



Metro
America's Best

**BOARD OF DIRECTORS
DECEMBER 7, 2006**

SUBJECT: HOLIDAY FREE FARE PROGRAM

ACTION: ADOPT REVISED POLICY FOR HOLIDAY FREE FARES

RECOMMENDATION

Adopt a revised standing policy for the Holiday Free Fare Program, providing free fares on all Metro bus and rail lines as a public service on Christmas Eve (from 9pm on December 24 to 2am on December 25) and on New Year's Eve (from 9pm on December 31 to 2am on January 1).

ISSUE

Because Christmas Eve and New Year's Eve tend to have a high incidence of traffic accidents, Metro has had a long-standing tradition of offering free fare periods on these evenings as a public service.

In 2004, the Board amended its Holiday Free Fare policy to limit the program to New Year's Eve. In 2005, the Board restored Christmas Eve to the program; however, specific hours were omitted from the Board action because Christmas Day and New Year's Day fell on Sundays, causing atypical schedules for holiday events. To continue providing this important public service at night on Christmas Eve and New Year's Eve while still benefiting from the increased demand for Metro services to reach daytime holiday events, it is recommended that the standing policy for the Holiday Free Fare Program specify the free fare period as 9pm on December 24 to 2am (or close of service on rail) on December 25, and 9pm on December 31 to 2am on January 1.

OPTIONS

One option is to return to the policy of 2004, which limited the Holiday Free Fare program to New Year's Eve. This is not recommended as the nights of Christmas Eve and New Year's Eve both historically experience a high incidence of traffic accidents. Another alternative is to continue the extended hours of the Holiday Free Fare from 2005. This is not recommended as Metro benefits from the high demand for its services to reach the Rose Parade and other daytime holiday events.

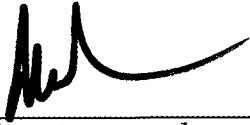
FINANCIAL IMPACT

An estimated \$75,000 - \$100,000 in fare revenue would be lost from the Holiday Free Fare Program as recommended. Normally during this time of travel, Metro's cash night fare of 75 cents is in effect on buses, while the regular cash fare of \$1.25 is in effect on rail.

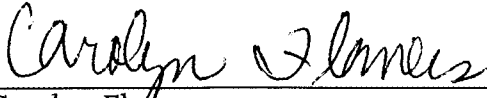
NEXT STEPS

Upon adoption of this revised policy, Metro will promote the availability of the Holiday Free Fare through informational materials, advertisements and media contact.

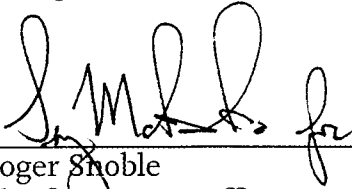
Prepared by: Warren Morse, Deputy Executive Officer, Communications



Matthew Raymond
Chief Communications Officer



Carolyn Flowers
Acting Chief Operating Officer



Roger Snoble
Chief Executive Officer

