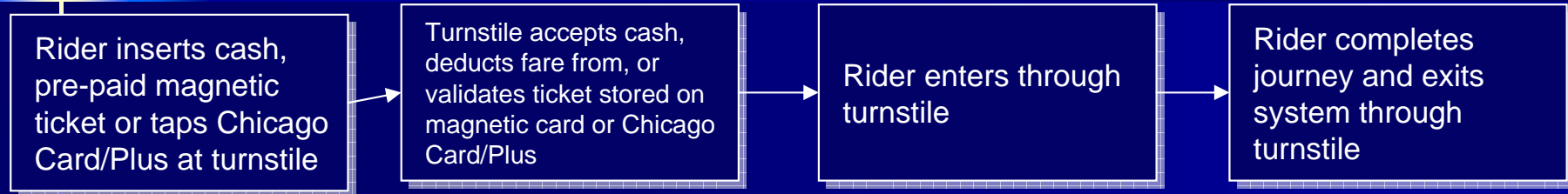# **Thinking Globally, Acting Locally**

The Chicago Experience with a Universal Fare Card

Michael Bolton
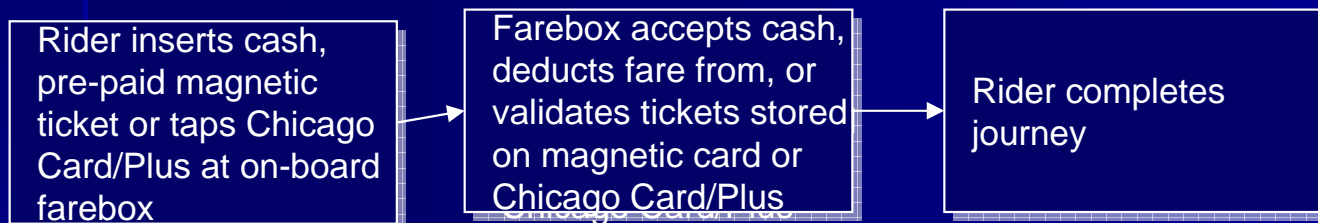Deputy Executive Director, Strategic Service
Pace

Existing Systems and Fare Coordination

CTA rail and bus systems support a flat-fare structure. Cash, magnetic cards and smart cards are accepted on both bus and rapid rail
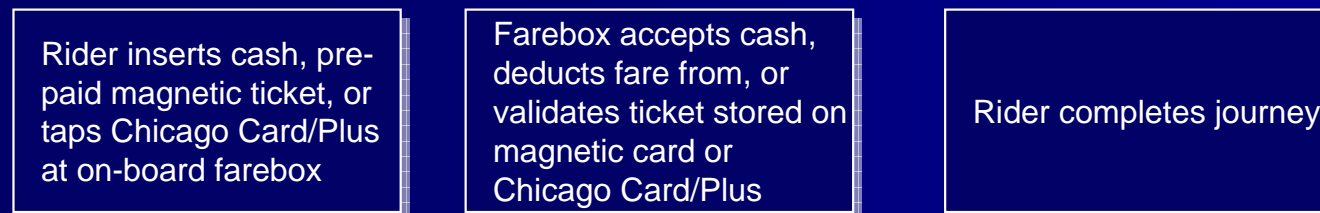
CTA Rail Fare Payment Process

| Rider inserts cash, pre-paid magnetic ticket or taps Chicago Card/Plus at turnstile | → | Turnstile accepts cash, deducts fare from, or validates ticket stored on magnetic card or Chicago Card/Plus | → | Rider enters through turnstile | → | Rider completes journey and exits system through turnstile |

CTA Bus Fare Payment Process

| Rider inserts cash, pre-paid magnetic ticket or taps Chicago Card/Plus at on-board farebox | → | Farebox accepts cash, deducts fare from, or validates tickets stored on magnetic card or Chicago Card/Plus | → | Rider completes journey |

Pace also supports a flat-fare structure and accepts CTA- issued Transit Cards, CTA passes, Chicago Card/Plus and cash for fare payment

Pace Bus Fare Payment Process

| Rider inserts cash, pre-paid magnetic ticket, or taps Chicago Card/Plus at on-board farebox | Farebox accepts cash, deducts fare from, or validates ticket stored on magnetic card or Chicago Card/Plus | Rider completes journey |

Existing Systems and Fare Coordination

Metra's fares are based on a zone system, and visual inspection of fares is completed on-board by conductors

Metra Fare Payment Process

Rider purchases ticket by mail, internet or at staffed window (or on-board from conductor)	Conductor inspects ticket to assure validity	Rider completes journey

Key Characteristics - Commuter Rail

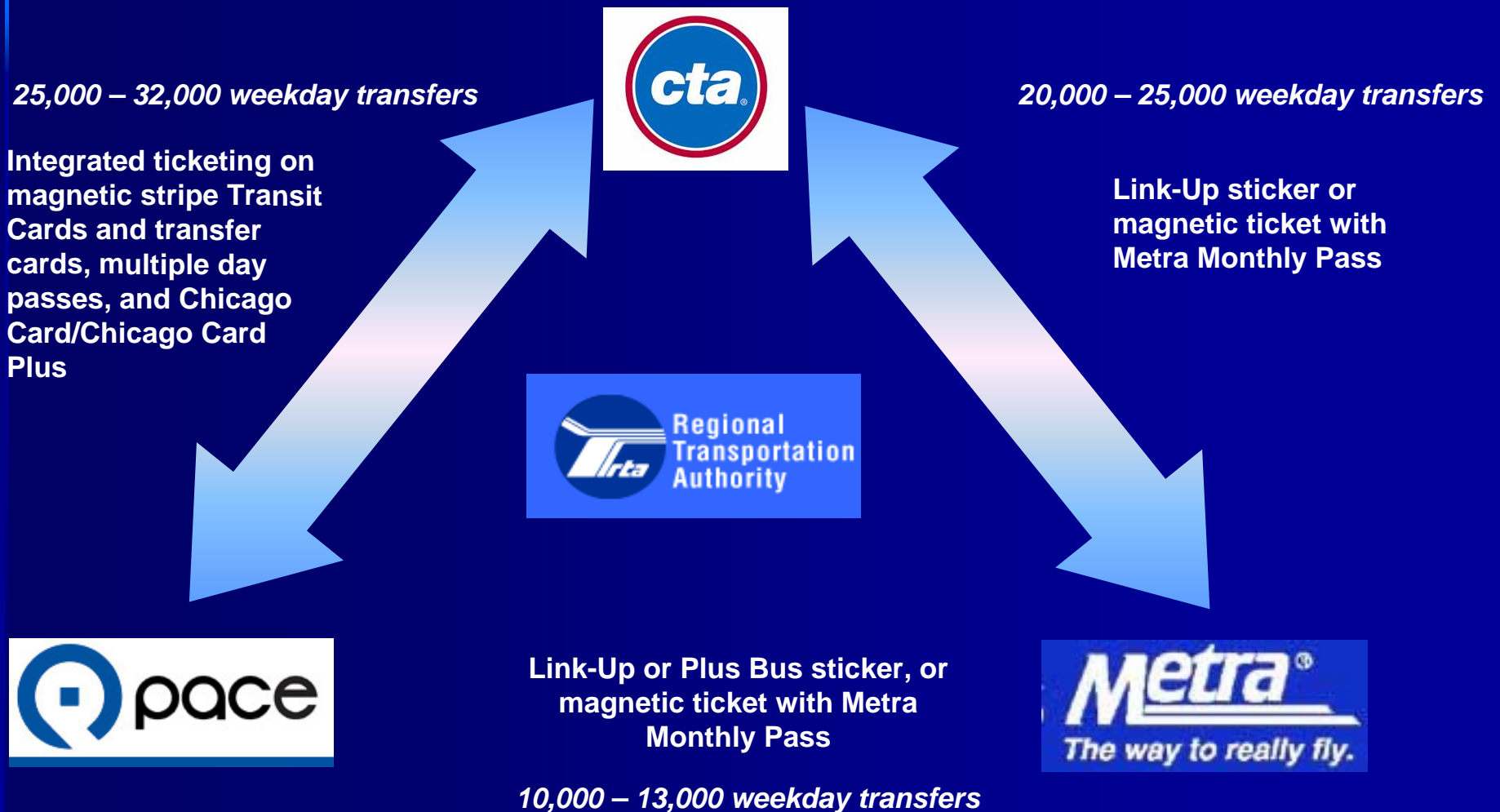- Operates in a non-gated environment

- Uses visual on-board fare inspection

- Operates over a large geographic area

- Uses either zone or distance-based fare structures

- Limited fare collection hardware currently installed, such as ticket vending machines

Challenges - Smart Card Implementation

- Physically gating the system is impractical due to station design and cost

- Checks of smart cards using electronic devices may slow down inspection times and require renegotiation of union contracts

- New equipment installations (e.g., ticket vending machines) will result in increased labor costs associated with maintenance and ticket re-stocking

- Need a cost effective and practical solution to check a complex array of origin-destination pairs

- High capital cost for new equipment (as opposed to upgrade or replacement) to support a new automated fare collection system

Existing Systems and Fare Coordination

It makes good business sense to help customers move across the region easily and this region has developed fare products to meet these customer needs

25,000 – 32,000 weekday transfers

Integrated ticketing on magnetic stripe Transit Cards and transfer cards, multiple day passes, and Chicago Card/Chicago Card Plus

20,000 – 25,000 weekday transfers

Link-Up sticker or magnetic ticket with Metra Monthly Pass

Link-Up or Plus Bus sticker, or magnetic ticket with Metra Monthly Pass

10,000 – 13,000 weekday transfers

The Uncertain System of the Future

A Universal Fare Card (UFC) is a single card that can be used to pay fares on all bus, rapid transit, commuter rail, and paratransit services under the jurisdiction of the RTA

A UFC does not mean there is one single fare to ride all the services. Each Service Board will continue to have its own fare policies

A "smart card" solution is considered the best technology

▸ Builds on existing fare collection infrastructure at CTA and Pace

▸ Provides increased convenience for customers

▸ Builds on CTA's and Pace's current smart card experiences

▸ Supports fare payment of paratransit services through the use of a magnetic stripe on cards issued to paratransit customers

▸ Reflects national and international trends in current technology for regional electronic fare payment systems

▸ Smart card technology is flexible and can support all current fare policies and products, and most that are found in other transit systems (peak pricing, distance-based, reverse commute, etc.)

▸ Provides potential new opportunities for transit-related partnerships, such as use on taxis, in parking and other uses

A number of different functions are required to manage a smart card system

Back-Office Function	Description	Possible Management Approach
▶ Card Base Management	Issuing and managing cards	Centralized, outsourced
▶ Customer Services	Answering customer and third-party questions regarding UFC	Centralized, outsourced
▶ Distribution Management	Includes signing merchants to agreements for card and value distribution	• Distribution of cards – Centralized outsourced • Relationship management with third-party merchants –Decentralized, in-house
▶ Financial Management	Clearing and settling funds across agencies, and accounting and auditing functions	• Management of funds settlement – Centralized, outsourced • Funds pool – decentralized, in-house
▶ Security Management	Systems and personal data security	Centralized, outsourced
▶ Infrastructure Systems and Operations Management	Management of some aspects of regional technology, including interfaces	• Software updates, configuration control and disaster recovery – Centralized, outsourced • System monitoring – Decentralized, in-house
▶ Program Management	Brand/program management	Centralized, in-house

Observations

- Technology exists allowing transit to do micropayments
- Costs per transaction are moving down
- Institutional issues are more significant than technology issues
- Someone should make us an offer that we cannot refuse