



Item #: E8

DATE: November 6, 2024
TO: Board Chair Frank J. Navarro and Members of the Omnitrans Board of Directors
THROUGH: Erin Rogers, CEO/General Manager
FROM: Nicole Ramos, Director of Marketing & Communications
SUBJECT: **Cashless Fare Analysis**

Form Motion

Receive and file the Cashless Fare Analysis.

Strategic Plan Alignment

This item aligns with Goal 4 – Finance – *Expand our financial resources to support operational stability and increase service levels in strategic ways.*

Initiative e) Seek technology enhancements that can reduce costs, enhance efficiency, or improve effectiveness of both service delivery and administration

Background

This item was reviewed by the Executive Committee at its June 7, 2024 meeting and forwarded to the Administrative & Finance Committee for review at its September 12, 2024 & October 10, 2024 meetings respectively and forwarded to the Board of Directors to receive and file.

Omnitrans' Board of Directors members have expressed an interest in evaluating the possibility of the agency pursuing cashless fare payment onboard. This analysis examined the feasibility of not accepting cash fares onboard from a financial, infrastructure, and equity standpoint, as well as examining the case studies of two local operators who have studied or implemented cashless fares.

Cashless fare benefits include efficiency, reduced dwell time, and the elimination of expensive cash collection equipment and services. Potential challenges include the demographics of Omnitrans' service area and customer base as well as the need for additional infrastructure and staffing.

The purpose of this analysis is to initiate discussion and input from Board of Directors members to determine Omnitrans' future with regard to fare payment.

Conclusion

This analysis will provide the Board with information on cashless fare options and serve as a basis for discussion and direction for fare payment strategy.

ER:NR

Attachments

- A. PowerPoint Presentation
- B. Los Angeles County Metropolitan Authority Board Report