



**PLANNING AND PROGRAMMING COMMITTEE
MARCH 19, 2008**

**SUBJECT: IMPLEMENTATION OF ANNUAL EZ TRANSIT PASS
AND INCLUSION OF LOS ANGELES INTERNATIONAL AIRPORT
FLYAWAY BUS SERVICE IN EZ TRANSIT PASS PROGRAM**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATIONS

- A. Approve the implementation of a new Annual EZ transit pass for distribution through employers;
- B. Approve the inclusion of the Los Angeles International Airport (LAX) FlyAway bus service into the EZ transit pass program, with a special discount arrangement for LAX employees; and
- C. Authorize the Chief Executive Officer to amend the agreements between the Los Angeles County Metropolitan Transportation Authority (LACMTA) and the participating EZ transit pass operators to implement these program changes.

ISSUE

Our customers have expressed an interest in an annual EZ transit pass to improve their commuting options and provide better, more convenient transfer opportunities. In addition, we have been working with Los Angeles World Airports (LAWA) staff to include the LAX FlyAway Bus as an EZ transit pass participating operator. Special arrangements are proposed to accommodate the large number of LAX employees who currently commute via FlyAway Buses using a discounted monthly pass.

POLICY IMPLICATIONS

The recommendations will make the EZ transit pass program accessible to more people, and extend the program to additional bus lines reaching new travel markets. The EZ transit pass will now be part of LACMTA's institutional pass sales program (I-TAP). We will include the Annual EZ transit pass in the I-TAP outreach efforts. Additionally, EZ transit pass holders will be able to transfer to LAX FlyAway Buses to reach employment and other LAX destinations.

OPTIONS

The Board of Directors may choose not to approve the Annual EZ transit pass. We do not recommend such an option, as we have received substantial input from our annual transit

pass (A-TAP) customers indicating that they would prefer an Annual EZ transit pass. Implementing the Annual EZ transit pass will be an important step toward enhancing customer satisfaction.

The Board also may choose not to approve the inclusion of the FlyAway Buses in the EZ transit pass program or not to approve the special discount arrangement for LAX employees. We also do not recommend either of these options. The FlyAway Buses provide direct service to the airport terminals, which other EZ transit pass operators currently do not serve. The special considerations will allow a large part of the existing ridership of the LAX FlyAway to continue riding and to transfer conveniently to or from other EZ transit pass operations.

FINANCIAL IMPACT

The funding for this action is included in the FY08 Budget in cost center #0511, project #300015 (EZ transit pass). EZ Pass program revenues fully fund the participants' expenditures. As this is a multi-year project, the Project Manager and Executive Officer for Programming and Policy Analysis will be responsible for budgeting this cost in future years.

DISCUSSION

We currently offer a Metro annual pass to Los Angeles County employers. There is strong employer interest in an Annual EZ transit pass option, and we see this as an opportunity to enhance customer convenience and increase transit ridership. This new pass would be priced based on the EZ transit pass monthly price multiplied by 12 months. The proposed fare instrument would be a photo identification TAP card. The card would carry an EZ transit pass stamp featuring the EZ transit pass logo, a premium designation for zone travel if any, and the current year to allow operators who are not yet part of the TAP program to inspect the card visually. The Annual EZ transit pass operators would be reimbursed at the same rate used for the monthly EZ transit pass. All employers within Los Angeles County would be eligible to enroll in the program.

The LAX Flyaway will be the 25th operator to join the EZ transit pass program. The FlyAway currently operates to LAX from three locations: Van Nuys, Los Angeles Union Station, and Westwood. Annual ridership is 1.3 million and continues to grow. LAWA staff also plans to implement additional routes in the future. The FlyAway is an express service, operating non-stop to the central terminal area of the airport. The fare is currently \$4 one-way, with discounted fare for employees. We will reimburse LAWA using the same method used for existing members, which is average cash fare multiplied by number of boardings. LAWA will accept only EZ transit passes with premium zone stamp 6 (EZ P6) and higher for full fare on their buses.

LAX area commuters make up approximately 25% of the FlyAway's boardings. Most of these commuters are employees who currently ride using a discounted FlyAway pass. For these passengers, buying an EZ P6 pass would cost more than it would to continue buying the discounted employee FlyAway pass and a regular EZ transit pass. To accommodate these passengers, we are proposing that the FlyAway allow LAX employees (carrying valid LAX badges) to ride using EZ transit passes with premium zone stamp 3 (EZ P3) and

higher. As EZ P3 would bring in less revenue than EZ P6, we would reimburse LAWA for these boardings using a lower rate – the senior rate – which would be approximately half the average cash fare.

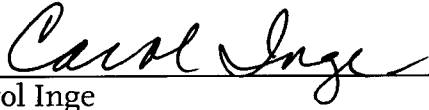
NEXT STEPS

With Board approval of our recommendations, we will proceed as follows:

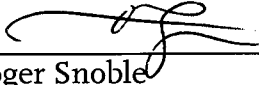
- April - May 2008: Prepare to print and distribute the Annual EZ transit pass stamp, new EZ transit pass premium zone 6 stamp, and TAP cards
- May - June 2008: Conduct outreach for public awareness of the new pass and new EZ transit pass carrier
- July 2008: Begin Start-up

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