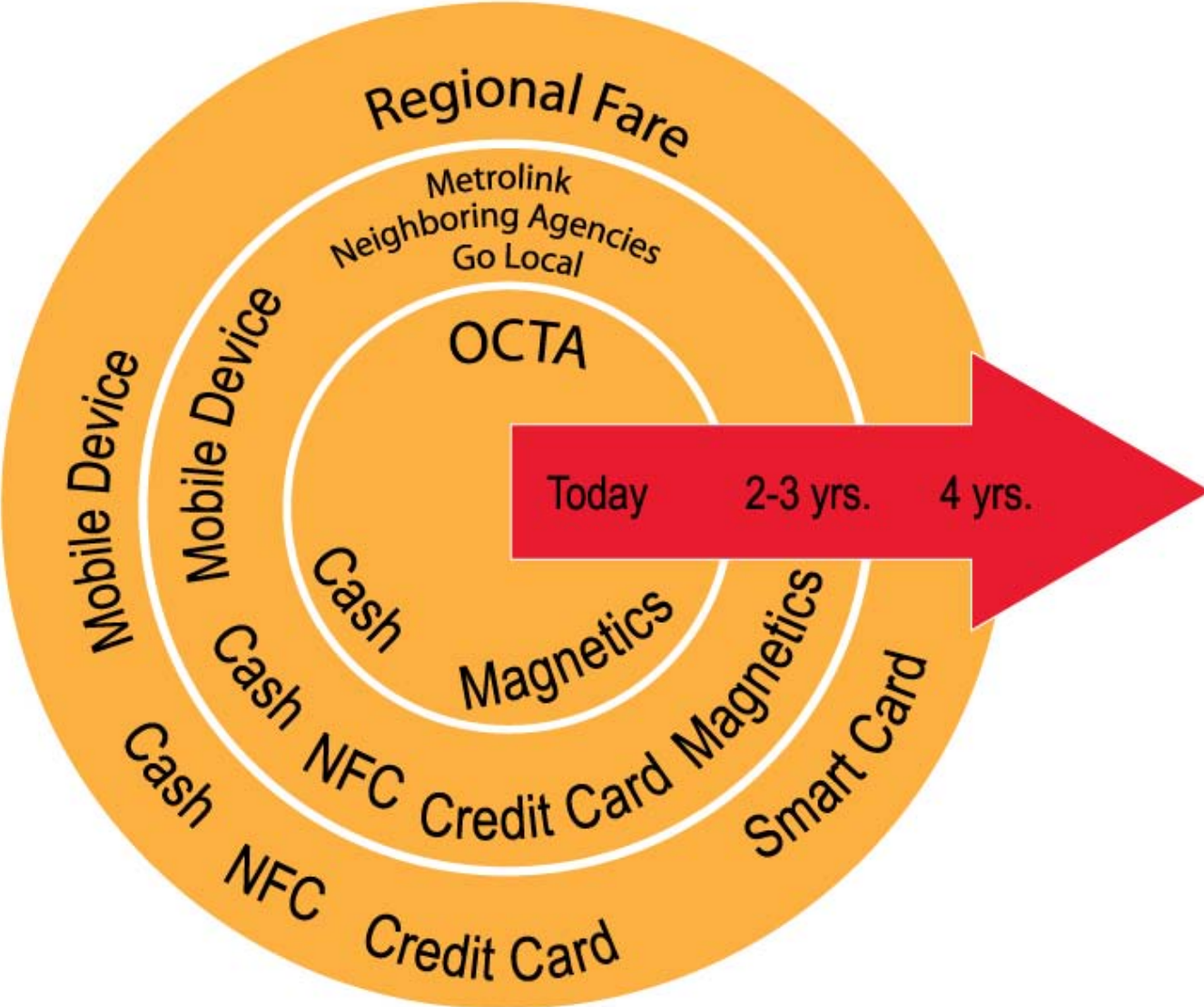- Improve customer experience by offering new payment options

Region

- Lead the development of strategy for a seamless regional fare collection system and fare policies

- Implement an open payment system that can be integrated with other agencies in the region

- Encourage seamless regional travel with common payment methods and common fare policies

- Allow agencies to maintain their individual fare policies

- Ease of transferring from one agency to another

OCTA Fare Payment Evolution

1991   Cash   2001 Branded Card   Open Payment

Contactless Smart Card Cell Phones

Magnetic Stripe Cards

Cash Coins and Bills

Payment Evolution - A Visual Representation

Customer Behavior

- 65% of boardings use a multi ride pass

- 30% of boardings use cash

- 1.5% of boardings use interagency transfers

- 59% use cell phones

- 27% use a smart phone

- 41% use the internet on their computer

- 32% use social media

- 38% use credit/debit card

Study Recommendations

- Implement a Smart Card system
  - Retain current farebox
  - Retain current magnetic stripe media
  - Add a stand beside card reader

- Smart Card reader capable of reading/processing
  - Los Angeles Metro Transit Access Pass cards
  - San Diego Compass cards
  - Contactless credit/debit cards and cell phones
  - Seamless transfer from bus to bus and bus to rail

- Integrate fare system with OCTA's other Intelligent Transportation System elements

- Consider low to medium cost options with flexibility for expansion

Benefits of Open Payment Fare System

- Reduce dwell time and improve travel times
- May reduce cost of processing fare revenue collected
- Regional payment coordination to make transit more seamless and increase transit usage
- Easy and convenient to use by customers
- Smart cards can be processed more efficiently and potentially reduce complaints and customer service-related costs

Key Tasks Completed

Date	Task
7/2009	Completed Fare Integration Study
9/2009	Presented study findings to the Board of Directors
11/2010	Developed system design & requirements for a Smart Card System
3/20/11	Hosted a Peer-to-Peer Review of Emerging Fare Collection Systems, sponsored by the United States Department of Transportation (USDOT)
7/26/11	Hosted a Southern California Super Users Group discussion of Fare Collection Systems and Fare Policy in partnership with Southern California Regional Rail Authority and USDOT Volpe National Transportation Systems Center
12/27/11	Engaged USDOT Volpe National Transportation Systems Center to assist in the Regional Fare Integration Project
2/9/12	Presented Regional Fare Integration Project at Smart Card Alliance Payments Conference
2/15/12	Hosted a Regional Fare Collection Vendor Expo
5/9/12	Organized meeting with agencies and vendors following APTA Conference

Lessons Learned

- Peer agencies expressed a strong interest in account based, open payment system

- No account based, open payment system fully operational in the US currently

- Several cities in the US have awarded or will be awarding contracts, none have been deployed

- No firm figures on bank charges or transaction authorizing

- Develop a solid transition plan

Possible Risks

- Cooperation from other agencies

- Cost more than the existing system

- Agreement on seamless fare policy

- Existing systems may not be supported by vendors in the future as traditional fareboxes are becoming obsolete

Project Timeline

KEY PHASE/STEP	2012				2013				2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Conduct review of fare systems and policies with stakeholders	■	■	■													
Develop pilot project for fare product that could provide regional interoperability			■	■	■											
Develop technical specifications for target fare product						■	■	■								
Receive proposals/select vendor/issue Notice to Proceed									■	■	■					
+Design, test, and supply equipment												■	■	■	■	
Begin implementation of the system																■

+Card readers and point of sale devices

Next Steps

- Conduct a pilot project

- Return to the Board for approval to develop system specifications

- Finalize system specification package

- Facilitate regional fare integration and fare policy discussions with "Super Users" group

- Procure and implement the new system