

Regional Fare Technology Modernization Project

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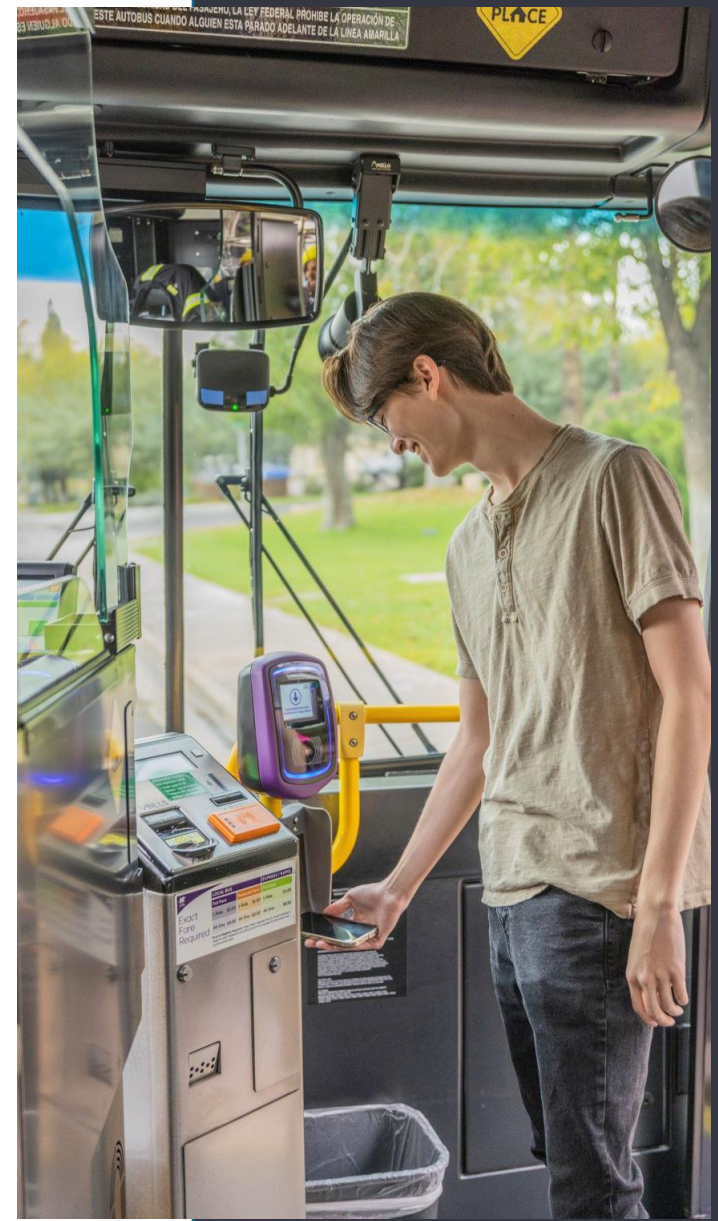
Current Fare Collection System

- Project began in 2005
- Proprietary equipment and software
- Difficult to add features & make changes
- System has exceeded its useful life



Fare Collection System Modernization

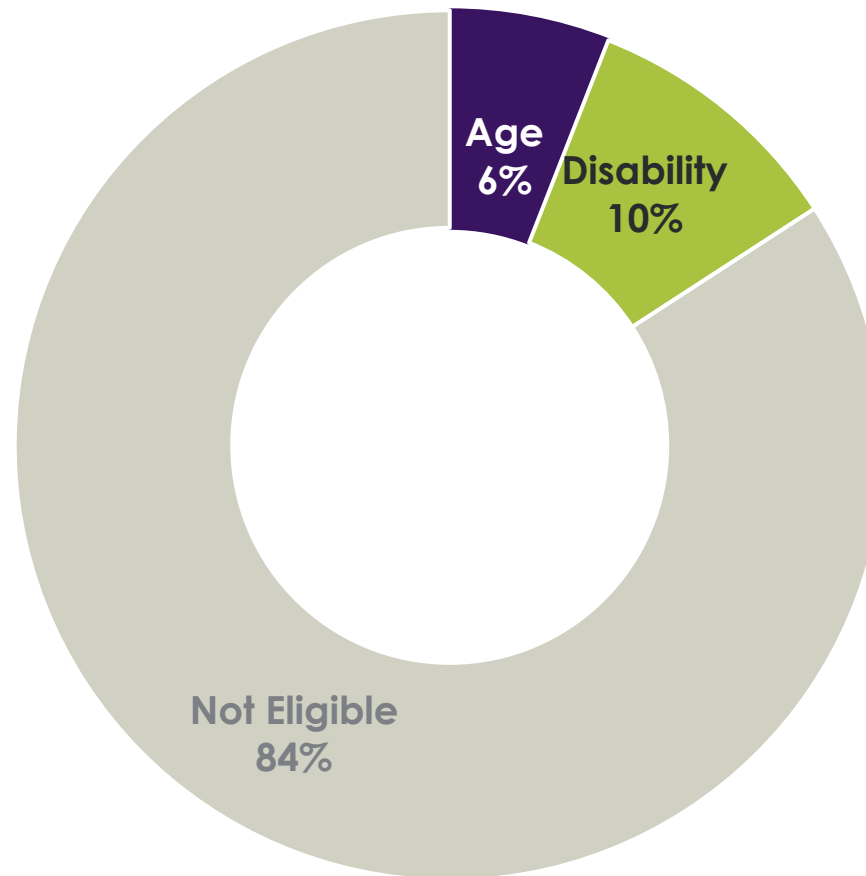
- Regional Approach
- Project Goals
 1. Improved Fare Payment Options for Customers
 2. Improved Data Collection and Ridership/Revenue Reconciliation
 3. Increased Control Over Media Distribution and Reduced Fare Programs
 4. Explore Longer Term Alternatives with Phased Implementation











2019 Origin & Destination Survey

16%

of riders surveyed met the reduced fare eligibility requirements



Regional Procurements

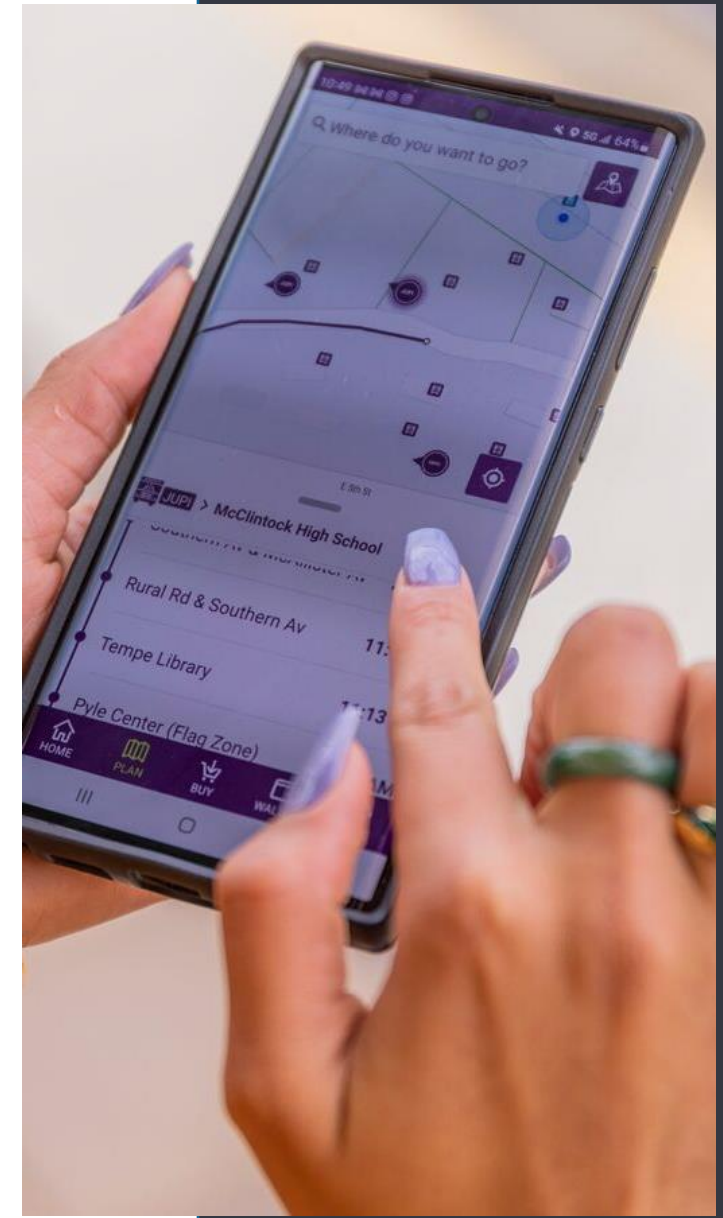
Contract	Scope	Vendor	Procuring Agency
Fare Collection System	New fare vending machines and fare readers, mobile app, software web, stored value		
Customer Service	Complement existing service, support FCSM		
Retail Network	Replace existing media supplier		
Farebox Replacement	Replace existing fareboxes on regional fleet		

Investment & Funding (millions)

Contract	Capital	Funding	Operating (Combined Yrs)	Funding	Operating Contract Years	Operating (Annual Avg)
Fare Collection System	\$33.2	80% FTA 20% Prop 400	\$28.0	Prop 400 Local	Base: 9 Options: 3, 3	\$1.9
Customer Service	\$1.9	Prop 400	\$20.1	Prop 400	Base: 5 Options: 3, 2	\$2.0
Retail Network	--	--	\$9.3	Prop400	Base: 5 Options: 3, 2	\$0.9
Farebox Replacement	\$15.5	80% FTA 20% Prop 400	\$45.3	Prop 400 Local	Base: 11 Options: N/A	\$4.1
Total	\$50.6		\$102.7			\$8.9

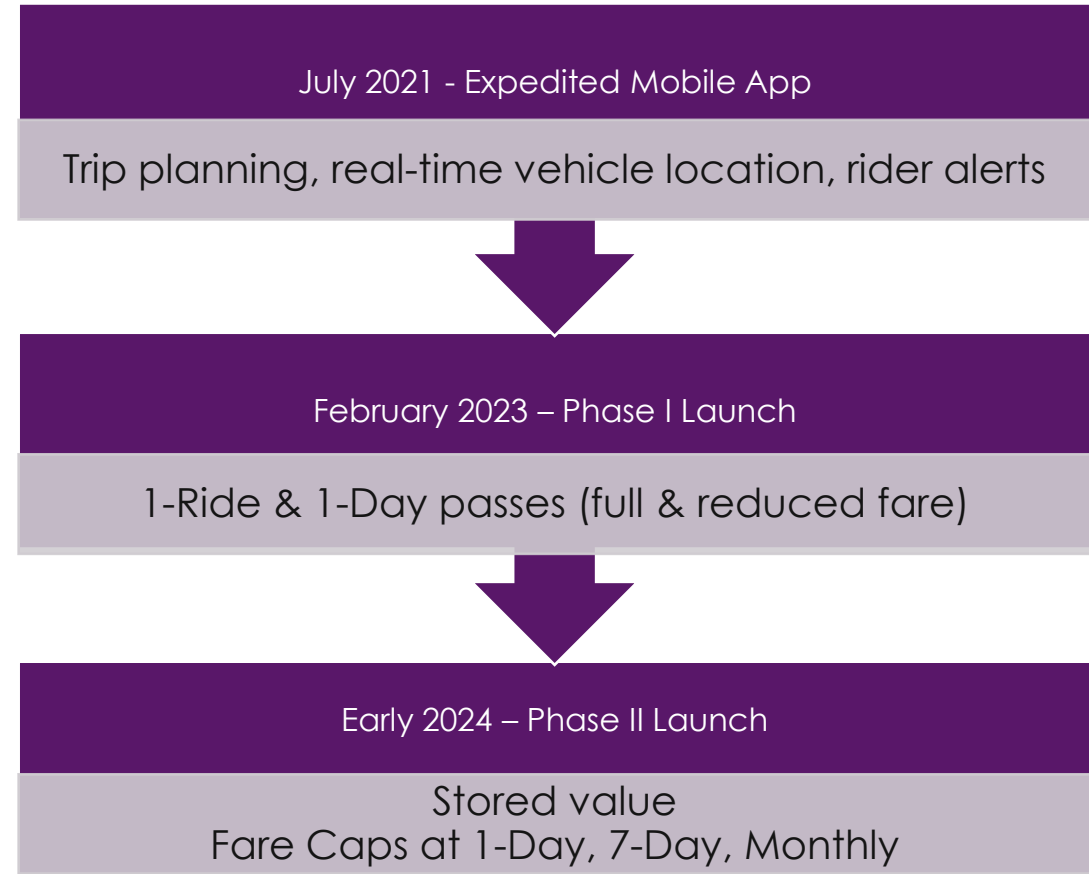
Key Project Milestones

- **July 2021:** Expedited mobile app
- **February 2023:** Mobile fare (Phase I)
- **Early 2024:** Reloadable fare cards (Phase II)



Valley Metro App

Platform	Rating	Reviews	Downloads (as of 03/31/23)
Android	4.7 ★	1,750	118,175
iPhone	4.7 ★	1,902	119,497
	4.7 ★ avg.	3,355	237,672



Phasing of Feature Releases – Phase 1

2022

- Pre-wiring all buses for fare reader plug and play
- Civil work at every light rail station to support fare reader installs
- Defining P1 test program

Feb. 2023

- 1-Ride and 1-Day passes available on Valley Metro app
- Activate mobile passes on new bus and rail fare readers
- Customer Service support for the new fare collection system

Phasing of Feature Releases – Phase 2

Pre-Phase II
Summer 2023

- Reduced fare ID outreach & applications
- Finalize retail network & card design
- Environmental testing of Fare Vending Machines

Phase II
Early 2024

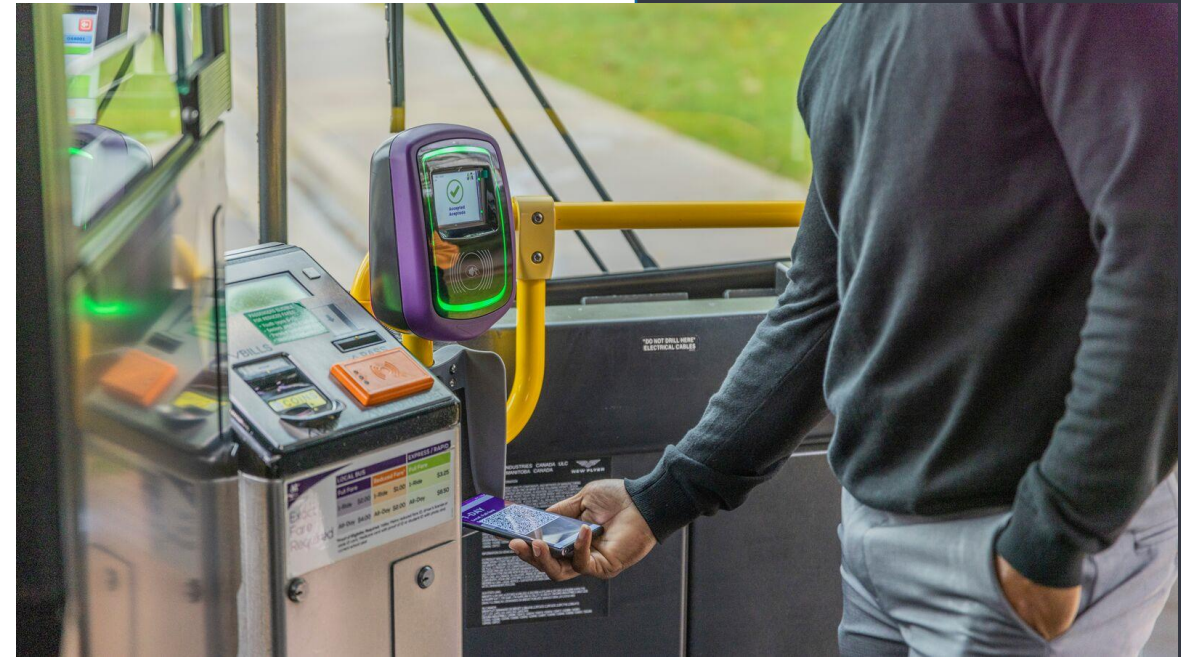
- Reloadable fare card availability to all transit users, purchase and load fare online
- New fare vending machines and fareboxes
- New retail network for fare card purchases and reloads
- Public website for account management and reloads/autoloading
- Fare capping (1-Day, Weekly, Monthly)

Fare Media Improvements

Existing	<ul style="list-style-type: none">• Paper ticket• Magnetic stripe• Smartcard – Organizations only• Reduced fare – No point-of-sale control
Future	<ul style="list-style-type: none">• Paper ticket – 1-Ride• Mobile fare• Smartcard – Public & organizations• Reduced fare – Application required

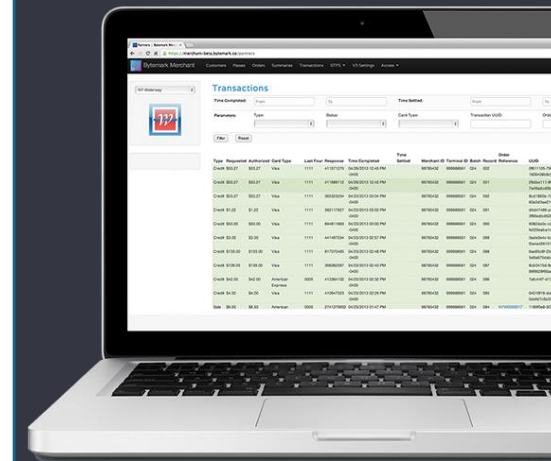
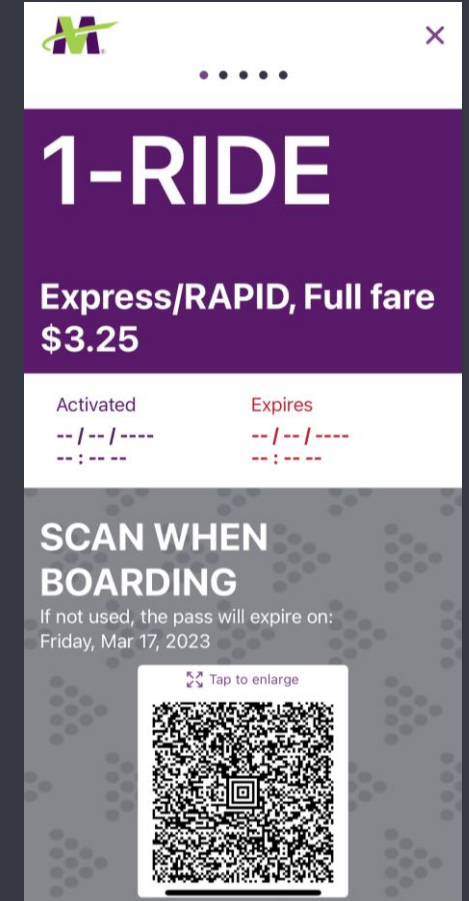
New Hardware

- New fare readers and Fare Vending Machines (FVMs)
- Fare readers across the system
 - Bus
 - Light Rail
 - Streetcar (after free fare period)
- Stations will have at least 2 FVMs
 - Higher volume stations or those with Park and Rides will have more than 2
- New Fareboxes
 - Simplified, cash only



New Fare Channels and Options

- Retail network allowing media sales and reloading
- Mobile app and web-based fare purchases
- Account-based system with comprehensive online portals allowing for things like:
 - Stored value on fare accounts
 - Autoloading of funds periodically
 - Tracking eligibility and authorization for special fare options
- Innovative fares (“fare capping”)



Fare Capping – How does it work?



Monthly Pass - \$64
Unlimited rides for month



Day Pass - \$4
Unlimited rides for day
\$124 in day passes for same period

Monthly Cap Met
 $16 \text{ Day Pass} \times \$4 = \$64$

Retail Services Contract

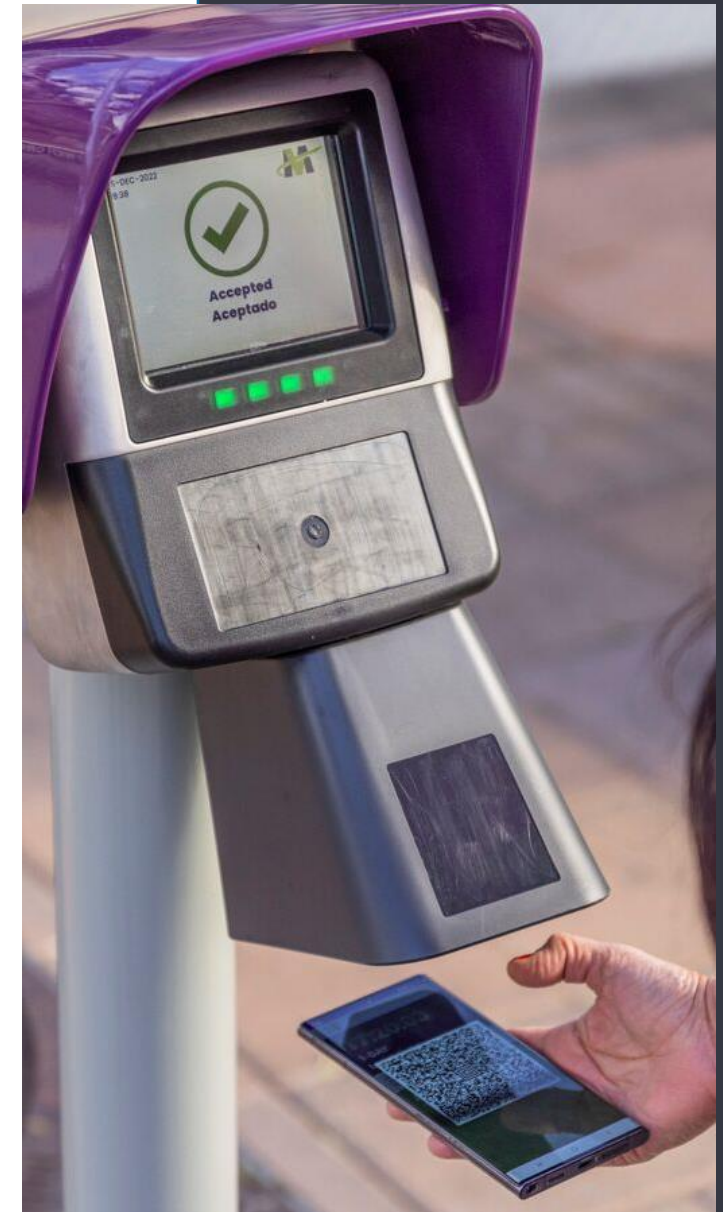
- **Introduce new third party retail network**
 - Utilize existing “gift card” model to sell and reload fare cards similar to Starbucks, Amazon, iTunes, etc.
 - Retailers include grocery stores, convenience stores, drug stores, etc.
- **Increase and improve options for customers**
 - Increase quantity and types of stores that sell cards
 - Fare card can be reloaded in same “checkout lane” as groceries or gas

The Walgreens logo is displayed in a white rectangular box. It features the word "Walgreens" in a red, cursive script font.The Circle K logo is shown in a white rectangular box. It consists of the word "CIRCLE" in red, bold, sans-serif capital letters, followed by a red circle containing a white letter "K".

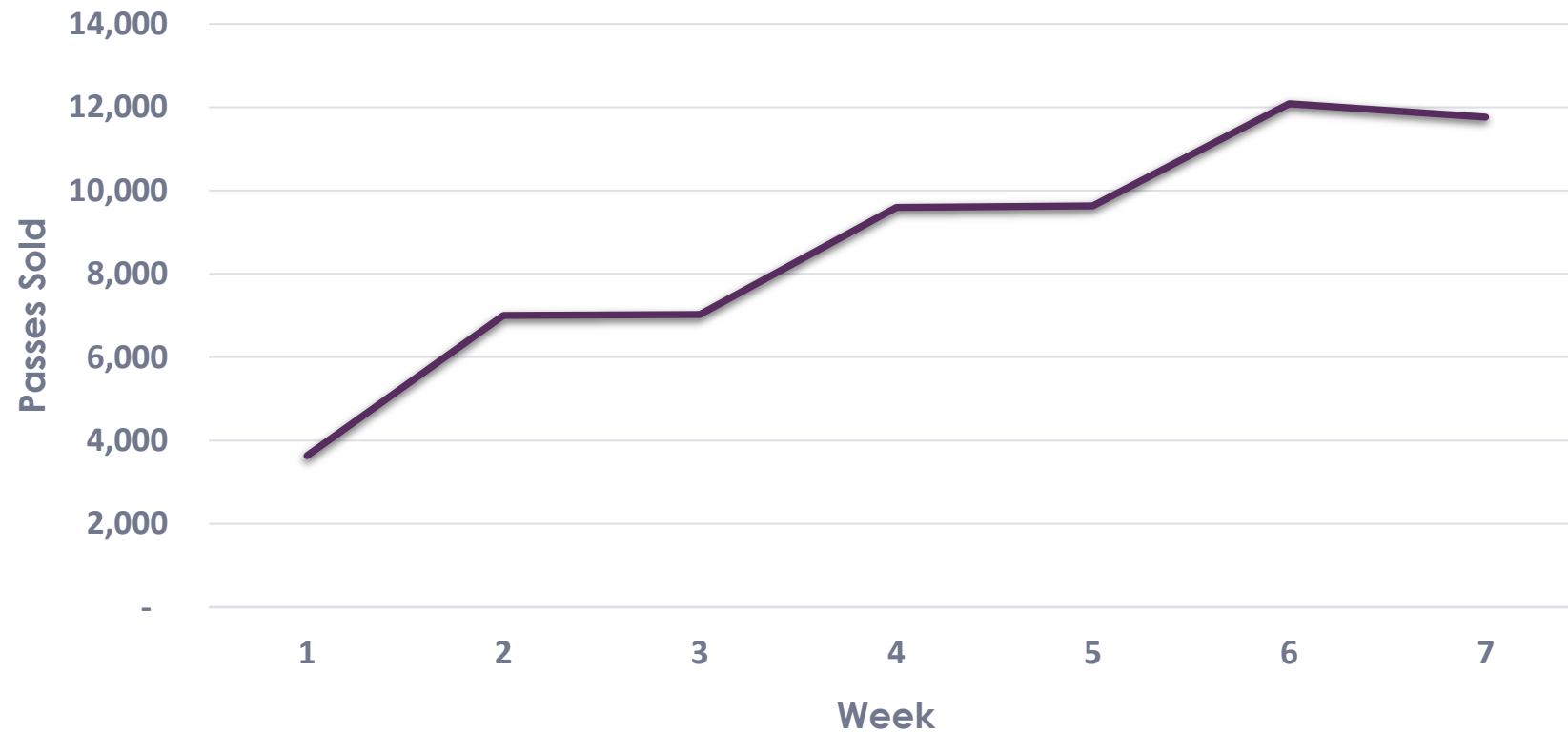
Mobile Fare Launch Progress

- Mobile fare launched February 1, 2023
- Since February 1, 2023 launch
 - 46,000 new app downloads
 - 237,000 total since July 2021
 - 115,000+ passes scanned on bus & light rail

(Data as of March 31, 2023)

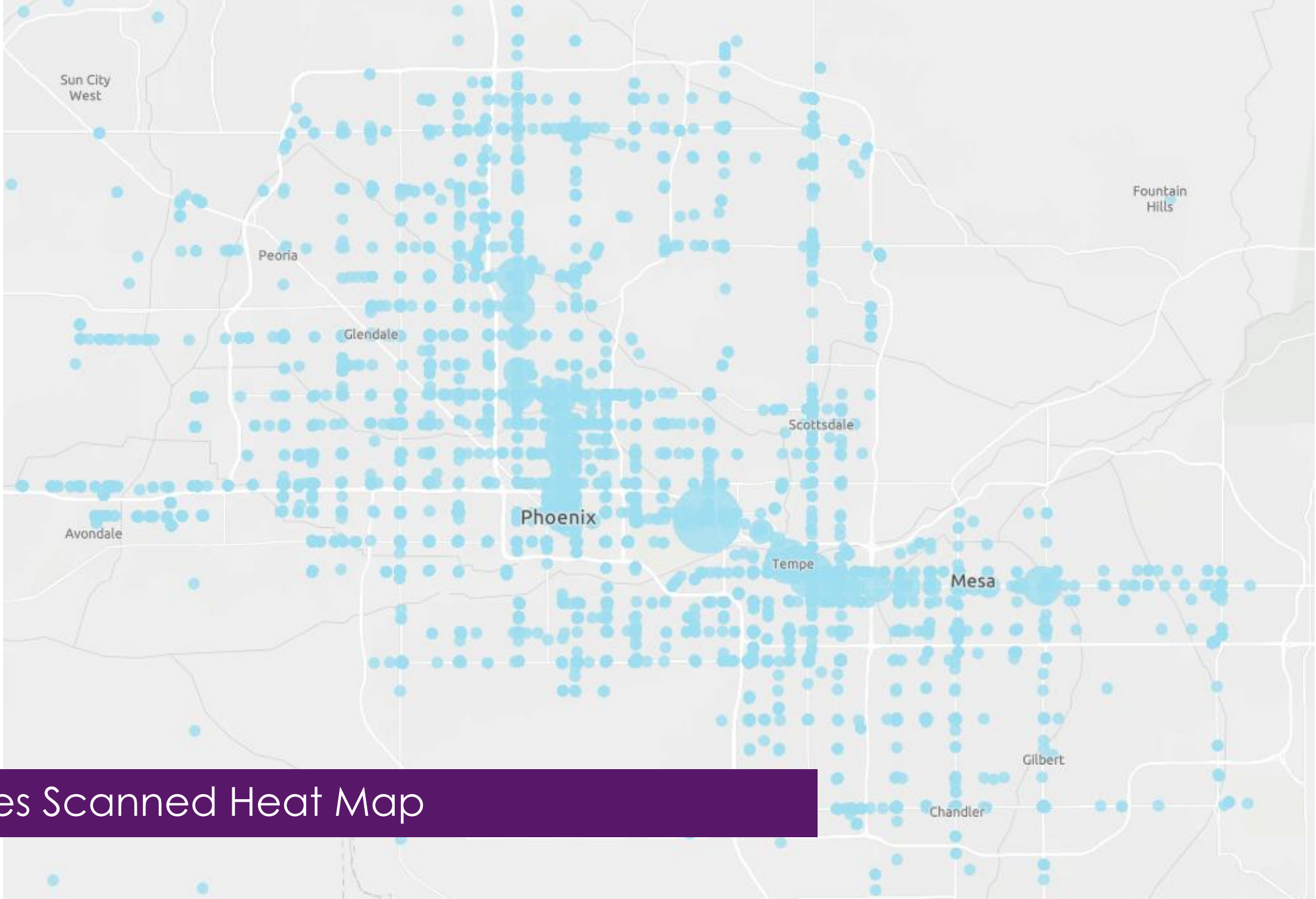


Mobile Sales by Week (Feb. 1-March 21)



Mobile Sales by Pass Type

Pass Type	Passes Sold	%
1-Day Full Fare (Local Bus & Light Rail)	43,686	63.7%
1-Ride Full Fare (Local Bus & Light Rail)	22,994	33.5%
1-Day Full Fare (Express/RAPID)	788	1.1%
1-Day Reduced Fare (Local Bus & Light Rail)	591	0.9%
1-Ride Full Fare (Express/RAPID)	449	0.7%
1-Ride Reduced Fare (Local Bus & Light Rail)	80	0.1%
Total	68,588	100%



Passes Scanned Heat Map

What's Coming in 2024

- Account-based fare website
- Reloadable fare cards
- Fare vending machines
- Fare capping
- Updated retail network

Questions?

