



# Fare Policy Recommendations

# OC Bus 360°



# Costs and Efficiencies

- Increasing allowable amount of contracted services from 5 percent to 40 percent through the collective bargaining agreements
- Reducing the cost of ACCESS and contracted fixed-route services through new procurements
- Requiring employees to pay 100 percent of employee share of OCERS
- Renegotiating the lease for the OCTA administrative building
- Extending the useful life of buses from 12 to 14 years
- Continuing labor negotiations to maintain and reduce costs
- Reducing the number of buses purchased from 200 to 160
- Renegotiating fuel contracts and utilizing renewable fuel credits
- Reducing administrative and union headcount

# Background

- Evaluation of fare policy is one component of OC Bus 360°
- Fare Study final report was provided to the Board of Directors (Board) on May 9, 2016
- OCTA recommendations were presented to the Finance and Administration and Transit Committees, as well as to the Board at the August 22<sup>nd</sup> meeting
  - Board approved a reduction in the price of the day pass from \$5.00 to \$4.00 for a six month promotional period beginning with the October 9, 2016 service change
- Public hearing was held at the September 26<sup>th</sup> Board meeting
  - Board directed staff to remove the recommendation to modify the ACCESS fare structure

# CH2M Assessment of Goals and Current Structure

## Fare Policy Goals

- Increase Ridership
- Improve Customer Experience
- Minimize Fare Revenue Impact
- Encourage Fare Simplicity
- Enhance Equity

## Fare Policy Constraints

- Farebox Recovery Requirement of 20 percent
- Maintaining a Balanced Budget for the Bus Program
- ACCESS fare cannot exceed twice the full fare per the Americans with Disabilities Act

## Fare Structure Strengths

- Simple Fare Structure
- Fare Policy and Technology Opportunities

## Fare Structure Weaknesses

- Dual Ridership Demographic
- ACCESS Flat Fare Pricing
- Express Fare Structure
- Reduced Fare Enforcement
- Interagency Transfer Enforcement

# Fare Study Recommendations

- Return to the Board in 2017 with a recommendation for the price of the Day Pass subsequent to the end of the promotional period
  - Board approved a price reduction from \$5.00 to \$4.00 for a six-month promotional period, which ends April 9, 2017
  - Reduction in price is subsidized by the Low Carbon Operations Program (LCTOP)
  - Consideration will be given to extend the price reduction beyond the promotional period based on the ridership impact and availability of LCTOP funds or other external funds
- Eliminate 5-Ride Pass and 7-Day Pass
  - Rarely used passes account for less than 1 percent of pass usage
  - Contributes to simplicity goal and reducing operational costs
  - Riders could migrate to day pass or monthly pass

# Fare Study Recommendations

- Recategorize Express Services
  - Convert 5 fixed-routes to intracounty routes and brand as OC Express
  - Align OC Express and Express fares with trip distances
    - OC Express Bus Route Fares (intracounty) would increase from \$2.00 to \$4.00
    - Express Bus Route Fares (intercounty) would increase from \$6.00 to \$7.00
- Enforce Reduced Fare Eligibility Requirements
  - OCTA would require verification of eligibility for reduced fare media at the point of sale
  - Enforcing reduced fare eligibility at the point of sale should help reduce fraudulent use of reduced fare media and will enhance equity for riders
  - Common practice at most U.S. transit agencies



# Public Involvement

- Multilingual Public Information
  - 45,000 multilingual brochures
  - 12,500 mailings to ACCESS customers
  - Website – English, Spanish, Vietnamese
  - Email blasts to bus customers and cities
  - Social media posts
  - Advertisements in the OC Register, Excelsior Nguoi Viet, Korean Times, Chinese World Journal, as well as on-board buses
  - Press Releases
  - Community meetings in Laguna Hills, Anaheim, and Santa Ana
  - Meetings with OCTA public committees and interest groups
  - Public hearing at September 26<sup>th</sup> Board meeting

**OC Bus 360°  
Proposed Fare Policy Adjustments**

Community Meetings | Public Hearing  
September 20 and 21, 2016 | September 26, 2016

**Ajustes Propuestos a la Política de Tarifas de OC Bus 360°**  
Reuniones de Residentes  
20 y 21 de septiembre de 2016  
Audiencia pública  
26 de septiembre de 2016

**Những Đề Nghị Thay Đổi Giá Vé Của Chương Trình OC Bus 360°**  
Các buổi họp cộng đồng  
Ngày 20 và 21 tháng 9, 2016  
Buổi điều trần công chúng  
Ngày 26 tháng 9, 2016

**OCBUS** Together we ride OCbus.com/FareStudy (714) 636-RIDE

**OC Bus 360°  
Proposed Fare Policy Adjustments**

For more information or to comment online, visit [OCbus.com/FareStudy](http://OCbus.com/FareStudy)  
If you would like to receive this information in a language other than English, Spanish or Vietnamese, please contact OCTA at [ttitlev-inquiries@octa.net](mailto:ttitlev-inquiries@octa.net) or call (714) 636-RIDE, option 2.

**OCBUS** Together we ride

**Community Meetings**

Laguna Hills Community Center  
Tuesday, September 20, 2016  
6:00 – 8:00 p.m.  
25555 Alicia Parkway  
Laguna Hills, CA 92653  
Served by bus routes 87, 91

**Community Meetings**

Brookhurst Community Center  
Wednesday, September 21, 2016  
6:00 – 8:00 p.m.  
2271 W. Crescent Ave.  
Anaheim, CA 92801  
Served by bus routes 35

**Public Hearing**  
OCTA Headquarters  
Monday, September 26, 2016  
9:00 a.m.  
550 South Main Street, Orange, CA 92863  
Served by bus routes 53, 56, 83, 453, 757

**OC Bus 360° Proposed Fare Policy Adjustments  
Community Meetings & Public Hearing**

As part of OC Bus 360°, a comprehensive plan to improve and sustain bus service and enhance the customer experience, the Orange County Transportation Authority (OCTA) is evaluating its fare policy. OCTA is seeking public input on proposed adjustments, which include:

- Reduce Day Pass fare from \$5 to \$4 (six-month promotional period approved)
- Eliminate underutilized passes (5-Ride and 7-Day)
- Recategorize and increase fare on express services (200 and 700 routes)
- Implement zone-based ACCESS fares
- Enforce reduced fare eligibility requirements at point of sale

OCTA is not planning any changes to the base fare of \$2 per ride on fixed routes.

Your input is important to us. Please attend one of the following meetings and give us your comments on the proposed 2016 Bus Fare Policy Adjustments.

**Community Meetings**

**Laguna Hills Community Center**  
Tuesday, September 20, 2016  
6:00 – 8:00 p.m.  
25555 Alicia Parkway  
Laguna Hills, CA 92653  
Served by OC Bus routes 87, 91

**Brookhurst Community Center**  
Wednesday, September 21, 2016  
6:00 – 8:00 p.m.  
2271 W. Crescent Ave.  
Anaheim, CA 92801  
Served by OC Bus route 35

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**Public Hearing**  
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**Translators and Accessibility**

Spanish translation services will be available at all community meetings and the public hearing. Any person with a disability who requires a modification or accommodation in order to participate in these meetings or who require another language should contact the OCTA Clerk of the Board at (714) 560-5676 no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to these meetings.

For more information or to comment online, visit [OCbus.com/farestudy](http://OCbus.com/farestudy).

To plan a bus trip to these community meetings or to the public hearing, visit [OCbus.com](http://OCbus.com) or call (714) 636-RIDE (7433).

**OCBUS** Together we ride OCbus.com/FareStudy



# Next Steps

- Begin implementation of recommendations beginning with the February 2017 service change
- Return to the Board in 2017 with a recommendation for the price of the Day Pass
- Continue outreach efforts