

Resolution No. R2022-22

Confirming an inspection rate and staffing level for Fare Ambassador Program and updating the financial plan assumption

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience & Operations Committee	08/04/2022	Recommend to Board	Russell Arnold, Chief Passenger Experience and Innovation Officer
Board of Directors	08/25/2022	Final action	Sandee Ditt, Manager, Fare Engagement, Passenger Service and Accessibility

Proposed action

(1) Confirms the inspection rate and staffing level for the permanent Fare Ambassador program based on the pilot program initiated in August 2021, (2) updates the financial plan assumption through 2046 to match current staffing assumptions, and (3) directs staff to provide information on the effectiveness of the program by July 2023.

Key features summary

- In May 2022, the Board approved funding for the Fare Ambassador program through 2022.
- At that time, staff committed to return by the end of 2022 with recommendations on the structure, cost and size of a permanent Fare Ambassador program for Board consideration and inclusion into the long term Financial Plan.
- Staff is recommending staffing levels that would allow for the inspection of 10 percent of passengers in order to implement the fare policy that was adopted by the Board in April 2022.
- The Spring 2022 financial plan update included an initial assumption of \$443 million in the financial plan for the Fare Ambassador program through 2046. This assumption will be updated based on this action.
- The Fare Ambassador program will be administered by the Passenger Experience Division within the Executive Department with a proposed staffing of both full time employees and contracted staff beginning in September 2022. The program will cover Link, Tacoma Link, Sounder and Bus Rapid Transit.
- The 10 percent fare inspection rate will require 46 staff in 2023 and 76 staff in 2024, and will expand to 103 staff by 2025 and 308 staff by 2046 to meet the demands of the expanded system. This staff will include a mix of internal full time employees and contracted staff. Based on these staffing levels, the program will have a cost of \$672 million (YOES), which is an increase of \$229 million (YOES) over the current financial plan assumption.
- The associated costs for the Fare Ambassador program will be included in the agency's financial plan assumptions through 2046. The forecasted spending is based on:
 - Staffing Costs
 - Staff Materials and Equipment – uniforms and handheld devices.

- Marketing and Communication Materials – community engagement and special events support and materials.
- Other program support costs – office supplies, translation services, event permits.
- Initial staffing level estimates in the Financial Plan were based on a 10 percent inspection rate using the amount of time needed by the previous Fare Enforcement Officers to complete checks. Because the Fare Ambassador program is conducting inspections differently and providing a greater level of customer service on board vehicles and within stations, more time is needed for each check, resulting in more staff needed to complete the 10 percent inspection rate.

Background

In 2019, Sound Transit began reviewing the agency’s fare collection system based on community concerns. The agency evaluated fare collection policies and historic enforcement data and gathered community feedback to identify where improvements should be made.

The review found that under existing Sound Transit policy, persons of color were disproportionately more likely to be fined or referred to the court system than white or Caucasian passengers.

Informed by this analysis and community input, the Board approved a new fare engagement pilot project with the goal of preventing the inequitable effects that often result from unpaid fines and contact with the court system.

The Board adopted Motion No. M2020-74 directing staff to seek diverse voices in communities most impacted by fare compliance policies and complete further analysis to recommend to the Board an updated policy on fare compliance to supersede Resolution No. R2009-02 on fare enforcement. The agency has moved away from using the term fare enforcement towards fare compliance to better reflect the pilot project and updated policy considerations.

This updated policy responds to the community and Board and sets updated policy consistent with the agency’s goals to provide high-quality public transportation that is accessible to all and create a welcoming, respectful, and compassionate customer service approach to fare compliance that prioritizes passenger education and improved access to public transit.

This policy designates fare compliance personnel to monitor fare pursuant to RCW 81.112.210(2)(a) and establishes requirements for alternative resolution options for passenger interactions without proof of payment. It also commits the agency to establishing an alternative fare enforcement system pursuant to RCW 81.112.210(1)(b), which was amended by the legislature.

Pilot program

Since the pilot program began in August 2021, Sound Transit was only able to issue warnings during this period which prevented the full implementation of the Fare Ambassador Pilot program until the passing of updated resolution process in April 2022. The program has also experienced staffing challenges from a lack of applicants to attrition rate. Staff are currently still building out the internal resolution process and hiring and onboarding the next cohort of ambassadors.

During the course of the pilot, the program has built out the standard operating processes, established how fare ambassadors connect and work alongside other frontline staff such as security and operators, created a more approachable and less intimidating look and feel to the uniform, built out an intensive training program for staff to undergo including disability sensitivity training, deescalation and anti racism, continued engagement with the community on policy changes and looked at areas of added support for our passengers during service disruptions, service changes and bus bridges.

Implementing the permanent Fare Ambassador Program

The proposed program would consist of a Fare Resolution Policy Manager that will report to the Deputy Director of Passenger Success and will be responsible for implementation of the in-house adjudication program for violations issued by Sound Transit Fare Ambassadors. This internal resolution program will then provide service to riders for resolution of warnings, fines and civil infractions issued for non-payment of fare on Sound Transit proof-of-payment modes. Sound Transit is instituting the Board-driven policy and process changes for fare compliance which include the requirement that Sound Transit work directly with riders who have received penalties for non-payment of fare, ending the prior practice of referring non-compliant actions directly to the court system, which the Board has found to result in racially inequitable outcomes. The program will work provide access to resources to support individuals to successfully resolve fare compliance infractions.

Sound Transit is in the process of hiring additional fare ambassador staff and training current and new staff on the process of issuing fines and citations in order to have a permanent program start date of September 17, 2022. Staff is currently in the process of finalizing standard operating procedures and processes developed during the fare ambassador pilot for program adoption.

Program Staffing Levels

The staffing level for the 10 percent inspection rate is shown below including the initial program staffing level that was included in the Spring 2022 Financial Plan:

Fare Ambassador Program Staffing Levels	2023 Program Staff	2024 Program Staff	2025 Program Staff	2046 Program Staff
Spring 2022 Financial Plan - Initial 10% Check Rate Staffing Total	28	28	56	167
10% Inspection Rate Staffing Total	46	76	103	308
<i>Fare Ambassador Leads and Supervisors</i>	<i>11</i>	<i>19</i>	<i>24</i>	<i>68</i>
<i>Fare Ambassadors</i>	<i>35</i>	<i>57</i>	<i>79</i>	<i>240</i>

Initial staffing level estimates for the 10 percent inspection rate were based on existing contractor Fare Enforcement Officer efficiencies. Because the Fare Ambassador program is conducting checks differently, more time is needed for each check, resulting in more staff needed to complete the 10 percent inspection rate. The revised 10 percent inspection rate staffing level adds 47 Fare Ambassadors by 2025 and 141 Fare Ambassadors by 2046.

Program Effectiveness

Currently staff are unable to project future compliance as the program has not been fully implemented with the updated resolution process or complete staffing levels. As of April 2022, non fare boarding on Link were at approximately 38 percent. Fare compliance based on Fare Ambassador inspections of approximately 2 percent of ridership in April 2022, showed approximately 15 percent of inspected passengers did not have proof of payment. Since compliance with the full program in effect is unknown at this time, the financial plan assumes 20 percent fare non-compliance. Staff plans to continue to monitor the staffing levels required to inspect 10 percent of riders and propose adjustments if needed. The assumption is that as more passengers return to the system and compliance increases, the program may become more efficient in the fare checking process and will adjust staffing levels accordingly to maintain a 10 percent inspection rate. It is estimated that at an inspection rate of 10 percent, on average passengers would only go 7 trips before seeing a fare ambassador.

Similar open systems such as Dallas Rapid Transit at pre pandemic levels, had fare evasion levels at 2.7 percent with inspections of 80-95 percent of their system. Pre pandemic staffing levels included 124 fare inspectors.

Fiscal Information

This action will authorize a 10 percent inspection rate policy for the permanent Fare Ambassador program and estimated staffing levels to support program implementation. The program will be managed and administered by the Passenger Experience Office within the Executive Department.

This fiscal information shows estimated costs for proposed staffing levels through 2046, and the impact of the policy on the Financial Plan. If approved, annual costs of the Fare Ambassador program for the 10 percent inspection rate will be included in future budget year development processes.

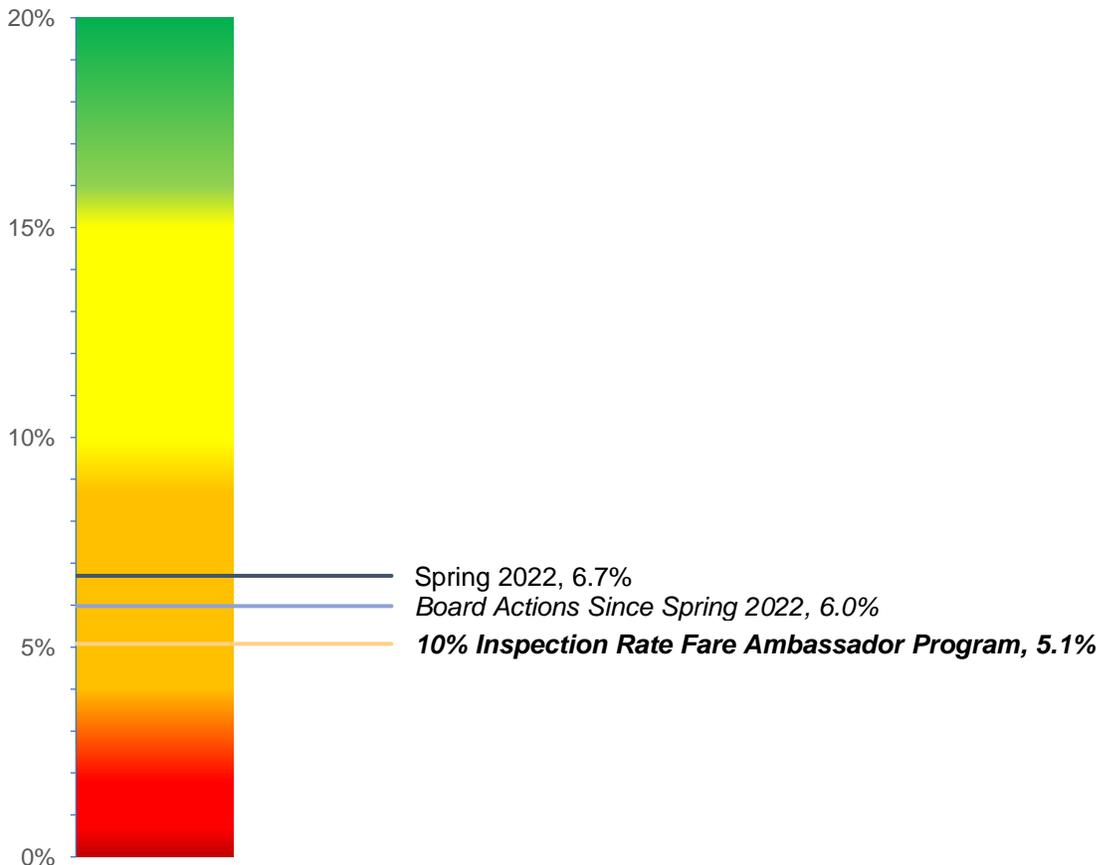
Program Costs and Impact on Agency Affordability

The total program cost estimate for the updated 10 percent inspection rate staffing level is \$672 million 2022 - 2046. However, \$443 million dollars for the initial 10 percent inspection rate staffing level were included in the Spring 2022 Financial Plan. The impact on the Financial Plan is the impact of costs beyond the \$443 million already included in the Spring 2022 Financial Plan, shown below:

Estimated Impacts to Spring 2022 Financial Plan	2022-2046 Cost, YOE\$, \$M	Debt Capacity Impact, \$M	Debt Capacity Impact, %
10% Inspection Rate Program	\$ 229	\$ (259)	-0.9%

Cost of this magnitude would have an impact on Agency affordability, shown below by comparing the debt capacity impact of the 10% Inspection Rate Fare Ambassador program at each check rate Spring 2022 Financial Plan and subsequent Board Action changes.

Remaining Debt Capacity (Min. Year)



Implementing a 10% Inspection Rate Fare Ambassador program would reduce affordability (as measured by minimum year available debt capacity) by a projected 0.9% (\$259M). Including impacts of Board Actions since the Spring 2022 Financial Plan was published as part of Annual program Review, the resulting available minimum year debt capacity would be a projected 5.1%.

Board Actions approved since the Spring 2022 Financial Plan include: Resolution No. R2022-20, to Establish a Zero Youth Fare on Sound Transit Services (0.7% minimum year available debt capacity decrease), Motion No. M2022-41, to Amend the BNSF Service Agreement for Sounder Southline (0.02% minimum year available debt capacity decrease), and Motion No. M2022-42, to amend the BNSF Service Agreement for Sounder Northline (0.001% minimum year available debt capacity decrease).

If the action is approved, the cost of achieving the 10% inspection rate will be included in the 2023 budget development process.

Disadvantaged and small business participation

During the request for proposal process we will be looking for businesses that can provide contracted staffing to service as Sound Transit fare ambassadors.

Public involvement

Not applicable to this action.

Time constraints

A one-month delay would impact the timing of this project by delaying the request for proposal process to obtain a contractor that can provide us with adequate staffing levels to administer the program.

Prior Board/Committee Actions

Resolution No. R2022-08: That (1) funding to continue the Fare Ambassador Program based on the pilot program initiated in August 2021 is approved through December 31, 2022 and (2) the Adopted 2022 Annual Budget is amended to increase the Transit Operations budget by \$1,300,000 from \$440,862,228 to \$442,162,228 to account for the establishment and delivery of the Fare Ambassador Program in 2022.

Resolution No. R2022-07: Adopted an updated Fare Compliance Policy and superseded Resolution No. R2009-02.

Environmental review – KH 7/25/22

Legal review – AJP 7/29/22



Resolution No. R2022-22

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority (1) confirming the inspection rate and staffing level for the permanent Fare Ambassador Program based on the pilot program initiated in August 2021, (2) updating the financial plan assumption through 2046 to match current staffing assumptions, and (3) directing staff to provide information on the effectiveness of the program by July 2023..

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under chapters 81.104 and 81.112 of the Revised Code of Washington (RCW) for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Sound Transit district on November 5, 1996, November 4, 2008, and November 8, 2016, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, in 2019, based on community concerns about fare collection, Sound Transit began a process to review the agency's fare collection system based on community concerns, evaluate fare collection policies and historic enforcement data and gather community feedback to identify where improvements should be made; and

WHEREAS, the review found that under existing Sound Transit policy, persons of color were disproportionately more likely to be fined or referred to the court system than white or Caucasian passengers; and

WHEREAS, informed by this analysis and community input, the agency developed a new fare engagement pilot project with the goal of preventing the inequitable effects that often result from unpaid fines and contact with the court system; and

WHEREAS, in April 2022, the Board adopted an updated policy on fare compliance to supersede Resolution No. R2009-02 on fare enforcement and establish a new fare engagement program; and

WHEREAS, in May 2022, the Board established funding to continue the Fare Ambassador Program through 2022 based on the pilot program initiated in August 2021; and

WHEREAS, staff committed to return by the end of 2022 with recommendations on the structure, cost and size of a permanent Fare Ambassador Program for Board consideration and inclusion into the long term Financial Plan; and

WHEREAS, staff is recommending staffing levels that would allow for the inspection of 10 percent of passengers in order to implement the fare policy that was adopted by the Board April 2022; and

WHEREAS, the 10 percent fare inspection rate will require 28 staff in 2023 and 2024, and expand to 103 staff by 2025 and 308 staff by 2046 to meet the demands of the expanded system, including a mix of internal full time employees and contracted staff; and

WHEREAS, based on these staffing levels, the program will have a cost of \$672 million (YOES), which is an increase of \$229 million (YOES) over the current financial plan assumption.

NOW THEREFORE BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that (1) an inspection rate of 10 percent of passengers and the related staffing level are confirmed for the permanent Fare Ambassador Program based on the pilot program initiated in August 2021, (2) the financial plan assumption is updated through 2046 to match current staffing assumptions, and (3) staff is directed to provide information on the effectiveness of the program by July 2023.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 25, 2022.



Dave Somers
Board Vice Chair

Attest:



Kathryn Flores
Board Administrator