



**Metro**

Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

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**REVISED  
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**

**Employers participating in our pass sales programs and other employers we have contacted** 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 **Annual** EZ transit pass will now be part of LACMTA's ~~institutional~~ **employer** pass sales programs (~~I-TAP~~). We will include the Annual EZ transit pass in the ~~I-TAP~~ **our employer pass sales** 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

Annual EZ transit pass. 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.~~ For employers currently providing EZ monthly passes to their employees, this new pass will reduce administrative time managing monthly pass programs. For employers currently participating in the A-TAP program (an annual pass for travel on Metro bus and rail), this new pass will expand the transit options available to their employees to 24 EZ transit pass operators countywide. There are currently about 65 employers who order over 850 EZ transit passes by mail from us each month. There are 21 employers participating in the A-TAP program and 726 pass-holders. All employers within Los Angeles County would be eligible to enroll in the program. Our preliminary estimate of Annual EZ transit pass sales is approximately 500-1,000 for the first year.

The Annual EZ transit 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.

LAX Flyaway. The LAX Flyaway will be the 25<sup>th</sup> 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. **Our preliminary estimate of monthly EZ transit pass sales for use on the FlyAway is 500.**

**LAX employees.** 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 **at \$60** and a regular EZ transit pass **at \$70 for a total of \$130.** 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. **The EZ transit pass with premium zone stamp 3 (EZ P3) costs \$124, thus there would be a savings to the LAX employees of \$6 dollars per month, or \$72 per year.** 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

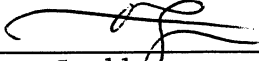
Prepared by: Patricia Chen, Transportation Planning Manager, Local Programming

Nalini Ahuja, Director, Local Programming  
Programming and Policy Analysis



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Carol Inge  
Chief Planning Officer



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Roger Snoble  
Chief Executive Officer