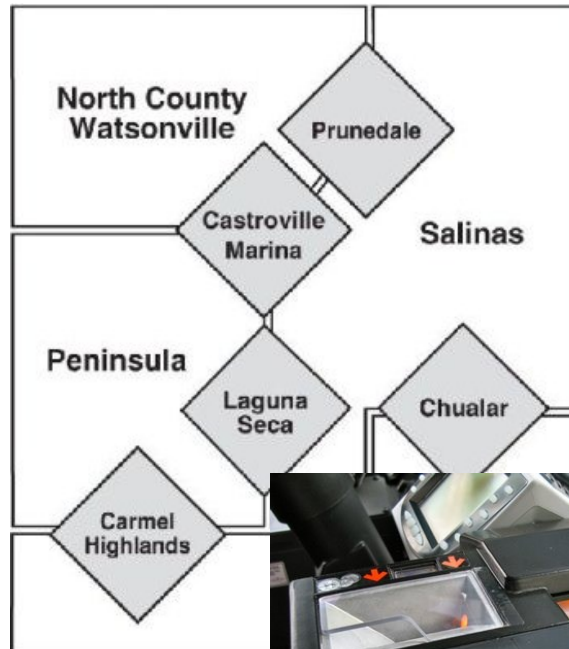


Client: Monterey-Salinas Transit
Location: Monterey, CA

Monterey-Salinas Transit (MST) operates an effective local and intercity bus system that transports over five million riders annually and generates a healthy farebox recovery of over 25%. Yet its riders must endure base fares that are tied for the highest in the state and a zone structure that is cumbersome and time-intensive.

Our staff was contracted to analyze the historical ridership and revenue trends and develop a new fare structure that would yield increased ridership, greater socioeconomic and trip-length equity, and a less-confusing passenger experience on the MST system. These goals were to occur while retaining the same farebox recovery that MST currently enjoyed.



Our analysis of historical data included a thorough investigation of rider responses to fare and service changes, rider composition by fare class, trip purpose, and time-of-day, and ridership levels by service type. It also involved fare elasticity calculations, regression analysis, and the creation of an origin-destination matrix to assist in crafting a new fare structure that would respond to the nature of MST's riders.

Connetics studied a range of options across multiple fare strategies and developed three alternatives for MST to consider. These alternatives utilized new fare products that would encourage regular ridership and attract low-income and short-trip riders that were becoming priced out of the system. We also were able to reduce the base fare and eliminate zones by pricing products in a way that increased the average fare to base fare ratio, thus protecting farebox recovery. Each scenario was run through our custom-built fare model and the results presented to MST.

Through consultation with the client, we were able to refine these alternatives and chart a course for the agency that addressed their needs in both the near-term and far term, by first implementing a low capital cost flat fare strategy, and then moving to a more robust automated time & distance-based strategy once MST procures the capital funds to make a farebox investment.