



RTD Systemwide Fare Study and Equity Analysis Pass Program Feedback Panel Meeting July 14, 2022 Meeting Summary

Meeting Objectives:

- Understand customer input and feedback from Engagement #1 and #2
- Provide feedback using customer input from Engagement #2 on possible conceptual options

Systemwide Fare Study and Equity Analysis

Chris Quinn, RTD Project Manager, provided an overview of the Systemwide Fare Study and Equity Analysis purpose and goals, the importance of fares to contribute to operating the transit system, overview of activities in Engagement #1 and #2, what RTD heard from customers and the community in Engagement #2 (on conceptual options), the five elements of the evaluation of alternatives, what conceptual options and suggestions were being considered and evaluated further, what is already being implemented, and what is not being considered further due to being out of scope of the Study, addressed in other ways, too difficult to implement at this time, and/or RTD received limited interest from survey respondents during Engagement #1.

Questions and Answers

- *Question: How is the concept of a family fare being considered in other ways?*
Answer: RTD is considering free fares for youth, raising the age that children who ride free (currently five and under) to include older youth, which would help families.
- *Comment: When the EcoPass structure changed years ago, universities and other schools' students were not able to take advantage of youth and low-income discounts if they got the CollegePass.*

Discussion on Conceptual Options

A subset of the conceptual options being considered was presented and discussed with the Feedback Panel. Laura Wolfram, Four Nines Technologies, provided a background and information about each conceptual option before the Feedback Panel members provided input (see the slide deck for more information on what was presented).

Conceptual Options: Lowering fares, versus Flattening the Fare Structure, versus Reducing Monthly Pass

These conceptual options all targeted lowering the fares for customers through different methods.

Informal Poll

Following the presentation, members started the discussion with an informal poll on which of these three conceptual options is their highest priority:

- Option A. 20% 1/5 - Lowering fares
- Option B. 40% 2/5 - Flattening the fare structure (e.g., eliminate Regional fare level)
- Option C. 40% 2/5 - Reducing Monthly Pass pricing

Discussion

- *Question:* Why is the Monthly Pass fare based on 38 times the 3-hours Pass?
Answer: RTD's Monthly Pass formula starts by assuming commuters have 21 weekdays in a month (on average) and would likely have 42 commuting trips in a month (42 times a 3-Hour Pass), then providing a slight discount if a Monthly Pass were purchased (38 times a 3-Hour Pass).
- Option A. Lowering fares
 - Would be more responsive to the customer feedback over the last few years that fares are too expensive.
 - Would also lower Monthly Pass price.
- Option B. Flattening the fare structure
 - Would simplify the fare structure and decrease problems across all transit customer groups.
 - Would address lowering the fare as well.
- Option C. Reducing Monthly Passes
 - Would, with fare capping, eliminate the burden to have so much capital/cash up front, and reward frequent users. Possibly, the lower price would mean more Monthly Passes would be purchased, and that could recoup the revenue loss of the lower price.

Conceptual Option: Exploring pass program simplification and expansion while maintaining utilization-based pricing

Question: How could RTD stabilize pricing over multiple years, as ridership recovers, and ensure it works with the utilization approach?

Discussion

- *Question:* Is the utilization approach the only one being considered?
Answer: Yes, although RTD is looking at additional concepts that may help employers, like a discounted bulk pass program, similar to the discontinued FlexPass.
- Suggestions:

- Provide a flat 3-year yearly price and then reevaluate. This would allow employers to know the exact cost for multiple years and better budget for the Pass Program as well as get their feet under them.
- Base price on the average ridership over the last 2-3 years and the cost to run to operate. Consider how to make passes affordable while also making RTD financially successful.
- It is important to provide employers a stable price for them to sell to their boards.
- This is a hard question to answer.
- The system was working before utilization pricing was instituted.
- The 20% cap on yearly increases was appreciated. It provided employers at least a known maximum budget change.
- Concerned about using flat pricing for EcoPass if it is based on lower ridership during COVID - not the right answer.
- Challenge is to get more employers to provide passes and that the Pass Program works for smaller businesses; what is the right price that doesn't work against small businesses.
- "As ridership recovers" – ridership was dropping before COVID, even for school/yellow buses.
- It is important there is an embedded discount in the Pass Program; a discount would help employers with the extra effort needed to run and manage the Pass Program.
 - Challenge is how to provide discounts in the Pass Program in an equitable way.
- Other Suggestion: If RTD needs to change prices, increase rail fares, if ridership increases – bus costs have more fluctuation based on fuel costs and accessibility of CDL operators.
- *Question:* How much of the major bus line service was reduced (Colfax, Federal, etc.)?
Answer: The Colfax and Federal routes have retained most of their ridership. Trains had a bigger decrease in ridership because trains carry mostly regular commuters, where Colfax and Federal routes serve more essential workers and errands.
- *Question:* Has the airport looked at a master contract? Boulder has one for the central business district.
Answer: The airport said it would be happy to have a master contract, it is working to find the right way to do it. Right now, a significant challenge is having to pay for all employees, discouraging involvement since the concern of employers at the airport is when only a few employees will use it.

Conceptual Option: Promoting bulk pass purchases

Question: If a discount is offered, how would the discount be determined? How would it be justified? How would bulk purchases also benefit non-employers, such as community-based organizations, nonprofit organizations, and jurisdictions?

Discussion

- This is a difficult question.
- A not-for-profit discount is good, but not all nonprofits should get a nonprofit discount (e.g., CU Boulder is a 501(c)(3), but shouldn't get that discount).
- Suggestion
 - Discounts should be consistent regardless of quantity. Larger institutions should

- not necessarily get greater discounts.
- If 100% of employees are given a pass, then there is X discount, if 60% employees are given the pass then there is a Y discount. If the employer only gives a pass to 60% of its employees, its discount should not be as great. If institutions are cherry picking who gets a pass then RTD is going to get less money.
- Buy 9 get one pass free (10 passes for the price of 9).
- Buy 10 passes get x% (10%) discount overall.
- Offer a discount for a multi-year contract.
- Employer needs some sort of discount to account for the time spent with administration.
- Passes should/do benefit employers; it is a selling point to employees that the employer offset transit costs, especially in a new world of working from home.

Conceptual Option: Addressing challenges for unique subsets of customers (e.g., college student, airport employees not in Eco or College Pass programs)

- A. *Question: Airport employees not covered by EcoPass – Does the introduction of fare capping address the unique challenge for airport employees by eliminating the upfront cost of a Regional Monthly Pass?*

Discussion

- Fare capping sounds like it would help, but examples of how it would work for an individual are needed to provide informed input.
- Fare capping will help. Customers don't always know how often they will use transit and may not buy a Monthly Pass in advance. It will help customers by removing uncertainty, a customer knows they won't pay more than the cost of a Monthly Pass even if they don't buy it in advance.
- RTD should get feedback from the airport concessionaire association.
- Purchasing an EcoPass for all employees is a challenge for small businesses when only a small number of the employees will use the pass thus making buying an EcoPass for all feels economically unattractive
- Airport employees would benefit more from an airport master contract.

- B. *Question: Semester passes for students not covered by CollegePass – Should there be a semester pass offered by colleges and technical schools that individual students can opt into? Should a similar pass be available for K-12 schools? What are the challenges and benefits?*

Discussion

- Yes, a semester pass would be good, depending on the price point – a semester pass bought by the student should not be less expensive than the price the college/university charges for a CollegePass.
- It would be a good option for students at schools that don't offer passes, and it might inspire student to pressure their school to provide the CollegePass.
- This could be a good opt-in system if CollegePass is not offered.
- It would be good to offer it to K-12 schools as well.

Conceptual Option: Streamlining discount fares

Question: Which streaming option is the highest priority?

Informal Poll

- Option A. 20% 1/5 - 50% discount for LiVE and Discount customers, retaining 70% discount for Youth
- Option B. 20% 1/5 - 50% discount for all discount-eligible customers (LiVE, Disable, Youth, etc.)
- Option C. 20% 1/5 - 50% discount on 3-Hour Pass and Day Pass and 70% discount on Monthly Pass for all discount-eligible customers
- Option C. 40% 2/5 - Flat fares for discount customers, set an 50% of Local fare, while retaining current zone/distance-based fare structure for full fare customers

Discussion

[The Feedback Panel only had time for a very quick discussion.]

- This is a difficult decision without knowing all the aspects and how each would work.
- It would be helpful to see ridership for the different groups. It is hard to give feedback without knowing the impact on different groups.
- Option A (*two discount levels, combine tow and leave youth alone*)
 - Would maintain the 70% discount for youth – don't want to decrease youth discount. Youth are an important part of ridership.
- Option B (*one discount level*)
 - Would create a simpler system.
- Option C (*one discount level, but different for different pass types*)
 - Would provide the highest discount on the Monthly Pass.
- Option D (*one discount level, apply the same Local fare with discount price to Regional and Airport*)
 - Would create a simpler system and provide a greater discount.

Appendix A: Attendees

Feedback Panel

1. Auraria Campus, Tristy Hillestad
2. Colorado University-Boulder, Brandon Smith
3. Denver International Airport, Amy Edinger
4. Denver Public Schools, Lonnie Rodriguez
5. Denver University, Rosalynn Feagins
6. Go Boulder/City of Boulder, Chris Hagelin
7. RTD, Chris Quinn - Project Manager, Planning
8. RTD, Carl Green Jr. - Deputy Project Manager, Interim Civil Rights Director
9. RTD, Theresa Rinker - Market Development

Others or Observers

Project Team

1. RTD, Bill Sirois - Senior Advisor, Transit Oriented Communities
2. Four Nines Technologies, Laura Wolfgram
3. Four Nines Technologies, Christina Winberry
4. Amey Consulting, Andrew Amey
5. JSE Associates, Jody Erikson (Facilitator)