



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Nichol Bourdeaux, Chief Communications and Marketing Officer
Bob Biles, Chief Financial Officer
PRESENTER(S): Jaron Robertson, Acting Director Innovative Mobility Solutions
Monica Morton, Fares Director
Andrea Packer, Communications Director

BOARD MEETING DATE: October 30, 2019

SUBJECT:	South Salt Lake County Microtransit Pilot Fares
AGENDA ITEM TYPE:	Fare/Service Request Approval
RECOMMENDATION:	Approve the pilot base fare product and pricing for the microtransit service and delegate authority to the Executive Director to strategically implement fare promotions as needed during the pilot.
BACKGROUND:	<p>UTA is preparing to launch the South Salt Lake County Microtransit pilot to demonstrate and test innovative transit services and technologies for improved coverage and efficiencies. The pilot includes a 65 square mile geofenced service area in the cities of Bluffdale, Draper, Herriman, Riverton and sections of Sandy and South Jordan. UTA has formed a public private partnership with Via to provide a Transportation as a Service (TaaS) solution for the operations of the pilot. Via will provide mobile phone technology, drivers, vehicles, joint customer service, joint marketing, and administrative services for day-to-day operations of the pilot.</p> <p>A key function of this pilot is fare administration and collection. This new microtransit service has unique characteristics that separate it from the traditional modes of service for which UTA's current fare system was built. As a result, current fare processes and parameters do not completely align with the microtransit pilot. For the launch of the pilot, a special set of fare processes and parameters have been established as documented in this memo. Throughout the pilot UTA will test and implement fare administration and collection features that are sustainable long term. In addition, UTA will pilot various fare promotions and discounts to help build awareness and ridership.</p>
DISCUSSION:	<p>Pilot Base Fare Products & Pricing</p> <p>Fare pricing will match the current system's one-way local adult fare. UTA will also make available the reduced fare for senior citizens and riders with disabilities, due to the ability to pay through an app. The reduced fare discount will also be available by entering a unique one-time code in the app when the rider profile is initially created. All</p>

reduced fare discount codes will be issued on a one-to-one basis to qualified riders through customer service. In Summary, the base fares are as follows:

- One-Way: \$2.50
- Reduced Fare One-Way: \$1.25

Transfers

Transfer will be the same as those outlined in the Utah Transit Authority Fare Transfer Rules document. The transfer time is based on the pick-up time plus 2 hours and 30 minutes. Transfers are not allowed between two consecutive microtransit trips.

Fare Validation

UTA operators and transit officers do not need to change the way they validate current UTA fare media, but they need to be familiar with the new Via mobile ticket and perform a visual validation. Via microtransit drivers will do visual validation of all current UTA fare media that is accepted on this service.

Fare Promotions & Discounts

UTA is planning to implement various fare promotions and discounts during the pilot as part of the pricing strategy to acquire customers and evaluate the demand and market for microtransit service. In addition, UTA will want to offer promotional discounts to keep riders engaged and encourage them to refer other riders. Via will work with UTA to determine which promotions would be most successful, using their experience of similar service areas. Below is a list of some potential promotions and discounts that may be offered. There will also be several different events throughout the pilot. Examples of potential promotions for the micro-transit pilot project includes:

- One-Way Fare (\$1)
- Weekly Pass (\$9.50)
- New Rider (2 Rides Free)
- Referrals (\$5 Ride Credit)
- Referrals Contest (10 Rides Free)
- Churn (50% Next 3 Rides)
- Engagement (1 Ride Free)
- Weekly Pass (\$18.75)

UTA may need to be flexible with the promotion and discount terms as needed. The marketing staff will present monthly reports to the Board on the various promotions.

Potential Fare Enhancements

During the microtransit pilot, UTA will evaluate fare enhancements designed to enhance the customer experience. Enhancements may include the integration of electronic fare payment systems and validators, integration of UTA pass products into the Via Mobile App, and cash collection systems onboard vehicles.

ALTERNATIVES:	None
FISCAL IMPACT:	None: Fare revenue is not accounted for in the overall costs and expenses of the microtransit pilot. Fare collection is to test and learn how to incorporate fares for microtransit services. Fare promotions and discounts are to build ridership and awareness.
ATTACHMENTS:	1) Attachment 1: Utah Transit Authority Fare Transfer Rules

Utah Transit Authority Fare Transfer Rules

As Approved by Business Unit Forum in 2009

Last updated for microtransit transfer time on September 27, 2019

One-way fare = per-ride value

Local Bus, TRAX, Streetcar	Microtransit	FrontRunner	Express Bus	Park City Bus	Ski Bus
\$2.50	\$2.50	\$2.50 – \$10.30	\$5.50	\$4.50	\$4.50

Final Fare with Transfer Applied (if allowed)

		To this service					
		Local Bus, TRAX, Streetcar	Microtransit	FrontRunner	Express Bus	Park City Bus	Ski Bus
From this service	Local Bus, TRAX, Streetcar	Free	Free	Up to \$7.20	\$3.00	\$2.00	\$2.00
	FrontRunner	Free	Free	Up to \$7.20	Up to \$3.00	Not allowed	Up to \$2.00
	Express Bus	Free	Free	Up to \$4.20	Free	Not allowed	Free
	Park City Bus	Free	Not allowed	Not allowed	Not allowed	Not allowed	Not allowed
	Ski Bus	Free	Free	Up to \$5.20	\$1.00	Not allowed	Not allowed
	Microtransit	Free	\$2.50	Up to \$7.20	\$3.00	Not Allowed	Not Allowed

*Transfers are not allowed between two consecutive microtransit trips

Transfer timing

- Bus – End of route time plus 2 hours
- TVM – Ticket purchase time plus 2 hours and 30 minutes
- EFC – Tap off time plus 2 hours
- Mobile Ticket – Activation time plus 2 hours and 30 minutes
- Microtransit (Via) – Pick up time plus 2 hours and 30 minutes

Electronic fare inspection timing

- TRAX, Streetcar – Tap on time plus 2 hours
- FrontRunner – Tap on time plus 3 hours