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**LANE TRANSIT DISTRICT  
AD HOC FARE POLICY COMMITTEE MEETING**

**Monday, October 15, 2018  
3:00 p.m. – 5:00 p.m.**

**LTD BOARD ROOM**

3500 E. 17<sup>th</sup> Avenue, Eugene (in Glenwood)

**AGENDA**

- Time
- 3:00 p.m. I. ROLL CALL  
 Jenna Murphy (Chair)       Julia Hernandez       Noreen Dannels  
 Carl Yeh       Annie Loe       Jay Bozievich       Kate Reid
- 3:05 p.m. II. WELCOME AND INTRODUCTIONS
- 3:10 p.m. III. YOUTH PASS PROGRAM DISCUSSION  
*The committee will continue their discussion regarding the Youth Pass Program options from the September 22 meeting.*
- 3:50 p.m. IV. RESOURCE LIMITED PROGRAMS DISCUSSION  
*Committee members will hold a discussion regarding programs for community members who are asset limited.*
- 4:30 p.m. V. GROUP PASS PROGRAM AND AFFORDABLE HOUSING  
*Staff will provide information regarding the Districts current Group Pass Program agreements with affordable housing.*
- 5:00 p.m. VI. ADJOURNMENT

**The facility used for this meeting is wheelchair accessible. If you require any special physical or language accommodations, including alternative formats of printed materials, please contact LTD's Administration office as far in advance of the meeting as possible, but no later than 48 hours prior to the meeting. To request these arrangements, please call 682-5555 (voice) or 7-1-1 (TTY, through Oregon Relay, for persons with hearing impairments).**

LANE TRANSIT DISTRICT

AD HOC FARE POLICY COMMITTEE MEETING

Saturday, September 22, 2018

Pursuant to notice given to *The Register-Guard* for publication on September 17, 2018, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a Moving Ahead meeting on Saturday, September 22, 2018, beginning at 10:00 a.m., at Lane Transit District, E 17<sup>th</sup> Avenue, Eugene, Oregon.

Present: Jenna Murphy, Chair  
Noreen Dannels  
Kate Reid  
Jay Bozievich  
Carl Yeh  
Julia Hernandez  
Andrew Martin  
Robin Mayall  
Tom Schwetz  
Marina Brassfield, Minutes Recorder

**WELCOME AND INTRODUCTIONS** — Ms. Murphy convened the meeting at 10:02 a.m. and called the roll.

**RIDERSHIP VS. COVERAGE: EFFECT ON YOUTH AND OTHER REDUCED FARE PROGRAMS** — Mr. Schwetz began a PowerPoint entitled “Fare Policy Development (2001).” Prior to the presentation, he explained background on fare policy development within LTD, and noted the organization had gone through a similar process of formulating fare policy in 2001 when a version of Transit Tomorrow adopted a regional transportation plan.

Mr. Schwetz discussed the current Transit Tomorrow process, and how it related to fare policy. He said that Transit Tomorrow’s goal was to better move users to their destination. Mr. Schwetz explained the process would create a rolling program which would be updated every three years.

In the presentation, Mr. Schwetz answered the following fundamental service and fare questions:

- What are the overall goals of the transportation system for the community?
- What sources of funding are available?
- What services should be provided, given our sources of financing?

Mr. Schwetz also addressed the three components to fare policy:

- Service
- Available Subsidies
- Farebox

Mr. Schwetz introduced the concept of ridership and cost tradeoffs. Mr. Schwetz explained there was a “ridership-coverage” trade off, meaning that there would be trade-offs when considering ridership and service. A “coverage network” was characterized by shorter walks and longer waits for transit; a “ridership network” was characterized by longer walks and shorter waits. Currently, LTD offered 40 percent coverage and 60 percent ridership. Transit Tomorrow was establishing a set of scenarios to evaluate the trade-offs.

Mr. Schwetz shared a map of what a ridership network would look like. The red lines indicated 15-minute frequencies, while green lines represented those coming from outlying communities. The blue line indicated a 30-minute frequency that would connect popular red lines. A key aspect of the ridership network was the span of service would be later in the evening, and routes would still run daily.

He said that LTD hoped to address the issue of crowded busses by increasing frequency. Certain lines, like EmX to UO, were very overcrowded. He explained that one proposal was to run 15-minute frequencies from Gateway to Eugene Station, in addition to 15-minute frequencies from West Eugene to Springfield Station. In effect, there would be 7.5-minute frequencies along the corridor.

Mr. Schwetz noted that staff projected the same budget when formulating both ridership and coverage scenarios. In contrast to the scenario focusing on ridership, the coverage scenario had two basic features. Mr. Schwetz pointed out there were fewer red lines, meaning frequencies were dialed back. He showed that there were many blue lines, as the geography of the system was broader. Service would be less than every 30-minutes and weekend service would be less.

Ms. Reid said that she thought that the coverage network looked most similar to the current system. She explained the ridership versus coverage trade-off came from working within the current budget. All new investments were based off STIF funds, a total of \$13 million over the next 2.5 years.

When discussing specific segments within fare programs, Ms. Reid said she thought it was important to consider whether it was more beneficial to have fare subsidies or increased weekend/evening service. She posited they could compromise and do both.

Ms. Reid said that she thought the youth pass was a separate conversation from ridership versus coverage. The ridership option offered the least number of routes, but the routes were accessible to all high schools, if they chose to offer a youth pass. She added that she thought it was important that LTD would not need to reroute lines, despite what option they chose.

Mr. Yeh said that he didn't see the youth portion being a very separate issue. He stated that he thought they could make a youth pass work under any plan and thought a very simple youth pass at around \$2 million could be doable for LTD. Mr. Yeh thought the youth pass was very important, and noted it was not only for youth, but also for people who rode the bus with children.

Ms. Reid clarified to Mr. Yeh she didn't mean they were separate issues, but the youth pass was a different conversation than service increases and fare programs across the board.

Mr. Bozievich asked about a time horizon for Transit Tomorrow; if there was a longer timeframe, the committee should discuss autonomous vehicles and ridesharing. Mr. Schwetz responded Transit Tomorrow was a three-year program. It was conceivable to move toward a ridership network in the next three years. Ms. Reid said that she thought there would be conversations about rideshare options, particularly with Uber and Lyft.

Ms. Hernandez said that she had asked families if what they were more concerned about was fare or coverage and most respondents said coverage due to their places of employment. For example, the bus didn't go to Coburg or Thurston, where many agricultural employees traveled, so those riders had to rely on bus and carpooling.

Ms. Murphy said that she had seen a survey focusing on a route between Florence and Eugene. She wondered if those types of questions were included in the conversation. Mr. Schwetz said those projects came from different funding sources.

**YOUTH PASS PROGRAM** — Mr. Schwetz presented a PowerPoint entitled, "*Overview of Youth Pass Programs.*" He explained the program LTD ran for several years, as well as other fare reduction programs across the state.

Mr. Schwetz explained the LTD Student Transit Pass Program:

- The program ran from 2004 to 2011.
- Funded through state's Business Energy Tax Credit (BETC)
- First Student Transit Pass Program in the state
- Evolved out of congestion mitigation planning (2002)
  - 'Moms driving kids' a primary source of Vehicle Miles Traveled (VMT)
  - Use bus passes as incentive to ride
  - Worked with Oregon Department of Energy on using BETC
  - First passes in 2003-2004
- Program ended in June 2011 with end of BETC

Mr. Schwetz noted congestion mitigation planning evolved from Chris Blachy's concept, who worked on regional congestion. He said that her thought was that parents driving kids to school was a large portion of VMT, so she wondered if bus passes could be used as an incentive to travel via public transportation to school instead. He said that Ms. Blachy worked with the Oregon Department of Energy (ODE) and figured out a way to create the pass, which was a sticker on high school students' ID cards.

Mr. Schwetz said growth in the youth pass was significant, while it was offered (2005 to 2010). Data included:

- Number of schools grew from 13 to 122;
- Pass holders grew from 5,000 to 24,000
- Weekly boardings grew from 7,500 to 42,200
- Annual boardings grew from 325,000 to 1.8 million

Ms. Murphy asked whether the ridership included contracts with 4J School District and others. Mr. Schwetz responded that it was separate. He said that LTD no longer held contracts for specific service with school district due to federal law. Public attendee Josh Skov, representing Better Eugene Springfield Transit, commented that students were group pass participants, which schools opted to participate in. Mr. Schwetz responded yes.

Ms. Murphy asked if the school had to make choice whether or not to be involved in the youth pass, and if they paid for the pass. Mr. Schwetz said they did not pay. LTD didn't find many schools that declined to participate, however, LTD and the school had to communicate with parents prior to handing out passes. He said school districts didn't contribute funds, due to constrained budgets.

Ms. Reid asked if group passes were for students or faculty. Mr. Schwetz said faculty.

Mr. Yeh asked whether stickers for student IDs were costly. Mr. Schwetz responded the stickers were expensive on a unit basis, and the process of getting the stickers on all cards was cumbersome. Mr. Schwetz explained the Portland School District (PSD) youth pass. It was a

three-way partnership between the City of Portland, PSD, and Trimet which provided free fares for high school and middle school students.

Ms. Mayall asked how much funding went toward administration and service increases. Mr. Schwetz said it ranged from \$1.5 to \$2 million, that lost revenue was about \$500,000 and additional service cost \$1 million. Ms. Reid clarified whether costs were the average over time. Mr. Schwetz replied that the numbers were based on last year operated.

Ms. Murphy asked whether PSD students had stickers in addition to ID cards. Mr. Schwetz said that students did not have stickers (similar to UO's system).

Mr. Schwetz explained the City of Corvallis' Fareless System. Transit was operated as a City department. The department transitioned into a fareless system in 2012. Revenue loss was made up by a transit operations fee collected on the city services bill (additional information was provided to the committee in an attached handout). The fee varied based on single family residences and multifamily units. Commercial and industrial customers paid a fee based on the type of business. Total fare revenue was around \$254,000; to compare, LTD fare revenue was around \$7 million. The Corvallis system also provided some resources to grow the transit system incrementally.

Ms. Murphy asked if only those residing within city limits were charged. Mr. Schwetz said yes, but he guessed riders came from all over – even tourists rode for free, as the system collected no fares. Mr. Yeh added the Corvallis system was very limited, and Mr. Skov thought a large portion of ridership was students.

Ms. Hernandez said that she spoke with representatives from alternative high schools, such as ECCO and Gateway. Some parents said the passes were very helpful, especially because they were attached to fees students were already required to pay. Ms. Hernandez explained most 4J high school students had to be on free and reduced lunch to qualify for a bus pass. Students were required to pick up a pass each month at the financial office. She explained there was the McKinney Vento program for homeless children, which provided bus passes for the entire family which was very helpful. Many families had five or six people within the unit, so bus passes were at least \$60 on a monthly basis. It ended up being a large part of their income.

Ms. Hernandez said that she remembered discussing middle school bus passes in the past and she thought they would be a great service. She said that she spoke to parents about any fears associated with younger children riding alone and most had very positive feedback. For example, parents thought their student would engage in more activities. Mr. Schwetz said there were a few of those programs, but they were small and did not get much use.

Ms. Dunnels said many students didn't fill out applications for free and reduced lunch; she thought there were many more who would qualify if they did the paper work. Ms. Hernandez said free and reduced lunch had been a blessing for one of her children, but she had another high school student who wouldn't to go to financial office. There was a lot of stigma and some bullying in the community, so additional education around the service might be valuable.

Ms. Murphy asked whether the pass was on a card or sticker. Ms. Hernandez said 4J students had to pick up a monthly pass. ECCO and Gateway had ID stickers which changed based on semesters. Ms. Dunnels asked if Kalapuya was served. Mr. Schwetz said yes.

Mr. Yeh thought many people saw public transportation as a resource for low income individuals, but that wasn't true. People of all demographics utilized transit; if systems were opened to youth, they might realize earlier on that everyone rode busses, and thus lessen stigma over time. Ms. Hernandez noticed stigma among adult peers, too.

Ms. Reid said that she thought there were some tough questions and trade-offs. Mr. Skov said that he appreciated the committee's discussion and wanted to remind them about links between transit and graduation rates. He said that students who participated in extracurriculars and afterschool programs had higher graduation rates; however, students needed transportation options to access those programs.

Mr. Skov noted that younger ages also needed pass options. He said that parents riding with younger kids ended up paying more than \$7 round trip and it was a barrier to access. Mr. Skov encouraged committee members to look at research around public transportation and ride share options. He said that the urban mobility ecosystem was changing, and that he thought it applied to youth too.

Ms. Murphy said that she wondered if "youth" applied only to high school ages. She said that she was told the term referred to both middle school and high school students. Ms. Reid asked if the definition started that way or was expanded over time. Mr. Schwetz explained it had expanded. Ms. Reid thought a portion of HB2017 funds were intended to support high school youth fares; however, LTD and the committee could speak in broader terms.

Ms. Murphy asked how the community reacted to terminating the youth pass in 2011. Mr. Schwetz said there was a lot of disappointment, but the decision was out of LTD's control since the funding source ended. Mr. Bozievich said that he remembered in 2011, Lane County had to cut its budget by 20 percent due to the 2008 recession. He said that it took a couple of years for the recession to affect government revenue streams. Mr. Schwetz added LTD was affected by unemployment, as it was funded by payroll taxes.

Ms. Dunnels asked whether some resources from HB2017 could be set aside for future recessionary periods to ensure services continued. Mr. Schwetz said LTD needed to determine how to use the current resources first. Ms. Reid said the funds were more directed toward new programs or infrastructure. She said that the goal was that during every application period, a program proving successful would be renewed repeatedly.

The committee took a five-minute break and reconvened at 11:10 a.m.

Ms. Murphy asked the committee for insight around the youth pass; specifically, what age range should be included and how it would be administered.

Ms. Mayall said the fare collection system was next on the agenda, and that discussion might play into how the youth pass would work. Ms. Dunnels was concerned about rural communities; she said that she wondered what possibilities there were to broaden the system's reach. Mr. Schwetz replied that rural areas were served in the past youth pass program.

Ms. Reid said that she thought it was important to keep in mind they were discussing LTD boundaries (or, the metro area) and not Lane County boundaries. She said that another committee would reach out to rural communities to see what types of programs they were interested in applying for. Ms. Mayall said most rural communities were served by commuter

routes, which did not necessarily connect students to schools. Mr. Schwetz pointed out the student transit pass was not a 1:1 trade off with ridership investment.

Ms. Murphy stated that she thought the committee could start discussing ages first. Ms. Reid added that she wanted both middle and high school age groups included. She added that she liked Mr. Yeh's point about cultivating ridership at a young age, and middle schoolers inherently had less mobility. Ms. Murphy said that she wondered if there was any liability to LTD if middle school ages traveled by themselves. Ms. Hernandez said many families had an older child who rode with their younger sibling so often times those kids were experienced with the bus by the time they reached middle school. She said she thought more education on public transportation options to families was needed.

Mr. Yeh said in the past, he focused on middle and high school students, but he didn't want to forget grade school. He said he hoped to find a way to make public transportation more affordable for parents who were bringing along children.

Mr. Martin wanted to provide a sense of about how many people they were considering. He said about 14 percent of the total Eugene-Springfield metro area population fell between the ages of 5 and 18 years old.

Ms. Mayall said she thought it was important to train kids in safely riding the bus. She said she was able to ride the bus with her kids, then transition them out of being accompanied and ride independently. The committee could consider organizations, such as Safe Routes to Schools, to assist in promoting youth ridership.

Ms. Dunnels pointed out open choice for schools was an important consideration – open choice would be more equitable if all students were able to access transit.

Ms. Hernandez mentioned fares, and the possibility of adding middle and high school. She said that she thought doing so would reduce about half of what parents had to pay. She added that it would be great to have a family pass, but the older ages would be relief enough for families.

Ms. Reid said she liked Mr. Yeh's idea of adding elementary students, but she didn't think routing was feasible because there were so many elementary schools.

Ms. Murphy clarified that including elementary students didn't necessarily mean they were riding to school; it meant they would be riding with a guardian to do errands, for example. She didn't think it made sense to have the fare system set up where youth rode free until 6 years old; paid between 6 and 12 years old; and rode free again between 13 and 18 years old.

Mr. Yeh didn't want to create a disincentive for parents taking kids on the bus.

Mr. Skov added that many kids did activities before and after school, so there was opportunity to decrease trips and congestion.

Ms. Hernandez said she didn't think elementary kids were mature enough to ride the bus alone; however, she said she saw many families going to the station and then separating from their middle school student to ride different busses.

Ms. Reid asked if there was a way to create a school aged pass where it was held by the parent. Mr. Schwetz said he thought they could break out ages 6 to 10 years as a separate fare, and then create a student transit pass for the older ages.

Mr. Skov proposed 10 years and under be free. Ms. Murphy asked how drivers would discern ages. Mr. Skov said it was often based on driver judgement. Ms. Reid asked how many 10-year-old kids rode alone during the summer using the 1Pass. Mr. Schwetz responded staff could look at those numbers and report back to the committee.

Ms. Dannels asked if ridership by age needed to be tracked for any sort of funding source. Mr. Schwetz said he didn't believe tracking age fell under federal requirements. Ms. Reid said when looking at subsidizing fares, they needed to know costs. If LTD was not able to receive the same funding stream anymore and they still wanted 10 and under to be free, they needed to identify costs.

Mr. Skov said he wanted to be clear that 10 and under riding free did not mean riding by themselves. Mr. Martin clarified there was no minimum age to ride LTD busses.

Mr. Bozievich said that he didn't see the point in a student pass if LTD subsidized for youth fares; he proposed ages 17 and under be free.

Ms. Reid said that she thought they needed to consider the summer 1Pass currently offered. The revenue created from the summer youth pass was \$25,000 and helped subsidize some recreation programs. She said she was concerned those programs would also go away.

Mr. Schwetz said they didn't need to constrain themselves. For example, a student pass might only be for high school students and ages below high school rode free.

In response to Ms. Reid's concern regarding the 1Pass, Mr. Schwetz said the transit portion could be free, and the activities could cost a nominal amount. Ms. Reid said she didn't think 1Pass would be sustainable at a lower cost because they needed to reimburse partners. The program would have to be reformatted, and it was important to consider how it would affect the community.

Ms. Hernandez said people in the community felt they saved money using the 1Pass. Kids had access to lots of outdoor activities, and she saw an increase in people buying and using the passes. She said that she thought the 1Pass was very valuable to community members. Mr. Skov said he wanted to avoid making transportation decisions solely to preserve 1Pass but hoped to figure out a way to do both.

Ms. Reid said that she thought it would be important conversation to have with partners in the near future. Free transit would simplify administrative costs. Mr. Bozievich said he agreed, especially if the program was aimed to help parents with kids and to eliminate additional trips. He noted congestion would be relieved around schools, too. He added that he thought a complete youth fare was ideal, and although it would dismantle the 1Pass program, it would help lower income families. He pointed out LTD was a mass transit organization, not a recreation organization.

Ms. Mayall asked the committee to keep in mind bus drivers already had to make many decisions, so it was important to minimize additional burden on drivers. Any new fare collection system implemented would need some sort of signal to the driver. She inquired as to how that



would occur noting that LTD was trying to move away from bus drivers having to stop and look at something, like a sticker.

Mr. Skov said transit systems in other cities had vast and incredibly flexible technology options for fare collection. Mr. Yeh said requiring riders to have a pass was also for public safety.

Ms. Reid wrapped up the discussion and said the committee needed data on a full subsidy to create a true, free youth pass. The committee also wanted to understand what the impact of eliminating the 1Pass would be on the community.

Mr. Skov said he thought it would be interesting to compare data for a free 12 and under, and free 18 and under.

Mr. Schwetz said there were two options; free by pass or free by policy. He explained the differences and trade-offs. Mr. Skov said free by pass meant you needed to show a pass, and free by policy meant drivers decided the rider's age. Ms. Reid said she leaned toward a free by pass system, although she understood it put more burden on administrative staff.

Mr. Schwetz said he thought it would be important to discuss roll out of the program. LTD could implement a youth pass in incremental steps.

**FARE COLLECTION METHODS** — Mr. Martin presented a PowerPoint entitled, "*Fare Collection System*." He and Ms. Mayall were part of a working group at LTD focused on determining an electronic fare collection system for LTD. Currently, fare was collected by showing a sticker. An electronic system would be simpler for bus drivers and would allow them to focus more on safety. There were a number of ways to collect fare, through vending machines, mobile applications, or tap cards, for example. Swipe cards were a bit older, staff was not really considering the method. Mr. Martin concluded the group wasn't looking for a specific type of system but wanted to identify what would be best for LTD given its size and budget.

Mr. Martin shared a slide on Goals of a fare collection system.

Goals for riders included:

- Easier ways to purchase and manage passes/fares
- More payment options and easier ways to pay
- Always get the best fare (fare capping)
- Improve boarding experience

Overall organizational goals included:

- Collect better data
- Simplify fare validation
- Speed up boarding
- More flexibility in fare policy
- Improve/expand retail partnerships
- Continue to collect cash

Mr. Skov asked to describe fare capping. Mr. Martin explained fare capping was a method that allowed users to pay as they went, while still receiving the best deal. Mr. Skov said TriMet had two different fare cap thresholds: one for youth and one for adult fares.

Mr. Martin shared that staff recently released a Request for Information (RFI) and were now putting together a Request for Proposals (RFP), to be released mid-October 2018. Proposals would be received by the end of 2018 and would be evaluated in early 2019. The Board would decide on the final system purchased, and the system would be implemented July 1, 2019.

Ms. Reid asked if proposals were eligible for STIP funding. Mr. Martin said he thought so, and Mr. Schwetz said LTD had identified the project as STIF. Ms. Reid asked if the project was high priority. Mr. Schwetz said he was unsure, as priorities were not up to him.

Ms. Mayall said it was important to keep in mind that capital costs might be less than operating costs. In response to a question from Ms. Reid, Ms. Mayall said the new software used a service model. It affected capital/operating costs, and grants. She said it was important for staff to understand implications.

Mr. Martin explained the new fare collection model could enable LTD to implement different policies. For example, institutional partners and group pass participants would be able to manage their own users. A new system also allowed possibilities for fare capping, as well as other types of discounts and promotions.

Ms. Reid asked about low-income passes; she heard rumor that one transit agency created an income-based pass. She wondered if people knew about the option. Mr. Skov asked whether there were thresholds like SNAP. Ms. Reid replied she was unsure. Ms. Mayall said that she didn't think technology would be a limitation to implement a tiered system, but staff time might be limited.

Ms. Reid asked about institutional partners, and if there was a way for individuals to do their own entry of information. There would still be administrative costs, but they would be less. Ms. Mayall said she hadn't seen any options already built into software, so LTD would need to create another process. Mr. Skov clarified there could be a partnership with DHS, for example, who would manage those applications. Ms. Mayall said yes, a partner could upload the data for LTD.

Ms. Reid said that she worried about limiting assistance only to people eligible for SNAP or other public resources. Many residents fell into the mid-range of incomes but were still struggling to make ends meet. Ms. Mayall said if there was a facility, a middle-income assistance program partner could manage those riders' files. She provided an example of the UO partnership.

Mr. Schwetz said the committee would distinguish between looking for technical solutions to aid fare policy, and policy itself. Mr. Bozievich said he thought the conversation opened up the ability to have a low-income fare, and some solutions could help take away stigmatism. Ms. Mayall added some solutions could be very small scale; for example, a nonprofit might give ten people bus passes. The technology brought efficiencies for people to manage the fare, but it didn't necessarily mean LTD would manage the rider's pass. Mr. Bozievich said he thought it would be very helpful if sponsors had the ability to upload a ridership list.

Mr. Martin said any fare policy changes should be coordinated with the change of system to avoid disruptions for riders.

Mr. Martin explained some tradeoffs. With fare capping, people couldn't have multiple users on one card or application, which made it difficult for parents traveling with multiple kids, or for a rider to pay for an out of town guest.

Mr. Martin said that for customer convenience LTD would need to tradeoff some of its own conveniences. For example, the free by policy option was very easy for customers but LTD lost out on understanding the demographics riding the bus. Ms. Reid asked if families could use tap passes up to a certain number of people. Mr. Martin said he was unsure if he saw a program offering the option. Ms. Mayall said she didn't recall seeing responses in the RFI, but LTD could ask firms the question as a bonus. Mr. Schwetz said there were examples around the nation and options to consider. The Denver area created an incentive for housing developments. The developers purchased bus passes for residents, and the City lowered System Development Charge (SDC) fees.

Mr. Skov said that he wondered if the RFI found whether it was expensive or cumbersome to have cards for fare. Mr. Martin said he thought it cost LTD about a couple dollars a card. Some transit used paper tickets which cost a few cents apiece.

Mr. Martin asked for committee input on what considerations staff should focus on when assessing fare collection systems; specifically, what were committee priorities and how should tradeoffs be weighed.

Mr. Skov said that he wondered if there were privacy or security issues. Mr. Martin said there were many discussions concerning privacy and security. Legal responsibilities for data collection mattered based on what city and state a person was from, not local laws of where they were riding transit. LTD had to comply with individual state laws for each passenger, which was difficult because state laws changed frequently.

Ms. Mayall and Mr. Martin explained that they also focused on way creating an option for people to ride the system without an account. Some people did not want their data tracked. Mr. Martin said someone could still have a card, and refill it using cash every time to avoid data tracking. Those users would still benefit from fare capping, for example. Staff would always need to track when a transaction occurred, due to financial auditing.

Mr. Skov clarified LTD didn't have to keep credit card information on file. Mr. Martin said that was right, and added staff was asking RFI respondents for what type of security and responsibilities were in place.

Ms. Mayall said using an outside company increased security, because those organizations had a whole team protecting privacy data and fighting against hackers. It pushed more liability onto the outside company. Those firms had far more resources at their fingertips than LTD and were safer.

Mr. Skov said he was interested in trade-offs between an account-based system versus systems with no metadata attached to trips. There could be detailed trip information not attached to an account. Mr. Martin said data helped LTD understand users better and make informed decisions, but already they didn't collect certain data.

Ms. Mayall agreed that there was a data privacy continuum, and LTD needed to decide how to provide adequate opt out options. Mr. Martin said they were discussing possibilities of having generic tags for riders to respect community members while also collect valuable data.

Ms. Murphy clarified whether a tap system could be used with a card or phone. Mr. Martin said either option was available. A tap system opened new ways to collect fare, without cash or an account. Ms. Mayall said some alternative payment options could be available immediately on

launch or phased in. Many proposers didn't include open payment immediately but had it on their future road map.

Ms. Reid said that she was happy to hear cash was still an option but wondered, if in the aforementioned cases, riders needed a phone or credit card to ride the bus. Mr. Martin agreed, there were trade-offs to consider; while many people had phones, it mattered what type a rider had. Some systems would only support very new phones. He said that staff wanted to ensure no one had options taken away from them.

Ms. Reid said that she thought having cash as an option helped tourism in the area. Ms. Mayall pointed out travelers often wanted to get to their lodging quickly without going to a transit center. In those cases, an application for LTD would be useful. She said that staff didn't want to be prescriptive and worked to keep options open.

Ms. Dunnels clarified staff would take information from the meeting and incorporate comments into the RFP. She said that she was told staff would. Ms. Dunnels asked when the RFP was due. Mr. Martin responded that staff's goal was to provide an RFP to procurement by October 13, 2018. He said that he was unsure when it would finally be released.

Ms. Hernandez said she wondered if riders using a tap card or phone received the same benefits as riders with an account. Mr. Martin said many benefits came from using a credit card or phone pay. Ms. Hernandez pointed out that created a barrier for those without a smartphone.

Mr. Martin said that was one reason why they didn't want to rule out a card-based system. Staff wanted to know how they would address users with older phones. Mr. Martin concluded many systems allowed for both mobile phone applications, and cards.

Ms. Mayall said there would be tradeoffs. The committee would have to weigh the options and find a way to make a final decision. It was unlikely that any one company could offer all options.

Ms. Reid said that she thought LTD would need a card-based system, specifically when looking at fare policy considerations for a youth pass. Often, youth didn't have phones. Ms. Reid said she was unsure the community would respond well to the choice of only cash or phone, as it would be limiting. She said that she thought a paper-based system would reach the most people. Ms. Mayall added the final choice depended on whether the committee chose to have youth ride free, or ride using a student body card.

Ms. Dunnels asked what percentage of riders used cash; she was told 15 percent of riders. Ms. Mayall said it became complicated if the only payment methods were newer mobile phones or cards. Ms. Mayall said she didn't believe the issue was quite as straightforward as an either/or decision, and thought the unhoused population also needed to be considered. She said that they would have to go and get a card to take advantage of fare capping, which benefitted those who couldn't afford a monthly fare upfront.

Ms. Mayall explained staff was developing a rubric to weigh key features desired in a fare collection system that was fair and equitable. Ms. Reid asked if there was information available on transportation districts that didn't use cards. Mr. Martin said TriMet used an application called "visual validation." However, LTD did not want to go that route, because the driver had to look at every rider's phone.

Ms. Mayall added a tap system was available for mobile phones only and was present in 42 markets. Those markets included large institutions, such as colleges, and were very accessible. It was one system LTD would potentially consider. Ms. Mayall said it was the most successful system for all types of phones.

Ms. Reid asked what it would look like for those who didn't own a phone. Ms. Mayall responded those without phones would use a paper ticket or pay cash. Mobile phone penetration was at around 95 percent though, so most people owned one. Additionally, she thought the applications were accessible to all types of phones, as they used QR codes.

Ms. Reid said that she wondered how a mobile pass would work for youth; many didn't own a phone. Mr. Martin said he thought that was one example how technology could limit how LTD implemented fare policy. Not everyone owned a mobile phone, and there would have to be another way to offer a free student pass.

Mr. Skov clarified there were a lot of systems which offered both options. Mr. Martin said yes, many systems accepted both. Mr. Skov said that he thought there could be a threshold for youth, in which below a certain age they rode free. Then, cards could be offered for anyone who wanted, or those people could use phones. Alternatively, cards could be aimed toward those without phones. Mr. Martin said yes; some systems had REFI chips inserted which could be associated with an account.

Ms. Mayall said that she didn't want to answer questions specific to any one vendor as there were no formal proposals yet. She said that she also didn't want to discuss specific benefits or trade-offs of offers, and thus preclude any businesses from bidding. She said that LTD wanted to describe their needs and hear proposed solutions. Mr. Martin added that because LTD was buying a software already in existence, they couldn't receive everything desired like they could when developing a custom one.

Mr. Skov said he thought of token transit. Ms. Mayall said the hardware looked different; a lot of companies started out with mobile visualization only. All had already moved out of that system. Mr. Martin added some applications used a Bluetooth network where people simply moved onto the bus, without tapping. The method was still experimental.

Mr. Yeh asked how far away Bluetooth was from becoming mainstream. Mr. Martin said he thought about a year or two. He added there was a 90 percent successful payment trend; sometimes, people forgot to put Bluetooth on.

Mr. Bozievich said the committee didn't want to prescribe solutions. One thing he consistently heard was not choosing a fare collection system that placed burden on the homeless population, or people who might be financially burdened. As LTD wrote the RFP, he wanted to encourage the committee to consider all interactions of a fare collection system, such as data/fare collection interaction. Ms. Reid said that was exactly why she mentioned a family pass. She said that she wondered if there was a way for LTD to still track information on family units. She said she was unsure if they needed to know the age of every kid, but family pass could mean one adult and one or more kids. Ms. Mayall said some data would still be missing.

Ms. Dunnels said that she wondered what percentage of riders were episodic or consistent. Mr. Martin responded that LTD had the data, but he would have to look it up. He said those who rode daily took a very high number of rides in comparison to episodic riders. A substantial portion of

the population rode once or twice a month. Mr. Schwetz added the data was collected during an annual survey.

Mr. Bozievich said he wondered if it was more important to count kids and rider data or have fare capping. Mr. Martin said LTD would have to be creative. In a tap system, they may need a second card for visitors.

Ms. Hernandez said she wondered what would happen if the phone lost service. She said she wondered if riders could still access their bus pass. Mr. Martin said that without service, riders couldn't add funds, but they could still access previously loaded funds. However, if the rider's phone died, that became tricky. The decision would be up to the driver.

Ms. Hernandez asked what happened if a rider's phone was disconnected due to lack of payment. Mr. Martin replied that as long as the phone could turn on, the rider could access the code for their bus ticket. Riders could still add funds by going to the customer service counter.

Ms. Reid said she wondered if busses would require infrastructure improvements if LTD transitioned into a mobile only model. Ms. Mayall said WIFI on busses was a hot button issue, and the committee would return to the topic at a later date. She didn't think LTD would need to consider many improvements because the system still worked whether there was service.

Mr. Skov brought up bicycle rideshares in town. There were monthly membership options, and also options for a la carte tickets by trip. If there was an account holder with a visitor in town, the visitor could rent a bike on the a la carte option through the account, so it was incredibly flexible. He said that he wondered if LTD could offer similar options, where a customer could utilize fare capping, but could tap other people onto the bus in certain instances. Mr. Martin said he thought it was possible, but all systems were set up to have fairly complicated fare rules. The system was not custom, and the company would not make features unless all customers would benefit. Ms. Mayall said a more customized system would require more IT and planning resources. She reminded the committee any decisions made would affect LTD staff and hoped projects would dovetail.

Mr. Yeh thanked staff for presenting the information. He said that he thought the committee could make some decisions in the near future, and thought they agreed some electronic fare system would be necessary. Mr. Bozievich said he agreed, and said the mobile application was one reason why Uber and Lyft were so popular. Mr. Skov asked whether integration with rideshare was discussed. Ms. Mayall said it was a potential feature LTD could have and was on many company roadmaps for the future.

**FUTURE MATERIAL, TIMELINE, and MEETINGS' SCHEDULE** — Ms. Murphy inquired as to the total number of meetings desired, and what day worked best for committee members and staff. Committee members said they thought four meetings were ideal. Ms. Murphy said it would be good to think of what data the members wanted to see prior to meetings.

Ms. Reid asked if staff had enough fare management information to write the RFP by October 15, 2018. Mr. Martin said it was up to the committee to choose a firm. Staff would take whatever input possible but didn't have any more information to provide than already given.

Mr. Schwetz clarified in the conversation between policy and technology, the group did not want to constrain fare options. Ms. Mayall thought some issues like the youth pass would be decided later on, while other standards written into the RFP would be a mandatory requirement. Mr.

Martin added requirements may preclude certain systems. Ms. Murphy said she thought a card and mobile option were desired. Mr. Schwetz added that the committee could check in with the board and with SPC.

Ms. Murphy said she wondered if there was any true deadline to have the policy in place. Ms. Mayall said it would be very difficult to implement fare policy after implementing a fare collection system. She said that the work needed to come in at the same time. If it did not, they should separate the two areas of work by a significant amount of time. Ms. Reid clarified decisions needed to be made by December 2018 or January 2019 in order for the STIF committee to make decisions by May 2019.

Mr. Skov asked if staff wanted more clarification. Ms. Mayall said she thought the committee leaned more toward fare capping. Mr. Martin clarified LTD operated with equity in mind, understanding that certain solutions wouldn't work for everyone. He said that he wanted to ensure everyone was comfortable with staff operating in that mindset. Mr. Skov said he thought they should ask vendors to present something on equity to understand their solutions.

Mr. Bozievich said that he wanted to ensure the system could handle group pass customers easily. He also thought about the unhoused community in fare policy. Mr. Martin agreed, and said those were requirements. Ms. Mayall said there were many different solutions. LTD was not being prescriptive other than that people could reload a card with cash. Ms. Hernandez mentioned her experience in Los Angeles and thought offering both tap, and mobile payment options would be great. Ms. Mayall said technology was more robust in today's environment and offered reliable software options.

Ms. Murphy asked how people felt about Saturdays versus weekdays.

Ms. Murphy said he wondered if the next meeting should still focus on low income fare. Ms. Reid said that she thought the committee should get data from staff on fare information for youth. Mr. Schwetz agreed, and said would bring data on the youth pass fare.

Mr. Bozievich asked if the committee could recommend using 100 percent of STIF funds for youth fare mitigation, or if there were certain limitations. Mr. Schwetz said LTD's fare revenue was around \$7 million, so offering free fares would be difficult only using STIP funds.

Mr. Yeh said he would look for the committee to propose what was truly best for the community, and not limit themselves. Ms. Reid added that while the committee could make recommendations, they would also receive information from the community around options as a group decide what they wanted for fare that info came into.

Ms. Reid said she thought the committee should reach out to the business community with ideas and see if there was any potential blow back. Ms. Dunnells offered to reach out to businesses prior to the November 16, 2018 meeting

The committee finalized a meeting schedule.

## **ADJOURNMENT**

Ms. Murphy adjourned the meeting at 1:54 p.m.