

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
201858

Resolution:
 Yes No

TITLE:

Extension of University Pass Pilot Program

PRESENTATION SUMMARY:

Staff is providing information and seeking approval through a consent agenda item to extend the University Pass (U•Pass) product.

PURPOSE:

Request Board approval to extend the University Pass pilot program through June 30, 2018.

DESCRIPTION:

Key Highlights:

- Metro successfully enrolled over 10,000 American University and Washington College of Law students in the U•Pass Pilot Program.
- Through February 2017, the pilot program at American University has achieved a 90 percent adoption rate and over one million rides have been taken on Metrobus and Metrorail. Ridership in the Tenleytown corridor has increased 10 percent over 2015 levels, and over 60 percent of student rides are occurring in off-peak periods when excess capacity is available.
- To date, Metro received \$2.3 million of the projected \$2.7 million revenue target for FY2017. U•Pass is also part of the FY2018 proposed operating budget.

Background and History:

On March 24, 2016, the Board authorized the development of a University Pass (U•Pass) fare product as part of Metro's ridership and customer service initiatives. The U•Pass is a discounted fare product that allows unlimited Metrobus and Metrorail riding privileges to full-time college students in accredited post-secondary degree granting institutions throughout the academic year. The concept is based on a national model adopted at over 20 transit properties with more than 200 participating colleges and universities in locations including Atlanta, Chicago, Philadelphia, and Los Angeles.

Expanding transit options for students reduces their transportation cost and enhances their access to cultural institutions and entertainment venues throughout the service area. In addition to increasing student use of Metro, the U•Pass program will also promote public transit and attract a future generation of riders. Ultimately, Metro will benefit from a more diverse revenue stream by leveraging excess service capacity

during off-peak periods to grow ridership.

Metro's outreach strategy targeted all local colleges including University of Maryland, Howard University, Georgetown University, George Washington University, Prince George's Community College and American University. The U•Pass was launched with a robust marketing campaign to create brand awareness through campus events, social media, transit education and student surveys. These efforts resulted in a successful student referendum at American University with 85 percent of students in favor of program adoption. On August 17, 2016, American University became the first school to launch the U•Pass Pilot Program to over 10,000 undergraduate, graduate and law school students at Washington College of Law.

Discussion:

The U•Pass product is currently priced at \$1.00 per day per enrolled full time student during the academic semester, and Metro expects to receive \$2.7 million in revenue from the pilot during FY2017. Since inception, student response at American University has been favorable, with a 90 percent adoption rate and over one million rides taken on bus and rail through February 2017. Over 60 percent of total U•Pass ridership has occurred during off-peak periods when unused capacity on Metrobus and Metrorail is generally available. In the Tenleytown corridor, ridership has increased by ten percent compared with the same period in 2015, largely as a result of U•Pass. The highest U•Pass ridership on Metrorail has occurred at the Tenleytown, Van Ness, Friendship Heights, Dupont Circle and Woodley Park Metrorail stations, and the Metrobus routes with the highest market penetration include the N4, N2, 33, 31 and N6.

Staff seeks Board authorization to extend the University Pass pilot period in order to assess ridership trends, evaluate pricing and expand the University Pass model to additional colleges and universities in the region. American University has already recommitted to U•Pass for the 2017-2018 school year, pending continuation of the pilot program. Staff has also expanded outreach efforts for additional U•Pass partnership. Catholic University of America, the University of the District of Columbia (UDC), the University of Maryland, Georgetown University, and George Washington University have all expressed varying degrees of interest in the U•Pass program following the success so far at American.

In addition to expanding the roster of participating universities, an extension of the pilot program will provide staff an opportunity to consider program modifications. For example, some universities have inquired about a weekend-only version of the U•Pass, while others have inquired about extending the pass privileges to other local bus operators in addition to Metrobus. Finally, an additional year's worth of ridership and utilization data will support an informed decision about maintaining or adjusting the current \$1.00 per day pricing strategy.

FUNDING IMPACT:

The pilot program is expected to generate \$2.7 million in revenue for FY2017 and the continuation of the program is assumed in the proposed FY2018 operating budget.	
Project Manager:	Tracey Foster

Project Department/Office:	CFO/TRES
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TIMELINE:

Previous Actions	March 2016 – Authorization of the University Pass Pilot
Anticipated actions after presentation	Spring 2017 - Continue outreach discussions and negotiations with prospective university partners for 2017-2018 school year. Spring 2018 - Provide formal recommendation to Board on permanent adoption of U•Pass as part of FY2019 budget process.

RECOMMENDATION:

Recommend Board approval to extend the University Pass pilot program through June 30, 2018.

SUBJECT: APPROVAL OF EXTENSION OF THE UNIVERSITY PASS PILOT PROGRAM

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPLITAN AREA TRANSIT AUTHORITY

WHEREAS, The Board of Directors approved a University Pass (U·Pass) pilot program providing Metrobus and Metrorail ridership privileges to full-time eligible college students within the Metro region and further authorized staff to enter into a pilot agreement with interested universities in Resolution 2016-14; and

WHEREAS, The U·Pass pilot program period was initially set by the Board of Directors to last for one school term but was extended to last through April 2017 by Resolution 2016-24; and

WHEREAS, The Washington Metropolitan Area Transit Authority entered into a U·Pass pilot agreement with American University to launch the pilot program and develop data to evaluate the effectiveness of the pilot; and

WHEREAS, Student response at American University has been favorable with over one million rides taken on bus and rail through February 2017 with U·Pass; and

WHEREAS, The pilot program at American University is expected to generate \$2.7 million in revenue in Fiscal Year 2017, and a continuation of the program is assumed as part of the proposed Fiscal Year 2018 budget; and

WHEREAS, Staff believes that additional data is needed prior to making a final recommendation to the Board of Directors on whether to continue the U·Pass program on a permanent basis and, if so, on what terms that continuation should be approved; and

WHEREAS, American University has committed to continuing its U·Pass pilot agreement, while several other universities have expressed an interest in joining the U·Pass pilot program; now, therefore be it

RESOLVED, That the U·Pass pilot program shall be extended through June 30, 2018; and be it further

RESOLVED, That in order to avoid service interruption under the U-Pass pilot agreement to eligible students, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,

A handwritten signature in blue ink, appearing to be 'Patricia Y. Lee', written over a horizontal line.

Patricia Y. Lee
General Counsel

WMATA File Structure No.:
4.3.1 Fare and Fee Agreements
9.12.9 Tariff (WMATA Fare Structure)

PROPOSED