

**Metro**Los Angeles County
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metro.net**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
MAY 19, 2011****SUBJECT: ROLLING PASS CONVERSIONS****ACTION: APPROVE THE CONVERSION OF CALENDAR-BASED MONTHLY
AND WEEKLY PASSES TO 30- AND 7-DAY ROLLING PASSES****RECOMMENDATION**

Approve the conversion of Metro calendar-based monthly and weekly passes to 30- and 7-day rolling passes.

ISSUE

As TAP becomes more established and matures as a fare system, new opportunities are created in terms of how fares and passes are offered. Currently, Metro offers monthly and weekly passes. These passes are offered and validated based on calendar dates (i.e. the pass is good for the month of May). A fare product that is offered by many transit agencies is a "rolling" pass. This rolling pass is initiated upon first use and is valid for a set period of consecutive days thereafter. Staff is recommending the conversion of existing calendar-based monthly and weekly passes to 30- and 7-day rolling passes.

DISCUSSION

Rolling passes offer the greatest flexibility to our customers and they smooth out demand. No longer are customers required to purchase passes during a limited number of days in a month. No longer would customers lose value if passes were purchased later in a set calendar period. Lines at sales centers would be reduced. Area visitors who's stay runs over two calendar weeks would have greater flexibility in purchasing passes that better meets their needs and schedules.

The TAP program provides the opportunity for Metro to offer a rolling pass to customers. TAP ensures expiration of the fare media and tracks usage. Rolling passes takes better advantage of the TAP system and provide a greater functionality to our customers.

Staff is recommending no change in pricing. Rolling passes would be a direct conversion from calendar month to 30-day and weekly to 7-day. These conversions would apply to all Metro pass categories (regular and reduced). EZ transit pass would be excluded and Zone upcharges would remain in place.

Staff is recommending that the conversion take place July 2011.

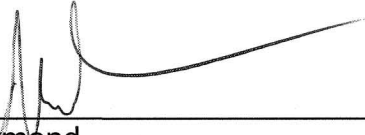
FINANCIAL IMPACT

Staff contacted agencies currently offering rolling passes to determine potential revenue impacts. While they noted some declines of sales in high vacation months (June and December) revenue impacts were negligible and worth the tradeoff for improved customer service.

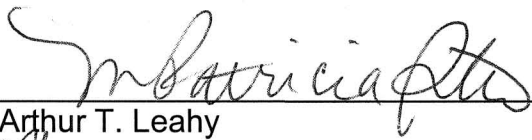
NEXT STEPS

Upon approval, staff will pursue a rolling pass approach. Staff is targeting an implementation date of July 1. Staff will report back to the Board in January 2012 with a six-month review of sales and revenue trends.

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