

FARE POLICY: FARES, FARE STRUCTURE, AND FARE INCREASES

PURPOSE

The purpose of this Board Policy is to set forth AC Transit's fare policy—the District's fares, its fare structure, planned fare increases—and the goals and rationales for them. This policy serves to codify the actions regarding fares, fare structure, and fare policies taken by the Board of Directors in approving Resolution No. 13-046 on December 11, 2013

DEFINITIONS

The specific fare or price levels and conditions for the various fare types below are contained in the attached Fare Tables in Exhibit A, Resolution No.13-046.

Clipper Card or Clipper: The Bay Area regional stored-value transit electronic payment “smart card” administered by the Metropolitan Transportation Commission (MTC). This card can be used to pay AC Transit fares if it is loaded with cash and/or AC Transit passes.

Discount Fare: Discount fare shall be the fare required of passengers eligible for youth, senior, or disabled fares.

EasyPass: Annual Transbay-value pass provided on Clipper to a defined universe of participants at qualified colleges, employers, and residential communities.

Day Pass: Fare instrument, whether in paper form or electronic form on Clipper, that grants an AC Transit passenger the right to board an AC Transit bus(es) for one fare on the day of purchase.

POLICY

I. GOALS OF THE FARE POLICY

The following are the goals of the fare policy, as adopted by the AC Transit Board of Directors:

Goal 1 - Simplicity: Fares and the fare structure should be easy to use for passengers, and easy to operate for the District.

Goal 2 - Appropriateness: Fares and the fare structure should provide a good value for passengers.

Goal 3 - Equity: Fares and the fare structure should be fair for all passengers.

Goal 4 - Transparency: Fares and the fare structure should result in predictable costs and cost increases for passengers; and predictable revenue increases for the District.

Goal 5 - Policy Supportiveness: Fares and the fare structure should be supportive of other District goals—service, land use, and social goals—and compliant with other regulatory mandates.

Goal 6 - Affordability: Fares should be affordable to all passengers to ensure their full access to bus service and to prevent adverse impacts on socially vulnerable populations.

II. RATIONALES FOR KEY PROVISIONS OF THE POLICY - This policy was developed after a review of policies and practices of local and national transit agencies. The following are rationales for key elements of the Policy:

Transbay fare as twice local fare - Longstanding AC Transit practice, this also approximates BART Transbay fares. This supports Goals 1, 2, and 3.

Discount fares as 50% of base fare - The federally mandated discount for senior and disabled fares is 50% in the off-peak period. AC Transit has generally maintained discount cash fares as 50% of the adult fare, the most common discount fare level among American transit agencies. This supports Goals 1, 2, 3, 5, and 6.

31-Day pass prices as thirty-six (36) times the applicable single-ride fare - This ratio is the median ratio between pass prices and cash fares among American transit agencies. For passengers who ride 5 days per week, or approximately 40 times per month, a pass priced at 36 times the single-ride fare provides a modest discount, with any “extra” trips (such as weekend trips) being free. Because some of AC Transit’s discount passes are currently priced far below this level, the fare policy provides for a seven-year transition period, through 2018, to gradually bring them up to the target level. This supports Goals 2, 3, 4, and 6.

Establishing 7-Day pass - These passes provide a discount for people who sometimes use the system heavily, but not for a full month. They provide a discount fare instrument for people who may have difficulty paying for a full month’s pass at a time. This supports Goals 2, 3 and 6.

Developing a ten-year schedule of fare increases - Developing a ten-year schedule of fare increases creates predictability for passengers, for the District, and for other agencies that work with AC Transit. Having a long-term plan for fare increases allows the District to respond to inflation, and also obviates the need for very large fare increases at one time. It allows a planned transition of discount pass prices to the target levels. A number of transit agencies regionally and nationally have moved to a longer-term approach. This supports Goals 2, 3, 4, and 6.

III. FARE STRUCTURE

Specific levels for the fares referred to in this section are found in the Fare Tables, Resolution No.13-046, Exhibit A.

A. **Adult Local Fare as Base Fare** - The adult local fare shall be the base fare, upon which other fares and pass prices are calculated.

B. **Transbay Fare** - The adult Transbay fare for shall be twice the adult local fare.

- C. **Discount Fare** - The discount fare shall be half of the applicable adult fare, local or Transbay.
- D. **31-Day Pass Prices** - The target price of a 31-day pass shall be thirty-six (36) times the applicable adult or discount fare. However, pass prices through 2018 shall be governed by the schedule of graduated increases in the Fare Tables in Resolution No.13-046, Exhibit A.
- E. **EasyPass Prices** - Prices under the EasyPass program shall be at the levels established in the EasyPass pricing matrices in Resolution No. 13-046, Exhibit A.
- F. **7-Day Passes** - As further described in Section IV.B. below, the District shall initiate the sale of 7-day local adult, local youth, local senior/disabled, and Transbay adult passes. These passes shall cost ten (10) times the applicable single-ride fare.
- G. **Other Fares** - The provisions of Resolution No. 13-046, Exhibit A (attached), concerning Free Rides, Dumbarton Express fares, Regional Transfers, Capitol Corridor, and Ferry Transfers shall govern these fares.

IV. FARE MEDIA

- A. **Existing Fare Media** - Passengers may pay their fare using the follow media:
 - 1. **Cash** - The passenger may pay the applicable fare in cash, either in bills and coins or as cash loaded on a Clipper card.
 - 2. **Day Pass** – The passenger may pay the applicable fare for the day pass in cash, either in bills and coins or as cash loaded on a Clipper card.
 - 3. **Pass** - The passenger may pay the applicable fare using a 31-Day Pass, an EasyPass (including Class Pass), or an RTC Monthly Pass, and either as a paper pass or a pass loaded on a Clipper card.
 - 4. **Discount transfer from BART** - The passenger may use a BART-to-Bus transfer to receive a twenty-five cent (\$0.25) discount against the otherwise applicable fare, either as a paper transfer or a transfer on a Clipper card.
 - 5. **Special Agency Ticket** - The passenger may pay the applicable fare using a ticket provided by a qualified public or social service agency, or a qualified non-profit organization.
- B. **Planned 7-Day Pass** - The District shall make available, at the earliest practicable date, passes valid for seven consecutive days of unlimited local or Transbay rides. These shall be made available only as a product on Clipper.

V. FARE AND PASS PRICE LEVELS

A. Future Planned Increases

1. **Planned Fare Levels by Date** - Exhibit A of Resolution No. 13-046 (following section V.B.) contains the approved fare and pass price levels, listed as AC Transit Table of Fares effective August 1, 2011; July 1, 2014; July 1, 2016, and July 1, 2018.
2. **Financial Review Prior to Implementation of Fare Increases** - Prior to each scheduled fare increase, the Board of Directors shall receive and consider a report on the fare revenue and financial situation of the District.
3. **Overall Review of Fares and Pass Prices in Five Years** - In 2016, five years after the initiation of this Policy, the Board of Directors shall conduct a review of the implementation of the Policy and its effects.

- B. **Discounted fares on Clipper Cards** - The District shall make a discounted base fare available for both full fare paying passengers and discount fare paying passengers (youth, senior, disabled) to encourage more Clipper card utilization. This policy shall be implemented if, and only if, the Board of Directors determines that the policy is consistent with the requirements of Title VI.

Exhibit A: Resolution 13-046

AC Transit Table of Fares

Effective August 1, 2011

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|---|--------------|--|--|
| Cash | | | |
| Local Cash | \$2.10 | \$1.05 | \$1.05 |
| Local Transfer * | \$0.25 | \$0.25 | \$0.25 |
| Transbay Cash | \$4.20 | \$2.10 | \$2.10 |
| Transbay Transfer** | Free | Free | Free |
| BART-to-Bus*** | \$1.85 | \$0.80 | \$0.80 |
| <p>* Good for 120 minutes (2 hours) and one use only. ** Issued on first bus upon payment of Transbay fare. Applies to Local-to-Transbay and Transbay-to-Local. Good for 120 minutes (2 hours) and one use only. *** Local trips only. No discount on Transbay.</p> | | | |

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|--|--------------|--|--|
| Clipper Card Value | | | |
| Local e-Cash | \$2.10 | \$1.05 | \$1.05 |
| Transbay e-Cash | \$4.20 | \$2.10 | \$2.10 |
| Local 31-Day | \$80.00* | \$20.00* | N/A |
| Transbay 31-Day | \$151.20 | N/A | N/A |
| Local Monthly | N/A | N/A | \$20.00* |
| Local 7-Day** | \$21.00* | \$10.50* | \$10.50* |
| Transbay 7-Day | \$42.00 | N/A | N/A |
| <p>* Can be upgraded to Transbay with e-Cash. E-Cash must be present on card for upgrade. ** Will be available as soon as it can be implemented on Clipper after August 1, 2011.</p> | | | |

Other Passes

Local Senior/Disabled Monthly (sticker on RTC Discount Card) \$20.00

EasyPass Pricing Matrices

The General Manager is allowed pricing flexibility 15 percent above or below a matrix price point, and is allowed to offer up to a 20-percent discount to colleges in a one-year pilot program.

Effective August 1, 2011

For Businesses and Residential Communities

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|--|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| 1 | | \$121 | \$103 | \$86 | \$68 | \$51 |
| 2 | | \$108 | \$93 | \$78 | \$64 | \$48 |
| 3 | | \$93 | \$82 | \$69 | \$58 | \$45 |
| 4 | | \$81 | \$70 | \$62 | \$53 | \$43 |

For Two- and Four-Year Colleges

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|--|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| 1 | | \$163 | \$139 | \$117 | \$92 | \$69 |
| 2 | | \$146 | \$126 | \$105 | \$86 | \$65 |
| 3 | | \$126 | \$110 | \$93 | \$78 | \$61 |
| 4 | | \$109 | \$95 | \$84 | \$71 | \$58 |

Exhibit A: Resolution 13-046

AC Transit Table of Fares

Effective July 1, 2014

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|--|--------------|--|--|
| Cash | | | |
| Local Cash | \$2.10 | \$1.05 | \$1.05 |
| Day Pass | \$5.00 | \$2.50 | \$2.50 |
| Transbay Cash | \$4.20 | \$2.10 | \$2.10 |
| Transbay Transfer* | Free | Free | Free |
| BART-to-Bus** | \$1.85 | \$0.80 | \$0.80 |
| <p>* Issued on first bus upon payment of Transbay fare. Applies only to Transbay-to-Local. Good for 120 minutes (2 hours) and one use only.</p> <p>** Local trips only. No discount on Transbay.</p> | | | |

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|--|--------------|--|--|
| Clipper Card Value | | | |
| Local e-Cash | \$2.00 | \$1.00 | \$1.00 |
| Transbay e-Cash | \$4.20 | \$2.10 | \$2.10 |
| Day Pass e-Cash | \$5.00 | \$2.50 | \$2.50 |
| Local 31-Day | \$75.00 | \$20.00 | N/A |
| Transbay 31-Day | \$151.20 | N/A | N/A |
| Local Monthly | N/A | N/A | \$20.00 |
| Local 7-Day* | \$20.00 | \$10.00 | \$10.00 |
| Transbay 7-Day* | \$42.00 | N/A | N/A |
| <p>*7 Day Passes are not available in the 2014 fare structure.</p> | | | |

Other Passes

Local Senior/Disabled Monthly (sticker on RTC Discount Card) \$20.00

EasyPass Pricing Matrices

The General Manager is allowed pricing flexibility 15 percent above or below a matrix price point, and is allowed to offer up to a 20-percent discount to colleges in a one-year pilot program.

Effective July 1, 2014

For Businesses and Residential Communities

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|---|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| | 1 | \$121 | \$103 | \$86 | \$68 | \$51 |
| | 2 | \$108 | \$93 | \$78 | \$64 | \$48 |
| | 3 | \$93 | \$82 | \$69 | \$58 | \$45 |
| | 4 | \$81 | \$70 | \$62 | \$53 | \$43 |

For Two- and Four-Year Colleges

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|---|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| | 1 | \$163 | \$139 | \$117 | \$92 | \$69 |
| | 2 | \$146 | \$126 | \$105 | \$86 | \$65 |
| | 3 | \$126 | \$110 | \$93 | \$78 | \$61 |
| | 4 | \$109 | \$95 | \$84 | \$71 | \$58 |

AC Transit Table of Fares

Effective July 1, 2016

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|--|--------------|--|--|
| Cash | | | |
| Local Cash | \$2.25 | \$1.10 | \$1.10 |
| Day Pass | \$5.00 | \$2.50 | \$2.50 |
| Transbay Cash | \$4.50 | \$2.20 | \$2.20 |
| Transbay Transfer* | Free | Free | Free |
| BART-to-Bus** | \$2.00 | \$0.85 | \$0.85 |
| <p>* Issued on first bus upon payment of Transbay fare. Applies only to Transbay-to-Local. Good for 120 minutes (2 hours) and one use only.</p> <p>** Local trips only. No discount on Transbay.</p> | | | |

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|---|--------------|--|--|
| Clipper Card Value | | | |
| Local e-Cash | \$2.15 | \$1.05 | \$1.05 |
| Transbay e-Cash | \$4.50 | \$2.20 | \$2.20 |
| Day Pass e-Cash | \$5.00 | \$2.50 | \$2.50 |
| Local 31-Day | \$81.00* | \$26.50* | N/A |
| Transbay 31-Day | \$162.00 | N/A | N/A |
| Local Monthly | N/A | N/A | \$26.50* |
| Local 7-Day** | \$22.50* | \$11.00* | \$11.00* |
| Transbay 7-Day** | \$45.00 | N/A | N/A |
| <p>* Can be upgraded to Transbay with e-Cash. E-Cash must be present on card for upgrade.</p> <p>**7 Day Pass dependent on availability</p> | | | |

Other Passes

Local Senior/Disabled Monthly (sticker on RTC Discount Card) \$26.50

EasyPass Pricing Matrices

The General Manager is allowed pricing flexibility 15 percent above or below a matrix price point, and is allowed to offer up to a 20-percent discount to colleges in a one-year pilot program.

Effective July 1, 2016

For Employers and Residential Communities

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|---|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| | 1 | \$129 | \$110 | \$92 | \$73 | \$55 |
| | 2 | \$116 | \$100 | \$83 | \$69 | \$52 |
| | 3 | \$100 | \$88 | \$74 | \$62 | \$48 |
| | 4 | \$87 | \$75 | \$66 | \$56 | \$46 |

For Two- and Four-Year Colleges

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|---|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| | 1 | \$174 | \$148 | \$125 | \$99 | \$74 |
| | 2 | \$156 | \$135 | \$112 | \$92 | \$70 |
| | 3 | \$135 | \$118 | \$100 | \$83 | \$65 |
| | 4 | \$117 | \$101 | \$90 | \$76 | \$62 |

AC Transit Table of Fares

Effective July 1, 2018

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|--|--------------|--|--|
| Cash | | | |
| Local Cash | \$2.35 | \$1.15 | \$1.15 |
| Local Day Pass | \$5.00 | \$2.50 | \$2.50 |
| Transbay Cash | \$4.70 | \$2.30 | \$2.30 |
| Transbay Transfer* | Free | Free | Free |
| BART-to-Bus** | \$2.10 | \$0.90 | \$0.90 |
| <p>* Issued on first bus upon payment of Transbay fare. Applies only Transbay-to- Local. Good for 120 minutes (2 hours) and one use only.</p> <p>** Local trips only. No discount on Transbay.</p> | | | |

| | Adult | Youth Age 5-18 (No ID Required) | Seniors 65+, Disabled and Medicare Cardholder (ID Required) |
|---|--------------|--|--|
| Clipper Card Value | | | |
| Local e-Cash | \$2.25 | \$1.10 | \$1.10 |
| Transbay e-Cash | \$4.70 | \$2.30 | \$2.30 |
| Day Pass e-Cash | \$5.00 | \$2.50 | \$2.50 |
| Local 31-Day | \$84.60* | \$34.50* | N/A |
| Transbay 31-Day | \$169.20 | N/A | N/A |
| Local Monthly | N/A | N/A | \$34.50* |
| Local 7-Day** | \$23.50* | \$11.50* | \$11.50* |
| Transbay 7-Day ** | \$47.00 | N/A | N/A |
| <p>* Can be upgraded to Transbay with e-Cash. E-Cash must be present on card for upgrade.</p> <p>**7 Day Pass dependent on availability</p> | | | |

Other Passes

Local Senior/Disabled Monthly (sticker on RTC Discount Card) \$34.50

EasyPass Pricing Matrices

The General Manager is allowed pricing flexibility 15 percent above or below a matrix price point, and is allowed to offer up to a 20 -percent discount to colleges in a one-year pilot program.

Effective July 1, 2018

For Employers and Residential Communities

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|---|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| | 1 | \$134 | \$115 | \$96 | \$76 | \$57 |
| | 2 | \$120 | \$104 | \$86 | \$71 | \$54 |
| | 3 | \$104 | \$91 | \$77 | \$64 | \$50 |
| | 4 | \$90 | \$78 | \$69 | \$58 | \$48 |

For Two- and Four-Year Colleges

| | | Number of Program Participants (Annual price per participant) | | | | |
|--------------------------|---|--|-----------|-------------|--------------|---------|
| | | 100-500 | 501-1,000 | 1,001-5,000 | 5,001-10,000 | 10,001+ |
| Level of Transit Service | | | | | | |
| | 1 | \$181 | \$154 | \$130 | \$103 | \$77 |
| | 2 | \$162 | \$140 | \$117 | \$96 | \$72 |
| | 3 | \$140 | \$123 | \$104 | \$86 | \$68 |
| | 4 | \$122 | \$105 | \$93 | \$79 | \$64 |

Free Rides

AC Transit employees, pensioners, and employee dependents may ride AC Transit buses free of charge. Criteria for free passage are: employees must be in uniform or present District ID card bearing current year's sticker or temporary District ID; Pensioners and Employee Dependents must present a current pensioner or dependent pass. Other free riders include: Peace Officers presenting an official badge and ID card, as well as children under the age of five.

Dumbarton Express (DB, DB1)

- AC Transit fares apply to Dumbarton Express service.
- All AC Transit fare media are accepted, EXCEPT:
 - AC Transit EasyPass
 - UC Berkeley Bear Pass (faculty and staff)
 - UC Berkeley Class Pass
- Fare media from other operators **are** accepted as follows:

| <u>Passes</u> | <u>Value</u> |
|--|----------------------|
| VTA Express Eco Pass | Transbay Fare Credit |
| VTA Day Pass | Local Fare Credit |
| VTA Monthly Pass | Local Fare Credit |
| SamTrans Monthly Pass | Local Fare Credit |
| Union City Transit Pass / Transfer +0.25 | Local Fare Credit |
| Caltrain Monthly Pass | Local Fare Credit |
| BART-to-Bus Transfers | Free Local Ride* |

*no discount on Transbay

Regional Transfer Policies

All passes and transfers from transit systems with a reciprocal agreement (shown below) will be accepted by AC Transit for a local fare at intersecting points, transit centers, and BART stations. Agencies that have reciprocal agreements with the District (including agency-specific provisions where applicable):

Capitol Corridor

Customers alighting from Capitol Corridor and Amtrak California San Joaquin trains in Richmond, Berkeley, Emeryville, Oakland, Hayward and Fremont/Centerville are issued a two-part perforated transfer by the train conductor. Each half is worth a local fare and is accepted on any local AC Transit bus. These transfers are punched, indicating the month and day, are valid for 48 hours, and are deposited in the farebox (bill transport). They may be upgraded to a Transbay fare by adding a local cash fare.

County Connection (CCCTA)

Fairfield/Suisun Transit

Golden Gate Transit

SamTrans

AC Transit will honor SamTrans local and express bus passes as a local fare credit in San Mateo County. They may be upgraded to a Transbay fare by adding a local cash fare.

Union City Transit

Vallejo Transit

VTA (Santa Clara Valley Transportation Authority)

WestCAT (WCCTA)

Ferry Transfers – Alameda/Oakland, Harbor Bay

The AC Transit portion of the boarding pass represents a local fare when surrendered. Ferry service boarding passes cannot be upgraded or used as part of a Transbay fare.