



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: April 2, 2013

To: Honorable Mayor & City Council

From: Aaron Kunz, Deputy Director of Transportation
Martha Eros, Transportation Planner

Subject: Beverly Hills Senior Taxi Coupon Program Conversion from Paper to Electronic Fare Media

Attachments: 1. None

INTRODUCTION

In an effort to improve the quality of service rendered to Beverly Hills resident seniors and disabled persons participating in the Senior Taxi Coupon Program, staff is proceeding with the planned conversion of fare media from a paper coupon to an electronic swipe card method of payment. All program administration, operations and eligibility requirements will remain the same.

DISCUSSION

Beverly Hills has jointly operated the Senior Taxi Coupon Program with the City of West Hollywood since its inception in 1987 to take advantage of combining service hours to provide economies of scale for both agencies. The current contract was awarded to *My Transit Plus, Inc.*, (now known as "*Keolis Transit*") in June 2009 and is in effect until June 30, 2015. The contract agreement includes the swipe card upgrade in the scope of work¹.

The program provides discounted taxi fare coupons for resident seniors age 62 and older and qualifying disabled persons of any age, and is fully subsidized using Proposition A Local Return grant funding. Eligible Beverly Hills residents may receive up to three coupon books per month worth \$24 in fare media at a cost of \$6 per book. Residents may use up to \$12 per trip in coupons to subsidize their trip.

City and *Keolis Transit* staff periodically receive complaints from residents that drivers refuse the paper coupons or react negatively when given coupons, even though the coupons are actual payment. The challenge with coupons is the delayed receipt of cash by drivers; the

¹ Included in Beverly Hills Agreement #234-09, Exhibit A – Cities of Beverly Hills and West Hollywood 2009 Request for Proposals, Section III (J) Implementation of Electronic Fare Card Technology System to Replace Security-Coded Coupon Fare Media (Enhancement). June 16, 2009.

drivers are required to record statistical data on trip sheets, collect the passenger's signature, count the coupons, and submit coupons for reimbursement at the end of each month, which pose an additional accounting burden for the taxi companies.

The executives of the three taxi companies² licensed to operate in the City support the conversion of paper coupons to an electronic swipe card. The swipe card would reduce, if not eliminate, the administrative burden placed on drivers, and lessen the reimbursement period for taxi drivers. The intended goal is to improve customer service to Beverly Hills passengers. Additionally, the electronic upload of data once a transaction is completed will provide a more accurate accounting of the trip data required by the National Transit Database for monthly reports and annual audits. City staff is currently drafting administrative policies for taxi companies to comply with the Senior Taxi Coupon Program operations.

Keolis Transit implemented the City of Los Angeles' swipe card system conversion for its CityRide program in 2009, and Los Angeles Department of Transportation (LADOT) staff reports positive impacts with the swipe card program. LADOT staff expressed satisfaction with the conversion and reported that a primary challenge was educating program participants on the use of new technology, most likely due to the high number of the LADOT participants.

All program administration, operations and eligibility requirements will remain the same. *Keolis Transit* staff will verify program participants' information during the annual reminder/renewal period in April/May. The updated information will be used to generate a swipe card for each participant, and participants will continue the practice of purchasing the \$24 fare value for \$6 on a monthly mail-in basis, and follow the same scheduling process with taxi companies.

The swipe card will function similar to a credit card transaction. The exact fare value (up to \$12 per trip) will be deducted from the value of the card and the taxi driver should provide a receipt to the participant at the end of the trip indicating the balance remaining on the card. Participants may also contact *Keolis Transit* directly with any questions or to request the balance available on their swipe card.

Transportation Planning staff has been in communications with the Community Services Department regarding the swipe card technology upgrade. Community/Leisure Services management staff expressed that seniors adapted quite easily to the TAP card technology when LACMTA/Metro converted from a paper bus pass to an electronic swipe card system to simplify the process for riders.

Community Outreach

Transportation Planning staff will update the Recreation & Parking Commission at its March 26, 2013 meeting on the swipe card upgrade, and the Beverly Hills Active Adult Board on April 1, 2013. Additionally, staff will be available to attend the weekly Active Adult General Meeting to answer program questions as the transition moves forward. Public outreach materials will be developed by City staff and generated by *Keolis Transit* for distribution to existing registered participants, as well as posted on the Beverly Hills webpage.

The West Hollywood City Council approved the swipe card conversion at its March 18, 2013 meeting and staff is proceeding with the transition. *Keolis Transit* anticipates having the

² Beverly Hills Cab, Independent Taxi Company, United Independent Taxi.

program in place for the beginning of next fiscal year, July 1, 2013. Staff will work closely with the vendor to ensure that an adequate public education campaign is conducted.

FINANCIAL ANALYSIS

The FY12/13 budget for Fund-30 Proposition A Senior Transit Services includes the anticipated costs for software upgrades, technical support, license and development fees, a new server and card printer, and administrative costs for *Keolis Transit*.

A one-time augmentation of \$50,628 (using Proposition A Local Return grant funds) would be shared with the City of West Hollywood based on the service hours as identified in the joint contract:

Beverly Hills:	\$20,971.99
West Hollywood:	<u>\$29,656.21</u>
	\$50,628.20

Long-term benefits of a swipe card include savings resulting from reduced costs of postage and printing, as well as contractor staff time required for data entry. The card will also expedite the accounting process as the data is immediately collected upon the completion of the trip. In addition, the Beverly Hills and West Hollywood program will be consistent per the Cities' joint services agreement.

STAFF RECOMMENDATION

This report is for informational purposes.



David Gustavson
Approved By