

Board Action Update, Aug. 23: Universal Fare System May Simplify Fare Collection, Cut Fare Fraud, Reduce Passenger Hassles

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By BILL HEARD, Editor

(Aug. 23, 2001) It could be the wave of the future for LA transit riders. A wallet-sized card that allows passengers to board more quickly and conveniently on any bus or train in the county, prevents fare fraud and provides feedback on ridership.

It's called the Universal Fare System (UFS) and, for the past several years, the Board and MTA staff have been studying a number of alternative technologies. **The item was approved by the full Board at the August meeting.**

UFS has many advantages, the staff believes, over the MTA's current fare collection system with its monthly passes, tokens and paper transfers. The use of electronic equipment has the potential for cost savings, greater efficiency, faster loading at bus stops and greatly reduced exposure to fare fraud and counterfeiting.

The MTA estimates that fare fraud costs the agency between \$5.5 million and \$11.1 million annually.

'Seamless' movement among systems

UFS also could hasten the day when passengers will be able to move easily – "seamlessly" – from one local transit carrier to another without the hassle of coping with a variety of cash fares, passes and fare media. Passengers would carry credit card-style fare media that could be recognized by any local bus company or rail line.

Two types of electronic fare media are being considered: magnetic cards that must be swiped through a fare machine card reader and "Smart Cards" that can be "read" when passed near a fare machine "target." Both can be programmed to accept amounts of money from which the fare is deducted with each use.

Five local transit agencies – Santa Monica, Culver City, Montebello, Foothill Transit and Norwalk – already are using magnetic card systems.

Large transit systems that use Smart Cards, at least to some extent, include Chicago, Hong Kong, Washington, D.C., and Sydney, Australia. These cities, along with transit agencies in London, New York, Paris, San Francisco and Singapore, are planning to switch to full use of Smart Cards.

Fare system flexibility

Countywide Planning's Transit Planning staff will present UFS alternatives to the Board that include the use of both magnetic and Smart Cards, although the staff believes use of Smart Cards alone would provide the most fare system flexibility over the long term.

Called "stored value cards," Smart Cards can be programmed to hold cash amounts equal to an MTA monthly pass, but also can hold additional cash equivalents that would allow the owner to use other transit systems. These fares would be deducted from the card's "stored value."

Low-income riders in Washington, D.C., and Baltimore found that Smart Cards were more convenient than either carrying cash or bus passes. Studies also show that Smart Cards are faster to use when boarding, are more reliable and have fewer instances of failure than magnetic cards.

Studies indicate that the capital cost of a Universal Fare System would range from \$84.1 million for a magnetic card-only system to \$75.6 million for a Smart Card-only system. Estimates to operate the systems over a 11- to 15-year period range from \$369 million for a magnetic card system to \$211.5 million for a Smart Card system.

The MTA has worked with vendors to develop contract proposals for a Universal Fare System. With Board approval, the staff hopes to award a UFS contract in December.

August Board Meeting

- **This item was withdrawn by the motion's author, Supervisor Gloria Molina.** Design/build construction of Eastside Light-Rail Project. Item 24. The motion would direct the MTA to utilize the design/build model as the construction method of choice for the Eastside Light-Rail Project.
- **Approved by the full Board.** Renewal of Medical, Dental, Life and Long-Term Disability Benefits, Item 17. The Committee will consider an expenditure of \$14.5 million for the second-year extension of contracts for medical, dental, life insurance and long-term disability insurance benefits for MTA and PTSC employees.
- **Approved by the full Board.** Landscaping and sound barrier at Universal City station. Item 25. The motion by Supervisor Zev Yaroslavy concerns the development of a plan to provide landscaping and a sound barrier to protect the Island community, a housing development west of the Universal City station, from freeway noise. The motion directs the MTA staff to work with the city Department of Recreation and Parks to develop the sound barrier. The staff is to report in 30 days on a timetable for completion of the barrier.
- **Approved by the full Board.** Modifications to Consent Decree Pilot Program Bus Lines. Item 20. The Committee will consider a plan to continue operating Consent Decree bus lines 218, 305, 522, 550, 601, 602, 603 and 605. The staff recommends modifying lines 58, 167 and 214 to enhance their performance. The changes would be implemented beginning Sept. 1. A public hearing would be scheduled in November concerning proposed route changes to lines 58 and 214.
- **The MTA staff pulled this item from consideration for 60 days.** Modifications to the Downtown LA Route of Line 445. Item 22. The Committee will consider a proposed change in the downtown route of Harbor Transitway Line 445. The staff is recommending a new route via Los Angeles Street, 1st Street, Grand and Olive, effective Dec. 2, 2001. The proposal also calls for a reduction in the Harbor Transitway fare between San Pedro and downtown LA, modifications to lines 446 and 447, and a marketing program to promote Transitway use.

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