TRANSPORTATION COMMITTEE AGENDA

SPECIAL SESSION

Wednesday, April 15, 2009
10 a.m. to 12 noon
→→ NCTD Board Room ↔ ↔
810 Mission Avenue
Oceanside

AGENDA HIGHLIGHTS

• PUBLIC HEARING REGARDING PROPOSED AMENDMENTS TO REGIONAL COMPREHENSIVE FARE ORDINANCE TO MODIFY EXISTING TRANSIT FARE STRUCTURE

PLEASE TURN OFF CELL PHONES DURING THE MEETING

MISSION STATEMENT

The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, makes strategic plans, obtains and allocates resources, plans, engineers, and builds public transit, and provides information on a broad range of topics pertinent to the region’s quality of life.

San Diego Association of Governments  ·  401 B Street, Suite 800, San Diego, CA 92101-4231
(619) 699-1900  ·  Fax (619) 699-1905  ·  www.sandag.org
Welcome to SANDAG. Members of the public may speak to the Transportation Committee on any item at the time the Committee is considering the item. Please complete a Speaker’s Slip, which is located in the rear of the room, and then present the slip to Committee staff. Also, members of the public are invited to address the Committee on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Speakers are limited to three minutes. The Transportation Committee may take action on any item appearing on the agenda.

Public comments regarding the agenda can be forwarded to SANDAG via the e-mail comment form available on the Web site. E-mail comments should be received no later than noon, two working days prior to the Transportation Committee meeting.

In compliance with the Americans with Disabilities Act (ADA), SANDAG will accommodate persons who require assistance in order to participate in SANDAG meetings. If such assistance is required, please contact SANDAG at (619) 699-1900 at least 72 hours in advance of the meeting. To request this document or related reports in an alternative format, please call (619) 699-1900, (619) 699-1904 (TTY), or fax (619) 699-1905.

NCTD offices are accessible by public transit.
Phone 1-800-COMMUTE or see www.sdcommute.com for route information.
### SPECIAL MEETING OF THE SANDAG TRANSPORTATION COMMITTEE

**April 15, 2009**

<table>
<thead>
<tr>
<th>ITEM #</th>
<th>RECOMMENDATION</th>
</tr>
</thead>
</table>

1. **PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS**

   Members of the public will have the opportunity to address the Transportation Committee on any issue within the jurisdiction of the Committee. Speakers are limited to three minutes each and shall reserve time by completing a “Request to Speak” form and giving it to the Clerk prior to speaking. Committee members also may provide information and announcements under this agenda item.

2. **PUBLIC HEARING REGARDING PROPOSED AMENDMENTS TO REGIONAL COMPREHENSIVE FARE ORDINANCE TO MODIFY EXISTING TRANSIT FARE STRUCTURE (Dan Levy)**

   The Metropolitan Transit System (MTS) has declared a fiscal emergency and has taken action to reduce expenditures due to funding cutbacks from the State of California and falling sales tax revenue. The MTS Board has approved a strategy that includes $4.7 million in savings from service reductions and $2.2 million from additional revenue resulting from increases to Regional and Premium Pass prices, elimination of the downtown Trolley Zone, and discontinuing Community and Local Circulation special fares. SANDAG staff also is recommending changes to the Fare Ordinance to make adjustments to accommodate the transition to Compass Card. The Transportation Committee is asked to hold a public hearing on these proposed fare changes.

3. **UPCOMING MEETINGS**

   The next meeting of the Transportation Committee is scheduled for Friday, April 17, 2009, at 9 a.m. at SANDAG.

4. **ADJOURNMENT**

   + next to an agenda item indicates an attachment
Introduction

The Metropolitan Transit System (MTS) has declared a fiscal emergency and has taken action to reduce expenditures due to funding cutbacks from the State of California and falling sales tax revenue. The MTS Board of Directors also asked its staff to consider fare increases as a means of reducing the amount of transit service that would have to be eliminated to create a balanced budget. The MTS Board has approved a strategy that includes $4.7 million in savings from service reductions and $2.2 million from additional revenue resulting from increases to Regional and Premium Pass prices, elimination of the downtown Trolley Zone, and discontinuing Community and Local Circulation special fares (Attachment 1). These changes would need to be implemented via amendments to the Regional Comprehensive Fare Ordinance (Fare Ordinance) with an effective date of July 1, 2009, in order for MTS to achieve a balanced FY 2010 budget.

In addition to the proposed MTS fare changes, SANDAG staff is recommending changes to the Fare Ordinance to support the Compass Card, along with other modifications that simplify the fare systems and provide new options for transit customers. These changes generally have very minor revenue impacts and have been discussed with and approved by the staffs of both MTS and the North County Transit District (NCTD).

The proposed fare changes being discussed were posted in English and Spanish on all MTS and NCTD services in advance of the public hearing. In addition, advertisements were placed in English and Spanish language newspapers.

Discussion

Each of the proposed fare changes is discussed below. A Title VI Assessment of the proposed changes and alternatives is included in Attachment 2. Title VI of the Civil Rights Act requires that potential adverse impacts from the proposed changes on minority and low-income populations be identified and addressed.

Changes Requested by MTS

- Regional Pass. The Regional Pass currently is priced at $68. The Title VI Assessment concludes that an increase to $72 would not create a disproportionate impact for minority and low-income populations. Senior/Disabled/Medicare passes would increase from $17 to $18, and Youth passes would increase from $34 to $36. The 14-Day Rolling Pass would sell for $43 when it becomes available on the Compass Card. The Title VI assessment also concludes that these
increases would not create a disproportionate impact for minority and low-income populations. MTS estimates these changes will raise an additional $1.9 million annually.

- **Premium Express Pass.** The Premium Express Pass currently is priced at $90 per month, and MTS has requested this pass be raised to $100 per month. The cost of this price is substantially below the cost of passes offered by peer systems for similar services in California. The Senior/Disabled/Medicare Premium Express Pass would increase from $22.50 to $25, and the Youth Pass would increase from $45 to $50. The Title VI Assessment concludes that these increases would not create a disproportionate impact for minority and low-income populations. MTS estimates these changes will raise about $40,000 annually.

- **Downtown Trolley Zone.** Currently, adult (regular fare) passengers may ride between any two Trolley stations from 12th and Imperial to County Center for $1.25 each way. Passengers with Seniors/Disabled/Medicare identification may ride for $0.60. All other trips on the Trolley network have a regular fare of $2.50 and a Senior/Disabled/Medicare fare of $1.25, with Day Passes available for all passengers at a price of $5.00.

  The Downtown Trolley Zone fare originally was created to promote ridership in downtown San Diego. MTS has determined that this promotional fare is not financially feasible during the current fiscal emergency. MTS estimates eliminating the Downtown Trolley Zone will generate about $180,000 annually. The Title VI Assessment concludes that eliminating the downtown zone would not create a disproportionate impact for minority and low-income populations.

- **Community Bus Cash Fare.** The regular Community and Local Circulator cash fare in the region is currently $1, and $0.50 for Seniors/Disabled/Medicare passengers. This fare is charged on Route 851 (Spring Valley), Routes 871/872 (El Cajon), and Route 904 (Coronado). These routes are operated with small buses that generally cost less per mile to operate than the standard large urban transit coach; however, since these buses carry fewer passengers, the cost per seat mile is similar or exceeds the per seat mile cost of the larger buses. Eliminating this special fare category will improve the cost recovery of these routes and make cash fares for these types of routes consistent throughout the MTS service area. The Title VI Assessment concludes that eliminating the Community and Local Circulator fare would not create a disproportionate impact for minority and low-income populations. MTS estimates this change will increase revenues by $72,000 annually.

- **Create a 14-Day Rolling Premium Pass.** Prior to 2008 the Fare Ordinance contained a provision to permit the sale of Regional Monthly Passes at half price from the Transit Store. In 2008 the Fare Ordinance was amended to change from a Half Monthly Pass to a 14-Day Rolling Pass, priced at 60 percent of a 30-Day or Calendar Pass. As preparations were being made to convert the Premium Express Pass to the Compass Card, it was found that the Transit Store also was selling Half Monthly Passes for the Premium Express Pass. Based on the current demand for the paper Premium Half Monthly Pass, it was determined that there would be market for a 14-Day Rolling Premium Express Pass as a replacement product for the paper Premium Express Half Monthly Pass. The 14-Day Rolling Premium Express Pass is proposed to be priced at 60 percent of the Premium Express 30-Day Rolling and Calendar Pass (the same as the Regional 14-Day Rolling Pass). The Title VI Assessment concludes that there are no disproportionate impacts on minority and low-income populations.
Changes Associated with Compass Card

- Default Stored Value Fare. Cash paying customers constitute about 20 percent of all passengers. It is anticipated that initially only about 10 percent of the cash-paying customers, or 2 percent of the total ridership, may convert to stored value.

MTS and NCTD requested SANDAG to make the default fare with stored value a day pass to reduce the likelihood of fare evasion. This means that the first time a passenger with stored value taps a validator it will result in the purchase of a $5 Regional Day Pass. If a passenger wishes to ride only one or two times that day, he or she must inform the driver before they tap that they wish to pay a single fare. The driver will then select the appropriate fare on the control unit, and tell the passenger to tap. On the Trolley and SPRINTER, a passenger who wishes to buy a single-trip ticket must go to a Ticket Vending Machine, and purchase a paper ticket using the stored value on their Compass Card.

Similar rules and procedures would apply to the COASTER if the SANDAG Board of Directors approves creation of the Region Plus Day Pass (discussed below). This enhancement also would eliminate the need for COASTER passengers paying with stored value to tap on alighting. This addition to the Fare Ordinance does not involve any fare change and therefore no Title VI Assessment is necessary.

Additional Modifications

The introduction of the Compass Card provides an opportunity for new fare products and choices that simplify the fare system and provide new options for customers. These changes do not increase or change fares, rather they simply take advantage of available technology to improve the fare system.

- Region Plus Day Pass. Currently there is no day pass available for passengers using the COASTER and connecting to other bus or rail services. COASTER passengers receive a free transfer in one direction, but must purchase separate fares for each service in the reverse direction. The result is that most connecting passengers actually pay more in one direction than the return trip. The new Region Plus Day Pass would price this trip at $14, but also allow passengers to make additional trips on any service on the same day. The introduction of this product also would permit passengers beginning their trip on the Trolley, SPRINTER, or any bus to purchase a single day pass product for most regional destinations. This is a new product, and there are no Title VI impacts as the existing underlying fares are unchanged. The Regional Fare Structure and Revenue Sharing Study determined that this change would be revenue neutral.

The implementation of this Region Plus Day Pass will mean that the same rules would apply on the COASTER as all other bus and rail services. The default fare when using stored value would be the purchase of a day pass. The Region Plus Day Pass is expected to eliminate the confusing fare procedures that currently exist for the COASTER, and also eliminate the need for acceptance of single trip COASTER tickets as transfers to MTS buses and trolleys.

This day pass also would replace the Premium Express Day Pass, which now sells for $11 (an increase of $3). The Title VI Assessment concludes that there would be no disproportionate impacts on minority and low-income populations for this change.
Regional Pass to Premium Pass Supplement. Passengers holding Regional Monthly Passes currently are not permitted to pay a supplemental cash fare in order to ride a Premium Express route. This situation does not arise frequently; however, it does occasionally lead to disputes with drivers, delays in service, and produces an insignificant amount of revenue. In contrast, Regional Monthly Pass holders are permitted to use their passes to receive a $2 discount on the cash fare for the COASTER. In the interest of developing a unified set of business rules for the Compass Card, staff believes that a similar option should be available to Regional Monthly Pass holders wishing to ride the Premium Express. This would be a new fare choice and therefore does not require a Title VI analysis.

Juror Day Passes. In 2007 provisions were inserted into the Fare Ordinance to deal with the issuance and sale of day passes by SANDAG to Courts in San Diego. The wording was inserted in anticipation of the renewal of the Memorandum of Agreement (MOA) between SANDAG, the Courts, MTS, NCTD, and the Air Pollution Control District. The agreement with the Courts will expire on June 30, 2009, and all parties are in the process of negotiating a new MOA. It is recommended that the language in the Fare Ordinance be amended to reflect the future use of the Compass Card as well as the potential for an increase in the cost of the fare products to the Courts (the Courts purchase juror passes and distribute them free to jury patrons). Juror Day Passes currently are provided free of charge to prospective and actual jurors by the Superior Court, and no change is anticipated for that part of the program by the Court. This change does not require a Title VI Assessment.

Implementation Costs

As the proposed ordinance changes primarily deal with price adjustments to existing products, there are no anticipated third-party cost impacts since Compass program staff can perform the work. The modification of the Downtown Trolley Zone will also be facilitated through a price adjustment to match other trolley trips. The addition of the new fare products and associated business rules should not present an additional cost impact as vendor support will be provided under the annual maintenance contract with Cubic Transportation Systems.

Next Steps

This is the first of two public hearings on the proposed fare changes. Staff is scheduled to be bringing forward a new Fare Ordinance for consideration by the SANDAG Board of Directors at its meeting on April 24, 2009. The next public hearing will be Friday, April 17, 2009, at 9 a.m., at the SANDAG offices in downtown San Diego, located at 401 B. Street, 7th Floor, at the regularly scheduled Transportation Committee meeting.

BOB LEITER
Director of Land Use and Transportation Planning

Attachments: 1. March 25, 2009, Letter from MTS Regarding SANDAG Comprehensive Fare Policy
2. Title VI Assessment

Key Staff Contact: Dan Levy, (619) 699-6942, dle@sandag.org
March 25, 2009

Mr. Gary Gallegos
Executive Director
San Diego Association of Governments
401 B Street, Suite 800
San Diego, CA 92101

RE: SANDAG COMPREHENSIVE FARE POLICY

Dear Mr. Gallegos:

For several years, the Metropolitan Transit System (MTS) has been forced to address operating deficits caused by reduced sales tax revenues and State Transit Assistance funding. The state’s recent decision to completely eliminate its obligation to fund transit coupled with even lower sales tax revenues caused by the economic downturn have created a projected budget deficit of $11 million for FY 2010. This letter is to formally request that SANDAG initiate an amendment to the Regional Comprehensive Fare Ordinance to assist MTS in addressing its fiscal crisis.

The MTS Board of Directors adopted a strategy for deficit reduction at its March 12 meeting. The strategy includes a number of initiatives designed to increase revenues and reduce costs. Although some service adjustments were ultimately needed to bridge the budgetary gap, minimizing service impacts was a key objective. Careful analysis based on extensive research and modeling contributed to finding a fair approach to solving this recurring revenue shortfall, and various alternatives were analyzed and deliberated. The MTS Budget Development Committee, Executive Committee, and the full Board of Directors believe they have approved a balanced budget strategy that will spread the impact of our funding crisis over all aspects of our organization. No one community, service, or group of individuals will shoulder the entire burden.

The Board’s budgetary strategy includes $4.7 million in subsidy savings from service adjustments, a $4 increase in the adult monthly pass on July 1, 2009 (from $68 to $72), elimination of the Downtown Trolley fare, and an increase of one-way cash fares on Routes 851, 871/872, and 904 from $1 to $2.25. Commensurate increases would be made to the Youth and Senior/Disabled/Medicare Monthly Passes and/or cash fares. In order to accomplish the goal of a balanced FY 2010 budget, implementation of this strategy must occur by July 1, 2009. MTS is committed to working with SANDAG to ensure that all necessary public hearings and decisions can be made in keeping with this aggressive schedule.

Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB), a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administration for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.
SANDAG Comprehensive Fare Policy
March 25, 2009
Page 2

The MTS Board was forced to take swift action to address the agency's fiscal crisis. It is unfortunate that, at a time when our communities are turning to transit in record numbers, these difficult choices must be made. We look forward to SANDAG's participation and assistance during these challenging times, and appreciate the region's partnership in implementing the necessary fare adjustments.

Sincerely,

[Signature]

Paul Jablonski
Chief Executive Director

L-GGalloges.2010 FareIncrease.doc
gwilliams/temp/comprehensive fare policy
TITLE VI
FARE PROPOSAL EVALUATION
FOR THE SAN DIEGO REGION

April 2008
The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, plans, engineers, and builds public transit; makes strategic plans; obtains and allocates resources; and provides information on a broad range of topics pertinent to the region’s quality of life.

**BOARD OF DIRECTORS**

**CHAIR**
Hon. Lori Holt Rinehart

**FIRST VICE CHAIR**
Hon. Jerome Stoking

**SECOND VICE CHAIR**
Hon. Jack Dale

**EXECUTIVE DIRECTOR**
Gary L. Gallegos

**CITY OF CARLSBAD**
Hon. Matt Hal, Councilmember
(A) Hon. Bud Lewis, Mayor
(A) Hon. Ann Kulchin, Mayor Pro Tem

**CITY OF CHULA VISTA**
Hon. Cheryl Cox, Mayor
(A) Hon. John McGann, Deputy Mayor
(A) Hon. Steve Cantreda, Councilmember

**CITY OF CORONADO**
Hon. Carrie Downey, Councilmember
(A) Hon. Al Ovrom, Councilmember
(A) Hon. Michael Wevoda, Councilmember

**CITY OF DEL MAR**
Hon. Crystal Crawford, Mayor
(A) Hon. Carl Hilliard, Councilmember
(A) Hon. Richard L. Larnes, Deputy Mayor

**CITY OF EL CAJON**
Hon. Mark Lewis, Mayor
(A) Hon. Jillian Hansen-Cox, Councilmember

**CITY OF ENCINITAS**
Hon. Jerome Stocks, Councilmember
(A) Hon. Teresa Barth, Councilmember
(A) Hon. Dan Dalager, Deputy Mayor

**CITY OF ESCONDIDO**
Hon. Lori Holt Rinehart, Mayor
(A) Hon. Sam Abed, Mayor Pro Tem

**CITY OF IMPERIAL BEACH**
Hon. Jim Janney, Mayor
(A) Hon. Patricia McCoy, Mayor Pro Tem
(A) Hon. Jim King, Councilmember

**CITY OF LA MESA**
Hon. Art Madrid, Mayor
(A) Hon. Mark Arapostathis, Councilmember
(A) Hon. David Allan, Councilmember

**CITY OF LEMON GROVE**
Hon. Mary Teresa Sessom, Mayor
(A) Hon. Jerry Jones Councilmember
(A) Hon. Jerry Selby, Councilmember

**CITY OF NATIONAL CITY**
Hon. Ron Peterson, Mayor
(A) Hon. Frank Parra, Vice Mayor
(A) Vacant

**CITY OF OCEANSIDE**
Hon. Jim Wood, Mayor
(A) Hon. Jerry Kern, Councilmember
(A) Hon. Jack Feller, Councilmember

**CITY OF POWAY**
Hon. Mickey Cafagna, Mayor
(A) Hon. Don Higginson, Councilmember
(A) Hon. Betty Rixford, Councilmember

**CITY OF SAN DIEGO**
Hon. Jerry Sanders, Mayor
Hon. Den Hueso, Council President
(A) Hon. Anthony Young, Councilmember
(A) Hon. Todd Gloria, Councilmember

**CITY OF SAN MARCOS**
Hon. Jim Desmond, Mayor
(A) Hon. Hal Martin, Vice Mayor
(A) Hon. Rebecca Jones, Councilmember

**CITY OF SANTEE**
Hon. Jack Dale, Councilmember
(A) Hon. Hal Ryan, Councilmember
(A) Hon. John Minto, Councilmember

**CITY OF SOLANA BEACH**
Hon. Lesa Heedern, Councilmember
(A) Hon. Dave Roberts, Councilmember
(A) Hon. Mike Nichols, Mayor

**CITY OF VISTA**
Hon. Judy Pitt, Councilmember
(A) Hon. Bob Campbell, Mayor Pro Tem
(A) Hon. Steve Gronke, Councilmember

**COUNTY OF SAN DIEGO**
Hon. Diane Jacob, Chairwoman
(A) Hon. Bill Haro, Chair Pro Temp
(A) Hon. Ron Roberts, Supervisor
Hon. Pam Slater-Pecker, Vice Chairwoman
Hon. Greg Cox, Supervisor

**IMPERIAL COUNTY**
(Advisory Member)
Hon. Victor Camillo, Supervisor
(A) Hon. David Oza, Councilmember

**CALIFORNIA DEPARTMENT OF TRANSPORTATION**
(Advisory Member)
Will Kimpton, Director
(Advisory Member)
Pedro O’So-Delgado, District 11 Director

**METROPOLITAN TRANSIT SYSTEM**
(Advisory Member)
Harry Mathis, Chairman
(A) Vacant
(A) Vacant

**NORTH COUNTY TRANSIT DISTRICT**
(Advisory Member)
Hon. Dave Roberts, Acting Chair
(A) Hon. Jerome Stoking, Planning Committee Chair
(A) Hon. Chris Orlando, Monitoring Committee Chair

**U.S. DEPARTMENT OF DEFENSE**
(Advisory Member)
CAPT Steve Wirsching, USN, CEC,
Southwest Division Naval Facilities Engineering Command
(A) CAPT Robert Fahey, USN, CEC
Southwest Division Naval Facilities Engineering Command

**SAN DIEGO UNIFIED PORT DISTRICT**
(Advisory Member)
Laurie Black, Commissioner
(A) Michael Najera, Commissioner

**SAN DIEGO COUNTY WATER AUTHORITY**
(Advisory Member)
Mark Muir, Commissioner
(A) Howard Williams, Commissioner

**SOUTHERN CALIFORNIA TRIBAL CHAIRMEN’S ASSOCIATION**
(Advisory Member)
Chairman Robert Smith (Pala), SCTCA Chair
(A) Chairman Allen Lawson (San Pasqual)

**MEXICO**
(Advisory Member)
Hon. Remedios Gomez-Arema
Consul General of Mexico

As of January 14, 2009
TABLE OF CONTENTS*

Introduction........................................................................................................................................................5
  Background and Responsibility..........................................................................................................................5
  Title VI Requirements...................................................................................................................................5

Executive order 13166 General Requirements and Guidelines .......................................................... 7
  Limited English Proficiency............................................................................................................................7

Executive order 12898 Program Specific Requirements and Guidelines for Recipients
Serving Large Urbanized Areas....................................................................................................................9
  Methodology for Fare Analysis........................................................................................................................9
  Data Collection.............................................................................................................................................10
  Description of the Fare Ordinance Amendments......................................................................................11

Title VI Impact Assessment .............................................................................................................16
  Single Ride Fare Analysis............................................................................................................................16
  Day Pass Analysis.....................................................................................................................................16
  Monthly Pass Alternative Analysis...........................................................................................................16
  Service Change Analysis............................................................................................................................17

LIST OF TABLES

Table 1 Language Spoken at Home and the Ability to Speak English† .................................................. 8
Table 2 Total LIM Population by Census Tract in the San Diego Region...............................................9
Table 3 Total LIM Population by Ridership Surveys in the San Diego Region.....................................10
Table 4 Existing Fare Structure................................................................................................................13
Table 5 July 2009 Single Ride and Day Pass Evaluation ......................................................................14
Table 6 January 2009 Monthly Pass Alternatives..................................................................................15
Table 7 Monthly Pass Alternative Evaluation........................................................................................18

* Chapter order intentional to reflect the corresponding chapters outlined in the May 13, 2007, Federal Transit Administration (FTA) Circular (FTA C 4702.1A).
INTRODUCTION

This Federal Civil Rights Title VI analysis has been prepared to evaluate a new Regional Comprehensive Fare Ordinance scheduled for implementation in July 2009 ("2009 Fare Ordinance"). The 2009 Fare Ordinance would be approved by the San Diego Association of Governments (SANDAG) and implemented by the Metropolitan Transit System (MTS) and the North County Transit District (NCTD). The analysis assesses how the proposal will affect different transit rider populations and determines if any of the proposed fare changes will result in disproportionately negative impacts and adverse effects on low-income and minority (LIM) populations within the San Diego region.

Background and Responsibility

With the approval of Senate Bill (SB) 1703 in 2003, the planning and programming functions of MTS and NCTD were consolidated under SANDAG. Contained within these functions is the responsibility for developing a Regional Fare Policy, including setting fares for transit services in the region through a Comprehensive Fare Ordinance. The MTS and NCTD Board of Directors have requested a fare increase to partially mitigate a revenue shortfall caused by reduced tax revenue, increased fuel costs, and reduced subsidies from the State. The current Regional Comprehensive Fare Ordinance was drafted after SB 1703 went into effect by merging the provisions of MTS’s and NCTD’s fare ordinances into one region-wide fare ordinance. The current Regional Comprehensive Fare Ordinance contains inconsistent terminology, confusing formatting, and redundancies due to its provisions coming from the two different transit agencies. The 2009 Fare Ordinance was drafted from scratch in order to improve upon its format and ease of use. Many of the differences between the current Regional Comprehensive Fare Ordinance and the proposed 2009 Fare Ordinance are not substantive. The Title VI analysis in this report focuses only on proposed substantive changes.

Title VI Requirements

Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) states that: “No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” The scope of Title VI was expanded by the Civil Rights Restoration Act of 1987 (P.L. 100-209) to include all of a recipient’s and contractor’s programs or activities whether federally assisted or not.

The February 11, 1994, Executive Order 12898, “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations” added low-income populations to minority populations and required that disproportionately adverse impacts be identified and addressed. The Federal guidelines (May 13, 2007, FTA C 4702.1A) defines disproportionate impacts as those that “will be suffered by minority population and/or low-income population and are appreciably more severe or greater in magnitude than the adverse effect that will be suffered by the non-minority population and/or non-low-income population.” Environmental justice applies to all programs, policies, and activities being evaluated and is consistent with Title VI of the Civil Rights Act of 1964. Executive Order 12898 also requires public involvement and mandates that transportation agencies ensure there is no exclusion from participation, no denial of benefits, and no discrimination in the services that they provide to LIM populations.
The August 11, 2000, Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency” introduced the requirement to provide “meaningful access to Limited English Proficient (LEP) persons” (Chapter IV, Part 4). Executive Order 13166 requires Federal agencies to examine the services they provide, identify any need for services to those with Limited English Proficiency (LEP), and develop and implement a system to provide those services so that LEP persons can have meaningful access to them. To fulfill this requirement, FTA recipients must take responsible steps to ensure meaningful access to the benefits, services, information, and other important portions of their programs and activities for individuals who are LEP.

This Title VI assessment was prepared by SANDAG.
Limited English Proficiency

Limited English Proficiency (LEP) is a term used to describe individuals who are not proficient in the English language. Executive Order 13166 “Improving Access to Services for Persons With Limited English Proficiency (August 2000),” is directed at implementing the protections afforded by Title VI of the Civil Rights Act of 1964 and related regulations. Accordingly, it prohibits recipients of Federal financial assistance from discriminating based on national origin by failing to provide meaningful access to service for individuals who are LEP. These protections require that LEP persons be provided with an equal opportunity to benefit from or have access to services that are normally provided in English.

SANDAG defines LEP persons as those individuals who do not speak English as their primary language and who have limited ability to read, write, speak, or understand English. These non-English speaking persons in San Diego County have been identified based on data obtained from the Census 2000, which included response categories such as “Language Spoken at Home and the Ability to Speak English.” Those who responded to the Census by stating that they speak English “not well” or “not at all” are considered to be LEP individuals.

To ensure meaningful access to LEP persons, SANDAG certifies compliance with the United States Department of Transportation (USDOT) “Policy Guidance Concerning Recipients’ Responsibilities to Limited English Proficient (LEP) Persons.” The policy guidance includes a “Safe Harbor” provision where the USDOT considers the written translation of vital documents in languages other than English (for eligible LEP language groups consisting of 5 percent or more of the population) to be strong evidence of compliance with the recipient’s written-translation obligations under Title VI.

In the San Diego Region, SANDAG strives to ensure that LEP services are provided for languages that meet or exceed this 5 percent threshold. Written translations are provided for each eligible LEP language group that constitutes 5 percent or more of the population likely to be served by public transit. This 5 percent trigger serves as the benchmark for continued translations of languages over time. Written language services consist of the written-translation of the following vital documents: (1) All fare-related signs in bus, trolley, and train stations; and, (2) Notices of public hearings regarding SANDAG’s proposed transportation plans, projects, or changes, reductions, denial, or termination of services or benefits.

Table 1 highlights the Census data for “Language Spoken at Home and the Ability to Speak English” in the MTS and NCTD service areas, as well as for the region as a whole. Based on the Census 2000 data, Spanish is the only language in the San Diego Region that meets or exceeds the 5 percent LEP trigger in the combined categories of English spoken “not well” or “not at all.” Within the MTS service area, the total population who speak English “not well” or “not at all” is 5 percent, within the NCTD service area the total population who speak English “not well” or “not at all” is 7 percent and in the entire San Diego Region, the total population who speak English “not well” or “not at all” is 6 percent. Accordingly, vital documents related to changes in the 2009 Fare Ordinance proposed for implementation in July 2009 were provided in Spanish to meet the requirements of Executive Order 13166.
### Table 1
Language Spoken at Home and the Ability to Speak English†
(Population age 5 and older)

<table>
<thead>
<tr>
<th>Prominent Household Language</th>
<th>Ability to Speak English</th>
<th>MTS</th>
<th>NCTD</th>
<th>Regional Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Percent</td>
<td>Total</td>
<td>Percent</td>
</tr>
<tr>
<td>English</td>
<td>Speak English Only</td>
<td>1,234,316</td>
<td>65%</td>
<td>518,328</td>
</tr>
<tr>
<td>English</td>
<td>Speak English “well”</td>
<td>314,871</td>
<td>17%</td>
<td>108,904</td>
</tr>
<tr>
<td>English</td>
<td>Speak English “not well” or “not at all”</td>
<td>95,266</td>
<td>5%</td>
<td>52,537</td>
</tr>
<tr>
<td>Spanish</td>
<td>Speak English Only</td>
<td>410,137</td>
<td>22%</td>
<td>161,441</td>
</tr>
<tr>
<td>Spanish</td>
<td>Speak English “well”</td>
<td>314,871</td>
<td>17%</td>
<td>108,904</td>
</tr>
<tr>
<td>Spanish</td>
<td>Speak English “not well” or “not at all”</td>
<td>95,266</td>
<td>5%</td>
<td>52,537</td>
</tr>
<tr>
<td>Asian/Pacific Island</td>
<td>Speak English Only</td>
<td>163,249</td>
<td>9%</td>
<td>22,182</td>
</tr>
<tr>
<td>Asian/Pacific Island</td>
<td>Speak English “well”</td>
<td>134,730</td>
<td>7%</td>
<td>19,138</td>
</tr>
<tr>
<td>Asian/Pacific Island</td>
<td>Speak English “not well” or “not at all”</td>
<td>28,519</td>
<td>2%</td>
<td>3,044</td>
</tr>
<tr>
<td>Other</td>
<td>Speak English Only</td>
<td>81,899</td>
<td>4%</td>
<td>23,660</td>
</tr>
<tr>
<td>Other</td>
<td>Speak English “well”</td>
<td>72,574</td>
<td>4%</td>
<td>22,036</td>
</tr>
<tr>
<td>Other</td>
<td>Speak English “not well” or “not at all”</td>
<td>9,235</td>
<td>0%</td>
<td>1,624</td>
</tr>
</tbody>
</table>

† Based on Census 2000 data
EXECUTIVE ORDER 12898
PROGRAM SPECIFIC REQUIREMENTS AND GUIDELINES
FOR RECIPIENTS SERVING LARGE URBANIZED AREAS

Methodology for Fare Analysis

In order to comply with Executive Order 12898, which mandates the inclusion of “minority and low-income populations (LIM)” in the analysis of environmental justice, SANDAG first defined the LIM populations in the San Diego region by transit district service area; and for the region as a whole. LIM populations were defined by Census Tract and a LIM Census Tract was identified as any Census Tract where the total percentage of the LIM population was greater than the LIM percentage for the service area as a whole. Based upon the Census data, SANDAG determined the LIM averages to be 51 percent in the Metropolitan Transit System (MTS) service area, 40 percent in the North County Transit District (NCTD) service area, and 49 percent regionwide (shown in Table 2). A complete table of LIM populations by Census Tract in the San Diego region can be found in Appendix A of this document.

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Total Population</th>
<th>Total LIM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
</tr>
<tr>
<td>MTS</td>
<td>2,017,725</td>
<td>1,045,141</td>
</tr>
<tr>
<td>NCTD</td>
<td>796,108</td>
<td>332,995</td>
</tr>
<tr>
<td>Regional Total</td>
<td>2,813,833</td>
<td>1,378,136</td>
</tr>
</tbody>
</table>

To conduct this Title VI assessment for proposed changes to the current fare structure, information generated from the SANDAG 2002-2003 Onboard Ridership Survey was analyzed to understand the region’s transit ridership in relation to fare usage patterns and LIM populations. Using the information from ridership surveys allows for a more thorough evaluation while simultaneously indicating whether LIM riders are more likely to use the mode of service, payment type, or payment media that would be subject to the proposed fare adjustments.

In order to provide a reasonable comparison, SANDAG utilized the ridership survey LIM average to assess Title VI disproportionate impacts, instead of using the LIM averages by Census Tract included in Table 2. Since those who use public transit will bear the impacts of the fare changes, the ridership survey was used rather than the Census total which is primarily composed of non-riders. By using the data derived from the ridership surveys, staff was able to create a regional ridership profile that better defines the proportion of LIM and Non-LIM populations who use public transit in the region. In the MTS service area, 77 percent of riders are considered to be LIM, while 65 percent of NCTD riders are LIM. The regionwide average is 73 percent. Table 3 provides the overview of LIM populations based on ridership as described above.
Table 3
Total LIM Population by Ridership Surveys in the San Diego Region

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Total Surveys†</th>
<th>Total LIM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
</tr>
<tr>
<td>MTS</td>
<td>21,073</td>
<td>16,319</td>
</tr>
<tr>
<td>NCTD</td>
<td>10,556</td>
<td>6,849</td>
</tr>
<tr>
<td>Regional Total</td>
<td>31,629</td>
<td>23,168</td>
</tr>
</tbody>
</table>

† Based on Valid Surveys

In order to provide the Title VI evaluation, a complete analysis of transit modes and fare payment type/media was conducted using the data derived from the onboard survey. Specific route types (i.e. community, downtown trolley, etc.) as well as specific pass types (i.e. adult monthly, premium express, etc.) were categorized based on method of payment (cash or pass) and ridership status (LIM vs. Non-LIM). In general, Title VI disproportionate impacts would be likely when fare increases occur on routes (or groups of routes) that support a larger than average percentage of LIM riders greater than non-LIM riders. A copy of the SANDAG Onboard Transit Survey instrument is included in Appendix B of this document.

Data Collection

To collect the information for the Onboard Passenger Survey, surveyors rode onboard buses, Trolleys, and the COASTER, offering survey forms to passengers as they boarded the vehicle. Surveys were self-administered; however, the surveyors were available for questions. When passengers completed the questionnaires, they were collected and tracked by route, date, trip time, and direction. The data then was coded, entered, and analyzed. MTS routes and NCTD routes had a slightly different survey form (see Appendix B). While slightly different, the survey questions were worded so that the forms could be combined in the analysis. An average of 314 completed questionnaires per route were collected and efforts were made to survey in both directions and during all time-periods (A.M. Peak, Midday, P.M. Peak, and Other).

LIM riders were those individuals who stated on the survey that they considered themselves anything other than white (non-Hispanic) and/or they indicated that their household income was below $30,000. The $30,000 threshold was determined through an application of average household size combined with the federal poverty guidelines. Ridership surveys from the NCTD area were used to determine the average household size (4.00 persons per household), while household data from the MTS service area was unavailable. However, Census data for both service areas exhibited similarities which made the application of NCTD household size to the region logical. Since the federal poverty threshold in 2002 was set at $27,588 for a family of four (when the survey was performed), any respondent who stated that their household income was “Under $10,000,” between $10,000 and $19,999, and between “$20,000 and $29,999,” were considered “low-income” for the purposes of this evaluation.

From the survey responses given, the data then was analyzed by transit mode (bus and trolley) and payment type (cash, pass, transfers) to determine the absolute number and percentage of LIM riders that could be impacted from any of the proposed fare alternatives.

---

2 The poverty threshold is based on 150% of the poverty level from federal SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) guidance. The baseline ridership (Table 3) was set at 100 percent of the poverty level to provide the most conservative analysis.
While every attempt was made to evaluate each component of the proposed fare changes from the survey data, analysis of a few minor categories was limited or needed to be adjusted based on the limitations of the available data. Specifically, a thorough evaluation of Senior, Disabled and Medicare (SDM) riders (monthly pass holders and cash riders) was not available since the data enabled only the identification of seniors within this category\(^3\). Youth monthly pass changes (available to youth ages six through 18) were not evaluated since the survey did not include individuals under 13 years old. Since the evaluation of these specific riders could not be done, a conservative approach was taken and these two groups were assumed to be Low-Income and Minority (LIM) for the purposes of this analysis.

**Description of the Fare Ordinance Amendments**

The following amendments to the Fare Ordinance were evaluated by SANDAG to determine if the fare changes would have disproportionately adverse effects on LIM populations in the San Diego region. This includes changes to July 2009 cash fares, regional pass fares, and other discounted fares. Table 4 provides an overview of the existing fare structure (cash and pass), while Tables 5 details the proposed changes to cash fares and day passes that would take place in July 2009 if the 2009 Fare Ordinance is adopted. Table 6 includes an evaluation of several different monthly pass pricing alternatives as 2009 Fare Ordinance options.

**Demonstrated Need for Fare Increase/Alternatives Evaluation**

For several years, both MTS and NCTD have been forced to address operating deficits caused by reduced sales tax revenues and State Transit Assistance (STA) funding. The state’s recent decision to completely eliminate its obligation to fund transit operations, coupled with even lower sales tax revenues caused by the economic downturn, have created a significant budget deficits for both agencies. The MTS Board of Directors adopted a strategy to reduce the deficit that included a number of initiatives designed to increase revenues and reduce costs. Careful analysis by MTS based on extensive research and modeling contributed to finding a fair approach to solving this recurring revenue shortfall, and various alternatives were analyzed and deliberated (including the alternative of no fare increase but with a higher level of service cuts). The ultimate MTS balanced budget strategy included $4.7 million in service cuts as well as the fare changes included in this report\(^4\). SANDAG has relied on this MTS report as documentation of the need for the fare increases and for the alternatives evaluation.

Absent state or federal appropriations, and due to the recent elimination of California State Transit Assistance (STA) funds, MTS believes fare increases for MTS services are a business necessity to meet budget needs for fiscal year 2010 and future fiscal years. Operations deficits will occur at MTS if proposed fare amendments are not adopted. In the event that the proposed fare increases are not implemented, MTS would be have to implement the alternative of higher levels of service cuts to bridge the budget gap. For NCTD, the fare increases would have a smaller, but positive impact as well towards alleviating its budget shortfall caused by elimination of STA funding.

\(^3\) Ridership surveys were not available for disabled riders. As a result, Census 2000 crosstab data was used, which confirmed that the disabled population of San Diego County was more likely to be low income than the general population.

\(^4\) MTS strategy adopted at its March 12, 2009 Board of Directors meeting ([http://www.sdmts.com/MTS/documents/Board3-12-09.pdf](http://www.sdmts.com/MTS/documents/Board3-12-09.pdf)).
Cash Fares

Cash fares evaluated for Title VI purposes include changes to MTS Shuttle fares (regular and SDM) and Trolley Downtown Zone (Regular and SDM). None of the proposed fare changes were found to trigger any LIM disproportionate impacts.

Pass Fares

The current regional pass fares are $68.00 for a regular regional pass, $90.00 for a regular premium express pass, $17.00 for a regional SDM pass, $34.00 for a Regional Youth pass, $59.00 for an NCTD BREEZE/SPRINTER Regular Monthly pass, $144.00 to $182.00 for a COASTER Regular Monthly pass, $11.00 for a Premium Express day pass, and $5.00 for a Regular Regional Day Pass. There are currently no Regional SDM Day passes, COASTER Day Passes or 14-day passes of any kind other than the half-month Regional pass, which can be purchased on the 15th day of each month.

Proposed Day Pass changes include the initiation of a Regional SDM Day Pass and a new Region Plus Day Pass. As proposed, the later would be valid for both COASTER and Premium Express use. While this does not change the round trip pricing offered on the COASTER or Premium Express services, it does offer a less expensive alternative for individuals currently using those services and transferring to other services to complete their trip.

Several alternatives were evaluated regarding price increases on the Regional Monthly Pass (Regular, Youth and SDM) and MTS Premium Express Pass (Regular, Youth and SDM); along with the institution of a rolling 14 consecutive day Regular-Regional pass. 5 Since the regular pass is tied to the SDM and Youth Passes (25% of the regular price for SDM and 50% for Youth), both categories would experience similar increases as a percentage of the regular pass price.

---

5 The 14-Day Rolling Pass represents a new fare type, and was therefore not included in this analysis. However, the percentage price increase and LIM/Non LIM population status of the pass are similar to that of the monthly pass which is evaluated in depth in this report.
# Table 4
## Existing Fare Structure

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Service</th>
<th>Single Ride Fare†</th>
<th>Day Pass</th>
<th>Half Month Pass‡</th>
<th>30-Day Calendar Month Pass</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Regular/Youth</td>
<td>Senior/Disabled</td>
<td>Adult/Youth</td>
<td>Senior/Disabled</td>
</tr>
<tr>
<td>Local</td>
<td>MTS Bus (Local/Urban)</td>
<td>$2.25</td>
<td>$1.10</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>BREEZE</td>
<td>$2.00</td>
<td>$1.00</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>Trolley</td>
<td>$2.50</td>
<td>$1.25</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>SPRINTHER</td>
<td>$2.00</td>
<td>$1.00</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>MTS Express</td>
<td>$2.50</td>
<td>$1.25</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td>Regional</td>
<td>MTS Premium Express</td>
<td>$5.00</td>
<td>$2.50</td>
<td>$11.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>COASTER§</td>
<td>$5.00-6.50</td>
<td>$2.50-3.25</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Rural</td>
<td>MTS (2 zones)</td>
<td>$5.00-10.00</td>
<td>$2.50-5.00</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>NCTD</td>
<td>$2.00</td>
<td>$1.00</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Community</td>
<td>MTS Shuttle</td>
<td>$1.00</td>
<td>$0.50</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>MTS Downtown</td>
<td>$1.25</td>
<td>$0.60</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>SVCC COASTER Connector</td>
<td>$1.00</td>
<td>$0.50</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td>Paratransit</td>
<td>MTS Access Urban</td>
<td>$4.50</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>NCTD LIFT</td>
<td>$4.00</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>MTS Access Suburban</td>
<td>$4.50</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

† No transfers between vehicles or services; separate fare (or pass) required for each boarding.

‡ Regional half-month pass currently good for the last half-month only, but new 14-Day Rolling Pass will be available throughout month

§ COASTER – 4 zones

indicates change from previous year

13
<table>
<thead>
<tr>
<th>Service Category</th>
<th>Service</th>
<th>Single Ride Fare</th>
<th>Day Pass</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Adult/ Youth</td>
<td>Senior/ Disabled</td>
</tr>
<tr>
<td>Local</td>
<td>MTS Bus (Local/Urban)</td>
<td>$2.25</td>
<td>$1.10</td>
</tr>
<tr>
<td></td>
<td>BREEZE</td>
<td>$2.00</td>
<td>$1.00</td>
</tr>
<tr>
<td>Corridor</td>
<td>Trolley</td>
<td>$2.50</td>
<td>$1.25</td>
</tr>
<tr>
<td></td>
<td>SPRINTER</td>
<td>$2.00</td>
<td>$1.00</td>
</tr>
<tr>
<td></td>
<td>MTS Express</td>
<td>$2.50</td>
<td>$1.25</td>
</tr>
<tr>
<td>Regional</td>
<td>MTS Premium Express</td>
<td>$5.00</td>
<td>$2.50</td>
</tr>
<tr>
<td></td>
<td>COASTER §</td>
<td>$5.00-6.50</td>
<td>$2.50-3.25</td>
</tr>
<tr>
<td>Rural</td>
<td>MTS (2 zones)</td>
<td>$5.00-10.00</td>
<td>$2.50-5.00</td>
</tr>
<tr>
<td></td>
<td>NCTD</td>
<td>$2.00</td>
<td>$1.00</td>
</tr>
<tr>
<td>Community</td>
<td>MTS Shuttle</td>
<td>$2.25</td>
<td>$1.10</td>
</tr>
<tr>
<td></td>
<td>MTS Downtown (Eliminated)</td>
<td>$2.50</td>
<td>$1.25</td>
</tr>
<tr>
<td></td>
<td>SVCC COASTER Connector</td>
<td>$1.00</td>
<td>$0.50</td>
</tr>
<tr>
<td>Paratransit</td>
<td>MTS Access Urban</td>
<td>$4.50</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>NCTD LIFT</td>
<td>$4.00</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>MTS Access Suburban</td>
<td>$4.50</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*indicates change from existing fare structure*

†No transfers between vehicles or services; separate fare (or pass) required for each boarding.

§ COASTER -- 4 zones (same as current structure)
# Table 6
## January 2009 Monthly Pass Alternatives

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Pass Type</th>
<th>Regional Monthly Pass*</th>
<th>Premium Monthly Pass</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternative 1</td>
<td>Adult</td>
<td>$68.00</td>
<td>$120.00</td>
</tr>
<tr>
<td></td>
<td>Senior/ Disabled</td>
<td>$17.00</td>
<td>$30.00</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$34.00</td>
<td>$60.00</td>
</tr>
<tr>
<td>Alternative 2</td>
<td>Adult</td>
<td>$70.00</td>
<td>$95.00</td>
</tr>
<tr>
<td></td>
<td>Senior/ Disabled</td>
<td>$17.50</td>
<td>$23.75</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$35.00</td>
<td>$47.50</td>
</tr>
<tr>
<td>Alternative 3</td>
<td>Adult</td>
<td>$72.00</td>
<td>$100.00</td>
</tr>
<tr>
<td></td>
<td>Senior/ Disabled</td>
<td>$18.00</td>
<td>$25.00</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$36.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>Alternative 4</td>
<td>Adult</td>
<td>$84.00</td>
<td>$120.00</td>
</tr>
<tr>
<td></td>
<td>Senior/ Disabled</td>
<td>$21.00</td>
<td>$30.00</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$42.00</td>
<td>$60.00</td>
</tr>
</tbody>
</table>

(indicates change from existing fare structure)

*Will be available on a 30 day calendar month and 30-Day Rolling Pass basis*
TITLE VI IMPACT ASSESSMENT

There were no potential prohibited Title VI issues or disproportionate impacts discovered through the analysis of the single ride or day pass fare increases. Additionally, there were no Title VI disproportionate impacts resulting from any of the four monthly pass alternatives. The following discussion describes the analysis process used to arrive at this conclusion.

Single Ride Fare Analysis

The single ride fare analysis involved the evaluation of two adult fare increases which also included a Senior Disabled Medicare (SDM) fare component at roughly half of the full adult fare. From the survey data the analysis of those affected by the adult fare for either of the two fare increases were not determined to be Low Income and Minority (LIM). Assuming that the SDM fare category is LIM as previously discussed in the data collection segment, and the increases are roughly fixed at 50% of the adult fare, the SDM fare increase would not represent a disproportionate impact.

- **Trolley Downtown Zone Adult Fare (Non-LIM):** $1.25 to $2.50
- **Trolley Downtown Zone SDM Fare (LIM):** $0.60 to $1.25

**Title VI Findings:** No Disproportionate Impacts

- **MTS Adult Shuttle (Non-LIM):** $1.00 to $2.25
- **MTS SDM Shuttle (LIM):** $0.50 to $1.10

**Title VI Findings:** No Disproportionate Impacts

Day Pass Analysis

The day pass analysis concluded that none of the affected population sub-groups would be impacted since the day passes changes include only the creation of new passes while all existing one way or round trip fares remain the same. Since this is a new fare product, there is no price increase. All of the current fare products and pricing are unchanged. Therefore, no analysis is required.

- **Coaster and Premium Express Day Pass:** N/A to $14.00

**Title VI Findings:** No Disproportionate Impacts

Monthly Pass Alternative Analysis

Four alternatives were evaluated in order to give the decision-making body flexibility in the consideration of monthly pass prices increases proposed for use in order to balance the transit agencies’ budgets. The alternatives include price increases for the Regional Monthly Pass price
ranging from 0% to 24%, while the Premium Monthly Pass price alternatives include an increase in price ranging between 6% and 33%. The Regional Monthly Pass population subgroups are LIM while the Premium Monthly Pass subgroups are Non LIM.\textsuperscript{11} Since each of the alternatives included a higher Premium Monthly Pass increase (as a percent of the base price) over the Regional Monthly Pass percentage increase, no Title VI disproportionate impacts were generated. Table 7 includes the detailed statistical data used in this analysis.

- **Regional Monthly Pass (Regular/Senior Disabled/Youth):** $68/$17/$34 to No Change (Alternative 1), $70/$17.50/$35 (Alternative 2), $72/$18/$36 (Alternative 3), and $84/$21/$42 (Alternative 4)

  **Title VI Findings:** No Disproportionate Impacts

- **Premium Monthly Pass (Regular/Senior Disabled/Youth):** $90/$22.50/$45 to $120/$30/$60 (Alternative 1), $95/$23.75/$47.50 (Alternative 2), $100/$25/$50 (Alternative 3), and $120/$30/$60 (Alternative 4)

  **Title VI Findings:** No Disproportionate Impacts

**Service Change Analysis**

Given that no disproportionate impacts were found from any of the proposed fare changes or fare change alternatives, the transit agencies have not proposed any additional service cuts beyond those approved by MTS in March 2009.

\textsuperscript{11} As discussed earlier, the evaluation of Youth Monthly Passes was not available given the survey instrument limitations.
## Table 7
### Monthly Pass Alternative Evaluation

<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Pass Type</th>
<th>Existing Fares</th>
<th>Regional Monthly Pass Alternatives</th>
<th>% Price Change from Existing</th>
<th>LIM or NonLIM</th>
<th>Premium Monthly Pass Alternatives</th>
<th>% Price Change from Existing</th>
<th>LIM or Non LIM</th>
<th>Disproportionate LIM Impact?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adult</td>
<td>$68.00</td>
<td>$68.00</td>
<td></td>
<td>LIM</td>
<td>$120.00</td>
<td>33.33%</td>
<td>Non LIM</td>
<td>No</td>
</tr>
<tr>
<td>Alternative 1</td>
<td>Senior/ Disabled</td>
<td>$17.00</td>
<td>$17.00</td>
<td>0.00%</td>
<td>LIM</td>
<td>$30.00</td>
<td>33.33%</td>
<td>LIM</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$34.00</td>
<td>$34.00</td>
<td></td>
<td>NA</td>
<td>$60.00</td>
<td>NA</td>
<td>LIM or Non LIM</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>Adult</td>
<td>$68.00</td>
<td>$70.00</td>
<td></td>
<td>LIM</td>
<td>$95.00</td>
<td>5.56%</td>
<td>Non LIM</td>
<td>No</td>
</tr>
<tr>
<td>Alternative 2</td>
<td>Senior/ Disabled</td>
<td>$17.00</td>
<td>$17.50</td>
<td>2.94%</td>
<td>LIM</td>
<td>$23.75</td>
<td>5.56%</td>
<td>LIM</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$34.00</td>
<td>$35.00</td>
<td></td>
<td>NA</td>
<td>$47.50</td>
<td>NA</td>
<td>LIM or Non LIM</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>Adult</td>
<td>$68.00</td>
<td>$72.00</td>
<td></td>
<td>LIM</td>
<td>$100.00</td>
<td>11.11%</td>
<td>LIM or Non LIM</td>
<td>NA</td>
</tr>
<tr>
<td>Alternative 3</td>
<td>Senior/ Disabled</td>
<td>$17.00</td>
<td>$18.00</td>
<td>5.88%</td>
<td>LIM</td>
<td>$25.00</td>
<td>11.11%</td>
<td>LIM</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$34.00</td>
<td>$36.00</td>
<td></td>
<td>NA</td>
<td>$50.00</td>
<td>NA</td>
<td>LIM or Non LIM</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>Adult</td>
<td>$68.00</td>
<td>$84.00</td>
<td></td>
<td>LIM</td>
<td>$120.00</td>
<td>11.11%</td>
<td>LIM or Non LIM</td>
<td>NA</td>
</tr>
<tr>
<td>Alternative 4</td>
<td>Senior/ Disabled</td>
<td>$17.00</td>
<td>$21.00</td>
<td>23.53%</td>
<td>LIM</td>
<td>$30.00</td>
<td>33.33%</td>
<td>LIM</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Youth</td>
<td>$34.00</td>
<td>$42.00</td>
<td></td>
<td>NA</td>
<td>$60.00</td>
<td>NA</td>
<td>LIM or Non LIM</td>
<td>NA</td>
</tr>
</tbody>
</table>

*indicates change from existing fare structure*
Memorandum

DATE: March 5, 2009

TO: Paul Jablonski, Chief Executive Officer

FROM: Cliff Telfer, Chief Financial Officer

SUBJECT: MTS Fiscal Emergency

As of today, March 5, 2009, MTS is qualified to issue a "fiscal emergency" based upon the California Public Resources Code (CPRC) Section 21080.32(d):

(2) For purposes of this subdivision, "fiscal emergency," when applied to a publicly owned transit agency, means that the agency is projected to have negative working capital within one year from the date that the agency makes the finding that there is a fiscal emergency pursuant to this section. Working capital shall be determined by adding together all unrestricted cash, unrestricted short-term investments, and unrestricted short-term accounts receivable and then subtracting unrestricted accounts payable. Employee retirement funds, including Internal Revenue Code Section 457 deferred compensation plans and Section 401(k) plans, health insurance reserves, bond payment reserves, workers' compensation reserves, and insurance reserves, shall not be factored into the formula for working capital.

As outlined in the above definition, the below table indicates MTS' current and forecasted working capital position over the next four months. MTS' working capital is projected to become negative in June 2009.

| San Diego Metropolitan Transit System Working Capital Analysis In Millions $ |
|-----------------|-----------------|-----------------|-----------------|
| March           | April           | May             | June            |
| $20.5           | $12.8           | $5.0            | ($0.8)          |

* Includes all unrestricted cash, investments and accounts receivable less unrestricted accounts payables.

Concluding, the table above indicates MTS is projected to have negative working capital by June 2009 and based upon the CPRC Section 21080.32(d), MTS qualifies to issue a "fiscal emergency".
SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 09-12

Findings in Support of Exemption Under the California Environmental Quality Act (CEQA) Related to Proposed Budget-Related Service Adjustments

WHEREAS, the Metropolitan Transit System (MTS) is proposing the implementation of service adjustments, including a reduction and/or elimination of some transit services, to bridge an $11 million funding deficit in the MTS FY 2010 budget; and

WHEREAS, MTS, as a publicly owned transit agency, finds that a “fiscal emergency” exists as a result of a failure of agency revenues to adequately fund agency programs and facilities within the meaning of California Public Resources Code section 21080.32, subdivision (d)(1) and (2); and

WHEREAS, MTS has operated transit service with the assistance of subsidies allocated by the State of California from the State Transit Assistance (STA) Program; and

WHEREAS, the State of California originally authorized allocations for the STA Program that would have resulted in MTS receiving $14 million to fund operations in FY 2009; and

WHEREAS, a revised state FY 2009 budget reduced that funding by half and eliminated STA allocations through FY 2013; and

WHEREAS, MTS projects the continuation of the FY 2009 trend of lower sales tax receipts for FY 2010, which affects revenue from TransNet and Transportation Development Act; and

WHEREAS, MTS renders written findings in support of the determination that the service reductions found in Attachment A do not require an environmental impact report before MTS approves the transit service reductions; and

WHEREAS, if a project falls within a category exempt by administrative regulation under the California Environmental Quality Act (CEQA), no further agency evaluation of environmental impact is required; and

WHEREAS, a project defined in California Public Resources Code section 21065, subdivision (a) or (b) that reduces or eliminates the availability of an existing publicly owned transit service is exempt from CEQA Guidelines where the publicly owned transit agency has made a finding that there is a fiscal emergency caused by the failure of agency revenues to adequately fund agency programs and facilities and after the publicly owned transit agency has held a public hearing to consider those actions as enunciated in Public Resources Code section 21080.32, subdivision (d)(1); and

WHEREAS, it has been established and made clear in the reports and prior public meetings that a fiscal emergency exists based on MTS’s projections to have negative working capital within one (1) year of the date that MTS has made the finding that there is a fiscal emergency pursuant to Public Resources Code section 21080.32, subdivisions (d)(1) and (2); and
WHEREAS, it has been established and made clear in the reports and prior public hearings that MTS has inadequate funds to operate the services detailed in Exhibit A because MTS is confronted with an $11 million budget deficit for FY 2010; and

WHEREAS, it has been established and made clear in the reports and prior public hearings that MTS must take immediate action to remediate the budget shortfall and to address the lack of funding; NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that MTS makes the following findings:

1. MTS has determined that a fiscal emergency exists, which is caused by the failure of MTS revenues to adequately fund agency programs and facilities within the meaning of California Public Resources Code section 21080.32, subdivision (d)(1).

2. MTS is projected to have negative working capital within one year from the date of the instant finding of a fiscal emergency as determined by adding together all unrestricted cash, unrestricted short-term investments, and unrestricted short-term accounts receivable and then subtracting unrestricted accounts payable. Employee retirement funds, including Internal Revenue Code section 457 deferred compensation plans and Section 401(k) plans, health insurance reserves, bond-payment reserves, and workers' compensation reserves are not factored into the formula for working capital as specified in Public Resources Code section 21080.32, subdivision (d)(2).

3. The MTS Finance Department has reviewed these findings and validated that a fiscal emergency exists.

4. MTS has scheduled a public hearing to occur on March 12, 2009, at 9:00 a.m., at Metropolitan Transit System located at 1255 Imperial Avenue, 10th Floor, San Diego, California 92101. MTS shall consider service adjustments as detailed in Exhibit A, including, but not limited to, the reduction and/or elimination of the aforementioned routes based on the existing fiscal emergency and absence of funding. The public hearing is being conducted in compliance with Public Resources Code section 21080.32, subdivision (d)(1).

4. MTS shall respond to suggestions made by the public at its next regularly scheduled public meeting as mandated in Public Resources Code section 21080.32, subdivision (d)(1).

PASSED AND ADOPTED. DETERMINED, AND ORDERED this 12th day of March 2009 by the following vote.

AYES: Cunningham, Ewin, Gloria, Jones, Lightner, Mathis, McClellan, McLean, Ovrom, Rindone, Roberts, Selby, and Young

NAYS:
ABSENT: Faulconer

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Clerk of the Board
San Diego Metropolitan Transit System

Approved as to form:

Office of the General Counsel
San Diego Metropolitan Transit System

MAR12-09.25.AUC.RESO 09-12.SVC ADJ.SCOONEY.DOC
Proposed Fare Changes

Transportation Committee
Public Hearings

April 15 & April 17

Background

- MTS Board has declared a financial emergency due to state cutbacks and falling sales tax revenues – a loss of $11 million
  - Fare increase is one of several strategies to mitigate impacts service
  - $2.2 million in additional fare revenue
- Opportunity to make fare adjustments to take advantage of Compass Card and resolve current anomalies
MTS Request - Regional Pass Proposal

- MTS has requested an increase in Regional Pass prices
  - Regular $68 to $72
  - Senior/Disabled/Medicare $17 to $18
  - Youth $34 to $36
  - Regular 14-Day from $41 to $43
  - Affects about 60,000 pass purchasers
- MTS estimates $1.9 million in additional revenue for FY 2010
- No disproportionate impacts on minority and low income populations

MTS Request - Premium Pass Prices

- MTS has requested an increase in Premium Pass prices
  - Regular Pass $90 to $100
  - Senior/Disabled/Medicare $22.50 to $25.00
  - Youth $45 to $50
  - Affects about 1,500 pass purchasers
- Recommend creation of Regular Premium 14-Day Pass at 60% of full pass price
- Generates about $39,000 in new revenue
- No disproportionate impacts on minority and low income populations
MTS Request - Downtown Trolley Zone

- MTS has requested eliminating the downtown Trolley zone
  - Regular cash fare $1.25 to $2.50
  - Senior/Disabled/Medicare $0.60 to $1.25
  - Impacts about 140,000 annual passenger trips
- Increases revenue by about $181,000
- Flat fare on entire system
- No disproportionate impacts on minority and low income populations

MTS Request - Local Circulator Fare

- MTS has requested that the Local Circulator fare of $1.00 be eliminated
  - Affects routes 851, 871, 872 and 904
  - Affects about 45,000 annual passenger trips
  - Will help preserve these services by raising their cost recovery
- Increases revenue by about $72,000 per year
- Unified local fare of $2.25 on all MTS local services
- No disproportionate impacts on minority and low income populations
Default Stored Value Fare

- Stored value anticipated to initially be less than 1% of all passengers
- Sets fare to be $5 or $14 on first tap for stored value
- Single trip passengers must either tell driver or purchase ticket at TVM
- Eliminates need to tap off for COASTER cash fare passengers
- Ensures that same rules apply system-wide for all modes
- No disproportionate impacts on minority and low income populations

Region Plus Day Pass

- Create new $14 day pass valid on all services except 2 zone rural
- Simplifies use of Compass Card on COASTER
- Replaces Premium Day Pass
- Priced to be revenue neutral for region
- Eliminates COASTER cash fare anomaly that return trips with a transfer are more costly than first half of trip
- No disproportionate impacts on minority and low income populations
Regional Pass on Premium Bus

- Currently ordinance does not allow Regional Pass holders to pay upgrade and ride Premium buses
- Proposal is to allow single trip upgrades for cash supplement of $2.00
- Reduces disputes, improves customer relations
- Similar rules already allow Regional Pass holders to ride COASTER with cash supplement
- No disproportionate impacts on minority and low income populations

Juror Fare

- Current agreement with Courts expires June 30
- Proposal to change wording in fare ordinance to accommodate a new agreement
- No disproportionate impacts on minority and low income populations
Next Steps

- Hold public hearing today
- Prepare draft of new Fare Ordinance for first reading at Board of Directors on April 24th, 2009
- Second reading of ordinance at Board of Directors on May 8, 2009
- New ordinance takes effect July 1, 2009

Proposed Fare Changes

Transportation Committee
Public Hearings

April 15 & April 17