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OPERATIONS COMMITTEE
SEPTEMBER 18, 2008

SUBJECT: TRANSIT ACCESS PASS (TAP) & RAIL FARE GATE STATUS

ACTION: RECEIVE AND FILE

RECOMMENDATION:

Receive and file the implementation status of Transit Access Pass (TAP) and the Metro Rail Fare Gate project.

ISSUE

TAP staff was directed to provide a regular status update of project milestones and deployment activities on the Transit Access Pass (TAP®) regional smart card. Also, with the inception of the Metro Rail Fare Gate project, staff was directed to report monthly on the progress of this project. This report serves to fulfill these requests.

DISCUSSION

There are seven key areas related to regional TAP implementation that are detailed in the attached TAP Operation Monthly Report:

1. TAP Implementation Schedules
    a. Cubic's Proposed Regional Computer and Municipal Operator Schedule
    b. Retail Third Party Merchants' Sales Device Installation Schedule
    c. Metro's TAP Fare Products Rollout Schedule
    d. Metro Rail Gating Schedule
2. TAP Usage Data
3. TAP Fare Enforcement
4. TAP Sales Activity
5. Municipal Operator and Metrolink Update
6. Regional TAP Service Center Update
7. Gating Project Update

Each of these seven activities is summarized below:

1. Status of Implementation Schedules

1.a. Cubic's Regional Computer & Municipal Operator Schedule
Systems integration testing and staff training for the regional central computer completed on time per Cubic's proposed schedule (Attachment A, Page 6). All TAP data is currently being

migrated from our central computer to this regional central computer with daily monitoring and oversight by Cubic, Booz Allen and our staff. Once this has been completed, two Municipal Operators, Culver CityBus and Santa Clarita, will also migrate their live data to this central computer. We will then achieve "interoperability" on the regional computer, forecast for September 2008 among the three operators. A settling period of several months will ensure that subsequent Municipal Operators (Munis) can then be installed and placed on this "back office". Meetings with Montebello Bus, Norwalk Transit and Foothill Transit have ensured that their installations will occur as noted beginning the end of 2008. All other Munis will follow thereafter in 2009. *Please refer to Attachment A, Page 6.*

1. b. Third Party Retail Merchant Sales Device Installation Schedule

A total of 23 retail merchants in Downtown have completed their conversion to sell our Monthly and Weekly passes as well as 41 Wilshire corridor retail stores, combined with five Foothill, one Los Angeles Department of Transportation (LADOT), and four of our customer centers. By end of August 2008, another 50 retail outlets in San Fernando Valley and approximately 42 San Gabriel Valley outlets are forecast.

By September 2008, we will be 50% complete with the retail vendor network conversion to sell our regular fare media that currently total over 400 independent and chain-operated merchants. By December 2008, we will be 100% complete at all remaining locations in the Westside, South Bay, Gateway and remaining locations, ensuring all available retail merchants will convert from paper pass to TAP pass sales. The cause for some "straggler" vendors is due to their delay in installing appropriate phone lines or other mechanical details so that TAP sales devices can be installed in their premises. Our staff has been working individually with each merchant to assist them in this transition. *Please refer to Attachment A, Page 7 for full schedule.*

1.c. Metro's TAP Roll-Out Schedule

Communications staff is working with TAP Operation to ensure timely conversion of reduced fare riders (Seniors, Los Angeles County Transit Operators Association (LACTOA/Disabled), Students). This is a critical campaign that will need to be completed by Summer 2009 when we will begin to pilot rail gates. TAP Operation staff has recommended that all newly qualifying reduced fare riders (Seniors, LACTOA/Disabled) convert to TAP by January 2009, and all the other pre-existing reduced fare pass holders begin replacement of their current paper, non-TAP passes in a timely campaign over the succeeding six months to prepare for rail gate pilot. *Please refer to Attachment A, Page 8.*

Our regular fare Monthly and Weekly passes are now sold at all of our customer centers, Foothill and LADOT stores, plus at retail outlets numbering over 120 current locations in Downtown, Wilshire Corridor and San Fernando Valley, as of August 2008. The balance of the retail network will be complete by December 2008 when all vendor outlets will cease sales of regular fare paper passes.

1.d. Metro Rail Gating Schedule

Our staff continues to work on our design requirements and technical specifications with the contractor, Cubic Transportation Systems, while Booz Allen Hamilton provides technical oversight, and our respective stakeholder departments in Construction, Engineering, Rail Operations, Metro Security and Finance/Revenue departments ensures review of all contractor submittals. The contractor has completed Green Line station surveys, and the Metro Gold Line Eastside Extension station drawings are under review. Metro Red, Blue and Gold Line station surveys have all been completed. The new underground Eastside Extension underground stations at Soto and Mariachi will serve as "pilot" locations to test gates in time for Revenue Operation. *Please see Attachment A, Page 9.*

Civil Work including development of the "concept of operations" for the Closed Circuit Television (CCTV) and public telephone infrastructure to assist patrons at gates are also in development. A separate procurement of this equipment is anticipated in late 2008. *Please see Attachment A, Page 9.*

2. TAP Usage Data

A critical performance indicator of TAP reliability is monitoring the use of TAP cards in Metro's bus and rail system. Currently, from August 2007 to July 2008, more than six million TAPs have been recorded systemwide on Metro's bus and rail service among 50,000 active TAP card holders. *Please see Attachment A, Page 11.*

The most significant data points are noted below:

- In the month of July 2008 alone, there were more than 1.2 million "taps" recorded – the highest usage to date, which surpassed 800,000 captured in May and June 2008. This number represents both an increase in the total number of TAP pass holders (over 50,000 active TAP card users) as well as an increase in our overall ridership. *Please see Attachment A, Page 11.*
- Our regular fare Monthly passes account for a 68% increase in TAP usage activity as Wilshire corridor merchant outlets began selling TAP, adding to the volume sold by Downtown retail locations.
- Over 7,600 Monthly passes were sold on TAP in July 2008, and each passholder's average usage in the month was nearly 61 "taps" per Monthly pass. *Please see Attachment A, Page 16.*
- Our regular fare Weekly passes showed a dramatic increase in sales which peaked at over 5,200 cards in the fourth week of July 2008 (to use in the first week of August). This is clearly our most active population of pass users in our system, averaging over 21 TAPs per passholder in seven days. Our Monthly and Weekly passes represent the largest segment of TAP riders. *Please see Attachment A, Page 17.*

Special pass programs with employers, known as A-TAP and B-TAP, also account for a substantial number of TAP users. In July 2008, they numbered over 9,000 employees at multiple businesses who ride Metro bus and rail to and from work using TAP passes. Also, in July 2008, the average number of TAP usage per cardholder was 34.7. *Please see Attachment A, Page 15.*

In addition, over 1,000 University of California, Los Angles (UCLA) students, employees and faculty have been using TAP passes since Fall of 2005, and these passes are renewed each quarter. TAP activity reached its all time high in July 2008 for its summer session when UCLA TAP riders averaged 49 "taps" per passholder, up from the previous high of 40.9 "taps" per cardholder in May 2008. Communications staff is working with TAP Operation to convert other educational institutions in 2008.

Modal use of TAP cards mirror ridership – 80% bus and 20% rail. With increased penetration of TAP cards systemwide both in bus and rail, a five-fold growth in TAP card usage has been achieved in July since January 2008. The "taps" captured on the Red/Purple line is consistent with boardings – in July 2008, Red/Purple line ridership constituted 46% of all rail boardings systemwide; correspondingly, 48% of all rail TAPs were on Red/Purple Lines. The Gold Line appears to have the most compliant TAP riders. While the Gold Line as a whole represents 7.7% of total rail boardings systemwide, these customers represent 24% of all rail TAPs captured in July 2008. While Metro Orange and Green Lines lag on TAPs used as a comparison to the other rail lines, the penetration will increase among these riders as retail vendor outlets begin sales of our Monthly and Weekly passes beginning in August and September, 2008. *Please see Attachment A, Page 21.*

TAP data from bus divisions also mirror our ridership. Of four million TAPs captured year-to-date, Metro buses represent 80% and Metro Rail represents 20% of total TAPs captured. Of these systemwide totals, the highest volume of bus rider "taps" is seen at Division 10 located on Mission Street, which captured 15% of all bus TAP activity since January 2008. Division 7 in West Hollywood; Division 9 in San Gabriel Valley; Divisions 18 and 5 in South Bay; and Divisions 1 and 2 in Downtown are currently capturing the bulk of TAPs on buses. Three contracted operators are also now on TAP, identified as Divisions 91, 94 and 95. *Please see Attachment A, Page 20.*

As more retail merchant outlets are converted from paper to TAP sales in the San Fernando Valley and the San Gabriel Valley in the subsequent months of August and September 2008, an increased usage in these sectors will also be reflected in the TAPs captured from buses in service from these areas.

3. TAP Fare Enforcement

Fare enforcement with TAP cards is achieved by the use of Hand Held Validators (HHV) on Metro Rail. Until rail gates are installed, the "proof of payment" policy requires either visual inspection for paper "flash" passes, or for fare inspectors to carry and use HHVs when inspecting the validity of TAP cards.

There are several key issues regarding HHV inspections:

- Our customers need more training to better understand "validating" their TAP passes. To activate a TAP card after the purchase of a Monthly or Weekly pass, patrons must physically touch the TAP card to a smart card reader on a rail ticket vending machine, a stand-alone validator, or bus fare box. Customers without additional reinforcement to do this simply forget or do not bother to TAP their passes. When queried by the fare inspectors carrying HHVs, their cards are subsequently recorded as "invalid". The TAP cards are legitimately bearing appropriate passes; however, in almost all cases, the patron has simply not "tapped" their card to activate their pass. More written reminders provided at the time of sales, verbal reinforcement, car cards, "Take Ones", and instruction on websites will assist in patron education.
- Our fare inspectors may also need additional reinforcement with training and communicating the importance of using HHVs for fare inspections. In July 2008, less than 1,000 TAP cards were inspected with HHVs. With approximately 50,000 active TAP card riders systemwide, 20%, or 10,000 TAP cards are used regularly in the rail system. The 1% inspection rate appears low. *Please see Attachment A, Page 24.*

Another indicator of new Universal Fare System (UFS) validating fare box performance, and the ability to analyze fare collection data associated to fare policies and fare structure can be accomplished by NON-TAP manual cash fare classification and visual inspection of paper fare media in service by bus operators. Classification is performed by operators who manually push keys on their driver control unit when cash is collected in the fare box or a paper pass is visually verified. While the amount of unclassified fares will eventually be reduced with the full penetration of smart cards and with the implementation of the debit purse feature on the TAP card, we have decided to activate the debit purse after rail gate implementation. Bus operator compliance to tally and classify cash fares even post rail gate implementation will greatly improve data relative to ridership and cash revenue. In the month of July 2008, over $18 million of cash fare revenue was collected from all of our operating divisions and contracted operators, of which $3 million or close to 17% of these fares were unclassified. *Please see Attachment A, Page 25.*

TAP Operation staff will continue to monitor and work with Transit Operations on improving the classification of cash fares and visually inspected paper passes. With the growing penetration of smart card sales within all bus sectors of the county, the ultimate goal is to reduce the reliance for bus operator initiated manual classification of fares and paper passes.

4. TAP Sales Activity

Currently TAP cards are available and sold to the general public in two categories of pass types – adult Metro Monthly and Weekly passes as distinguished from Senior Monthly and Weekly passes, LACTOA/Disabled, and Students. In July, the locations selling "regular fare" passes increased to a total of 73 outlets; by end of August 2008, another 50 outlets have been added in the San Fernando Valley region, and by September 2008 another 42 outlets in the San Gabriel Valley will be added. *Please refer to Attachment A, Page 47 for detailed list of all current pass outlets, their location/addresses and status.*

By September 2008, more than 50% of our 400 individual and chain-operated retail, third party vendor locations will be selling regular fare TAP Monthly and Weekly passes.

Another trend that is increasing among our regular fare-paying Monthly and Weekly pass holders is the re-loading of their passes at all 300+ Metro rail ticket vending machines (TVMs). This option offers customers the ability not to wait in long lines in order to buy the next month's or week's passes. Union Station was the most popular location to reload TAP passes using the TVMs. Union Station Red Line and Union Station Gold Line TVMs sold the most number of TAP reloads, numbering 139 and 81 respectively. 600 TVM reloads were sold on the Red/Purple Line TVMs for July, while the Gold Line had 459 reload sales. In total, all ticket vending machines accounted for over 1,300 individual TAP reloads out of 7,600 total TAP sales in July 2008. Long lines seen each month at the East Portal customer center indicates a need to better advertise the re-load feature on all rail TVMs. *Please see Attachment A, Pages 37 – 39 for a listing of sales by Line, by Station TVMs.*

The largest number of new TAP card sales and recurring reloads occurred at the newly transitioned retail merchant outlets in Downtown and Wilshire corridor, that sold over 2,300 units of passes on TAP cards. *Please see Attachment A, Page 34 and Pages 47 – 52 for a complete listing of all retail outlets in Downtown, Wilshire Corridor, San Fernando Valley and San Gabriel Valley.*

Three additional pass types are also exclusively sold on TAP cards only: Annual/Business TAP (A-TAP and B-TAP) and UCLA's Institutional TAP (I-TAP). These fare programs are managed under Metro Communications' Metro Commute Services unit to selected employers and educational institutions. UCLA's I-TAP program will soon be joined by a network of participating colleges currently on I-PASS (visually inspected passes as opposed to TAP smart cards) that include schools within the Los Angeles Community College District.

These special program TAP cards are not sold by third party merchant outlets on a recurring monthly or weekly basis. Rather, as the programs imply, they are annual passes based on qualified employment with participating employers or are semester/quarterly based cards that parallel the educational institution's school schedule. As individual TAP participants or card holders are registered, TAP's Regional Service Center either "autoloads" the passes at defined periods (each school term or annually for employers), or some institutions such as UCLA has chosen to also have TAP sales devices located in their own facilities.

As a TAP fare product, A-TAP and B-TAP continue to be a popular and growing segment of Metro bus and rail riders, numbering over 9,113 active card holders year-to-date in 2008. In contrast to the entire 12 months of 2007 which closed with over 5,700 A- and B-TAP enrollees, the first half of 2008 has shown over a 58% growth in the number of active TAP riders in this category. *Please see Attachment A, Page 45 and 46 for sales trends in I-TAP and A/B-TAP.*

5. Municipal Operator and Metrolink Update

Metrolink Update	Status
In August 2008, Metrolink was authorized by their Board to proceed with engaging Booz Allen Hamilton, the regional TAP technical oversight consultant, to assist in defining the technical solutions that will enable successful regional TAP interoperability and ensure that TAP integration can be accomplished on the Regional Central Computer between Metrolink and all regional TAP Metro/Muni participating agencies. A statement of work was prepared by Booz Allen. Currently, a Memorandum of Understanding (MOU) is being drafted between Metrolink and us to describe the respective agency's roles, responsibilities, fare products/policies supported by TAP, and all funding and costs associated with such integration. A comprehensive report together with staff's recommendation to achieve these objectives is forthcoming to our Board in October 2008.	• Metrolink Board approval in August 2008 to proceed with fare strategies development for TAP implementation • Memorandum of Understanding (MOU) in current development between Metrolink and us on behalf of all Regional TAP participants • Our Board to receive joint staff recommendation at October 2008 Board meeting
Municipal Operator	**Status**
Antelope Valley Transit	Currently in process of contract modifications. Working on equipment alternatives to support commuter service with TAP "stand-beside" units

	versus installing regular TAP fareboxes for regional operation and service. Multiple meetings were held, however, they will require additional consultant resources to determine a more defined "path forward" to ensure successful integration to the regional TAP system that is configured to support their desired fare structures and regional fare policies. They will require additional Booz Allen consultant resources to complete their contract modifications and to communicate their defined business rules on TAP to facilitate these changes.
Culver CityBus	Culver CityBus became the first Municipal Operator to "cut over" their system to full TAP functionality earlier this year. Our staff and Booz Allen consultants provided technical oversight assistance for this transition and implementation, which still requires addressing Interagency Transfers (IATs) on TAP. As a prior Metrocard (magnetic based) system, Culver successfully transitioned their pre-existing Metrocard senior and student riders directly to TAP, however, their magnetic IATs have had to degrade to simple paper "tear-off" tickets during this transition period. Loss of data and accountability plus potential fraud with paper tickets is currently a concern at Culver. However, by early 2009 the Municipal Operators and we will transition IATs to smart card based limited use, paper smart cards that enable tapping on and off of Metro bus and rail, plus Muni buses. This multi-modal interagency transfer fare media will ensure all Muni patrons transferring to Metro bus and rail and needing to get through new rail fare gates can be accommodated without disruption in their travel and honoring pre-existing regional interagency transfer agreements.

	Culver is the very first regional operator to implement the TAP "debit" purse, permitting their riders to load cash onto the TAP card that decrements fares with each "tap". This feature will be deployed among all future Muni operators, permitting independence on each agency's fare structure, plus automated settlement on the Regional Central Computer. The testing and piloting of this feature on TAP was an important regional step to demonstrate that the TAP debit purse can be deployed county-wide at all subsequent Muni installations. Currently, Culver is in the process of migrating their data onto the Regional Central Computer as testing completed and our transition completes later this month. Prior to this time, Culver was hosted on the our Central Computer during this interim period. We recognized the importance of providing technical support through Booz Allen, assigned the single point of accountability for successful TAP implementation and Cubic integration of all regional TAP devices. With introduction of paper, limited use smart cards, Culver will need additional consultant resources.
Foothill Transit	Foothill Transit has been working with Cubic for several years to determine a firm, fixed date for installation of new UFS fareboxes with complete transition to TAP. New service changes and associated fare policies such as rear door boardings on Silver Streak in their current system introduces opportunities as well as challenges to maintain a seamless transition from cash and magnetic tickets. Like other Munis with legacy magnetic Metrocard systems, the cessation of on-board printing of single ride tickets and Interagency

	Transfers (IATs) to be replaced with paper, limited use smart cards for TAP will be an important factor for establishing a fixed installation date. We have continued to monitor both contractual as well as operational alternatives to ensure that the agency, their Board, and their patrons are equipped and prepared for TAP implementation to support fare policies and strategies that meet their operational needs. Currently, first quarter of 2009 is the target for Foothill to "cut over" to TAP-enabled fare boxes with regional interoperability. Limited use, paper smart cards for IATs and Silver Streak cash riders is a condition of their readiness for TAP implementation. Foothill has engaged Booz Allen as technical oversight consultants to ensure single point of accountability in this integration effort.
Gardena Municipal Bus Lines	Currently in process of new facility construction and relocation. Also requires consultant assistance to determine contractual changes to purchase additional fare boxes for new vehicles. They will also require additional consultant resources to assist in future new fare policies using regional Interagency Transfers (IATs) on limited use, paper TAP smart cards. Currently, they operate on cash and paper. Assistance and oversight for successful "cut over" to automated fare systems will be required.
LADOT	Currently in process of operational business planning. Requires additional equipment with funds earmarked in Local Transit Services System (LTSS) funding to support fleet expansion. Waiting to obligate necessary funds through LTSS process. Requires consultant resources to ensure technical oversight of multiple contracted operators and to facilitate integration of fare structures and Interagency Transfer agreements

	with regional operators and Metrolink.
Long Beach Transit	Has had UFS TAP-enabled fare boxes since 2006 running in "cash only" operation. They declined transitioning their system to the TAP Regional Central Computer at this time. In August 2008, Long Beach disabled their interface to the TAP regional program and are installing magnetic readers for local operation. They have stated their desire to re-engage with TAP after complete regional implementation has been completed by other Munis and us. In the meantime, they are aware that all magnetic products cannot be read on regional TAP equipment, including Metro Rail gates and Metro-Muni fareboxes.
Montebello Bus Lines	Montebello Bus successfully had new fare structures approved at their City Council meeting in August 2008. A new Day Pass was introduced. As an agency with legacy magnetic Metrocard used for Interagency Transfers (IATs) and now, Day Passes, the transition to TAP using limited use, paper smart cards will be pivotal. Currently, they are looking at 1st Quarter 2009 for complete TAP implementation. Our staff is assisting in this planning. They will need additional consultant resources to program and integrate new fare structures and products (Day Pass) to their regional TAP system. As an agency carrying patrons who regularly issue and accept Montebello to Metro IATs, their "cut over" to TAP will be based on the ability for seamless transition, particularly with the installation of Metro Rail gates.
Norwalk Transit	Our staff and Booz Allen consultants have had several preliminary meetings with Norwalk Transit to discuss steps to become the very next Muni to implement TAP, likely in 1st Quarter 2009. They have identified internal-ITS communication infrastructures that require modification before TAP

	transition. In addition, they have also adopted new fare structures which was approved at their City Council meeting in August 2008. As such, Norwalk staff requires consultant resources to assist them in complete integration of new fare structure and products to TAP. They are also a legacy magnetic Metrocard operator, and require assistance in transition of these customers plus address Interagency Transfers (IATs) to be accommodated by limited use, paper smart cards.
Santa Clarita	Santa Clarita successfully completed their fare box installation in August 2007 and has been in full revenue operation on cash. Over the next several months, they will become one of two Munis (the other Culver City) to transition their backoffice system to the TAP Regional Central Computer. Limited products on TAP will initially be piloted during this "transition" period to permit settling of the Regional Central. Over the next 12 months, their entire fare structure and products including Interagency Transfers (IATs) will be supported on TAP. They will require consultant resources to assist in technical integration to the regional TAP system and to oversee transitioning from a cash/paper system to TAP.
Torrance Transit	Changes in organization (vacancies in key areas) have caused some challenges, however, our TAP staff is assisting with coordination of their installation planning. They will require additional consultant resources to facilitate contractual modifications and to address new business rules with TAP-enabled paper, limited use smart cards for Interagency Transfers (IATs). Torrance currently operates with cash and paper. Meeting with Torrance Transit scheduled in September 2008.

The following operators have "earmarked" funding that has not yet been obligated, or has been obligated and distributed, as follows:

Santa Monica Big Blue Bus (funds set aside, not yet obligated)	Regional Transit Alternatives Analysis (RTAA) funding has been earmarked; Big Blue Bus (BBB) staff is evaluating options for TAP capabilities. New magnetic upgrades recently completed to their system will likely remain when TAP is interfaced.
Access Services, Inc. [Paratransit – ASI] – (funds obligated through Metrolink)	Our staff and ASI staff have been evaluating different options to allow ASI participants to "tap" on fixed route services. In addition, ASI has been exploring opportunities to upgrade their contracted "taxi" operators to automate ASI reconciliation. Grant funding options were considered. Funding will drive "next steps" and path forward on ASI's program beyond acceptance of the universal TAP card co-located on the ASI identification card for use on regional fixed route service operators.
Metrolink ($8 mil distributed)	Fare policy, business and operational rules to accommodate the Metrolink rider boarding Metro and Municipal operators are in process – see above. Based on these decisions, technical changes to the existing Metrolink fare equipment will be required. Options to enable TAP functionality for transfers onto Metro Rail plus regional Muni TAP participant buses are being considered. As a regional connector to other counties, Metrolink's interface with these entities is also a concern.

6. Regional TAP Service Center Status

Since 2007, the TAP service center has been operational, supporting TAP customers using I-TAP, A- and B-TAP, and public riders purchasing our Monthly and Weekly passes at customer centers and third party retail merchant locations as described in Sections 1b., 2., and 4 (please see above).

The deployment of the universal 1.866.TAPTOGO number has facilitated customers seeking assistance to register for "balance protection" so those patrons with lost or stolen cards have their residual value protected and replaced. The preponderance of calls continue to be the TAP cardholder seeking assistance with user questions to better understand TAP fare rules and fare policies, or to obtain information on fare products and locate vendors to purchase new cards. Car cards, "Take Ones", and other marketing campaigns will assist customers and reduce calls. *Please see Attachment A, Pages 60 – 62.*

7. Metro Rail Gating Status

The gating project is divided into four separate and inter-connected teams. *Please see Attachment A, Page 65. Please also refer to Schedule, Attachment A, Page 9.*

Team 1 – Technical Integration

- Meets weekly to discuss Metro Design Requirements and Cubic specifications;
- Currently 90% complete with Cubic submittal; and
- Fare rules including Metrolink products, Interagency Transfer agreements (IATs) are under final review.

Team 2a. Civil Work Cubic

- Cubic Installation plan under review;
- Sequence of work and equipment layout drawings under review for Metro Eastside Extension stations and Metro Green Line; and
- Line by line, station by station site surveys completed.

Team 2b. Civil Work Metro

- Exit Calculations study by Booz Allen Hamilton consultants now in progress to meet Fire/Life Safety guidelines;
- All Metro station layout drawings have been provided to Cubic; and
- Queuing analysis in process.

Team 3. Maintenance

- Cubic's proposed maintenance plan is under review;
- Contract modifications to existing UFS Base Contract required; and
- New Eastside Extension and Expo Line maintenance agreements also need to be incorporated, and are in development.

Team 4. Lease

- Senior members including Cubic Corporate's General Council and Cubic; Transportation's Sr. VP of Contracts met in August 2008 with members of Metro TAP Operation; Contracts/Procurement, Finance/Treasury, Booz Allen Hamilton, and County Counsel; and
- We have received the contractor's submittal which is currently under Counsel review.

The challenges to the gating project is Cubic's ability to ensure that limited use, paper smart cards are deployed to accommodate Interagency Transfers ahead of Metro Rail gating, and our ability to transition all paper fare products to TAP:

- Reduced fare passes (Senior, LACTOA/Disabled, Students);
- Paper tickets (Metro Day Passes and Interagency IAT Muni to Metro Transfers);
- Paper one-way tickets and IATs sold on rail TVMs;
- College I-Pass (visually inspected, non-TAP) passes and college vocational passes; and
- EZ Transit Pass (Regular adult and Reduced Fare).

As identified in Section one of this report, the respective implementation schedules are identified to accomplish the conversion of paper products to TAP Passes in time for gating.

The two Eastside Extension stations, Mariachi Plaza and Soto, ready for revenue service in June 2008, will be equipped with the first gates to be piloted on Metro Rail.

NEXT STEPS

- Deploy marketing campaign, including websites for Internet/Intranet (Communications has under development);
- Return to Board with Contract Modifications for Metrolink and Municipal Operators to ensure technical oversight assistance by Booz Allen, the single point of accountability for technical integrity and Cubic integration of all TAP devices to regional system; and
- Present VISA/TAP Co-branded card program in October 2008 for Board approval.

ATTACHMENT(S)

A. TAP Operation Monthly Report (July 2008)

Prepared by: Jane Matsumoto, DEO TAP Operation
Roger Moliere, Chief Real Property Management and Development

Roger Moliere
Chief Real Property Development

Roger Snoble
Chief Executive Officer

ATTACHMENT A

TAP Operation
Monthly Report

July 2008

TAP Operation

Metro

tap TRANSIT ACCESS PASS

Preface

TAP Operation is responsible for the implementation of the regional contactless smart card branded as TAP®. As TAP Operation begins the conversion of paper fare media to TAP smart cards across Los Angeles County, the TAP Operation Monthly Report is intended to provide information related to how TAP transactions are captured on bus and rail service, and to report TAP sales and patron responses. The report is not intended for sales or revenue reconciliation purposes.

In addition, the status of the regional Municipal Operator implementation and the Metro Rail Gating project status are included.

The report will highlight those issues that are most significant each month and enable the tracking of increased TAP card penetration and customer responses.

Table of Contents

TAP Operation Overview

TAP Operation is responsible for the capital acquisition, implementation and the regional operation of a smart card based Universal Fare System (UFS) in Los Angeles County. The regional smart card, branded as TAP® is short for Transit Access Pass, and is an officially registered trade mark. The department oversees Metro, Metrolink and Municipal Operator TAP implementation, ensuring that correct business rules and tariff regulations are migrated on TAP technology. TAP database administration oversight and analysis are essential responsibilities of this department. TAP Operation directs the Regional TAP Service Center contractor.

With over 40 transit oriented development (TOD) projects in various stages of completion, TAP Operation is also responsible for the potential integration of non-transit applications, such as retail and parking, with TAP smart card technology. Most immediately, the opportunity for co-branding TAP with various prepaid debit/credit cards such as VISA, MC, AMEX are in process.

Recently, as Metro moved forward to gate the Red Line subway and selected light rail stations, TAP Operation is responsible to ensure an end-to-end integration of fare gates with the UFS regional TAP system.

TAP Operation
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Major Accomplishments
July 2008

- With the conversion of the Wilshire corridor in late July for August pass sales, a total of 73 third party vendor locations are now selling TAP monthly and weekly passes. Continued migration planning for the conversion of the San Fernando Valley vendor locations for TAP sales to start in late August for the September sales period is underway. Additionally, following a phone line outage in late July, TAP Operation staff have developed contingency plans to ensure continued operation of the TAP third party sales network in the event of another system outage.

- Hardware for the regional central computer was shipped to its permanent location in the Orange County Data Center. Migration planning is underway now for the regional central computer which is due to begin operation in September.

- The contractor began the new $5 currency change to the UFS farebox. Spare bill handling units will be upgraded and returned to Metro for placement in fareboxes. The campaign is due to be completed in late November. The following divisions have been completed:

    - Div. 15 completed July 20th
    - Div. 18 completed August 1

- Metro Operations Central Instruction and TAP staff worked together to develop training for mandatory operator training on TAP passes being used on Metro buses. The training is expected to be completed for most Metro operators in August.

Challenges

- Metrolink continues to work on identifying business rules and tariff regulations to support their interfaces to TAP. Technical assistance and expertise from Metro's oversight consultant is required.

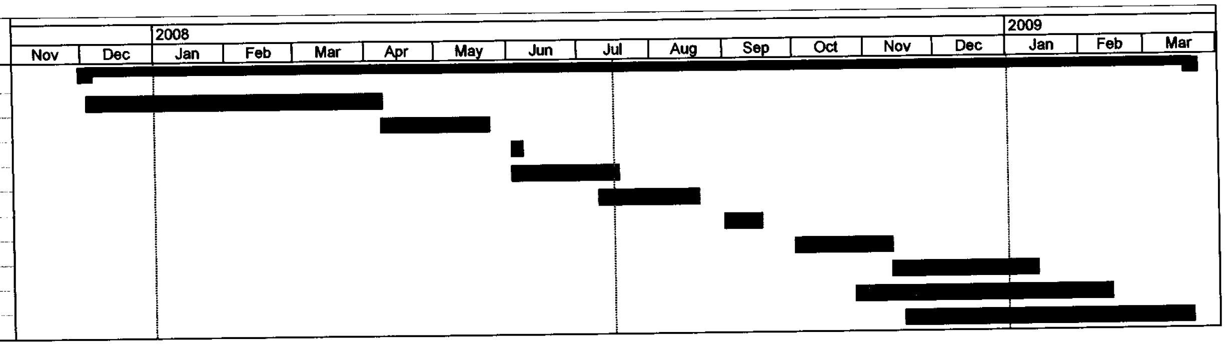
- Municipal Operators have expressed need to get technical assistance for TAP conversion. A regional bench contract will be proposed.

TAP Implementation Schedules

Cubic's Proposed Regional Computer & Municipal Operator Installation

Metro TAP Operation and Regional TAP Service Center staff have completed system integration testing and training for the regional central computer. System migration began in July and will continue through August to be followed by municipal operator migration to the regional central in September. Once the regional central is in final acceptance testing, installation preparation will begin for the next two municipal operators for installation in early 2009.

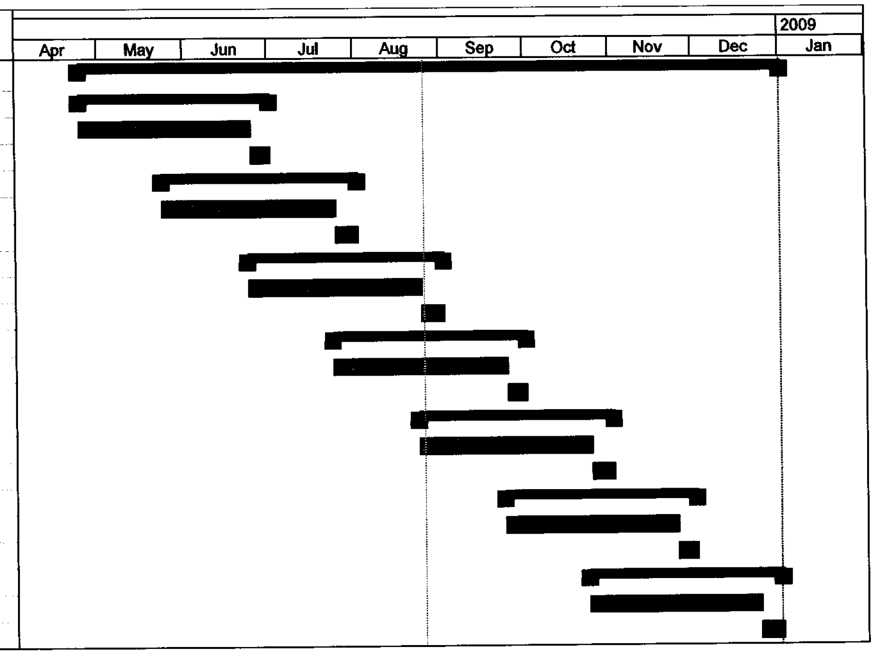
ID	Task Name
1	**Regional TAP**
2	Regional System Final Design (Complete)
3	System Integration Testing
4	Ship Regional Hardware
5	Installation Acceptance Testing
6	Migration
7	Move Culver and Santa Clarita to Regional
8	Settling Period - Live
9	Final Acceptance Testing - Live
10	Muni 4 Install
11	Muni 5 Install



Third Party Merchants TAP Sales Device Installation Schedule

Metro TAP Operation and Customer Communications staff, in conjunction with the Regional TAP Service Center, have begun the TAP conversion process for Metro third party merchants. The first third party merchant began TAP sales of Metro Monthly and Weekly passes at the end of March 2008 for the April sales period, followed by the second third party merchant location at the end of April 2008 for May sales. The success of this vendor pilot effort has resulted in the full-scale launch of TAP sales at Metro's remaining third party vendor locations. The remaining downtown vendor locations completed TAP equipment installation and training in June, and began sales in late June for the July sales period. The Wilshire corridor third party merchants began TAP sales in late July for the August pass sales period. The San Fernando Valley region is scheduled for migration in August for September pass sales. Metro's 600+ third party merchants are on schedule for TAP conversion by early 2009.

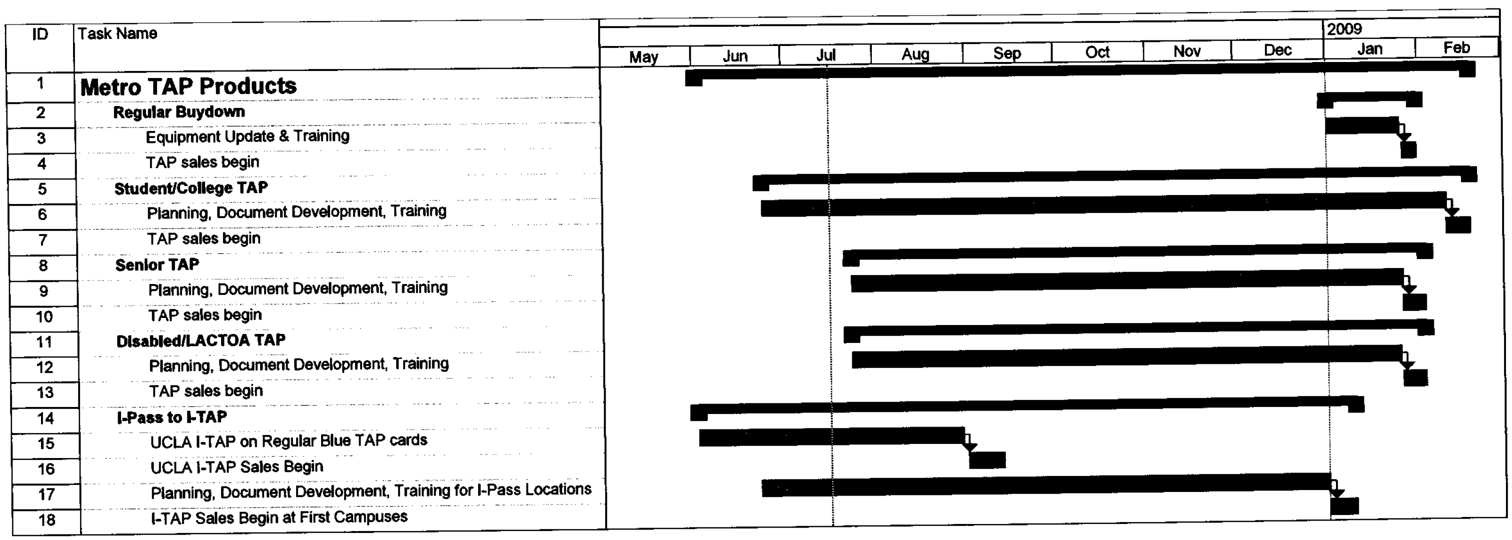
ID	Task Name
1	**Third Party Vendors**
2	**Downtown Vendor Locations**
3	Notification, agreements, and site preparation
4	TAP sales begin
5	**Wilshire Corridor Locations**
6	Notification, agreements, and site preparation
7	TAP sales begin
8	**San Fernando Valley Locations**
9	Notification, agreements, and site preparation
10	TAP sales begin
11	**San Gabriel Valley Locations**
12	Notification, agreements, and site preparation
13	TAP sales begin
14	**Westside Locations**
15	Notification, agreements, and site preparation
16	TAP sales begin
17	**Gateway Locations**
18	Notification, agreements, and site preparation
19	TAP sales begin
20	**South Bay and Remaining Locations**
21	Notification, agreements, and site preparation
22	TAP sales begin



Metro TAP Fare Products Rollout Schedule

Metro has successfully implemented regular Metro Monthly and Weekly passes on TAP cards, with the number of sales outlets providing TAP Monthly and Weekly passes increasing every month. As the number of sales locations is increasing, work has begun on planning for the rollout of other Metro TAP products including the County Buydown Monthly pass, as well as reduced fare passes for students, college/vocational students, seniors, and the disabled. Reduced fare planning activities are being done in coordination with the Reduced Fares Subcommittee of the Regional Money Committee. The schedule shown below identifies the products as follows:

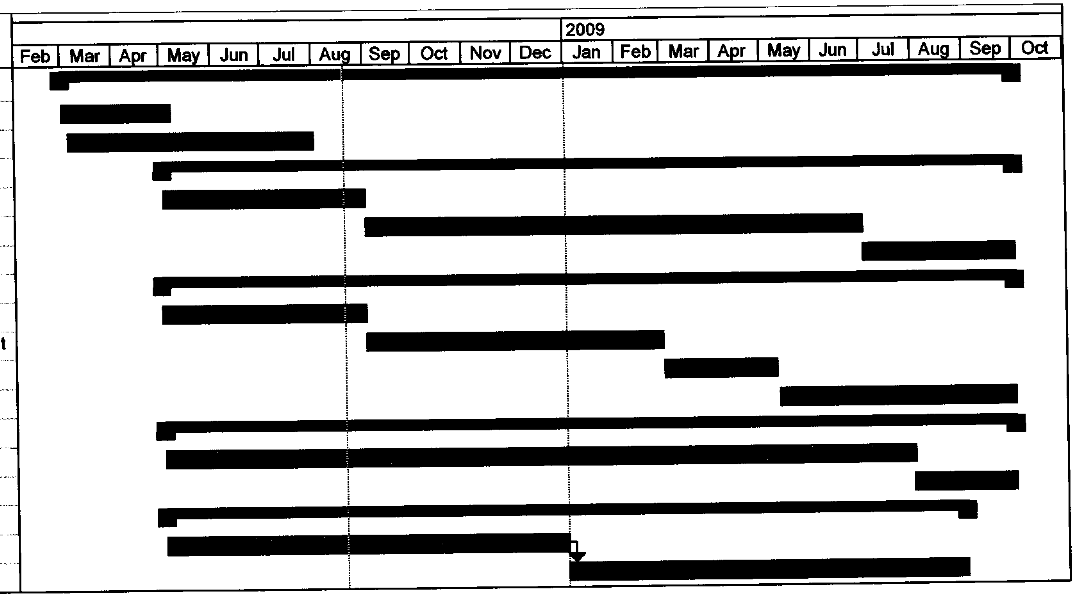
- TAP Stored Value has been removed from the rollout schedule as it will not be sold by Metro Customer Center or Metro third party vendors until the Metro Rail system is outfitted with gates. However, stored value sold by other TAP operators, currently only Culver CityBus, is honored on the Metro system.
- The Buydown program has been pushed back to early 2009, after the conversion of all of Metro's third party merchant network to TAP.
- The Los Angeles Community College District I-Pass program will begin a pilot TAP program in August prior to their full I-TAP program in 2009. Additionally, TAP conversion at Foothill Transit, Montebello Bus Lines, and Norwalk Transit in early 2009 is a critical component of the Rio Hondo I-Pass program conversion to I-TAP.



Metro Rail Gating Schedule

The Gating project is scheduled for pilot operation at the Soto and Mariachi Plaza Stations of the new Eastside Extension in July 2009.

ID	Task Name
1	**Metro Gating**
2	Cubic Limited Notice To Proceed
3	Prop 1B Pending
4	**Technical Integration**
5	Cubic Technical Spec Review
6	Cubic Design/Build/Test
7	Pilot Gates on Red Line
8	**Civil Work**
9	Metro CCTV Concept Phase
10	CCTV & Help Phone Spec Development & Procurement
11	CCTV Infrastructure Installation
12	CCTV & Help Phone Installations
13	**Maintenance**
14	Base Contract Mods for Eastside Extension & Expo
15	Launch New Service Agreement
16	**Lease**
17	Lease Agreement Development
18	Complete Lease Terms & Conditions



TAP USAGE

TAP USAGE SUMMARY
Prior 12 months

As the number of passes available on TAP and the number of TAP sales location continues to increase, the total number of taps made on the Metro system continues to grow. Additionally, improved compliance with tapping on the part of bus operators and fare inspectors has further contributed to an increase in TAP activity.

Month	ITAP	Emp Pass	ATAP & BTAP	Monthly	Weekly	Ret/Dep	*TOTAL*
Aug-07	10,929	22,051	106,948	467			***140,395***
Sep-07	9,832	16,918	119,705	562			***147,017***
Oct-07	11,059	15,078	148,210	30,627			***204,974***
Nov-07	34,636	13,393	168,417	31,358		237	***248,041***
Dec-07	19,841	14,034	144,691	22,371		8,348	***209,285***
Jan-08	31,628	16,381	153,041	13,883	54	18,495	***233,482***
Feb-08	36,290	20,105	191,891	206,936	40,260	29,177	***524,659***
Mar-08	31,567	21,591	230,173	241,014	56,379	34,930	***615,654***
Apr-08	40,163	23,061	251,815	279,959	127,185	38,842	***761,025***
May-08	40,435	26,511	262,506	288,173	137,582	39,172	***794,379***
Jun-08	33,429	27,726	278,490	275,889	132,456	38,685	***786,675***
Jul-08	44,066	30,372	316,426	464,541	378,174	43,746	***1,277,325***
TOTAL	***343,875***	***247,221***	***2,372,313***	***1,855,780***	***872,090***	***251,632***	***5,942,911***

Calendar Year-To-Date Comparison

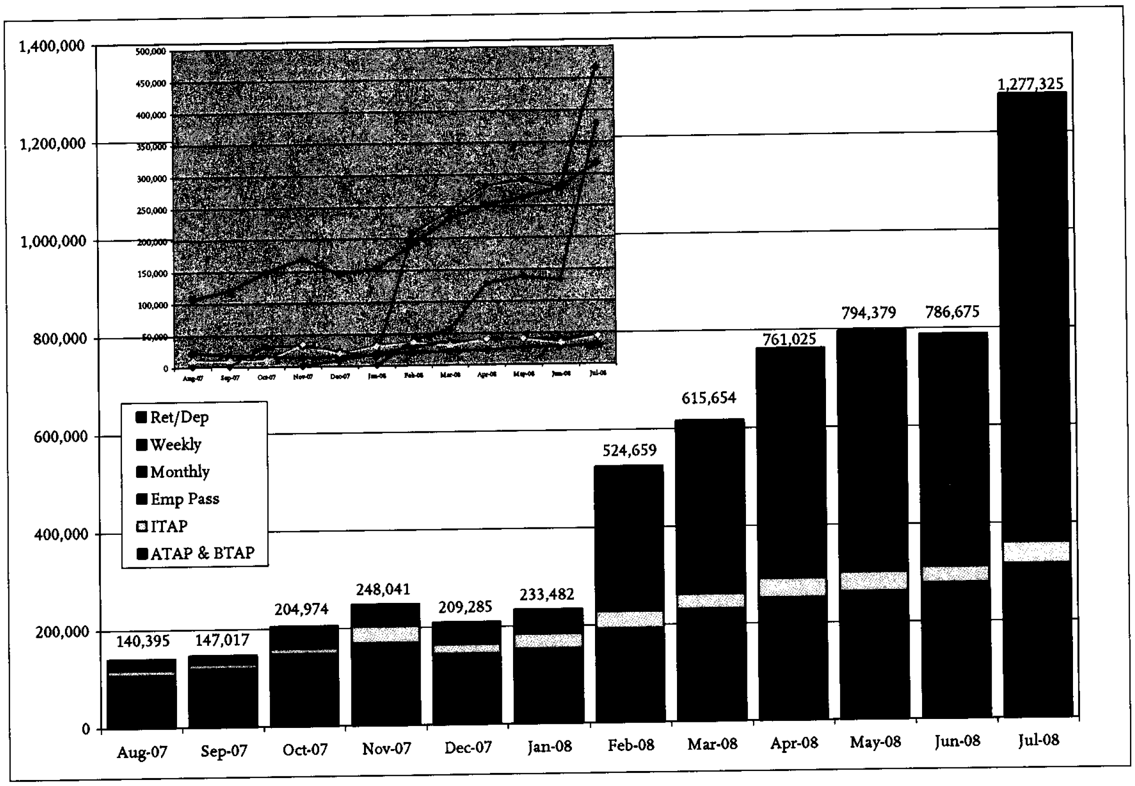
	Weekly	Monthly	Retiree/ Dependent
2007 YTD	0	2,203	0
2008 YTD	872,090	1,770,395	243,047

The most significant occurrence over the past twelve months is the overall increase in TAP card usage beginning October 2007 with the introduction of new TAP products. Metro Monthly and Weekly passes plus Retiree/Dependent TAP badges are the most notable.

From June to July 2008, the number of TAP Monthly pass taps was up 68% as the Wilshire corridor third party vendors began selling TAP passes. The number of taps of Weekly TAP passes nearly tripled from June to July and now exceeds the number of taps made on A/B-TAP.

TAPs by Type
August 2007 to July 2008

A total of six different pass types are now available on TAP cards. Four of these – I-TAP, A/B-TAP, Employee badges, and Retiree/Dependent passes – are available exclusively on TAP. The Monthly and Weekly passes are available on TAP at select locations including Metro Customer Centers, LADOT Transit Store, five Foothill Transit Stores, and a growing number of third party retail locations.

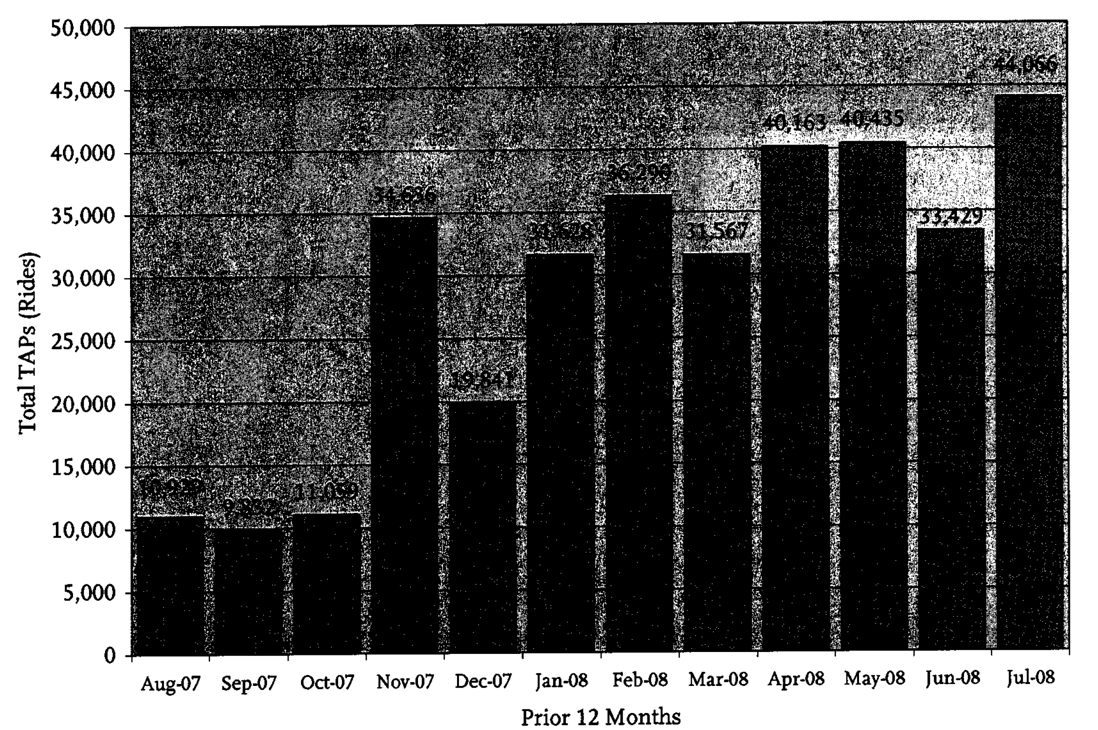


As of July, TAP Monthly and Weekly taps exceed all other pass types with 464,541 and 378,174 taps, respectively. The TAP employer pass programs, A-TAP and B-TAP, also continue to be a popular and growing segment of "tappers", now numbering more than 9,000 passholders. Monthly and Weekly taps will continue to grow as these products are expanded to additional retail vendor outlets.

I-TAP Usage
August 2007 to July 2008

I-TAP, or Institutional TAP, is a quarterly-based Metro pass available on a TAP card to UCLA students, employees and faculty. Additional educational institutions are expected to join the I-TAP program later in the year as Metro Communications develops an outreach program.

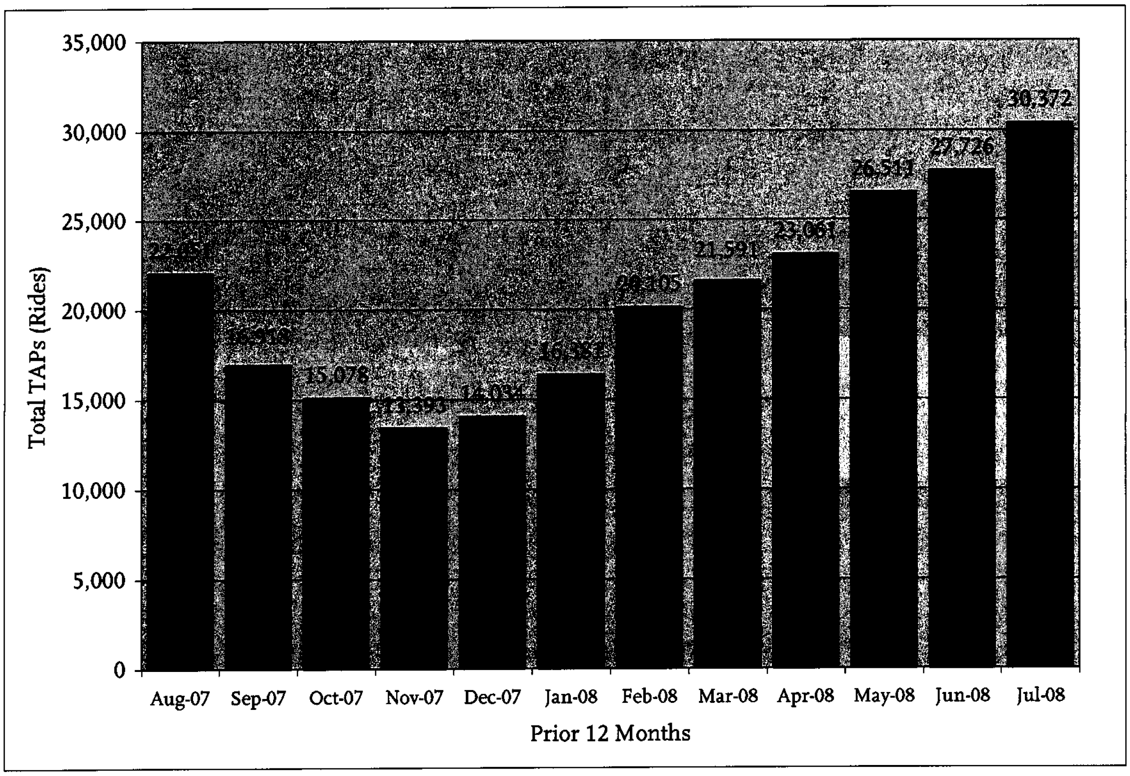
The number of taps (rides) made by I-TAP cardholders has increased significantly since the Fall of 2007. The increase in the number of taps is due largely to the joint TAP Operation and Revenue staff training of Metro's bus operators. Beginning in November 2007, TAP Operation staff held six classroom training sessions for Division management personnel including Managers, Assistant Managers, and Instructional TOS staff. This classroom training was followed up with on-site, hands-on training at each of Metro's bus divisions, including contract operator divisions. Training was held in Operator breakrooms with each Division assigning a training liaison to assist TAP Operation and Revenue staff with training efforts.



TAP activity reached an all-time high in July 2008 for the summer session. The average number of taps for I-TAP passholders in July was 49, up from the previous high of 40.9 in May, reflecting the overall rideship increase on the Metro system in July. Calendar year-to-date taps for 2008 are nearly three times that for 2007, reflecting not only increased usage of the I-TAP pass but also improved enforcement of tapping itself.

Employee Pass Usage
August 2007 to July 2008

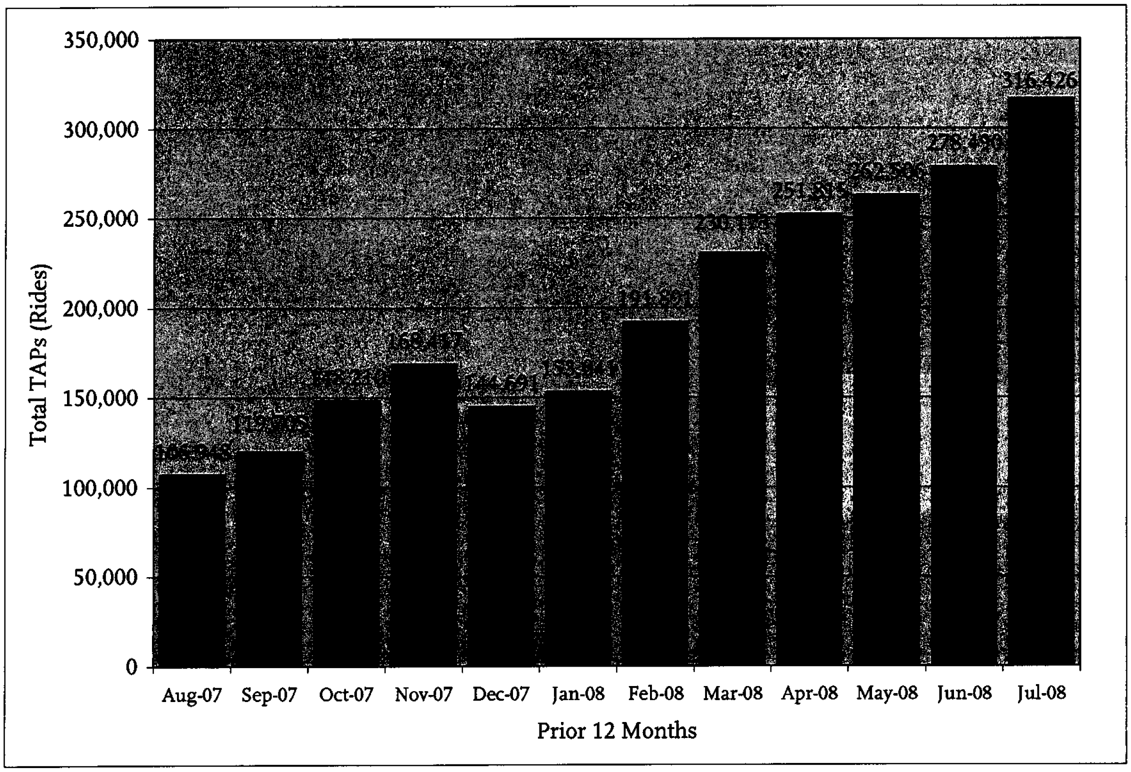
Over 9,000 new employee IDs were distributed in May 2008 by Human Resources Department. All Metro employee badges are now TAP badges, requiring the badge to be tapped for every ride taken on the Metro system and not simply used as a flash pass as in the past. The number of taps made by Metro employees is on the rise again, following declines in TAP activity during the Winter months. As one of the CEO's FY08 key objectives for full TAP implementation, staff have been required to "tap, tap, tap" their employee badges.



Compared to the first seven months of 2007, there have 20% more taps of employee badges in the first seven months of 2008 – 165,747 in 2008 compared to 137,557 in 2007.

A-TAP & B-TAP
August 2007 to July 2008

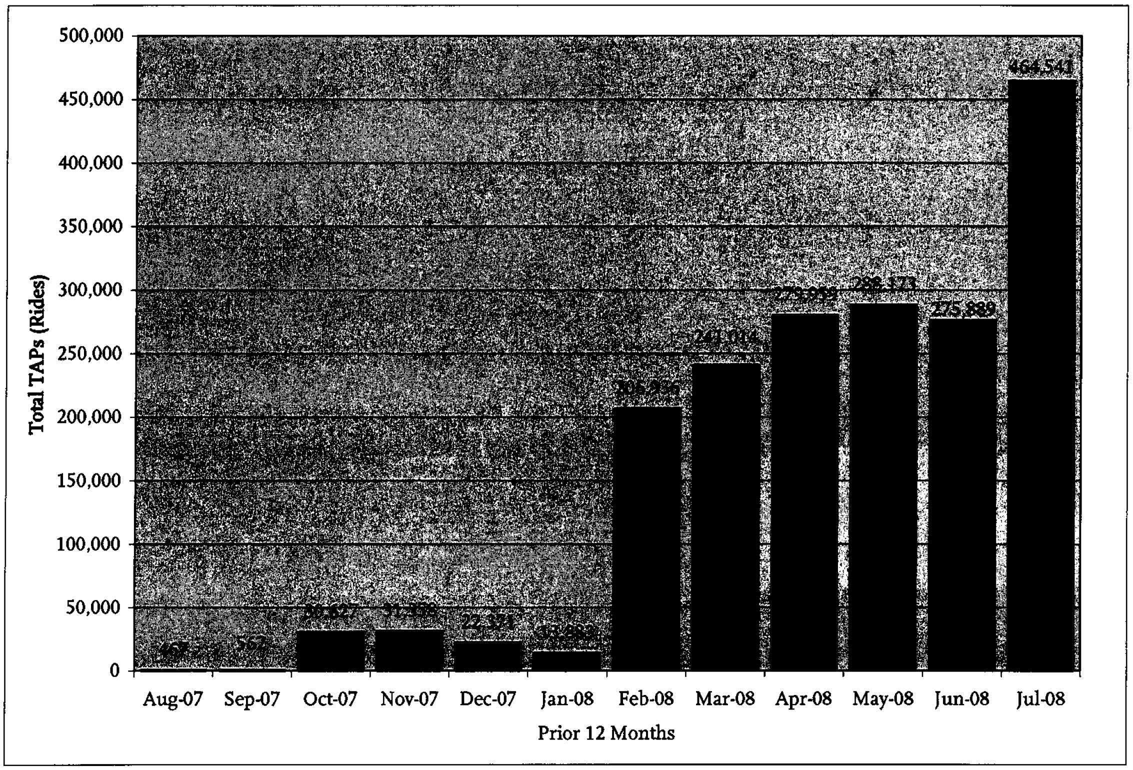
A and B-TAP activity has steadily increased over the life of the programs which began in 2006. Increases in sales combined with improved fare enforcement by rail fare inspectors and bus operators has also contributed to the increase in number of taps. Local employers have been receptive to special programs designed to attract their staff to public transit. This has been a "win – win" for the employees who get subsidy, and for employers who enjoy a tax credit.



Compared to the first seven months of 2007, there have been more than four times more taps of A/B-TAP passes in the first seven months of 2008 – 1,684,342 in 2008 compared to 298,655 in 2007. With 316,426 taps by A & B-TAP cardholders in July, the average number of taps per cardholder was 34.7 for the month.

Monthly Pass
October 2007 to July 2008

Monthly passes were first sold to the general public in February 2008, following completion of a customer pilot in October and November 2007. Additional sales locations were added over the past few months contributing to the growth in TAP activity.



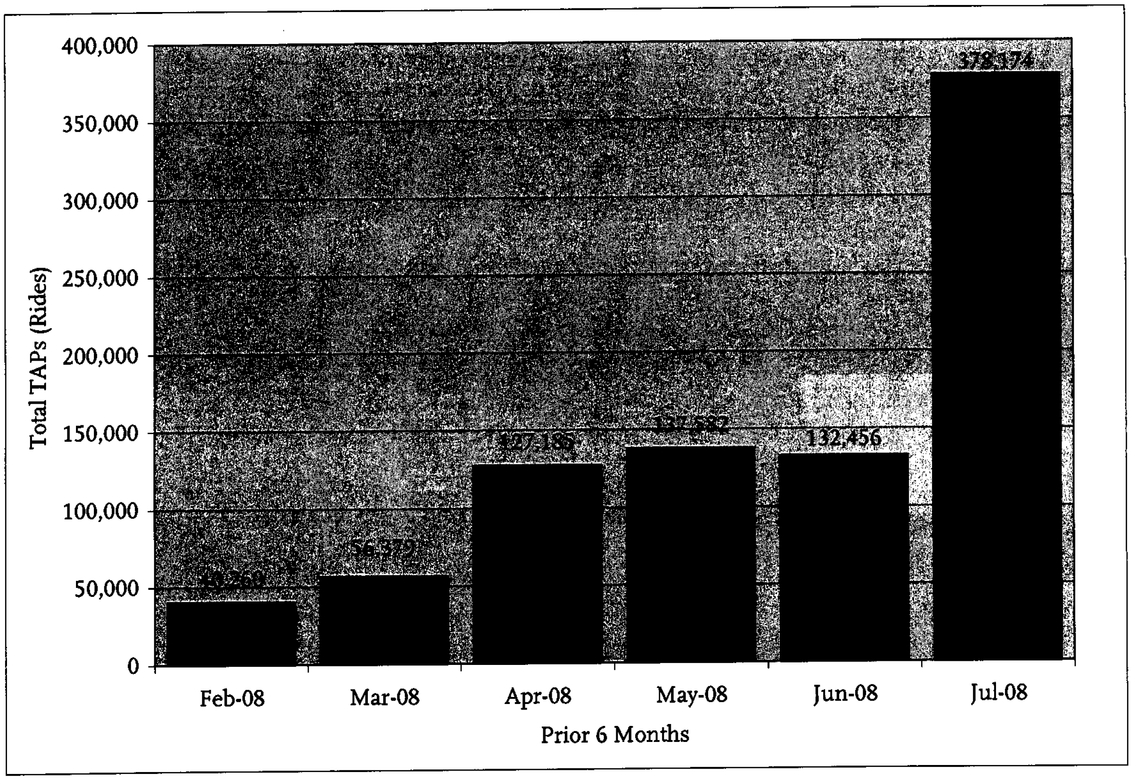
Penetration of TAP card holders will continue to show increase in card usage as more retail vendor outlets are converted from selling paper flash to TAP smart cards. With the cooperation of bus operators requiring patron tapping, we are beginning to see better data on how this group of pre-paid riders use Metro service. The trend in the number of TAPs per monthly pass has shown a continual increase since October. At 60.9 TAPs per card in July, the average revenue per TAP or ride was $1.02 for the TAP monthly pass cardholder.

	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08
Total Passes Sold	906	738	347	269	3,752	4,427	4,771	4,921	5,053	7,624
Number of TAPs	30,627	31,358	22,371	13,883	206,936	241,014	279,959	288,173	275,889	464,541
TAPs per Pass Sold	33.8	42.5	64.5	51.6	55.2	54.4	58.7	58.6	54.6	60.9
Revenue per TAP	$1.69	$1.34	$0.96	$1.20	$1.12	$1.14	$1.06	$1.06	$1.14	$1.02

Note: Monthly TAP passes were sold at a $5 discount in October and November 2007 as part of the customer pilot program.

Weekly Pass
February 2008 to July 2008

The first TAP weekly passes were sold at Metro Customer Centers on January 31, 2008 for the February sales period. The number of Weekly taps increased significantly in April 2008 with the addition of the first retail third party vendor location. The remaining downtown vendor locations began TAP sales in late June for the July sales period resulting in a nearly three-fold increase in the number of Weekly taps in July.

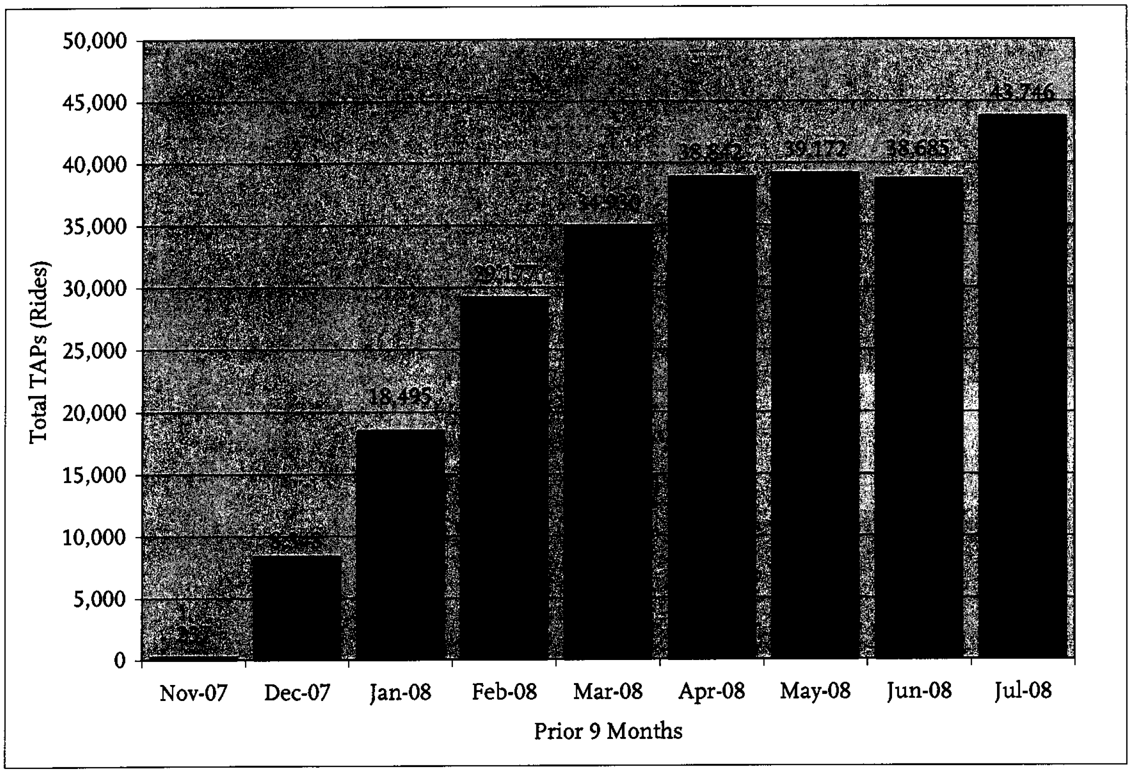


After a slight decline in the number of taps per Weekly pass in June, the average number of taps for a July weekly pass was 21.3. The average revenue per tap for the July weekly passes ranged from $0.76 in Week 28 to a high of $0.82 in Weeks 29 and 30. The average revenue per tap in Week 28 is the lowest since April, when this statistic was first reported, reflecting the overall increase in ridership on the Metro system.

	Validity Period	Week #	Total Passes Sold	Number of TAPs	TAPs per Pass Sold	Revenue per TAP
May	5/4/-5/10	19	1,542	31,349	20.3	$0.84
	5/11-5/17	20	1,609	32,153	20.0	$0.85
	5/18-5/24	21	1,492	31,357	21.0	$0.81
	5/25-5/31	22	1,416	27,188	19.2	$0.89
June	6/1-6/7	23	1,467	30,003	20.5	$0.83
	6/8-6/14	24	1,502	29,721	19.8	$0.86
	6/15-6/21	25	1,623	30,982	19.1	$0.89
	6/22-6/28	26	1,813	33,774	18.6	$0.91
	6/29-7/5	27	1,748	32,657	18.7	$0.91
July	7/6-7/12	28	3,664	82,049	22.4	$0.76
	7/13-7/19	29	4,360	90,455	20.7	$0.82
	7/20-7/26	30	4,871	100,828	20.7	$0.82
	7/27-8/2	31	5,236	111,386	21.3	$0.80

Retiree/Dependent Pass
November 2007 to July 2008

Metro's Retiree and Dependent badges were replaced with TAP badges beginning in November 2007. The number of TAPs made by retirees and dependents has been steadily increasing since deployment due to enforcement by bus operators requiring all badges to be tapped on board buses. Retiree/Dependent taps leveled off in May and June but increased significantly again in July (up 13%) reflecting overall ridership growth on the Metro system.

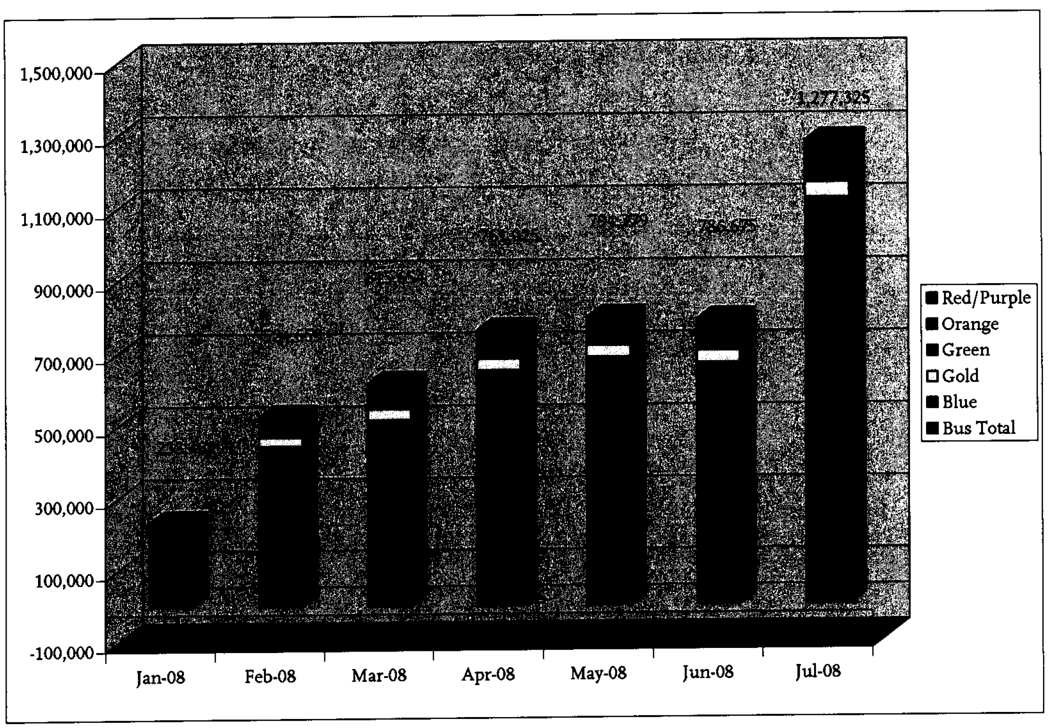


TAP Boardings by Mode
2008 Year to Date

The share of TAP activity, for all pass types, is greater on Metro Bus than Metro Rail by more than a 5 to 1 margin. In July, there were 1,083,077 taps on bus compared to 194,248 on rail. Each month, with increasing sales of Metro passes coupled with bus operator compliance to tapping, the recorded numbers of all taps by all modes, system-wide, has increased by more than five times since January 2008.

	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	YTD
Bus Total	***204,938***	***426,978***	***492,182***	***624,195***	***658,309***	***640,875***	***1,083,077***	***4,130,554***
Blue	6,248	16,988	21,717	25,085	25,205	25,703	36,508	157,454
Gold	3,946	24,100	30,839	33,624	33,896	35,330	42,261	203,996
Green	2,647	5,665	7,842	8,696	8,495	9,639	12,755	55,739
Orange	1,263	3,467	4,266	5,016	5,163	5,796	8,752	33,723
Red/Purple	14,440	47,461	58,808	64,409	63,311	69,332	93,972	411,733
Rail Subtotal	***28,544***	***97,681***	***123,472***	***136,830***	***136,070***	***145,800***	***194,248***	***862,645***
Total	233,482	524,659	615,654	761,025	794,379	786,675	1,277,325	4,993,199

More than 80% of current TAP card usage is recorded on Metro buses which mirrors our general ridership. Overall, TAP activity was up 62.3% in July compared to June due to a large increase in the number of TAP passes sold but also due to more taps made per pass as shown on the previous pages. This trend is consistent with overall ridership which was up 4.4% in July compared to June.

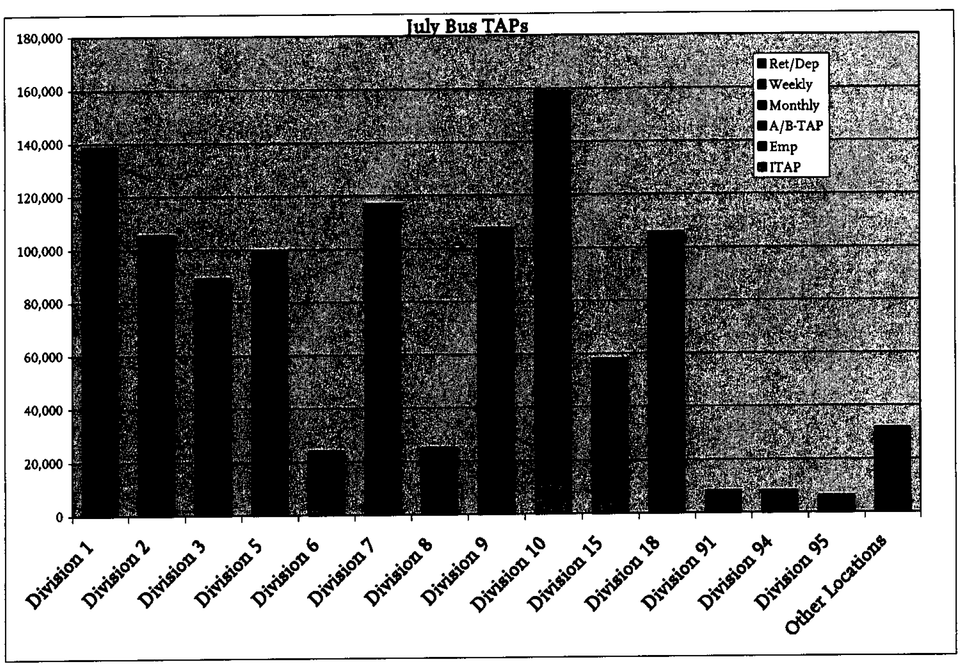


TAP Boardings by Bus Division
2008 Year to Date

Division 10 has experienced the most TAP activity since January 2008, with 15% of all bus TAP boardings. Divisions 7 and 9 are the second and third highest, respectively, for TAP activity. The pattern of TAP activity across the Metro Bus system is consistent with the downtown focus, to date, of the retail third party vendor network TAP conversion.

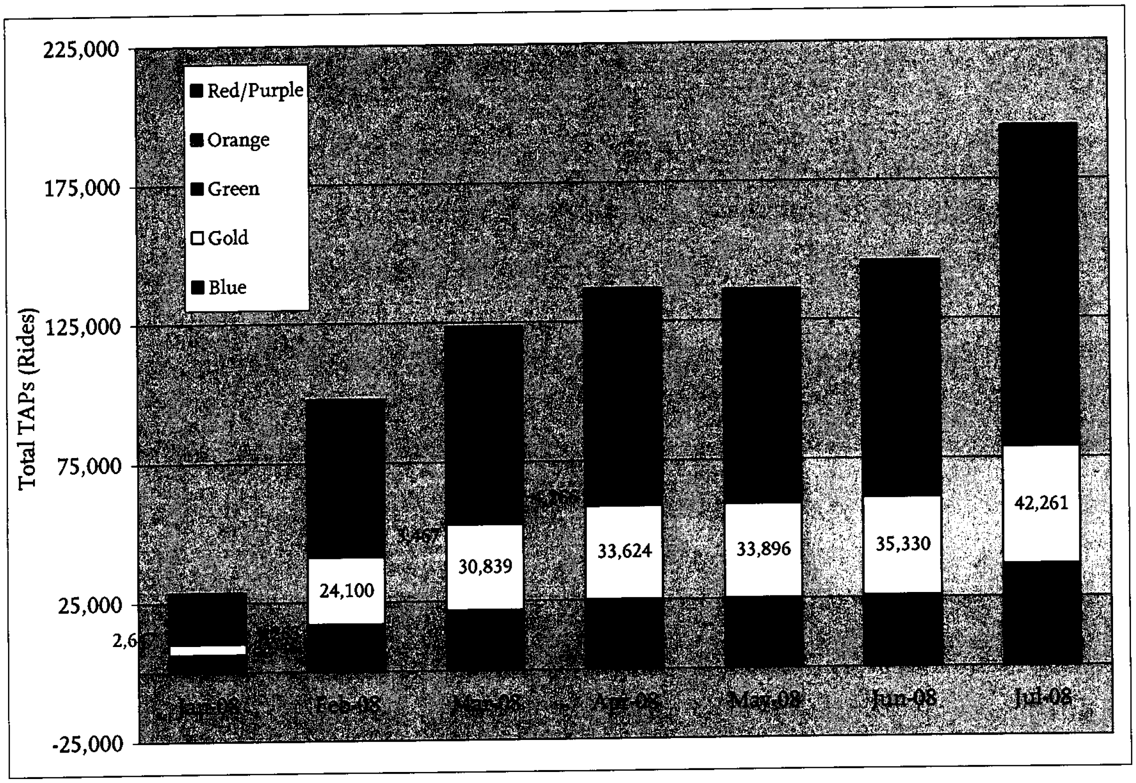
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	YTD	% Share YTD
Division 1	15,479	33,383	39,727	60,851	65,858	62,151	138,663	416,112	10.1%
Division 2	16,354	30,314	36,074	57,861	60,631	55,380	105,525	362,139	8.8%
Division 3	14,242	31,431	36,436	45,519	50,858	50,187	89,127	317,800	7.7%
Division 5	22,880	45,322	54,113	63,490	66,549	64,879	99,633	416,866	10.1%
Division 6	5,522	10,289	11,348	14,667	14,469	14,867	24,004	95,166	2.3%
Division 7	29,178	53,512	58,038	72,123	77,396	75,681	116,752	482,680	11.7%
Division 8	5,794	11,532	13,787	15,203	16,244	16,836	24,953	104,349	2.5%
Division 9	16,012	52,874	62,315	75,233	76,746	74,104	107,618	464,902	11.3%
Division 10	36,159	65,310	76,298	91,609	96,459	94,125	158,856	618,816	15.0%
Division 15	14,632	23,767	29,007	36,393	38,105	37,306	57,927	237,137	5.7%
Division 18	19,042	44,856	52,246	63,897	66,817	66,014	105,729	418,601	10.1%
Division 91	1,958	3,950	4,417	5,203	5,372	5,324	8,225	34,449	0.8%
Division 94	1,128	2,536	3,734	4,685	4,650	4,201	8,169	29,103	0.7%
Division 95	1,139	3,890	4,415	5,066	4,671	4,629	6,280	30,090	0.7%
Other Locations	5,419	14,012	10,227	12,395	13,484	15,191	31,616	102,344	2.5%
Bus Total	*204,938*	*426,978*	*492,182*	*624,195*	*658,309*	*640,875*	*1,083,077*	*4,130,554*	100.0%

Monthly and Weekly passes account for most TAP activity at all bus divisions with the exception of Division 5 where A/B-TAP activity exceeds Monthly and Weekly TAP activity.

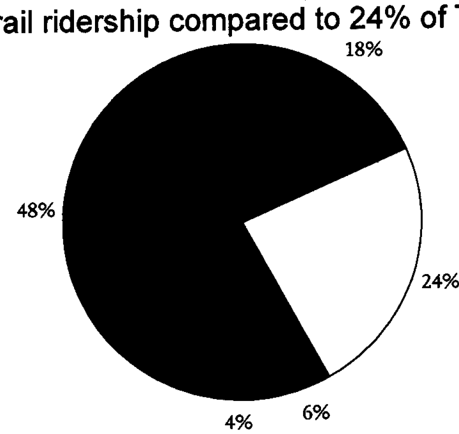


TAP Boardings by Rail Line
2008 Year to Date

On a line-by-line basis, the most Metro Rail taps were made on the Red/Purple Line with nearly 94,000 taps in July, followed by the Gold Line at 42,261 taps, and the Blue Line with 36,508 taps.



On a percentage basis, 48% of Metro Rail taps are made on the Red/Purple Line. Just 4% of rail TAP activity is made on the Orange Line. As the TAP vendor network is expanded, the shares of taps by rail line are expected to shift. For example, conversion of third party vendors in the San Fernando Valley to TAP sales would result in an increase in the share of taps on the Orange Line. Metro Red/Purple's monthly boardings in July accounted for 46% of total rail ridership compared to 48% of TAP rail ridership. Gold Line's monthly boardings in July accounted for 7.7% of total rail ridership compared to 24% of TAP rail ridership.



TAP Boardings as Share of Total System Ridership 2008 Year to Date

As the number of TAP sales locations increases with the conversion of the retail third party vendor network, overall increases in ridership, and improved enforcement of tapping, TAP ridership continues to account for an increasing share of overall Metro system ridership. Year to date, Metro TAP ridership has accounted for 1.76% of total system ridership. The highest month for TAP ridership was July with 2.92% of total system ridership.

Ridership by Mode

	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	YTD
Bus Total	**29,870,541**	**30,093,689**	**32,200,956**	**33,276,442**	**33,524,810**	**33,126,475**	**34,365,690**	**226,458,603**
Blue	1,921,491	1,912,432	2,116,966	2,073,158	2,140,559	2,236,345	2,389,420	14,790,371
Gold	514,896	501,672	596,436	594,108	628,451	694,364	724,010	4,253,937
Green	928,710	900,230	1,024,212	1,018,921	1,030,664	1,128,456	1,222,938	7,254,131
Orange	560,016	573,630	630,359	622,699	639,563	679,578	716,677	4,422,522
Red/Purple	3,427,051	3,361,425	3,927,133	3,672,546	3,825,866	4,043,402	4,321,396	26,578,819
Rail Subtotal	**7,352,164**	**7,249,389**	**8,295,106**	**7,981,432**	**8,265,103**	**8,782,145**	**9,374,441**	**57,299,780**
SYSTEM TOTAL	**37,222,705**	**37,343,078**	**40,496,062**	**41,257,874**	**41,789,913**	**41,908,620**	**43,740,131**	**283,758,383**

TAPs by Mode

	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	YTD
Bus Total	**204,938**	**426,978**	**492,182**	**624,195**	**658,309**	**640,875**	**1,083,077**	**4,130,554**
Blue	6,248	16,988	21,717	25,085	25,205	25,703	36,508	157,454
Gold	3,946	24,100	30,839	33,624	33,896	35,330	42,261	203,996
Green	2,647	5,665	7,842	8,696	8,495	9,639	12,755	55,739
Orange	1,263	3,467	4,266	5,016	5,163	5,796	8,752	33,723
Red/Purple	14,440	47,461	58,808	64,409	63,311	69,332	93,972	411,733
Rail Subtotal	**28,544**	**97,681**	**123,472**	**136,830**	**136,070**	**145,800**	**194,248**	**862,645**
SYSTEM TOTAL	**233,482**	**524,659**	**615,654**	**761,025**	**794,379**	**786,675**	**1,277,325**	**4,993,199**

TAPs as Share of Total Ridership by Mode

	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	YTD
Bus Total	**0.69%**	**1.42%**	**1.53%**	**1.88%**	**1.96%**	**1.93%**	**3.15%**	**1.82%**
Blue	0.33%	0.89%	1.03%	1.21%	1.18%	1.15%	1.53%	1.06%
Gold	0.77%	4.80%	5.17%	5.66%	5.39%	5.09%	5.84%	4.80%
Green	0.29%	0.63%	0.77%	0.85%	0.82%	0.85%	1.04%	0.77%
Orange	0.23%	0.60%	0.68%	0.81%	0.81%	0.85%	1.22%	0.76%
Red/Purple	0.42%	1.41%	1.50%	1.75%	1.65%	1.71%	2.17%	1.55%
Rail Subtotal	**0.39%**	**1.35%**	**1.49%**	**1.71%**	**1.65%**	**1.66%**	**2.07%**	**1.51%**
SYSTEM TOTAL	**0.63%**	**1.40%**	**1.52%**	**1.84%**	**1.90%**	**1.88%**	**2.92%**	**1.76%**

Source: Metro TAP data and Service Performance Analysis data for total ridership

Overall, the share of TAP ridership is higher on bus than rail. However, the highest share of combined system-wide bus and rail TAP ridership is on the Gold Line with 4.8% year to date and 5.84% in the month of July.

FARE ENFORCEMENT

Hand Held Validator (HHV) Activity
March to July 2008

Metro deployed the hand held validators (HHVs) for inspecting and validating TAP cards on the Metro rail system in March 2008. HHVs determine whether a TAP card was tapped for the current ride the cardholder is taking by comparing the last tap location of the card against the line/route (e.g., Red Line) programmed into the HHV by the fare inspector. The HHVs are used primarily on the rail system, including the Orange Line.

	Mar-08	Apr-08	May-08	Jun-08	Jul-08
Valid Reads	651	351	123	405	586
Invalid Reads	605	311	162	458	366
Total Reads	1,256	662	285	863	952
% Valid Reads	52%	53%	43%	47%	62%
Number of Inspectors	31	20	16	27	25
Reads/Inspector	40.5	33.1	17.8	32.0	38.1

The number of inspected TAP cards declined from 1,256 to 285 from March to May, but increased in June and again in July when 952 cards were inspected. The number of fare inspectors using the HHV device decreased slightly in July, but the number of cards inspected per inspector increased to 38.1.

The number of valid reads increased to 62% in July, following an average of 50% in the previous four months. The "invalid" reads recorded by the HHV reflects the need to further train customers that each rail ride requires the TAP card to be tapped at a rail validator or TVM. The cards are not "invalid"; rather, the customer requires better customer information when riding rail with TAP cards. Unlike the paper monthly or weekly pass, the TAP monthly or weekly pass must be tapped on the system in order to be validated for the ride. Customers are simply accustomed to boarding Metro Rail and having a valid pass in their possession – the concept of tapping that pass is a new one.

Additionally, HHVs will only get a valid read if the HHV is properly set for the line/route on which it is being used. If a fare inspector is inspecting on the Red Line, but the HHV is set to read the Gold Line, all inspected cards will be read as "invalid". The HHV can further read the card to determine whether a valid pass is held on the card even if the card was not tapped for the current trip and/or if the HHV is incorrectly set to the wrong line. It is expected that, over time, as both fare inspectors and TAP cardholders become more familiar with the use of TAP cards on rail, the share of valid TAP card reads by HHVs will increase significantly. Customer education through increased patron information materials and reinforcement of fare inspector training is essential.

Unclassified Fares by Division
July 2008

The classification of cash fares collected in fareboxes serves as an important means to analyze Metro ridership. TAP cards, and the future activation of the "debit" purse, will help automate and ameliorate approximately $2 million per month of fare revenue not associated to a type of fare (one way, day pass, zones, etc.) or type of rider (regular, senior, disabled, student, etc.)

Unclassified revenue, defined as currency plus tokens deposited into a farebox but not associated with a type of fare (e.g, regular full fare, senior/disabled off-peak, zone upcharge), accounted for 16.6% of farebox revenue in the month of July, down from 17% in June. The highest rate of unclassified revenue occurred at Division 95 (contract operations) with a 30.5% unclassified rate, followed by Division 5 with 23.4% unclassified revenue. The lowest rate of unclassified revenue occurred at the remaining two contract divisions with 11.8% at Division 91 and 12.9% at Division 94. The lowest rate of unclassified revenue among Metro operated divisions was 12.9% at Division 15. Of important note, however, is the volume of ridership relative to the total amount of revenue collected on a route and the impacts to fare classification. Further analysis is on-going to determine if load factor, distance of routes, operator assignment, time of day, etc., have any significant effects on fare classification.

Division	Total Revenue	Unclassified Revenue	% Unclassified	Total Revenue	Unclassified Revenue	% Unclassified	Total Revenue	Unclassified Revenue	% Unclassified
	Jul-08			*Jun-08*			*May-08*		
Division 1	$1,425,444	$186,581	13.1%	$1,354,469	$179,068	13.2%	$1,349,847	$171,358	12.7%
Division 2	$1,216,591	$191,139	15.7%	$1,182,246	$182,033	15.4%	$1,247,919	$194,608	15.6%
Division 3	$1,097,044	$184,491	16.8%	$1,009,426	$172,638	17.1%	$1,018,371	$173,513	17.0%
Division 5	$1,343,552	$314,664	23.4%	$1,300,035	$327,490	25.2%	$1,309,009	$325,936	24.9%
Division 6	$218,997	$43,347	19.8%	$203,634	$40,398	19.8%	$193,930	$37,469	19.3%
Division 7	$1,079,954	$199,986	18.5%	$1,047,572	$198,327	18.9%	$1,018,325	$193,624	19.0%
Division 8	$940,117	$121,768	13.0%	$864,640	$111,950	12.9%	$872,927	$109,622	12.6%
Division 9	$1,356,615	$197,962	14.6%	$1,358,287	$200,235	14.7%	$1,336,427	$187,978	14.1%
Division 10	$1,351,144	$224,831	16.6%	$1,153,914	$197,141	17.1%	$1,119,343	$183,217	16.4%
Division 15	$1,612,776	$208,551	12.9%	$1,551,864	$207,711	13.4%	$1,576,418	$192,861	12.2%
Division 18	$1,585,948	$304,120	19.2%	$1,491,335	$283,583	19.0%	$1,509,155	$286,500	19.0%
Division 91	$444,389	$52,486	11.8%	$405,793	$46,624	11.5%	$404,661	$45,173	11.2%
Division 94	$146,954	$18,898	12.9%	$135,631	$15,846	11.7%	$142,476	$15,796	11.1%
Division 95	$178,900	$54,570	30.5%	$167,554	$53,188	31.7%	$174,283	$51,365	29.5%
Other Locations (	$4,941,856	$838,995	17.0%	$2,595,213	$468,714	18.1%	$1,519,506	$257,108	16.9%
TOTAL	$18,940,282	$3,142,390	16.6%	$15,821,613	$2,684,945	17.0%	$14,792,596	$2,426,130	16.4%

Note: Other Locations includes OCI Training buses and fareboxes previously in for repair but not correctly assigned to their Division when returned to service.

The following pages provide details by sector and division of unclassified revenue, highlighting the top five routes by highest amount of unclassified revenue and the highest rate of unclassified revenue (unclassified revenue as a percentage of total revenue). Two significant factors impacted the top five routes for share of unclassified revenue by Division in July. First, operator shake-up at the end of June resulted in many operators changing Divisions and/or route assignments, thus impacting unclassified revenue per route and per Division. Second, as the total amount of revenue collected in July increased, more routes collected at least $1,000 in revenue and, therefore, became eligible for inclusion in the top five for share of unclassified revenue in July. As a result, there was significant turnover in the top five routes for share of unclassified revenue from June to July.

Unclassified Fares – Gateway Cities
Divisions 1 & 2
June and July 2008

The top four routes, by value, did not change from June to July for Division 1, though Route 53 replaced Route 16 as the fifth highest amount of unclassified revenue. For Division 2, the top five routes remained the same.

The highest rate of unclassified revenue by route shifted for Division 1 from 38.8% on Route 206 in June to 47.9% on Route 2 in July. Only Route 207 remained in the top five from June to July. Note Routes 2 and 115 are new to the top five list and collected just over $1,000 in revenue. At Division 2, the highest rate decreased from 42.2% on Route 2 to 30.2% on Route 18 in July. Only Route 2 remained in the top five from June to July.

Sorted by Highest Value				Sorted by Highest Percentage			
Route	Total Revenue	Unclassified Revenue	% Unclassified	Route	Total Revenue	Unclassified Revenue	% Unclassified
Division 1							
Jul-08							
Route 18	$255,150.94	$29,263.02	11.5%	Route 2 West	$1,056.65	$505.61	47.9%
Route 60	$203,276.65	$27,593.66	13.6%	Route 207	$2,924.43	$1,285.73	44.0%
Route 45	$223,264.17	$24,588.58	11.0%	Route 710	$7,770.66	$2,479.06	31.9%
Route 460	$90,628.58	$20,025.78	22.1%	Route 115	$1,052.22	$321.26	30.5%
Route 53	$161,612.57	$17,915.44	11.1%	Route 108	$1,455.92	$442.51	30.4%
Jun-08							
Route 18	$243,953.63	$30,390.55	12.5%	Route 206	$1,483.13	$575.34	38.8%
Route 60	$187,899.27	$25,759.78	13.7%	Route 207	$2,400.23	$822.77	34.3%
Route 45	$214,500.46	$24,767.25	11.5%	Route 110	$1,828.17	$550.24	30.1%
Route 460	$86,486.91	$19,178.12	22.2%	Route 111	$1,577.85	$399.90	25.3%
Route 16	$97,216.30	$13,444.69	13.8%	Route 460	$86,486.91	$19,178.12	22.2%
Division 2							
Jul-08							
Route 26	$339,056.60	$50,931.38	15.0%	Route 18	$5,549.71	$1,673.97	30.2%
Route 66	$217,205.97	$28,906.10	13.3%	Route 2 West	$1,158.35	$317.01	27.4%
Route 55	$151,915.29	$21,674.66	14.3%	Route 446	$1,284.69	$319.73	24.9%
Route 105	$127,676.80	$21,380.67	16.7%	Route 102	$26,022.27	$6,233.05	24.0%
Route 200	$113,389.93	$19,419.04	17.1%	Route 920	$6,436.76	$1,533.19	23.8%
Jun-08							
Route 26	$339,074.60	$48,132.95	14.2%	Route 2 West	$1,013.09	$427.57	42.2%
Route 66	$198,789.92	$28,868.78	14.5%	Route 710	$2,694.66	$619.82	23.0%
Route 55	$153,049.74	$25,870.82	16.9%	Route 120	$1,677.64	$384.04	22.9%
Route 105	$132,055.82	$21,422.90	16.2%	Route 60	$16,354.92	$3,477.96	21.3%
Route 200	$113,686.06	$19,131.23	16.8%	Route 55	$153,049.74	$25,870.82	16.9%

Only routes with a minimum of $1,000 in revenue collected are considered in tabulating the unclassified revenue data. There may be routes with higher rates of unclassified revenue than shown in the table above; however, these routes collected less than $1,000 in revenue.

Unclassified Fares – San Fernando Valley
Divisions 8 & 15
June and July 2008

For Division 8, Routes 165 and 166 replaced Routes 750 and 245 in the "top five" category from June to July. At Division 15, Route 234 replaced Route 165 in the top five. The route with the highest amount of unclassified revenue remained unchanged from May to June – Route 150 at Division 8, and Route 233 at Division 15.

The highest rate of unclassified revenue went down at Division 8 from 54.3% on Route 240 in June to 36% on Route 207 in July. Only Route 645 remained in the top five from June to July. At Division 15, the highest rate of 24.4% on Route 158 in June increased to 34.6% on Route 55 in July. None of the top five routes in July were in the top five for June. Note that the top five in July earned less revenue than the top five in June.

Sorted by Highest Value				Sorted by Highest Percentage			
Route	Total Revenue	Unclassified Revenue	% Unclassified	Route	Total Revenue	Unclassified Revenue	% Unclassified
Division 8							
Jul-08							
Route 150	$150,421.84	$17,319.30	11.5%	Route 207	$5,943.28	$2,138.76	36.0%
Route 152	$130,430.68	$16,696.57	12.8%	Route 206	$1,426.11	$453.35	31.8%
Route 163	$83,719.97	$10,344.55	12.4%	Route 734	$3,037.98	$901.38	29.7%
Route 165	$111,450.24	$10,335.99	9.3%	Route 645	$13,475.42	$3,099.59	23.0%
Route 166	$87,531.10	$8,806.47	10.1%	Route 224	$1,219.13	$253.26	20.8%
Jun-08							
Route 150	$137,603.04	$19,443.34	14.1%	Route 240	$1,013.56	$550.46	54.3%
Route 152	$140,528.79	$15,680.18	11.2%	Route 243	$29,683.84	$6,658.49	22.4%
Route 163	$100,430.23	$13,790.29	13.7%	Route 645	$8,704.18	$2,084.04	23.9%
Route 750	$54,812.70	$7,922.06	14.5%	Route 236	$15,274.87	$3,082.28	20.2%
Route 245	$63,638.33	$7,012.42	11.0%	Route 741	$27,527.27	$4,656.31	16.9%
Division 15							
Jul-08							
Route 233	$235,765.26	$33,691.23	14.3%	Route 55	$2,061.19	$712.74	34.6%
Route 761	$144,228.80	$18,136.02	12.6%	Route 460	$3,467.60	$991.48	28.6%
Route 234	$111,678.93	$17,809.76	15.9%	Route 66	$2,352.01	$645.63	27.5%
Route 224	$114,970.32	$15,023.33	13.1%	Route 53	$1,009.16	$263.71	26.1%
Route 94	$125,382.57	$13,786.43	11.0%	Route 155	$11,116.76	$2,474.26	22.3%
Jun-08							
Route 233	$246,877.13	$33,497.49	13.6%	Route 158	$1,928.00	$470.18	24.4%
Route 94	$128,302.98	$16,123.50	12.6%	Route 734	$36,765.76	$8,201.87	22.3%
Route 165	$89,946.78	$15,190.84	16.9%	Route 164	$60,953.38	$12,487.15	20.5%
Route 224	$130,646.67	$14,231.48	10.9%	Route 183	$24,635.65	$4,415.56	17.9%
Route 761	$126,245.10	$13,584.24	10.8%	Route 92	$63,007.00	$10,931.64	17.3%

Only routes with a minimum of $1,000 in revenue collected are considered in tabulating the unclassified revenue data. There may be routes with higher rates of unclassified revenue than shown in the table above; however, these routes collected less than $1,000 in revenue.

Unclassified Fares – San Gabriel Valley
Divisions 3 & 9
June and July 2008

Routes 180 and 83 replaced Routes 780 and 84 in the top five category for the highest amount of unclassified revenue at Division 3 from June to July. At Division 9, the top five routes remained unchanged although the ordering of the second through fifth routes changed slightly.

The highest rate of unclassified revenue increased from 29.1% on Route 201 in June to 50.7% on Route 2 in July. The highest rate of unclassified revenue increased from 32% on Route 740 in June to 34.6% on Route 220 in July. Overall, the top five for share of unclassified revenue occurred on lower revenue routes in July compared to June. This is particularly evident at Division 3 where three of the top five routes collected just over $1,000 in revenue.

Sorted by Highest Value				Sorted by Highest Percentage			
Route	Total Revenue	Unclassified Revenue	% Unclassified	Route	Total Revenue	Unclassified Revenue	% Unclassified
Division 3							
Jul-08							
Route 81	$224,455.12	$35,497.32	15.8%	Route 2 West	$1,016.48	$515.04	50.7%
Route 206	$102,136.13	$18,218.51	17.8%	Route 444	$1,062.44	$398.08	37.5%
Route 180	$104,222.84	$15,863.11	15.2%	Route 66	$1,715.21	$626.49	36.5%
Route 251	$121,640.78	$15,262.45	12.5%	Route 550	$1,021.24	$292.73	28.7%
Route 83	$62,013.68	$14,864.02	24.0%	Route 711	$19,923.07	$5,608.54	28.2%
Jun-08							
Route 81	$211,879.60	$35,742.11	16.9%	Route 201	$9,157.04	$2,664.04	29.1%
Route 780	$76,036.71	$20,698.78	27.2%	Route 175	$8,598.63	$1,920.16	22.3%
Route 251	$129,804.16	$19,158.86	14.8%	Route 164	$1,569.16	$461.53	29.4%
Route 84	$104,138.70	$16,231.84	15.6%	Route 780	$76,036.71	$20,698.78	27.2%
Route 206	$61,282.29	$12,640.19	20.6%	Route 685	$5,745.32	$1,261.64	22.0%
Division 9							
Jul-08							
Route 484	$165,161.93	$32,502.39	19.7%	Route 220	$1,188.01	$410.71	34.6%
Route 70	$154,185.97	$23,207.00	15.1%	Route 534	$2,267.97	$774.38	34.1%
Route 260	$179,095.97	$19,910.41	11.1%	Route 485	$13,464.37	$4,031.67	29.9%
Route 76	$122,447.47	$19,538.96	16.0%	Route 730	$1,416.77	$379.49	26.8%
Route 78	$154,019.44	$16,850.92	10.9%	Route 920	$1,235.27	$315.98	25.6%
Jun-08							
Route 484	$166,634.70	$31,666.94	19.0%	Route 740	$1,938.06	$620.03	32.0%
Route 260	$215,179.81	$28,029.02	13.0%	Route 665	$9,547.23	$2,934.40	30.7%
Route 70	$153,838.56	$22,882.02	14.9%	Route 40	$2,466.53	$710.84	28.8%
Route 78	$143,628.72	$17,267.58	12.0%	Route 757	$2,029.49	$536.53	26.4%
Route 76	$115,020.73	$15,029.79	13.1%	Route 484	$166,634.70	$31,666.94	19.0%

Only routes with a minimum of $1,000 in revenue collected are considered in tabulating the unclassified revenue data. There may be routes with higher rates of unclassified revenue than shown in the table above; however, these routes collected less than $1,000 in revenue.

Unclassified Fares – South Bay
Divisions 5 & 18
June and July 2008

The top five routes for highest amount of unclassified revenue remained unchanged for Division 5 from June to July, though Routes 754 and 207 switched places as the second and third highest, respectively. For Division 18, Route 115 replaced Route 212 in July as the fifth highest route for total amount of unclassified revenue.

At Division 5, Routes 204, 757, and 207 remained in the top five for the highest rate of unclassified revenue. Routes 4 and 206 were replaced by Routes 305 and 110 in July. The highest rate of unclassified revenue decreased at Division 5 from 32.8% in June on Route 204 to 28.3% on Route 305 in July. At Division 18, Routes 445 and 33 were among the top five for the highest rate of unclassified revenue in both June and July. The highest rate of unclassified revenue increased from 34.7% on Route 305 in June to 42.2% on Route 450 in July.

Sorted by Highest Value				Sorted by Highest Percentage			
Route	Total Revenue	Unclassified Revenue	% Unclassified	Route	Total Revenue	Unclassified Revenue	% Unclassified
Division 5							
Jul-08							
Route 204	$250,982.90	$65,250.95	26.0%	Route 305	$15,919.55	$4,505.52	28.3%
Route 207	$172,705.89	$46,268.08	26.8%	Route 110	$139,098.89	$38,004.04	27.3%
Route 754	$221,819.52	$42,430.55	19.1%	Route 207	$172,705.89	$46,268.08	26.8%
Route 108	$190,045.95	$41,651.59	21.9%	Route 757	$104,659.44	$27,753.77	26.5%
Route 110	$139,098.89	$38,004.04	27.3%	Route 204	$250,982.90	$65,250.95	26.0%
Jun-08							
Route 204	$256,865.30	$84,333.94	32.8%	Route 204	$256,865.30	$84,333.99	32.8%
Route 754	$209,643.43	$45,714.65	21.8%	Route 757	$100,851.87	$28,011.05	27.8%
Route 207	$137,319.67	$35,945.37	26.2%	Route 4 West	$4,343.53	$1,160.71	26.7%
Route 108	$187,875.66	$34,820.68	18.5%	Route 206	$107,679.63	$28,648.75	26.6%
Route 110	$131,552.85	$33,617.03	25.6%	Route 207	$137,319.67	$35,945.37	26.2%
Division 18							
Jul-08							
Route 40	$227,151.39	$39,051.42	17.2%	Route 450	$9,188.36	$3,881.91	42.2%
Route 111	$233,409.70	$34,540.20	14.8%	Route 126	$3,140.79	$1,220.15	38.8%
Route 210	$157,849.89	$30,229.72	19.2%	Route 33	$2,021.98	$718.39	35.5%
Route 117	$149,232.32	$27,164.86	18.2%	Route 724	$9,014.90	$3,121.33	34.6%
Route 115	$94,632.17	$19,591.97	20.7%	Route 445	$25,778.19	$8,158.37	31.6%
Jun-08							
Route 111	$211,395.88	$34,170.01	16.2%	Route 305	$12,891.86	$4,470.94	34.7%
Route 40	$170,678.51	$33,322.09	19.5%	Route 445	$23,680.70	$6,927.32	29.3%
Route 210	$151,135.04	$27,411.68	18.1%	Route 33	$1,097.81	$314.60	28.7%
Route 117	$147,770.49	$24,855.54	16.8%	Route 442	$2,429.83	$669.17	27.5%
Route 212	$81,338.99	$16,518.28	20.3%	Route 120	$28,535.95	$7,559.71	26.5%

Only routes with a minimum of $1,000 in revenue collected are considered in tabulating the unclassified revenue data. There may be routes with higher rates of unclassified revenue than shown in the table above; however, these routes collected less than $1,000 in revenue.

Unclassified Fares – Westside/Central Divisions 6, 7 & 10 June and July 2008

The top five routes for the highest amount of unclassified revenue at Division 6 remained unchanged from June to July although the ordering of the third through fifth routes shifted slightly. At Division 7, the top five routes also remained unchanged though the ordering for the second through fifth positions shifted. At Division 10, Route 2 replaced Route 30.

At Division 6, the highest rate of unclassified revenue decreased from 36.6% on Route 2 in June to 24.4% on Route 20 in July but the routes in the top five were unchanged. Routes 220, 740, and 108 were new to the top five in June, replacing Routes 550, 207, and 20 from the June top five at Division 7. At Division 10, the top five routes changed completely from June to July with the highest rate of unclassified revenue decreasing from 27% in June on Route 204 to 25.6% on Route 14 in July. For Divisions 7 and 10, note the higher number of lower revenue routes in the top five.

Only routes with a minimum of $1,000 in revenue collected are considered in tabulating the unclassified revenue data. There may be routes with higher rates of unclassified revenue than shown in the table above; however, these routes collected less than $1,000 in revenue.

Sorted by Highest Value				Sorted by Highest Percentage			
Route	Total Revenue	Unclassified Revenue	% Unclassified	Route	Total Revenue	Unclassified Revenue	% Unclassified
Division 6							
Jul-08							
Route 33	$85,001.74	$18,060.09	21.2%	Route 20	$38,147.45	$9,289.50	24.4%
Route 20	$38,147.45	$9,289.50	24.4%	Route 534	$15,035.16	$3,372.74	22.4%
Route 2 West	$46,330.66	$8,315.92	17.9%	Route 33	$85,001.74	$18,060.09	21.2%
Route 30	$31,279.10	$3,925.32	12.5%	Route 2 West	$46,330.66	$8,315.92	17.9%
Route 534	$15,035.16	$3,372.74	22.4%	Route 30	$31,279.10	$3,925.32	12.5%
Jun-08							
Route 33	$92,465.25	$18,125.39	19.6%	Route 2 West	$2,214.34	$809.87	36.6%
Route 20	$45,363.26	$10,218.78	22.5%	Route 534	$9,626.84	$3,001.87	31.2%
Route 30	$51,477.07	$7,828.17	15.2%	Route 20	$45,363.26	$10,218.78	22.5%
Route 534	$9,626.84	$3,001.87	31.2%	Route 33	$92,465.25	$18,125.39	19.6%
Route 2 West	$2,214.34	$809.87	36.6%	Route 30	$51,477.07	$7,828.17	15.2%
Division 7							
Jul-08							
Route 14	$141,913.62	$29,370.10	20.7%	Route 220	$2,716.33	$912.12	33.6%
Route 704	$143,639.51	$26,032.46	18.1%	Route 534	$25,639.40	$8,389.00	32.7%
Route 16	$135,802.20	$25,569.46	18.8%	Route 740	$1,402.90	$410.57	29.3%
Route 10	$139,927.95	$22,555.79	16.1%	Route 108	$1,221.39	$321.26	26.3%
Route 2 West	$79,361.09	$15,272.90	19.2%	Route 305	$13,920.21	$3,422.30	24.6%
Jun-08							
Route 14	$182,454.38	$35,639.58	19.5%	Route 550	$23,604.69	$6,930.36	29.4%
Route 16	$132,816.17	$30,354.63	22.9%	Route 534	$33,155.97	$9,393.13	28.3%
Route 704	$132,715.79	$21,194.79	16.0%	Route 305	$16,811.17	$4,416.36	26.3%
Route 2 West	$97,825.30	$16,652.76	17.0%	Route 207	$1,009.88	$274.66	27.2%
Route 10	$82,534.52	$14,986.22	18.2%	Route 20	$2,815.20	$682.60	24.2%
Division 10							
Jul-08							
Route 720	$384,206.83	$70,862.98	18.4%	Route 14	$7,343.77	$1,877.74	25.6%
Route 4 West	$212,846.13	$41,808.77	19.6%	Route 233	$18,947.94	$4,968.13	26.2%
Route 33	$220,363.09	$27,097.53	12.3%	Route 252	$1,838.66	$454.31	24.7%
Route 30	$149,844.12	$21,580.55	14.4%	Route 710	$3,449.46	$978.70	28.4%
Route 20	$88,949.24	$13,432.71	15.1%	Route 83	$1,309.53	$308.55	23.6%
Jun-08							
Route 720	$339,512.20	$62,203.13	18.3%	Route 204	$9,242.10	$2,493.52	27.0%
Route 4 West	$206,387.18	$40,507.52	19.6%	Route 40	$28,662.34	$5,727.34	20.0%
Route 33	$209,374.57	$30,281.50	14.5%	Route 4 West	$206,387.18	$40,507.52	19.6%
Route 2 West	$97,518.79	$16,141.25	16.6%	Route 720	$339,512.20	$62,203.13	18.3%
Route 20	$92,914.57	$14,974.35	16.1%	Route 734	$4,601.33	$770.23	16.7%

Unclassified Fares – Contract Divisions June and July 2008

Route 657 replaced Route 626 in the top five for total amount of unclassified revenue at Division 91 from June to July. The top five routes at both Divisions 94 and 95 remained unchanged.

At Division 91, the highest rate of unclassified revenue decreased from 82% on Route 625 in June to 62% on Route 667 in July. Route 218 continued to have the highest rate of unclassified revenue in June at Division 94, up to 30.2% in July from 24.7% in May. Route 605 had the highest rate of unclassified revenue in both June and July at Division 95.

Only routes with a minimum of $1,000 in revenue collected are considered in tabulating the unclassified revenue data. There may be routes with higher rates of unclassified revenue than shown in the table above; however, these routes collected less than $1,000 in revenue.

Sorted by Highest Value				Sorted by Highest Percentage			
Route	Total Revenue	Unclassified Revenue	% Unclassified	Route	Total Revenue	Unclassified Revenue	% Unclassified
Division 91 - First Transit							
Jul-08							
Route 232	$149,370.37	$18,518.13	12.4%	Route 657	$9,980.85	$6,187.25	62.0%
Route 125	$120,676.99	$11,506.39	9.5%	Route 214	$2,393.43	$1,318.67	55.1%
Route 657	$9,980.85	$6,187.25	62.0%	Route 625	$1,312.53	$646.01	49.2%
Route 205	$69,518.40	$6,178.30	8.9%	Route 125	$120,676.99	$11,506.39	9.5%
Route 130	$62,722.50	$5,018.32	8.0%	Route 125	$120,676.99	$11,506.39	9.5%
Jun-08							
Route 232	$134,640.67	$12,883.41	9.6%	Route 625	$1,189.40	$975.12	82.0%
Route 125	$116,025.70	$11,184.28	9.6%	Route 657	$4,826.80	$3,404.60	70.5%
Route 130	$56,218.96	$6,696.69	11.9%	Route 214	$2,497.86	$1,193.61	47.8%
Route 205	$64,020.22	$5,912.87	9.2%	Route 128	$23,417.75	$3,261.02	13.9%
Route 626	$4,826.80	$3,404.60	70.5%	Route 130	$56,218.96	$6,696.69	11.9%
Division 94 - Transportation Concepts							
Jul-08							
Route 603	$71,717.84	$7,652.95	10.7%	Route 218	$9,613.62	$2,900.91	30.2%
Route 96	$31,725.60	$4,076.89	12.9%	Route 634	$2,364.02	$464.46	19.6%
Route 167	$26,801.31	$3,152.10	11.8%	Route 177	$4,647.92	$644.23	13.9%
Route 218	$9,613.62	$2,900.91	30.2%	Route 96	$31,725.60	$4,076.89	12.9%
Route 177	$4,647.92	$644.23	13.9%	Route 167	$26,801.31	$3,152.10	11.8%
Jun-08							
Route 603	$70,305.77	$7,061.62	10.0%	Route 218	$6,831.95	$1,685.95	24.7%
Route 96	$28,622.79	$3,284.00	11.5%	Route 634	$2,107.23	$404.26	19.2%
Route 167	$23,399.37	$2,793.97	11.9%	Route 177	$3,958.35	$555.49	14.0%
Route 218	$6,831.95	$1,685.95	24.7%	Route 167	$23,399.37	$2,793.97	11.9%
Route 177	$3,958.35	$555.49	14.0%	Route 96	$28,622.79	$3,284.00	11.5%
Division 95 - Southland Transit							
Jul-08							
Route 605	$26,915.66	$17,284.54	64.2%	Route 605	$26,915.66	$17,284.54	64.2%
Route 266	$75,935.95	$14,986.35	19.7%	Route 254	$10,790.97	$5,214.56	48.3%
Route 256	$23,818.84	$11,490.62	48.2%	Route 256	$23,818.84	$11,490.62	48.2%
Route 254	$10,790.97	$5,214.56	48.3%	Route 266	$75,935.95	$14,986.35	19.7%
Route 270	$28,058.38	$3,481.81	12.4%	Route 577	$12,953.62	$1,928.27	14.9%
Jun-08							
Route 605	$25,712.36	$18,608.62	72.4%	Route 605	$25,712.36	$18,608.62	72.4%
Route 266	$67,474.01	$13,482.30	20.0%	Route 256	$23,521.94	$11,096.85	47.2%
Route 256	$23,521.94	$11,096.85	47.2%	Route 254	$9,079.15	$4,106.43	45.2%
Route 254	$9,079.15	$4,106.43	45.2%	Route 266	$67,474.01	$13,482.30	20.0%
Route 270	$28,744.90	$3,604.45	12.5%	Route 577	$12,374.45	$2,132.22	17.2%

TAP SALES

TAP Product Sales Summary

Four Metro pass products are now sold on TAP cards. The regular Metro monthly (including zones) and weekly passes became available to the general public at the end of January 2008 for the February pass period. Currently, the TAP versions of the monthly and weekly pass are available at Metro's four Customers Centers, Foothill Transit Stores, the LADOT Transit Store, and Downtown and Wilshire vendor locations. At these locations, the paper versions of the monthly and weekly passes are no longer available. As of the end of July (for August pass sales), a total of 73 pass sales locations had been converted to TAP including those identified above and third party vendors in the Downtown and Wilshire Corridor regions.

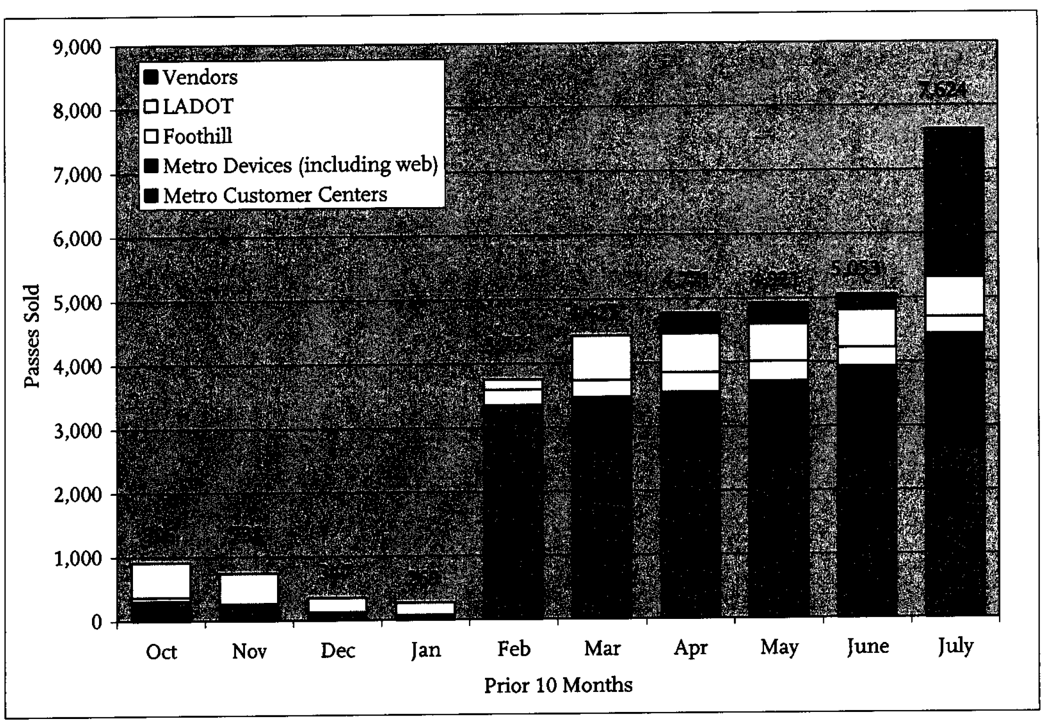
The other two types of passes currently available on TAP are exclusive to the TAP card (i.e., not available in a paper format) and are available as part of Metro Commute Services programs to employers and select educational institutions. The A-TAP and B-TAP programs provide annual passes to area employers for their employees. Though both programs offer the same annual pass, the distinction between the programs is how the employers within each program are billed for their participation in the program. The I-TAP program is a quarterly-based program currently available to UCLA faculty, staff, and students. The I-TAP program will likely be expanded to additional educational institutions in the Fall of 2008 and will include a semester pass for those locations on a semester rather than quarter system.

Metro Monthly TAP Pass Sales by Seller
October 2007 to July 2008

Metro began a TAP customer pilot program in October 2007 which consisted of selling Metro monthly passes on TAP cards at three sales locations – Metro's Wilshire Customer Center, the Foothill Transit Store in El Monte, and the LADOT Transit Store. Customers opting to participate in the pilot program received a TAP card loaded with their monthly pass in lieu of a paper pass, and received a $5 discount on their purchase. The promotion was limited to the first 2,000 customers. As shown in the table below, 906 customers participated in the pilot in October.

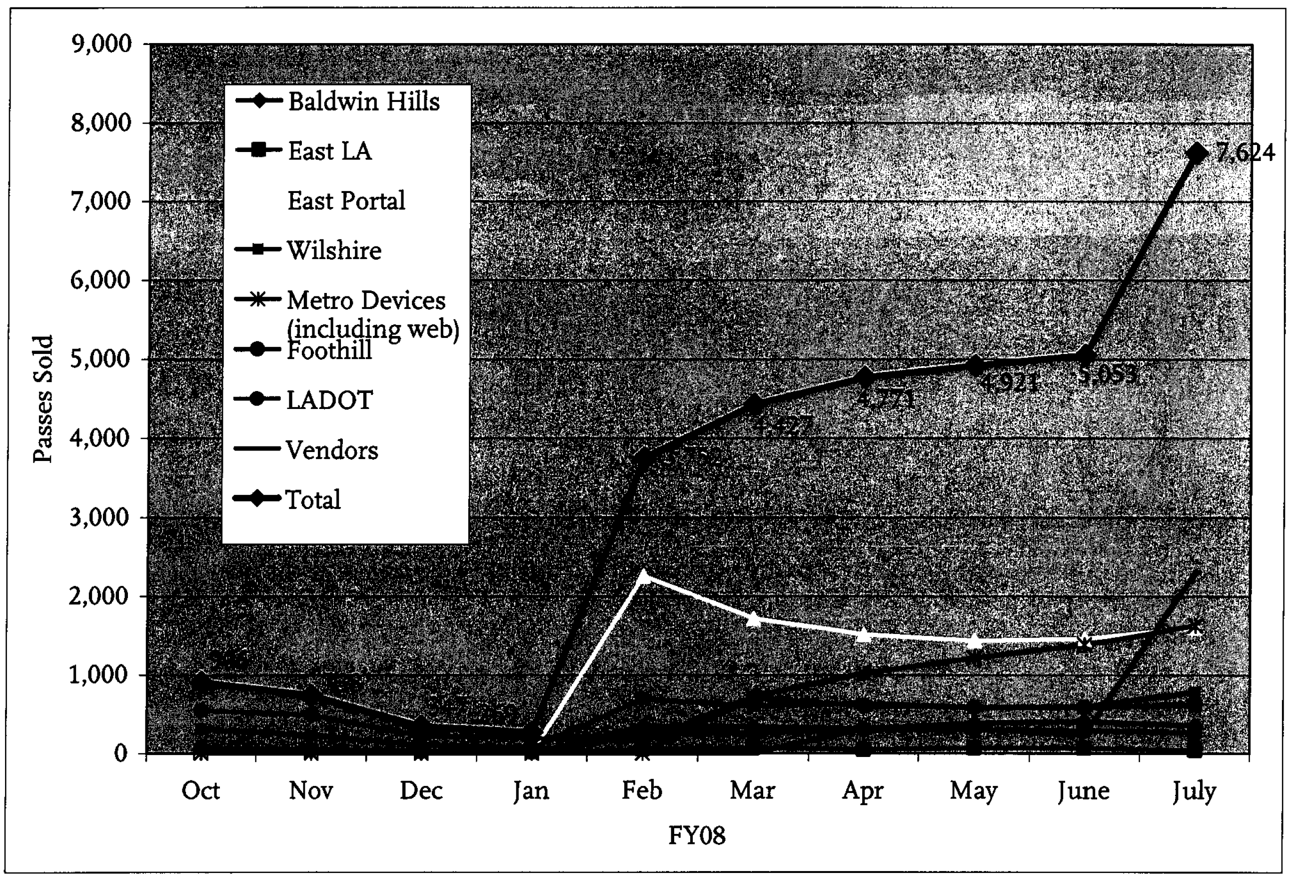
Facility	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08
Metro Customer Centers										
Baldwin Hills	0	0	0	0	344	348	314	389	412	360
East LA	0	0	0	0	55	74	53	74	73	48
East Portal	0	0	0	0	2,258	1,719	1,516	1,438	1,459	1,609
Wilshire	302	219	99	60	689	602	637	584	600	783
Metro Customer Centers	*302*	*219*	*99*	*60*	*3,346*	*2,743*	*2,520*	*2,485*	*2,544*	*2,800*
TVM Sales	0	0	0	0	3	617	879	1,060	1,189	1,317
TVM & SAV Autoloads	0	0	0	0	0	53	68	74	76	204
Farebox Autoloads	0	0	0	0	0	54	74	85	115	0
Website									9	108
Metro Devices	*0*	*0*	*0*	*0*	*3*	*724*	*1,021*	*1,219*	1,389	1,629
METRO TOTAL	**302**	**219**	**99**	**60**	**3,349**	**3,467**	**3,541**	**3,704**	**3,933**	**4,429**
Foothill	**64**	**41**	**27**	**13**	**240**	**263**	**303**	**305**	292	267
LADOT	**540**	**478**	**221**	**196**	**163**	**697**	**610**	**590**	589	624
Vendors							**317**	**322**	239	2,304
Third Party TOTAL	**604**	**519**	**248**	**209**	**403**	**960**	**1,230**	**1,217**	**1,120**	**3,195**
Total	**906**	**738**	**347**	**269**	**3,752**	**4,427**	**4,771**	**4,921**	**5,053**	**7,624**

In November, 738 customers participated in the program and received another $5 discount. Pilot customers were allowed to continue purchasing their monthly pass on a TAP card in December and January though the continued availability of the TAP monthly pass was not promoted. Starting with February pass sales, the remaining three Metro Customer Centers and four additional Foothill Transit Stores converted to TAP monthly passes, followed by the LADOT Transit Store for March sales, the first third party vendor locations in April and May, the *taptogo.net* website in June, and the remaining downtown vendor locations for July pass sales.



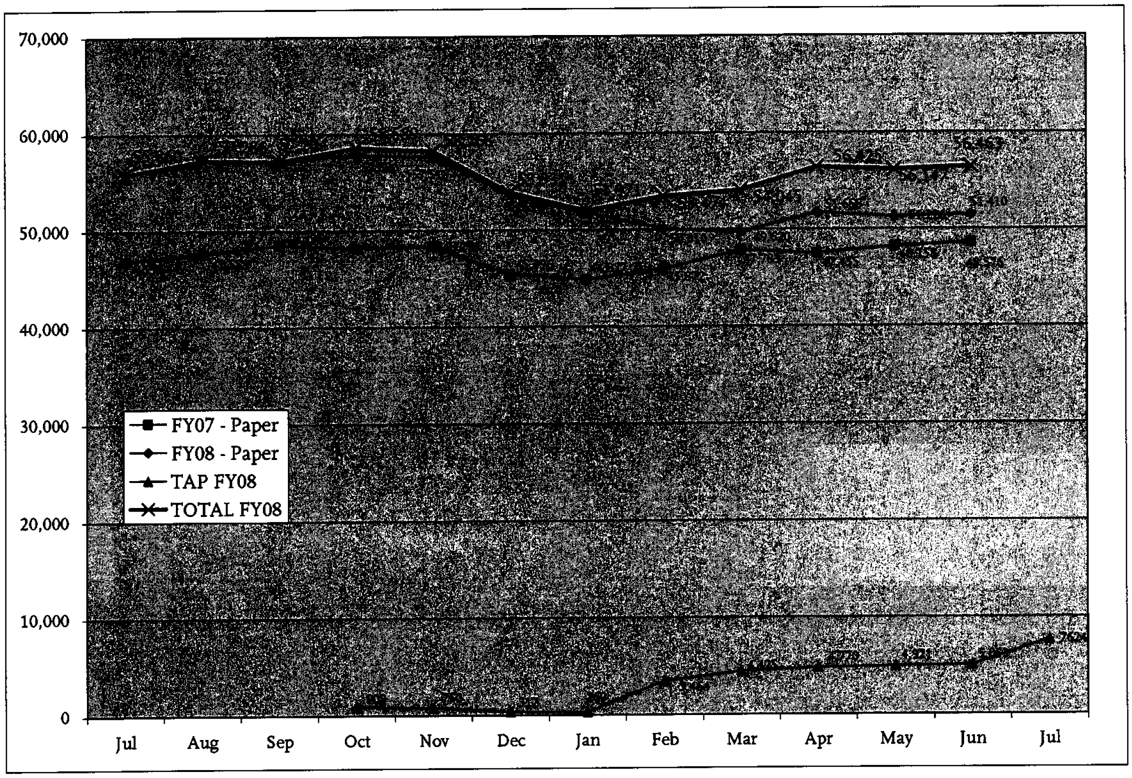
Metro Monthly TAP Pass Sales Trends
October 2007 to July 2008

Since the general public launch of TAP monthly passes for February, sales locations have shown level sales from February through April with the exception of the East Portal Customer Center. Following the conversion of the Metro and Foothill sales locations in February, Metro's rail ticket vending machines (TVMs) were turned on to allow for the re-loading of monthly passes and the TAP Service Center began accepting autoload applications which allow for the automatic renewal of a pass if a customer provides a valid credit card. In March, 617 customers purchased their monthly pass at a TVM with another 106 receiving autoloaded monthly passes through either bus fareboxes or rail TVMs or TAP validators. The popularity of these purchase options is growing as 1,317 customers purchased their July monthly pass at a TVM. In July, another 204 customers received their monthly pass via autoload, up from 191 in June. Third party vendors now account for the most monthly pass sales, surpassing Metro Customer Centers TVM sales and autoloads (Metro Devices).



Metro Monthly Pass Sales Trends – TAP & Paper FY08

Paper plus TAP monthly pass sales are higher this year than the same period last year, 56,463 paper plus TAP monthly passes in June of 2008 compared to 48,576 paper monthly sales in June 2007 – an increase of 16.2%.



Note: Paper pass sales data for July not yet available.

Sales of TAP Monthly and Weekly passes were limited to 4 Metro Customer Centers, Foothill and LADOT Transit Stores, two pilot retail outlets, Rail TVMs, and the *taptogo.net* website through June.

Metro Monthly TAP Pass Sales at Rail TVMs March 2008 to July 2008

Sales of Metro Monthly TAP Passes have more than doubled at Rail TVMs from 617 passes in March to 1,317 in July. Sales are highest at Gold Line TVMs, representing more than 1/3 (459) of all TVM sales in July. Following the Gold Line are the joint Red/Purple Line stations at 300 monthly passes sold. Orange Line TVMs continue to have the lowest number of sales. Note the station ordering has been changed from alphabetical to line order from Union Station.

	March	April	May	June	July
Blue Line					
7th Street/Metro	45	59	65	63	66
Pico	4	6	7	3	5
Grand	5	5	5	5	7
San Pedro	1	2	3	2	0
Washington	1	0	1	0	0
Vernon	1	3	1	1	3
Slauson	0	2	1	1	2
Florence	1	2	0	2	6
Firestone	1	1	2	2	0
103rd Street	1	1	1	0	3
Imperial/Wilmington	2	1	0	1	0
Compton	0	0	1	1	2
Artesia	2	1	4	3	6
Del Amo	9	11	12	12	13
Wardlow	1	6	10	10	4
Willow	4	7	14	21	17
Pacific Coast Highway	1	0	0	0	1
Anaheim	1	0	0	0	2
5th Street	0	1	0	1	0
1st Street	0	0	1	2	0
Transit Mall	0	3	3	3	1
Pacific	0	1	1	1	3
Blue Line Total	***80***	***112***	***132***	***134***	***141***
Gold Line					
Union Station	49	59	53	66	81
Chinatown	1	4	7	4	6
Lincoln/Cypress	8	9	16	18	10
Heritage Square	5	12	12	17	17
Southwest Museum	1	4	4	9	11
Highland Park	17	22	28	37	31

Mission	28	40	44	55	48
Fillmore	9	21	34	41	31
Del Mar	16	29	30	40	60
Memorial Park	8	0	26	26	32
Lake	11	17	21	19	23
Allen	13	15	16	14	13
Sierra Madre Villa	32	57	55	89	96
Gold Line Total	***198***	***289***	***346***	***435***	***459***
Green Line					
Norwalk	9	10	10	18	15
Lakewood	7	13	12	9	18
Long Beach	2	3	4	4	3
Imperial/Wilmington	0	2	3	4	5
Avalon	0	3	0	4	2
Harbor Freeway	0	6	4	3	3
Vermont	0	2	1	1	3
Crenshaw	2	3	4	8	6
Hawthorne	3	0	2	4	6
Aviation/LAX	2	4	3	5	4
Mariposa	0	16	1	3	1
El Segundo	2	2	1	3	1
Douglas	0	0	0	0	0
Redondo Beach	4	4	3	2	6
Green Line Total	***31***	***68***	***48***	***68***	***73***
Orange Line					
North Hollywood	0	2	3	5	2
Laurel Canyon	1	3	3	1	6
Valley College	1	0	2	1	2
Woodman	0	0	1	1	2
Van Nuys	1	0	1	4	2
Sepulveda	0	0	4	3	7
Woodley	0	1	1	0	2
Balboa	3	3	4	6	7
Reseda	2	2	2	5	6
Tampa	0	1	2	2	1
Pierce College	0	1	2	1	1
De Soto	0	1	0	0	0
Canoga	2	2	3	1	1
Warner Center	0	1	1	2	6
Orange Line Total	***10***	***17***	***29***	***32***	***45***

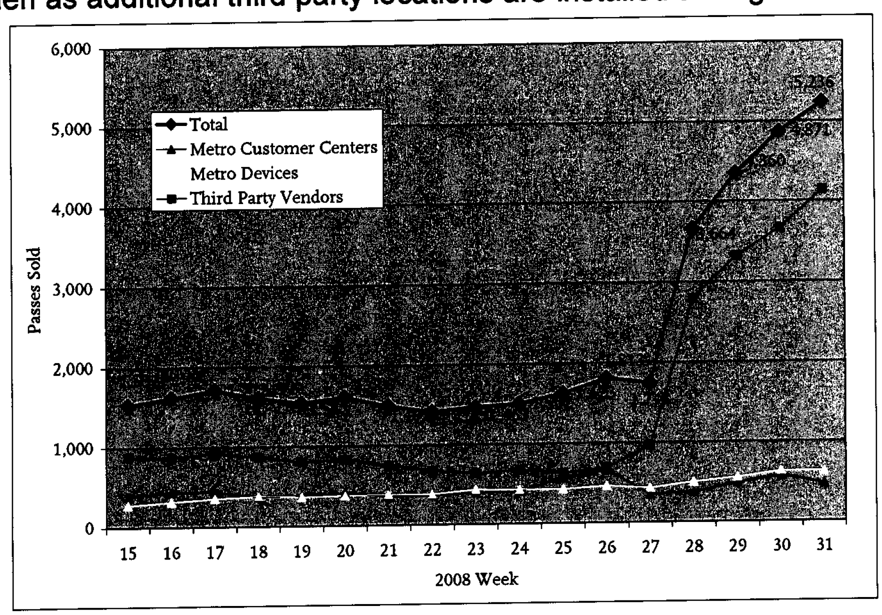
Purple Line					
Wilshire/Normandie	17	22	28	28	34
Wilshire/Western	23	25	36	42	40
Purple Line Total	***40***	***47***	***64***	***70***	***74***
Red/Purple Line					
Union Station	87	80	112	80	139
Civic Center	18	35	37	40	39
Pershing Square	17	29	35	43	43
7th Street/Metro	15	21	36	25	28
Westlake/MacArthur Park	10	17	14	21	17
Wilshire/Vermont	27	31	39	39	34
Red/Purple Line Total	***174***	***213***	***273***	***248***	***300***
Red Line					
Vermont/Beverly	4	3	11	8	13
Vermont/Santa Monica	5	7	12	13	22
Vermont/Sunset	4	11	17	24	28
Hollywood/Western	11	13	20	31	24
Hollywood/Vine	9	11	15	17	23
Hollywood/Highland	21	31	33	34	41
Universal City	12	15	22	35	32
North Hollywood	18	42	38	40	42
Red Line Total	***84***	***133***	***168***	***202***	***225***
TOTAL – ALL LINES	617	879	1,060	1,189	1,317

Metro Weekly TAP Pass Sales

Weekly passes were first sold to the general public on January 31, 2008 for the February sales period. LADOT was added as a TAP weekly pass sales location for March sales, followed by the first third party vendor location in April and another in May. The remaining downtown vendor locations were converted to TAP for the July sales period leading to a large increase in the number of weekly passes sold in July.

	Validity Period	Week #	Total	Metro Customer Centers	Metro Devices	Third Party Vendors
April	4/6-4/12	15	1,531	372	276	883
	4/13-4/19	16	1,615	429	316	870
	4/20-4/26	17	1,712	434	354	924
	4/27-5/3	18	1,606	361	375	870
May	5/4-5/10	19	1,542	372	366	804
	5/11-5/17	20	1,609	405	375	829
	5/18-5/24	21	1,492	359	384	749
	5/25-5/31	22	1,416	358	382	676
June	6/1-6/7	23	1,467	390	435	642
	6/8-6/14	24	1,502	400	426	676
	6/15-6/21	25	1,623	563	427	633
	6/22-6/28	26	1,813	657	464	692
	6/29-7/5	27	1,748	348	432	968
July	7/6-7/12	28	3,664	368	501	2,795
	7/13-7/19	29	4,360	485	553	3,322
	7/20-7/26	30	4,871	570	634	3,667
	7/27-8/2	31	5,236	469	628	4,139

Third party vendors continue to be the largest seller of weekly TAP passes. The gap will continue to widen as additional third party locations are installed throughout the year.



Metro Weekly TAP Pass Sales at Rail TVMs
April 2008 to July 2008

The number of weekly TAP passes sold is increasing from month to month although there is some variation from week to week in a given month. TAP weekly pass sales are greatest at Red/Purple line TVMs, most notably Union Station and Pershing Square. Joint Red/Purple Line stations averaged a total of 137 passes per week in July, followed by Gold Line stations with a 127 passes per week. Note the station ordering has been changed from alphabetical to line order from Union Station.

	April '08				May '08				June '08					July '08			
	Wk 15	Wk 16	Wk 17	Wk 18	Wk 19	Wk 20	Wk 21	Wk 22	Wk 23	Wk 24	Wk 25	Wk 26	Wk 27	Wk 28	Wk 29	Wk 30	Wk 31
Blue Line																	
7th Street/Metro	7	11	7	9	13	16	14	10	17	16	22	16	12	22	24	27	25
Pico	3	2	4	4	3	6	1	5	7	8	4	1	3	5	3	13	7
Grand	6	9	6	6	5	5	11	7	6	7	9	11	9	5	10	13	11
San Pedro	1	1	0	0	0	1	1	5	3	1	4	3	3	1	10	6	7
Washington	1	2	1	2	1	0	0	0	0	1	0	0	0	1	1	2	2
Vernon	2	3	3	5	4	4	6	7	9	9	7	5	7	9	8	13	6
Slauson	0	0	0	0	2	2	1	1	0	0	1	1	2	0	2	3	3
Florence	1	2	0	2	1	3	3	5	6	8	6	4	5	4	7	6	7
Firestone	6	9	5	7	8	7	4	6	5	5	7	4	5	5	5	6	4
103rd Street	1	1	1	3	1	4	1	2	2	2	3	4	4	3	4	4	4
Imperial/ Wilmington	4	2	3	1	2	0	2	1	2	0	3	1	1	3	3	2	3
Compton	2	3	1	3	4	4	3	5	2	4	3	3	1	4	2	3	3
Artesia	2	2	2	3	2	4	3	2	3	3	2	3	5	3	6	7	5
Del Amo	4	2	3	0	1	1	1	2	2	2	1	3	4	4	3	5	3
Wardlow	1	2	0	2	1	2	1	2	1	2	1	4	0	0	3	2	4
Willow	2	3	2	1	4	2	0	2	2	1	2	5	3	3	1	4	4
Pacific Coast Highway	0	0	0	0	1	0	0	1	0	1	0	1	0	1	0	2	2
Anaheim	3	1	2	1	2	4	3	1	2	3	2	0	0	0	1	2	1
5th Street	0	0	2	0	1	0	1	2	0	1	0	1	2	3	1	3	1
1st Street	0	2	2	0	1	2	1	1	0	0	0	0	1	1	1	1	0
Transit Mall	0	0	1	1	1	2	2	0	0	2	2	3	3	2	0	3	5
Pacific	1	2	1	1	0	1	0	1	1	0	2	1	0	0	1	0	1
Blue Line Total	*47*	*59*	*46*	*51*	*58*	*70*	*59*	*68*	*70*	*76*	*81*	*74*	*70*	*79*	*96*	*127*	*108*
Gold Line																	
Union Station	14	18	18	20	14	20	17	23	15	15	13	14	17	16	22	17	21
Chinatown	0	0	1	2	1	0	1	1	0	3	1	2	0	1	2	2	2
Lincoln/Cypress	4	1	5	3	2	3	1	2	5	2	4	3	2	3	6	2	5

Heritage Square	1	1	2	2	5	3	3	5	5	8	7	7	7	5	5	7	8
Southwest Museum	5	2	7	4	6	4	3	6	4	3	3	4	8	3	2	9	7
Highland Park	5	7	15	17	10	10	19	17	24	15	15	16	23	23	22	17	19
Mission	8	8	3	9	5	7	4	3	7	10	10	6	7	10	7	6	7
Fillmore	5	5	5	4	5	9	4	6	5	5	7	4	0	4	6	8	5
Del Mar	3	3	3	5	6	2	5	5	6	2	7	8	4	7	8	7	7
Memorial Park	9	9	8	7	7	10	13	14	18	16	15	18	12	14	12	12	18
Lake	4	6	8	10	5	6	9	8	13	11	12	8	6	8	14	8	7
Allen	3	2	3	2	3	7	9	8	5	3	3	5	6	3	6	8	1
Sierra Madre Villa	8	10	12	12	15	9	18	16	18	21	14	17	10	23	20	27	20
Gold Line Total	***69***	***72***	***90***	***97***	***84***	***90***	***106***	***114***	***125***	***114***	***111***	***112***	***102***	***120***	***132***	***130***	***127***
Green Line																	
Norwalk	3	1	3	5	5	4	4	5	4	4	5	3	4	6	5	8	7
Lakewood	1	2	5	5	7	3	6	4	5	4	2	7	2	3	3	3	6
Long Beach	1	1	1	1	1	2	3	3	2	5	2	2	1	2	3	2	3
Imperial/ Wilmington	1	2	1	2	1	0	2	0	0	0	1	3	1	3	2	2	2
Avalon	1	0	2	2	2	2	3	3	4	2	1	4	2	3	3	1	4
Harbor Freeway	1	2	2	1	2	2	4	3	1	1	2	1	3	2	5	3	3
Vermont	1	2	0	2	1	3	2	3	3	5	2	5	4	4	5	2	8
Crenshaw	3	3	3	1	4	3	10	6	5	4	5	5	6	4	8	9	9
Hawthorne	2	2	1	3	1	1	2	1	3	2	6	2	4	5	3	4	6
Aviation/LAX	0	2	0	0	1	5	2	1	2	2	2	1	3	3	6	5	8
Mariposa	0	1	2	1	0	1	1	0	0	0	1	3	0	0	2	2	1
El Segundo	0	1	0	0	0	1	0	0	1	1	0	0	0	1	0	0	1
Douglas	0	0	1	0	0	0	2	0	2	0	3	0	0	1	0	0	0
Redondo Beach	1	0	1	1	0	0	0	0	0	1	2	0	1	1	0	2	0
Green Line Total	***15***	***19***	***22***	***24***	***25***	***27***	***41***	***29***	***32***	***31***	***34***	***36***	***31***	***38***	***45***	***43***	***58***
Orange Line																	
North Hollywood	2	1	2	3	3	0	1	0	2	2	2	4	0	5	2	1	6
Laurel Canyon	0	0	0	1	0	0	2	1	1	3	1	1	3	2	3	2	2
Valley College	0	3	1	0	0	2	1	1	1	1	1	2	1	0	1	2	2
Woodman	1	0	0	1	1	1	1	1	1	1	1	1	1	2	1	2	6
Van Nuys	0	0	1	1	0	0	1	0	1	2	0	2	2	2	1	4	4
Sepulveda	2	0	1	1	2	4	3	3	6	4	2	2	2	3	2	0	4
Woodley	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0
Balboa	0	1	0	0	0	0	0	1	1	0	2	1	1	0	1	1	1
Reseda	2	1	0	0	2	0	0	1	1	1	0	6	2	5	1	5	5
Tampa	2	1	2	2	1	2	1	2	0	0	1	2	2	1	2	3	2
Pierce College	0	1	1	0	0	3	1	0	1	1	1	1	2	2	0	0	1
De Soto	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Canoga	1	2	2	4	1	1	0	2	1	3	0	1	0	2	1	2	2

Warner Center	2	3	2	1	1	1	2	1	1	0	0	0	1	0	0	2	0
Orange Line Total	***12***	***13***	***12***	***14***	***11***	***14***	***13***	***13***	***17***	***18***	***13***	***23***	***17***	***24***	***15***	***25***	***36***
Purple Line																	
Wilshire/ Normandie	7	11	10	13	10	12	6	12	11	11	7	8	9	10	15	11	8
Wilshire/Western	12	8	13	14	14	11	11	14	16	14	14	19	8	23	18	19	21
Purple Line Total	***19***	***19***	***23***	***27***	***24***	***23***	***17***	***26***	***27***	***25***	***21***	***27***	***17***	***33***	***33***	***30***	***29***
Red/Purple Line																	
Union Station	31	35	45	43	34	42	34	35	40	33	42	39	40	46	42	62	60
Civic Center	5	7	6	6	6	7	5	9	7	6	8	8	8	11	13	17	7
Pershing Square	11	9	7	17	13	13	12	9	10	15	12	10	20	17	16	24	31
7th Street/Metro	5	3	6	6	14	11	11	7	7	6	13	12	11	13	17	14	16
Westlake/ MacArthur Park	3	4	11	6	8	8	7	9	11	12	10	9	12	10	22	19	23
Wilshire/Vermont	5	9	10	12	11	11	10	10	16	11	13	13	19	15	18	16	20
Red/Purple Line Total	***60***	***67***	***85***	***90***	***86***	***92***	***79***	***79***	***91***	***83***	***98***	***91***	***110***	***112***	***128***	***152***	***157***
Red Line																	
Vermont/Beverly	7	9	6	5	3	4	3	2	9	6	4	6	6	8	8	10	12
Vermont/ Santa Monica	11	13	13	13	7	10	14	10	10	14	14	16	18	12	12	18	19
Vermont/Sunset	7	6	7	9	6	7	6	7	11	7	9	13	7	14	11	13	11
Hollywood/ Western	2	5	3	4	8	5	9	12	5	8	4	7	7	7	8	8	10
Hollywood/Vine	5	4	6	8	6	5	6	1	4	9	6	6	10	9	13	17	14
Hollywood/ Highland	7	8	7	7	9	7	4	3	11	10	10	15	10	9	17	23	22
Universal City	6	8	12	7	12	5	9	4	10	13	8	11	10	11	13	15	10
North Hollywood	7	11	17	11	12	10	15	9	11	8	11	25	15	19	20	19	14
Red Line Total	***52***	***64***	***71***	***64***	***63***	***53***	***66***	***48***	***71***	***75***	***66***	***99***	***83***	***89***	***102***	***123***	***112***
TOTAL – ALL LINES	**274**	**313**	**349**	**367**	**351**	**369**	**381**	**377**	**433**	**422**	**424**	**462**	**430**	**495**	**551**	**630**	**627**

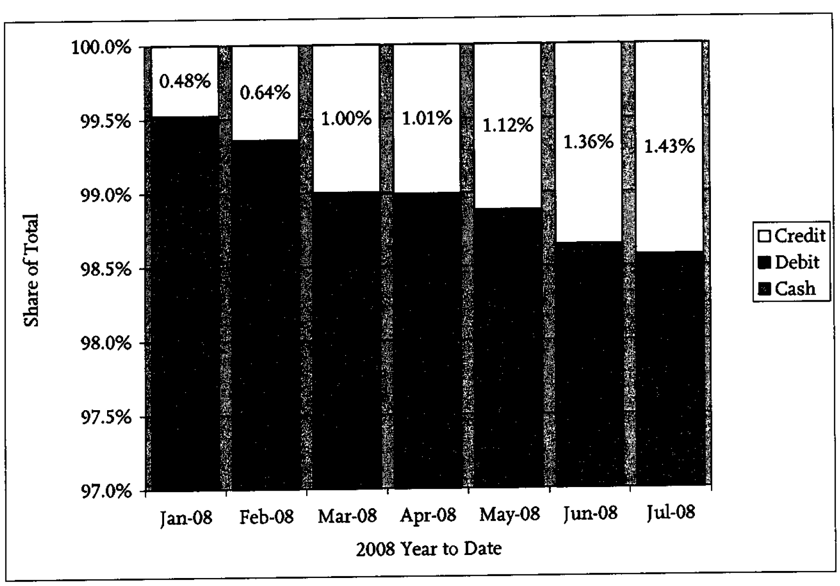
Payment Type Breakdown
Calendar Year to Date

Since January, the revenue collected by the TAP system through fareboxes, TVMs, or through TAP sales devices (e.g., CPOS) has averaged $12 million per month. These totals do not include revenue from paper passes sales, token sales, TAP autoload activity and other fare revenue generated outside TAP/UFS equipment. The revenue shown below reflects that earned/collected on TAP equipment only.

With the introduction of TAP sales on rail TVMs and the TAP autoload program, debit and credit activity (by total revenue) has increased on the Metro system. Note that CPOS transactions (i.e., the loading of TAP passes at Metro Customer Centers and other third party locations) were all considered cash transactions in the system through June 2008 since the sales device (CPOS) itself does not process credit/debit cards. However, beginning in July, this data is reported separately and is not included in the total cash reported. The shares by payment type are likely to remain largely unchanged until TAP stored value transactions are introduced into the Metro system which will cause the share of cash payment transactions to decline. With the increase in third party vendor sales locations, the amount of cash activity will go up but this is expected to be offset, in part, by an increase in TVM and autoload sales. All Metro Rail TVMs already accept debit/credit as a payment type for all fare payment transactions whether paper proof-of-payment (e.g., one-way tickets and day passes) or TAP loads of monthly or weekly passes.

	Cash	% Share	Debit	% Share	Credit	% Share
Jan-08	$11,088	99.24%	$32	0.28%	$53	0.48%
Feb-08	$11,162	98.94%	$47	0.42%	$72	0.64%
Mar-08	$12,026	98.56%	$54	0.44%	$122	1.00%
Apr-08	$12,023	98.42%	$70	0.57%	$123	1.01%
May-08	$12,335	98.27%	$76	0.61%	$141	1.12%
Jun-08	$12,589	97.94%	$91	0.71%	$174	1.36%
Jul-08	$13,078	97.81%	$102	0.76%	$191	1.43%
YTD	$84,301	98.43%	$471	0.55%	$877	1.02%

Note: Dollars expressed in 1,000s. CPOS transactions are considered cash transactions in the system even if paid with debit/credit through June 2008. Starting in July, this revenue is not included in the table.



I-TAP Sales Trends
Program Inception to Date

I-TAP sales have remained consistent since the program began nearly two years ago. Consistent with student enrollment, I-TAP sales peak in the Fall (the first quarter of the school year) and decline each quarter through the Summer before peaking again the next Fall.

Fall 06	Winter 07	Spring 07	Summer 07	Fall 07	Winter 08	Spring 08	Summer 08
1,014	985	975	666	1,218	1,018	989	899

I-TAP products are sold to both students and faculty/staff. The student product, sold at a lower cost, is generally valid for a shorter period of time as faculty/staff remain on campus even after the instruction period (i.e. quarter) ends for the students.

A/B-TAP Sales Trends
Program Inception to Date

The A/B-TAP program began in November 2006 and ended the year with 478 active cardholders. This number grew to 5,764 by the end of 2007. Halfway through 2008, the number of active cardholders has increased by 3,349 – growth of 58% over 2007 sales.

Year End 2006	Year End 2007	Year-to-Date (July 31) 2008
478	5,764	9,113

Third Party Vendors – TAP Sales Status

In addition to Metro's four Customer Centers, 69 additional third party vendor locations were selling TAP Monthly and Weekly passes as of the end of July. This includes vendors from the Downtown and Wilshire Corridor regions. Two of these locations – Foothill Transit's El Monte Transit Store and LADOT Transit Store – became TAP retailers as part of the customer pilot program in October 2007. Four additional Foothill Transit Stores began selling TAP in the February 2008 sales period, followed by the first retail vendor location (Color Check Cashing in downtown) for the April sales period and the second (Top Town also in downtown) for the May sales period. The San Fernando Valley region is preparing for TAP conversion with sales to start in late August for September. Third party vendor locations have been identified by both location and sales volume to assist with the third party vendor migration planning process. To date, TAP Monthly and Weekly passes are available at:

- 4 Metro Customer Centers
- 23 Downtown Locations (including LADOT Transit Store)
- 41 Wilshire Corridor Locations
- 5 Foothill Transit Stores

In addition, 119 additional locations are on a pending status for September or October pass sales. These include San Fernando Valley locations and chain locations such as Nix Check Cashing, Ralphs, Ace Cash Express with stores in Downtown, the Wilshire Corridor, and San Fernando Valley. The total number of sales locations to be converted as part of this vendor rollout campaign is anticipated to be approximately 400, and excludes sellers of reduced fare media only (e.g., Senior Centers), low volume centers not expected to continue as pass sellers, city and governmental entities, and other vendors who choose not to make the TAP conversion.

The status of Wilshire Corridor and San Fernando Valley vendor locations is shown below.

Vendor Name	Address	Installation Date	Status
WILSHIRE CORRIDOR LOCATIONS			
3rd & Normandie Check Cashing	280 S. Normandie Ave.	July 2008	Selling Regular TAP Passes
AAA Cash Advance, Inc.	1771 W. Jefferson Blvd.	July 2008	Selling Regular TAP Passes
Ace Cash Express	1250 S. Vermont	August 2008	To start September pass sales
Ace Cash Express	4948 Pico Blvd.	August 2008	To start September pass sales
Ace Cash Express	4005 W. 3rd Street	August 2008	To start September pass sales
Ace Cash Express	1805 W. 6th Street	August 2008	To start September pass sales
Ace Cash Express	1245 S. Union Avenue	August 2008	To start September pass sales
Apulo Market	2612 W. 8th Street	July 2008	Selling Regular TAP Passes
Beverly-Kenmore Check Cashing	4028 W. Beverly Blvd.	July 2008	Selling Regular TAP Passes

Big Six Market	550 S. Rampart Blvd.	July 2008	Selling Regular TAP Passes
Check Cashiers of CA	1545 W. Pico Blvd.	July 2008	Selling Regular TAP Passes
Cheyenne Liquor	1611 S. Vermont Ave.	July 2008	Selling Regular TAP Passes
City Check Cashiers	311 S. Vermont Ave.	July 2008	Selling Regular TAP Passes
City Check Cashiers	828 S. Vermont Avenue	July 2008	Selling Regular TAP Passes
Continental Currency Services, Inc.-#001	4020 Washington Blvd.	July 2008	Selling Regular TAP Passes
Continental Currency Services, Inc.-#002	4201 W. Pico Blvd.	July 2008	Selling Regular TAP Passes
Continental Currency Services, Inc.-#004	1890 S. Western Ave.	July 2008	Selling Regular TAP Passes
Continental Currency Services, Inc.-#009	6565 Hollywood Blvd.	July 2008	Selling Regular TAP Passes
Continental Currency Services, Inc.-#405	6401 Hollywood Blvd.	July 2008	Selling Regular TAP Passes
Continental Currency Services, Inc.-#702	2100 W. 7th Street	July 2008	Selling Regular TAP Passes
Continental Currency Services, Inc.-#705	2100 W. 7th Street	July 2008	Selling Regular TAP Passes
Ethical Drug	254 N. Western Ave.	July 2008	Selling Regular TAP Passes
Farm Fresh Ranch Market	5520 Sunset Blvd.	July 2008	Selling Regular TAP Passes
G&A Check Cashing	2901 W. Beverly Blvd.	July 2008	Selling Regular TAP Passes
G&T Continental Servicios Mundiales, Inc.	2561 W. Pico Blvd.	Target Aug 2008	Agreement under review outside U.S.
G&T Continental Servicios Mundiales, Inc.	4126 Beverly Blvd.	Target Aug 2008	Agreement under review outside U.S.
G&T Continental Servicios Mundiales, Inc.	2021 W. 7th Street	Target Aug 2008	Agreement under review outside U.S.
Green Circle Market	1840 W. 3rd Street	July 2008	Selling Regular TAP Passes
Hollyvine Shoppe	6290 Hollywood Blvd.	July 2008	Selling Regular TAP Passes
J&H Liquor	1154 W. Venice Blvd.	July 2008	Selling Regular TAP Passes
James Wood Processing Company	2812 James M. Wood Blvd.	July 2008	Selling Regular TAP Passes
Jons Market #3		July 2008	Selling Regular TAP Passes
LA Convention & Visitors Bureau	6801 Hollywood Blvd. #237	TBD	New vendor. Undergoing application process
Liborio Market	864 S. Vermont Avenue	July 2008	Selling Regular TAP Passes
Liborio Market #4	2021 W. Pico Blvd.	July 2008	Selling Regular TAP Passes
Liborio Market #5	1831 West 3rd Street	July 2008	Selling Regular TAP Passes
Liquor to GoGo	5901 Hollywood Blvd.	July 2008	Selling Regular TAP Passes
Martin Pharmacy	801 S. Vermont Avenue #104	July 2008	Selling Regular TAP Passes
Mundo Check Cashing, Inc.	2261 W. Pico Blvd.	July 2008	Selling Regular TAP Passes
New Hampshire Check Cashing	3525 W. 3rd Street	July 2008	Selling Regular TAP Passes
Nix Check Cashing	3087 W. Pico Blvd-Suite 1	TBD	Chain location
Nix Check Cashing	2201 W. Pico Blvd.	TBD	Chain location
Nix Check Cashing	4972 W. Pico Blvd.	TBD	Chain location
Nix Check Cashing	334 S. Vermont/Rite Aid Drug	TBD	Chain location
Nix Check Cashing	1800 W. 6th Street	TBD	Chain location
Nix Check Cashing	2715 S. Western Avenue	TBD	Chain location

Nix Check Cashing	2855 S. Crenshaw Blvd.	TBD	Chain location
Normandy Pharmacy	3003 W. Olympic Blvd. #101	July 2008	Selling Regular TAP Passes
Ocean Liquor	760 S. Alvarado Street	July 2008	Selling Regular TAP Passes
Olympia Pharmacy	3323 W. Olympic Blvd.	July 2008	Selling Regular TAP Passes
PLS Check Cashers of California	1605 S. Hoover St.	July 2008	Selling Regular TAP Passes
Ralphs	4760 W. Pico Blvd.	TBD	Will convert following successful pilot at Third Street location
Ralphs	3410 W. Third Street	July 2008	Selling Regular TAP Passes
Ralphs	10861 Weyburn Avenue	TBD	Will convert following successful pilot at Third Street location
Ralphs	5601 Wilshire Blvd.	TBD	Will convert following successful pilot at Third Street location
Ralphs	260 S. La Brea Avenue	TBD	Will convert following successful pilot at Third Street location
Ralphs	670 S. Western Avenue	TBD	Will convert following successful pilot at Third Street location
Rampart Check Cashing	264 S. Rampart	July 2008	Selling Regular TAP Passes
Sam's Corner Liquor	2001 W. 6th Street	July 2008	Selling Regular TAP Passes
Sav-On Variety Store	558 S. Western Avenue	July 2008	Selling Regular TAP Passes
Sav-On Variety Store	201 S. Western Ave.	July 2008	Selling Regular TAP Passes
Sixth Street Check Cashing	3971 W. 6th Street	July 2008	Selling Regular TAP Passes
SAN FERNANDO VALLEY LOCATIONS			
ACE CASH EXPRESS	13667 Victory Blvd.	August 2008	To start September pass sales
ACE CASH EXPRESS	8318 VAN NUYS BLVD.	August 2008	To start September pass sales
ACE CASH EXPRESS	14526 SHERMAN WAY	August 2008	To start September pass sales
ACE CASH EXPRESS	7218 VAN NUYS BLVD.	August 2008	To start September pass sales
ACE CASH EXPRESS	12501 SHERMAN WAY	August 2008	To start September pass sales
ACE CASH EXPRESS	12801 SHERMAN WAY	August 2008	To start September pass sales
ACE CASH EXPRESS	8035 LANKERSHIM BLVD.	August 2008	To start September pass sales
ACE CASH EXPRESS	5136 N. FIGUEROA STREET	August 2008	To start September pass sales
ACE CASH EXPRESS	6344 SAN FERNANDO RD.	August 2008	To start September pass sales
ACE CASH EXPRESS	8500 VAN NUYS BLVD.	August 2008	To start September pass sales
ACE CASH EXPRESS	1550 N. GLENDALE BLVD.	August 2008	To start September pass sales
ACE CASH EXPRESS	20469 SHERMAN WAY	August 2008	To start September pass sales
ACE CASH EXPRESS	20115 SATICOY STREET	August 2008	To start September pass sales
ACE CASH EXPRESS	8652-A WOODMAN AVE.	August 2008	To start September pass sales
ACE CASH EXPRESS	7160 RESEDA BLVD.	August 2008	To start September pass sales
ACE CASH EXPRESS	1013 TRUMAN ST.	August 2008	To start September pass sales
ACE CASH EXPRESS	13711 FOOTHILL BLVD. - UNIT C	August 2008	To start September pass sales
ACE CASH EXPRESS	15425 PARTHENIA STREET	August 2008	To start September pass sales
ALLEN MOBIL	475 N. ALLEN AVENUE	August 2008	To start September pass sales
CAASHNET FINANCIAL SERVICES	8210 SAN FERNANDO ROAD	August 2008	To start September pass sales
CASH 4 CHECKS	15240 VICTORY BLVD.	August 2008	To start September pass sales
CASH 4 CHECKS	20867 LASSEN ST.	August 2008	To start September pass sales
CASHIERS EXPRESS	106 N. GLENDALE AVE.	August 2008	To start September pass sales
CITY CHECK CASHERS	11002 W. MAGNOLIA BLVD.	August 2008	To start September pass sales
CITY CHECK CASHERS	20851 SHERMAN WAY	August 2008	To start September pass sales

CITY CHECK CASHERS	9745 LAUREL CANYON BLVD.	August 2008	To start September pass sales
CITY MARKET	21400 NORDHOFF ST.	August 2008	To start September pass sales
CONFETTI LIQUOR	13674 OXNARD ST.	August 2008	To start September pass sales
CONTINENTAL CURRENCY SERVICES, INC. #3102	9100 VAN NUYS BLVD.	August 2008	To start September pass sales
CONTINENTAL CURRENCY SERVICES, INC. #406	1298 N. LAKE AVE.	August 2008	To start September pass sales
CONTINENTAL CURRENCY SERVICES, INC. #409	1200 S. BRAND BLVD.	August 2008	To start September pass sales
CONTINENTAL CURRENCY SERVICES, INC. #412	12773 VAN NUYS BLVD	August 2008	To start September pass sales
CONTINENTAL CURRENCY SERVICES, INC. #718	8026 VINELAND AVE.	August 2008	To start September pass sales
CONTINENTAL CURRENCY SERVICES, INC.-#714	12100 VICTORY BLVD.	August 2008	To start September pass sales
CONTINENTAL CURRENCY SERVICES, INC.-#721	447 E. ORANGE GROVE AVE.	August 2008	To start September pass sales
CONVENIENT FOOD MART	4901 SANTA MONICA BLVD.	August 2008	To start September pass sales
FIESTA LIQUOR	7215 VINELAND AVE.	TBD	May terminate pass sales
FOUR ACES MARKET	1111 N. WESTERN AVE.	August 2008	To start September pass sales
G & T CONTINENTAL SERVICIOS MUNDIALES, INC.	14513 SYLVAN ST.	August 2008	To start September pass sales
G & T CONTINENTAL SERVICIOS MUNDIALES, INC.	18541 SHERMAN WAY	August 2008	To start September pass sales
G & T CONTINENTAL SERVICIOS MUNDIALES, INC.	1102 N. WESTERN AVE.	August 2008	To start September pass sales
G & T CONTINENTAL SERVICIOS MUNDIALES, INC.	13297 VAN NUYS BLVD.	August 2008	To start September pass sales
KIM'S LIQUOR	5940 LANKERSHIM BLVD.	August 2008	To start September pass sales
KING LIQUOR	2105 W. SUNSET BLVD.	August 2008	To start September pass sales
LAUREL CANYON CHECK CASHING	7945 LAUREL CANYON BLVD.	August 2008	To start September pass sales
METRO CHECK CASHING	1006 N. VERMONT AVE	August 2008	To start September pass sales
MUNDO CHECK CASHING, INC.	2087 N. FAIROAKS AVE. #B	September 2008	To start October pass sales
NELSON LIQUOR	4420 W. VICTORY BLVD.	TBD	May terminate pass sales
NEW VILLAGE DELI & MARKET	211 E. OLIVE AVE.	August 2008	To start September pass sales
NIX CHECK CASHING	2188 FAIROAKS	September 2008	To start October pass sales
NIX CHECK CASHING	12655 GLENOAKS BLVD.	September 2008	To start October pass sales

NIX CHECK CASHING/RITE AID	8400 VAN NUYS BLVD.	September 2008	To start October pass sales
NIX CHECK CASHING-RALPHS MKT.	12103 SYLVAN STREET	September 2008	To start October pass sales
ONE STOP SERVICES	2272 COLORADO BLVD.	August 2008	To start September pass sales
P & M MARKET	2856 SUNSET BLVD.	August 2008	To start September pass sales
PAVILIONS	14845 VENTURA BLVD.	September 2008	To start October pass sales
PAVILIONS	1110 ALAMEDA	September 2008	To start October pass sales
PAY IT BACK CHECK CASHING	6405 VAN NUYS BLVD.	September 2008	To start October pass sales
PAY IT BACK CHECK CASHING	12101 SATICOY ST.	September 2008	To start October pass sales
PAY IT BACK CHECK CASHING	1075 N. WESTERN AVE.	September 2008	To start October pass sales
PAY IT BACK CHECK CASHING	1720 W. SUNSET BLVD.	September 2008	To start October pass sales
PAY IT BACK CHECK CASHING	10750 GLENOAKS BLVD #1	September 2008	To start October pass sales
PAY IT BACK CHECK CASHING	7144 RESEDA BLVD.	September 2008	To start October pass sales
PAY IT BACK CHECK CASHING	11980 FOOTHILL BLVD.	September 2008	To start October pass sales
PAYLESS FOODS	757 S. WORKMAN ST.	August 2008	To start September pass sales
PAYLESS FOODS	8025 VINELAND AVE.	August 2008	To start September pass sales
PLS CHECK CASHERS OF CA.	9714 WOODMAN AVE.	August 2008	To start September pass sales
QUICK STOP LIQUOR	5102 HOLLYWOOD BOULEVRD	August 2008	To start September pass sales
RALPHS	14440 BURBANK BLVD.	September 2008	To start October pass sales
RALPHS	12921 MAGNOLIA BLVD.	September 2008	To start October pass sales
RALPHS	14049 VENTURA BLVD.	September 2008	To start October pass sales
RALPHS	7221-25 WOODMAN AVE.	September 2008	To start October pass sales
RALPHS	25 E. ALAMEDA AVE.	September 2008	To start October pass sales
RALPHS	10900 MAGNOLIA BLVD.	September 2008	To start October pass sales
RALPHS	2270 N. LAKE AVE.	September 2008	To start October pass sales
RALPHS	10455 SUNLAND BLVD.	September 2008	To start October pass sales
RALPHS	1416 E. COLORADO BLVD.	September 2008	To start October pass sales
RALPHS	5429 HOLLYWOOD BLVD.	September 2008	To start October pass sales
RALPHS	18300 VANOWEN	September 2008	To start October pass sales
RALPHS	16940 DEVONSHIRE ST.	September 2008	To start October pass sales
RALPHS	8325 LAUREL CANYON BLVD.	September 2008	To start October pass sales
RALPHS *	10901 VENTURA BLVD.	September 2008	To start October pass sales
RUBIO DRUG	16550 VENTURA BLVD/LOBBY	August 2008	To start September pass sales
SANDHYA ENTERPRISES	7550 TAMPA AVE. #D	August 2008	To start September pass sales
SEPULVEDA CHECK CASHING	8925 SEPULVEDA BOULEVARD-#3	August 2008	To start September pass sales
SHERMAN WAY CHECK CASHING	16048 1/2 SHERMAN WAY	August 2008	To start September pass sales
SHORT STOP	5102 HOLLYWOOD BOULEVARD		

SHORT STOP	14411 VICTORY BOULEVARD	September 2008	To start October pass sales
SHORT STOP	6073 VAN NUYS BLVD	September 2008	To start October pass sales
SHORT STOP	7929 VAN NUYS BLVD	September 2008	To start October pass sales
SHORT STOP	9501 VAN NUYS BLVD.	September 2008	To start October pass sales
SHORT STOP	15317 VANOWEN STREET	September 2008	To start October pass sales
SHORT STOP	4344 WOODMAN AVE.	September 2008	To start October pass sales
SHORT STOP	4344 WOODMAN AVE	September 2008	To start October pass sales
SHORT STOP	12861 VANOWEN STREET	September 2008	To start October pass sales
SHORT STOP	10402 LAUREL CANYON BLVD	August 2008	To start September pass sales
SHORT STOP	15400 NORDHOFF ST..	September 2008	To start October pass sales
SIAM SQUARE	5403-05 HOLLYWOOD BLVD.	August 2008	To start September pass sales
SUPER DOLLAR INC.	1126 SAN FERNANDO RD.	August 2008	To start September pass sales
TENDER SENDER	2141 GLENDALE GALLERIA 2ND LEVEL	August 2008	To start September pass sales
TOPANGA CHECK CASHING	7239 TOPANGA CANYON	August 2008	To start September pass sales
UNITED CHECK CASHING	14851-G VICTORY BLVD.	August 2008	To start September pass sales
VALU PLUS FOOD WAREHOUSE	315 SAN FERNANDO MISSION BLVD.	TBD	May terminate pass sales
VINELAND WINE CELLAR	6012 VINELAND AVENUE	August 2008	To start September pass sales
VONS	4033 LAUREL CANYON BLVD.	September 2008	To start October pass sales
VONS	1342 N. ALVARADO	September 2008	To start October pass sales
VONS	655 N. FAIROAKS AVE.	September 2008	To start October pass sales
VONS	4520 SUNSET BLVD.	September 2008	To start October pass sales

Municipal Operators, Metrolink & Access Services

Municipal Operator Updates

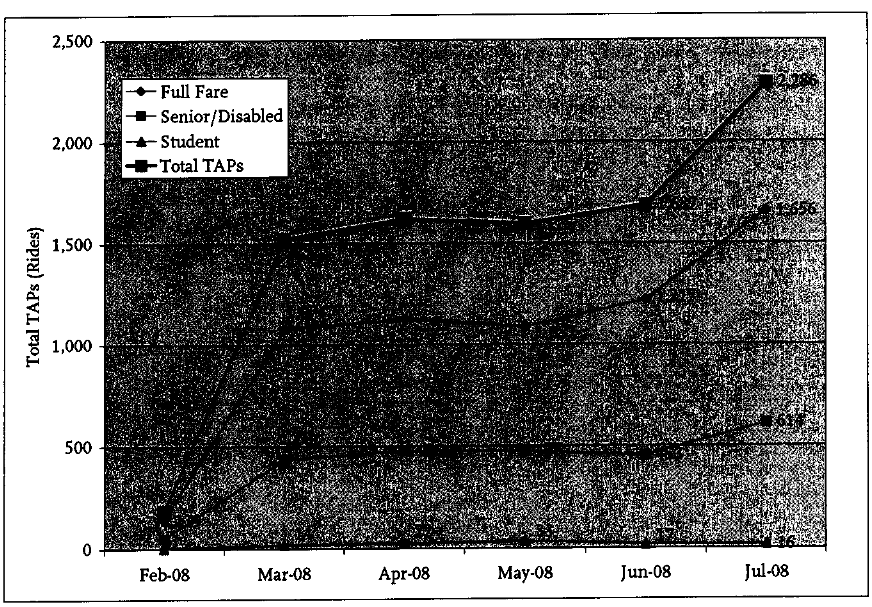
See Cubic's proposed Regional TAP Implementation Schedule on page 6. The regional central computer (RCDCS) completed final Systems Integration Testing in San Diego and was moved to its permanent location in Orange County. Training of Metro and ACS staff was completed in June. Metro will also begin the migration to the Regional Central in the August/September timeframe. Santa Clarita and Culver City will begin migration of their systems onto the completed Regional Central computer in October.

Culver CityBus

Culver CityBus began TAP revenue service on Monday, February 25th. Culver CityBus is currently utilizing the stored value purse of the TAP card as a replacement for the stored value MetroCard which it jointly accepted with Foothill Transit, Montebello Bus Lines, Norwalk Transit, and Big Blue Bus. Culver CityBus began sales of TAP stored value cards on February 11, 2008, allowing customers to transfer unused MetroCard value to a TAP card. More than $18,000 has been loaded onto 1,222 TAP cards since Culver CityBus began selling TAP cards in February. The average load per card is $14.85.

	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	YTD Total	Average/ Month
Value Loaded	$4,233	$2,164	$2,555	$2,315	$3,567	$3,318	$18,152	$3,025
Number of Cards	317	145	170	153	209	228	1,222	204
Value per Card	$13.35	$14.92	$15.03	$15.13	$17.07	$14.55	--	$14.85

The amount of TAP activity on Culver CityBus increased in July 2008. Culver CityBus is tentatively scheduled for migration to the regional central computer in September to begin the settling and acceptance period for the system.



Foothill Transit

Foothill Transit continues to partner with Metro in supporting TAP sales of Metro's monthly passes at its five Transit Stores. Foothill Transit's El Monte Transit Store was one of three locations that sold the TAP monthly pass as part of the TAP customer pilot program in the Fall of 2008. Foothill Transit expanded sales of Metro TAP monthly passes to its four other Transit Stores in late January 2008 when Metro converted its Customer Centers to TAP sales.

Foothill Transit's TAP installation is tentatively scheduled for the Winter 2009 timeframe, but has begun pre-installation surveys and planning.

Santa Clarita Transit

Santa Clarita Transit completed installation of its TAP/UFS equipment in the Fall of 2007, but is not yet utilizing the TAP capability of the new fareboxes pending completion of the RCDCS build and go-live date.

Together with Metro and Culver City, Santa Clarita Transit will be part of the test group during the implementation testing phase of the RCDCS installation. Santa Clarita Transit is tentatively scheduled for migration to the regional central computer in September.

Long Beach Transit

Long Beach Transit has been utilizing TAP/UFS fareboxes since 2006. Long Beach Transit accelerated their installation in order to replace failing fareboxes. Like Santa Clarita Transit, Long Beach Transit is not using the TAP functionality of their fareboxes. However, Long Beach Transit is not yet scheduled for migration to the Regional Central computer and conversion to TAP operation. They are looking at independent, non-TAP alternatives for issuance of Long Beach Day Passes and transfers on magnetic technology. Long Beach has confirmed that they will become TAP-enabled after the region has completed their implementation.

Montebello Bus Lines

TAP Operation staff met with Montebello Bus Lines in May to kick-off the installation process which is tentatively scheduled for the Winter timeframe following implementation of a revised fare structure to be presented to the Montebello City Council in June for consideration and possible adoption. Prior to installation, Montebello Bus Lines will be provided with a training farebox to assess farebox functionality with respect to fare policies and business rules, and to allow adequate time for operator and mechanic training before revenue operations begin. Additionally, development of a viable replacement for mag IATs and coordination of Montebello's installation with Norwalk Transit and Foothill Transit are critical components of Montebello Bus Lines' TAP conversion date. Montebello will partner with Norwalk Transit in a MetroCard conversion campaign to convert former MetroCard holders to TAP.

Norwalk Transit

TAP Operation staff met with Norwalk Transit in July to kick-off the installation process. Norwalk Transit is grappling with failing fareboxes and is eagerly anticipating the new TAP/UFS fareboxes. Installation is tentatively scheduled for the Winter timeframe. Like all municipal operators, Norwalk Transit will be provided with a training farebox to assess farebox functionality with respect to fare policies and business rules, and to allow adequate time for operator and mechanic training before revenue operations begin. Norwalk Transit, together with Montebello Bus Lines, will be implementing a MetroCard conversion campaign for converting former MetroCard holders to TAP.

Gardena Bus Lines

Gardena Bus Lines is scheduled to move into their new Administrative and Operations facility in the Fall of 2008. Gardena Bus Lines is tentatively scheduled for TAP migration in the spring of 2009, and has indicated a need for additional fareboxes due to fleet expansion. TAP Operation staff visited the new bus facility to assess equipment needs and site readiness for TAP conversion.

Torrance Transit

Torrance Transit is not yet scheduled for TAP migration but has requested to be one of the last municipal operators converted. Like Gardena Bus Lines, Torrance Transit has indicated a need for additional fareboxes.

LADOT

LADOT is not yet scheduled for TAP migration due to the complexity of their installation with ten separate contractor owned operations facilities. Additionally, LADOT is a likely candidate for new TAP equipment, the DCU/Lite Validator, not yet deployed in the region, combined with TAP fareboxes on Commuter Express vehicles.

Antelope Valley Transit Authority

Antelope Valley Transit is not yet scheduled for TAP migration but has decided upon the TAP farebox rather than the DCU/Lite Validator option.

Metrolink Update

Metrolink has been working on business concepts to achieve regional connectivity between their riders and regional TAP participants. Of particular issue is completing their physical conversion from paper to TAP timed with the Metro Gating project so that their patrons transferring to Metro Rail are enabled with access into and out of the gated fare gates.

Over the last 6 months, staff from Metrolink and TAP Operation has met regularly on general technology concepts. In June 2008, Metrolink identified $200,000 for use in FY09 to engage technical consultants required to help complete their concepts into a basis of design, and to write the specifications required to rehabilitate their equipment for TAP compatibility. Metrolink also committed an additional $300,000 for use in FY10 to complete this process.

Monthly progress on the business rules they envision will be presented. Currently, Metrolink has presented the concept of associating a defined number of transfers for each ticket type issued to be used as "credits" for linked trips that are loaded onto TAP cards.

Technical analysis by Booz Allen Hamilton must be engaged to explore the feasibility of vending such products from their ticket vending machines that will be accepted on TAP fare boxes and rail fare gates.

Access Services Update

As the region's Complementary Transit Services Provider (CTSA), Access Services Incorporated (ASI) provides ADA paratransit services to the County's disabled community who are unable to use fixed-route transit services for some or all of their mobility needs. In order to maximize the mobility options available to the County's disabled population in the most cost-effective manner, ASI has entered into agreements with a number of fixed-route transit operators in the County to allows ASI-eligible customers to use the services of these operators at no charge to the customer. The transit operator is reimbursed by ASI; the customer has had his/her mobility need met at no cost to them; and, ASI has saved the cost of a more expensive door-to-door paratransit trip. TAP and future-TAP operators that participate in this program include Metro, Culver CityBus, Foothill Transit, Gardena Bus Lines, LADOT, Montebello Bus Lines, Norwalk Transit, and Torrance Transit.

Metro is currently working with ASI to provide TAP-enabled ASI ID cards to ASI-certified customers for use on the fixed-route system. For those operators accepting TAP, the cardholder would tap his/her TAP card, the farebox (or validator) would record the ride, and the usage activity would be reported to ASI for reimbursement. For other transit operators, the TAP-enabled ASI ID card can continue to be used as a form of identification for verification of disabled status.

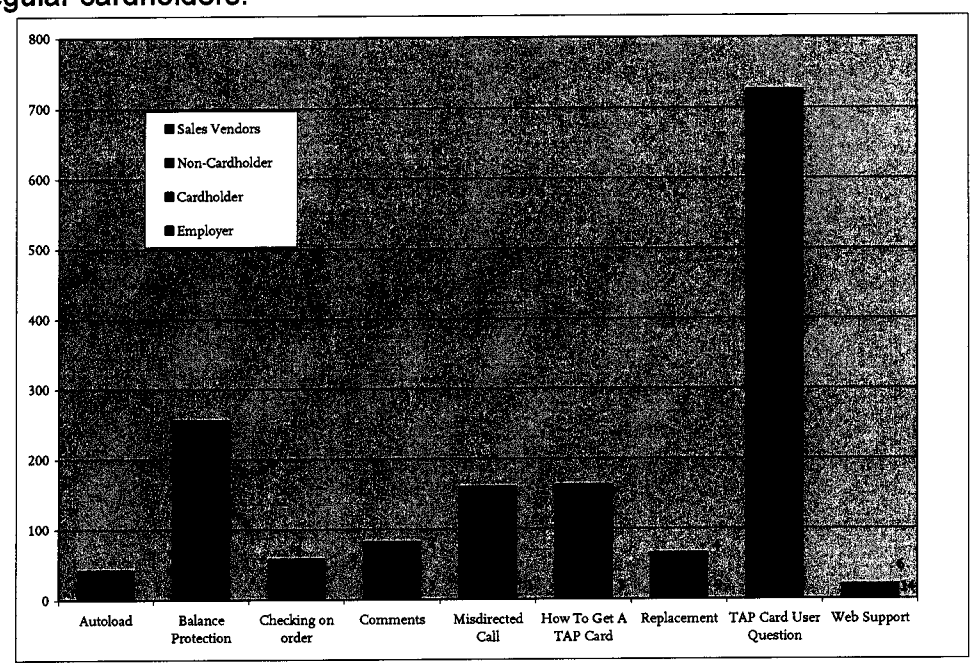
Regional TAP Service Center

866.TAPTOGO Calls
July 2008

The TAP Service Center has been operational since 2007. The data shown below is generated from card and patron activity resulting from sales at 4 Metro Customer Centers, five Foothill Transit Stores, the LADOT Transit Store, third party merchants, TVM sales, website sales plus other Metro pass programs (A/B/I-TAP). As additional vendor locations and municipal operators are installed with TAP equipment, the number of calls received by the Regional TAP Service Center is expected to increase. Additionally, expansion of the number of products available on TAP will also impact the call volume and type of calls received by the TAP Service Center. See pages 6, 7, 8 for the latest TAP implementation schedules.

	Employer	Cardholder	Non-Cardholder	Sales Vendors	TOTAL
Autoload		42			42
Balance Protection		255			255
Checking on order	41	16		1	58
Comments	3	77		2	82
Misdirected Call	1		159		160
How To Get A TAP Card	3		159		162
Replacement	9	52		4	65
TAP Card User Question	16	635	14	60	725
Web Support		14	6		20
TOTAL	*73*	*1,091*	*338*	*67*	*1,569*

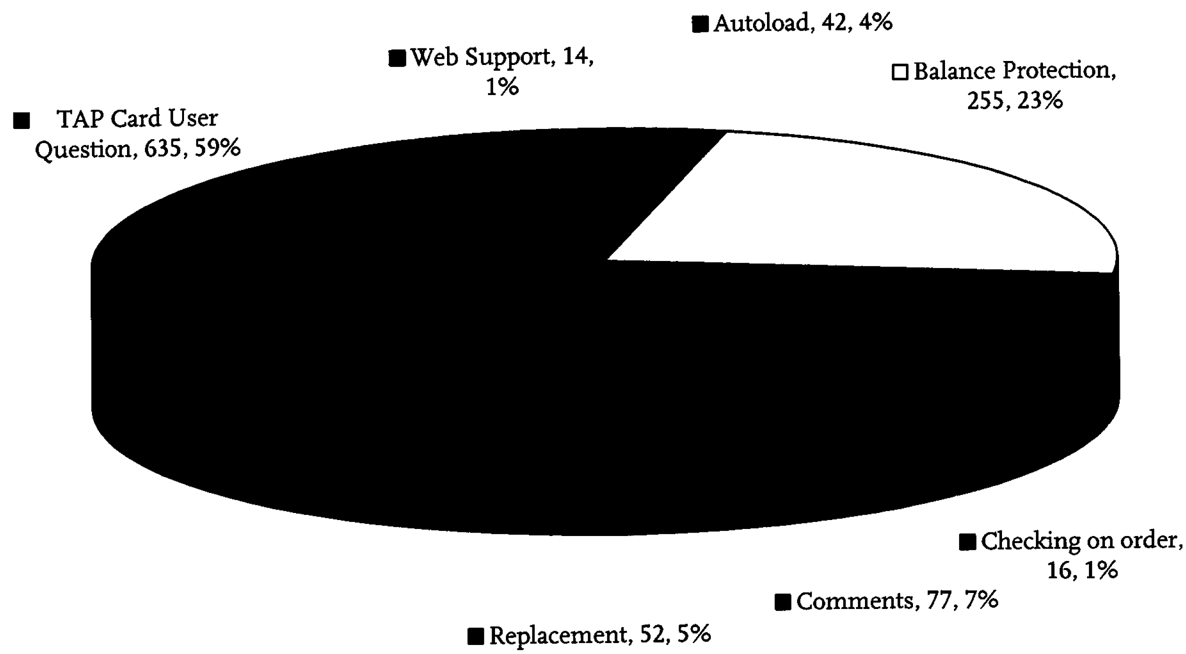
The largest number of July calls were generated by TAP cardholders, accounting for 70% of calls to the TAP Service Center. A large volume of calls are misdirected calls by non TAP cardholders, likely due to inadvertently selecting the TAP Service Center option in the 1-800-Commute phone system. TAP card user question was the most common type of call in July, representing nearly ½ of all calls. Another 10% of calls were inquiries as to how to acquire a TAP card. The Balance Protection feature of TAP is proving popular with customers as 255 cardholders called in to balance protect their cards in July. Note that all A/B/I-TAP cardholders are automatically enrolled in the balance protection program. Balance Protection is an optional feature for regular cardholders.



Customer Calls by Type
July 2008

In the month of July, the TAP Service Center received 1,091 calls from TAP cardholders, up from 592 in June. The greatest number of inquiries (635) is from new TAP cardholders unfamiliar with the use of the card. As the TAP Program receives more advertising penetration, marketing and training materials will assist patrons to convert from paper fare media to TAP technology.

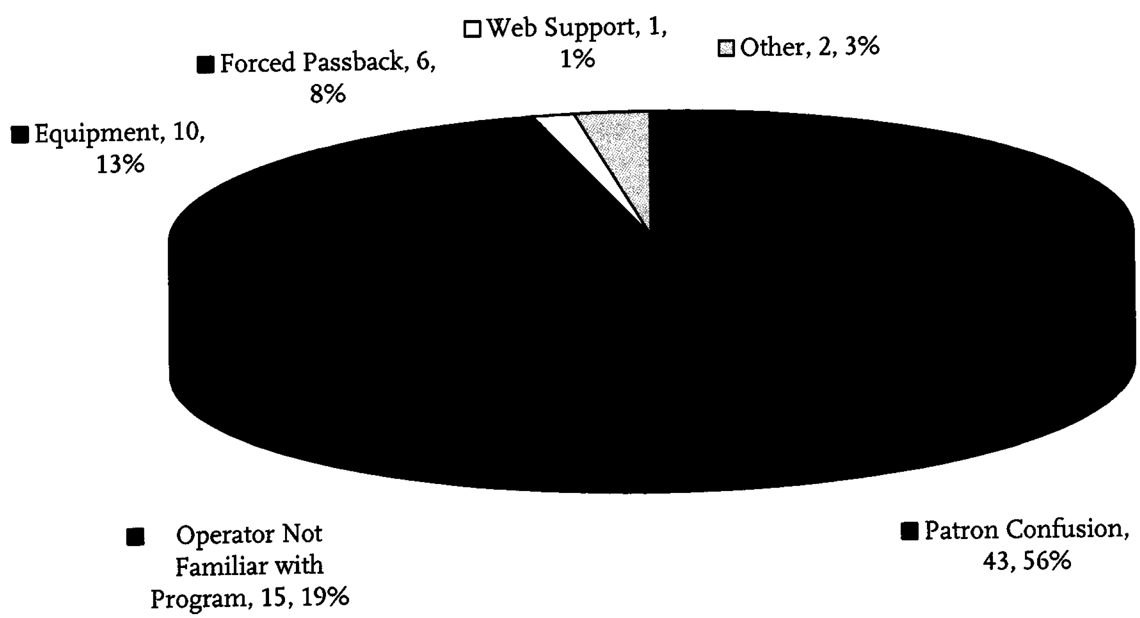
Cardholders signing up for the TAP features of Autoload and Balance Protection, together, accounted for 27% of customer calls in July. Autoload is a program whereby a cardholder can have his/her pass automatically added to their TAP card every week or month simply by providing a valid credit card to the TAP Service Center. With the Balance Protection program, a customer can link his/her TAP card to their personal information (name, address, etc.) and should the card be lost/stolen, the confirmed balance on the card can be restored to a new TAP card and sent to the customer. Customer comments account for 7% of calls received in May.



Customer Comments by Type
July 2008

TAP cardholder comments (7% of Cardholder calls from the prior page) are further classified by type of comment as shown below. The number of calls resulting from customer confusion, 43 in July, is comparable to the 5 customer confusion calls received in June, reflecting the larger number of TAP cardholders in July. There were 15 comments from customers over operator unfamiliarity with TAP, down from the 17 received in June and the 21 calls in April. However, six customers reported problems with passback, which results from multiple taps on a single farebox. Operators are not recognizing the first tap and are asking customers to tap again which results in a passback transaction. A passback message indicates a card is valid but has been tapped on the same farebox within the last seven minutes. A passback message is not an error message.

TAP Operation staff is working with Operations Central Instruction (OCI) staff to implement a mandatory operator training program in FY09. TAP Operation staff will be re-training OCI staff on TAP farebox functionality in July. OCI staff will then be responsible for operator training at each of the divisions. Additionally, TAP Operation Staff provided a TAP rollout briefing at the monthly Division Managers meeting and attended a monthly wrap session with bus operators at Division 7 to answer TAP questions.



TAP Sales Device Support
July 2008

In addition to serving as the TAP customer call center, the TAP Service Center has begun full operation of its third party vendor network support services. The TAP Service Center is responsible for the installation, training, and maintenance support of the TAP compact point of sales (CPOS) device used by the third party vendor network as well as Metro's own customer centers. July highlights of the third party vendor network support services include:

- 69 pre-installation site visits were conducted to assess vendor readiness for CPOS installation.
- 65 CPOS devices were installed at Downtown and Wilshire Corridor vendor locations.
- 198 service calls (phone and on-site assistance) were made, initiated from a combination of calls by TAP sellers and by monitoring of system performance by TAP Service Center staff. The large number of service calls for the month reflect three primary occurrences – 1) increase in the number of CPOS devices deployed increasing the number of calls for routine assistance and/or questions, 2) a temporary phone line outage that affected CPOS devices on July 29th, and 3) increased monitoring of the CPOS network including calls to vendors to verify device performance.
- 8 CPOS devices was returned to the RMA shop for repair.

Gating

Gating Project Status

See page 9 for the Gating Project schedule. Implementation of the gating project has been divided into four functional elements, overseen by four oversight teams whose July status is as follows:

Team 1: Technical Integration

- Face to face meetings were held to go over comments on the technical specification submittal received from contractor.
- System Integration Testing and training on the regional central computer has been completed. Migration activity to the regional central has begun.
- Fare rules and tariff regulations for gates are ongoing. Metro products are being analyzed for integration into gating business requirements.
- Metrolink gating discussions are progressing forward. Current focus is on compiling Metrolink fare product requirements.

Team 2a: Civil Work – Cubic

- Review meetings of contractor's revised Civil Installation Plan were held in June.
- Phase I schedule for sequence of work activities is under development.
- Contractor provided equipment layout drawings for two stations.

Team 2b: Civil Work – Metro

- Discussions are ongoing regarding alternative to full Exit Calculations study. Legacy methods used for performing exit calculations compared to current NFPA 130 requirements were reviewed.
- Ongoing meetings with Fire/Life Safety for guidelines on performing exit calculations for gated stations.
- A simplified approach was developed for determining impact of fare gates on station egress requirements.
- Initiated the process of assigning a task to our consultant perform the exit calculations.
- Provided all requested station layout drawings to the contractor.
- Reviewed contractor's sample detailed installation drawings and provided comments.
- Obtained latest update of hourly patronage figures for Metro Red, Green, Blue, and Gold Lines.
- Started developing the gating model to predict passenger queuing at turnstiles.

Team 3: Maintenance

- Completed a review of Contractor's proposed maintenance plan.

Team 4: Lease

- Draft submittal of the lease agreement is under review by County Counsel.