



Public Hearing: Proposed Fare & Parking Increases


Board of Directors
July 6, 2017
Agenda Item 4



Objective

- **Generate revenue to support increased operating and maintenance needs**
- **Support Strategic Plan Focus Area**
 - Finance: “Caltrain will establish financial stability, minimize its operating subsidy and fund system improvements.”
 - “Develop strategies to increase returns from existing revenue streams (e.g. fares, parking, concessions, advertising and leases)”

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Update to FY 18 Operating Budget

- **Improvement to Budget: \$2.5 m**

Fuel:	\$1.0 m
Insurance:	\$0.5 m
Shuttle Program:	\$0.3 m
Wages & Benefits:	\$0.3 m
Managing Agency OH:	\$0.3 m
Positive Train Control:	<u>\$0.1 m</u>
	\$2.5 m

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Assumptions

- Average Cost of Fuel Decreased from \$2.20 to \$2.00/gallon
- Insurance reduction based on actual quotes
- Shuttle costs updated and assume reduced service hours
- Wage costs assumes 3% vacancy factor
- Managing Agency OH based on updated plan submitted to FTA
- PTC reduction related to deferred training costs



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Proposal

- **Fare and parking changes effective October 1, 2017**
 - Basing Monthly Pass prices on 15 days per month, rather than 13 days per month
 - Eliminating the discounted 8-ride Ticket
 - Basing Monthly parking prices on 15 days per month, rather than 10 days per month, which raises the price from \$55 to \$82.50
 - Increasing the Zone fare by 25 cents

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Proposal (cont'd)

- **Fare changes effective January 1, 2018**
 - Increasing Go Pass fares by 50 percent from \$190 per person to \$285, raising the minimum cost to employers from \$15,960 to \$23,940
 - Implementing a pilot program to provide discounts for weekend and evening riders using One-way, Day Pass and Clipper cash value fare products

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Revenue by Product/Distance

Fare Product	Percentage of Revenue*	Percentage of Passengers**	Revenue per Passenger	Average Trip Distance†	Revenue per Passenger Mile
One-way Ticket	17%	12%	\$6.90	27.9	\$0.26
Day Pass	13%	10%	\$6.50	31.4	\$0.21
Go Pass	13%	21%	\$2.90	20.9	\$0.13
Clipper Cash Value	15%	16%	\$4.60	25.2	\$0.18
Clipper 8-ride ticket	5%	5%	\$5.00	26.5	\$0.19
Monthly Pass	36%	37%	\$4.70	24.9	\$0.19
Total	100%	100%	\$4.80	25.1	\$0.19

Notes: Includes Eligible Discount fares for each product; revenue per passenger rounded to nearest tenth.
 * Reflects revenue total for the month of October 2016
 ** Reflects Triennial survey respondents over the course of month of October 2016
 † Reflects average trip distance of Triennial survey respondents over course of the month of October 2016
 Sources: October 2016 Revenue; October 2016 Triennial Survey



Annual Household Income Distribution by Fare Product

Fare Product	Under \$50,000	\$50,000 - \$100,000	\$100,000 - \$150,000	\$150,000 - \$200,000	\$200,000 or more	Total
One-way Ticket	38%	23%	16%	8%	15%	100%
Day Pass	29%	25%	15%	12%	19%	100%
Go Pass	5%	27%	25%	17%	26%	100%
Clipper Cash Value	17%	23%	21%	14%	25%	100%
Clipper 8-ride ticket	12%	19%	22%	18%	29%	100%
Monthly Pass	9%	24%	25%	18%	24%	100%
All Riders	16%	24%	22%	15%	23%	100%

Source: 2016 Caltrain Triennial Survey



Peer Comparison – Rail

Monthly Pass multiplier compared to other rail agencies in the country

Agency	One-way Track Miles	Zones	Max. Fare Per Mile		One-way Clipper Card* -OR- Ticket		Monthly Pass		Base Multiplier	Max. Multiplier
			Cash	Pass	Base	Max.	Base	Max.		
Amtrak - Capitol Corridor (effective 6/16/2017)	168.0	n/a	\$ 0.26	\$ 0.09	\$ 6.00	\$ 43.00	\$ 100.00	\$ 669.00	16.7	15.6
ACE Average (effective 10/3/2016)	85.0	6	\$ 0.17	\$ 0.10	\$ 4.25	\$ 14.50	\$ 88.00	\$ 364.00	20.7	25.1
*Caltrain (current):	46.9	4	\$ 0.21	\$ 0.12	\$ 3.20	\$ 9.75	\$ 84.80	\$ 243.80	26.5	25.0
w/ Gilroy extension	76.6	6	\$ 0.18	\$ 0.11	\$ 3.20	\$ 13.75	\$ 84.80	\$ 349.80	26.5	25.4
VRE Average (effective 7/1/2017)	44.5	8	\$ 0.25	\$ 0.16	\$ 3.40	\$ 10.85	\$ 91.40	\$ 298.10	26.9	27.5
Metra Average (effective 2/1/2017)	46.4	8	\$ 0.19	\$ 0.13	\$ 3.75	\$ 8.77	\$ 107.00	\$ 250.05	28.5	28.5
Metrolink Average (effective 7/1/2016)	76.3	n/a	\$ 0.19	\$ 0.13	\$ 2.39	\$ 14.36	\$ 69.00	\$ 401.00	29.1	27.9
Coaster (2017)	41.1	3	\$ 0.13	\$ 0.10	\$ 4.00	\$ 5.50	\$ 120.00	\$ 165.00	30.0	30.0
*Caltrain (Proposed FY18):	46.9	4	\$ 0.21	\$ 0.15	\$ 3.20	\$ 9.95	\$ 96.00	\$ 298.50	30.0	30.0
w/ Gilroy extension	76.6	6	\$ 0.19	\$ 0.13	\$ 3.20	\$ 14.45	\$ 96.00	\$ 433.50	30.0	30.0
Sounder Average (effective 3/1/2016)	41.5	n/a	\$ 0.13	\$ 0.11	\$ 3.25	\$ 5.38	\$ 117.00	\$ 193.50	36.0	36.0
MBTA Average (effective 7/1/2016)	33	7	\$ 0.37	\$ 0.28	\$ 2.25	\$ 10.42	\$ 84.50	\$ 328.23	37.6	31.6
BART Average (effective 1/2016)	40.6	n/a	\$ 0.16	\$ 0.15	\$ 1.95	\$ 6.39	\$ 76.78	\$ 251.78	39.4	39.4
Average of Agency Averages (w/ BART)	64.1	6.3	\$ 0.21	\$ 0.14	\$ 3.47	\$ 13.24	\$ 94.85	\$ 324.52	29.4	29.1
Average of Agency Averages (w/out BART)	67.0	6.3	\$ 0.21	\$ 0.14	\$ 3.66	\$ 14.10	\$ 97.11	\$ 333.61	28.2	27.8



Peer Comparison – Bay Area

Monthly Pass multiplier compared to other local transit agencies

Agency	One-way Clipper Card* -OR- Ticket		Monthly Pass		Base Multiplier	Max. Multiplier
	Base	Max.	Base	Max.		
*Muni	\$ 2.25	\$ 2.50	\$ 73.00	\$ 75.00	32.4	30.0
*SamTrans	\$ 2.05	\$ 3.60	\$ 65.60	\$ 96.00	32.0	26.7
VTA	\$ 2.00	\$ 4.00	\$ 70.00	\$ 140.00	35.0	35.0



Parking Comparison

Monthly Parking rate from nearby parking options around the top

10 stations.

- Caltrain proposal: increase monthly parking permit from \$55 to \$82.50 (daily parking remains at \$5.50)

Caltrain Station	Monthly Rate
Palo Alto	\$367.50^
San Jose Diridon	\$30.00 - \$125.00
Mountain View	\$54.00
Redwood City	\$40.00 - \$100.00
Millbrae	\$84.00
Sunnyvale	-
Hillsdale	-
San Mateo	\$84.00^
Menlo Park	\$210.00^
California Ave.	\$168.00^

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Public Outreach and Feedback

- Four community meetings and 14 outreach events at various Caltrain stations between May 17 and June 26.
- Staff connected with approximately 3,000 members of the public as a result of this process.

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Public Outreach and Feedback (cont'd)

- As of June 28, a total of 1,128 complete responses were received via the online survey. An additional 223 partial responses, including letters and e-mails were also incorporated into the survey results.



Priority Ranking (as of June 28, 2017)

13. Please help Caltrain identify which proposed fare changes should take priority over the others. Rank from 1 to 6, being 1 the top priority and 6 the least priority.

Item	Overall Rank	Rank Distribution	Score	No. of Rankings
Implementing a pilot program to provide discounts for weekend and evening riders – One-way, Day Pass and Clipper cash value.	1		4,328	1,025
Increasing Go Pass fares by 50 percent from \$190 per person to \$285 or minimum cost to employers from \$15,960 to \$23,940.	2		3,596	986
Increasing the Zone fare by 25 cents.	3		3,522	991
Basing Monthly parking prices on 15 days per month rather than 10 days per month from \$55 to \$82.50.	4		3,425	983
Eliminating the discounted 8-ride Ticket.	5		3,321	988
Basing Monthly Pass prices on 15 days per month, rather than 13 days per month	6		2,863	986

Low est Rank High est Rank



Next Steps

- **Staff review and develop final recommendation**
- **August 3 – Board Adoption**
- **October 1 – Implementation**
 - **Go Pass and Flex Fare in January 2018**