



Agenda Item No. (6)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of December 19, 2019

From: Dana J. Fehler, Director, Marketing and Communications
Kellee Hopper, Deputy General Manager, Administration and Development
James P. Swindler, Deputy General Manager, Ferry Division
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH SONOMA-MARIN AREA RAIL TRANSIT DISTRICT (SMART) TO IMPLEMENT A PILOT PROGRAM TO PROMOTE SMART TRAIN AND LARKSPUR FERRY TRAVEL TO AND FROM SAN FRANCISCO AND THE NORTH BAY**

Recommendation

Authorize the creation of a Pilot Program to promote Sonoma-Marín Area Rail Transit District (SMART) train and Golden Gate Bridge, Highway and Transportation District (District) Larkspur ferry travel to and from San Francisco and the North Bay and authorize the General Manager to execute an agreement with SMART to implement the Pilot Program. The Pilot Program will be comprised of a promotional “Sail & Rail” single fare pass for SMART train and the Larkspur ferry rides during off-peak hours on weekdays and all day on weekend & holidays effective January 1, 2020 for six months, and a Weekender Pass which grants a passenger that purchases either a SMART train ticket or a Larkspur ferry ticket a free transfer to the other service, effective for the months of January and February 2020.

Summary

The completion of the SMART Larkspur Rail Extension from San Rafael to Larkspur provides an excellent opportunity to build on the growing public excitement to try train and ferry service between San Francisco and the North Bay. Both the District and SMART have an interest in maximizing the opportunity to attract new transit riders to both systems.

In collaboration with SMART, staff is proposing a promotional Pilot Program featuring two products for travel on the train and ferry to and from San Francisco and the North Bay.

1. Commencing January 1, 2020 and for a period of six months, the Pilot Program's “Sail & Rail” pass will allow regional travelers to ride both services by purchasing a single fare product from SMART's Mobile Ticket App, which the District will honor on its Larkspur

ferry route. Due to currently overcrowded ferries during weekday peak hours, the District will only accept the single fare product during the “off peak” periods outlined below:

- Weekdays Southbound arriving in San Francisco by any ferry departure *after* 8:20 a.m.
- Weekdays Northbound departing San Francisco any time *before* 3:30 p.m.
- Weekend/Holiday periods in either direction, at any time.

The “Sail & Rail” pass will cost \$12.00 across all fare categories (Adult, Senior, Youth, RTC), with children under five years old traveling for free. The District will receive \$5.00 for every “Sail & Rail” pass sold by SMART in recognition that the SMART system has higher fares thus the potential for fare revenue loss is greater.

2. The Pilot Program's Weekender Pass will grant a passenger that purchases either a SMART train ticket or a Larkspur ferry ticket a free transfer to the other service during the weekends and holidays of January and February 2020.

Fiscal Impact

The expectation of the Pilot Program is that it will attract new riders to Larkspur ferry service during periods when boats have lots of available seating. It is projected that there will not be a net revenue loss, because those new passengers will offset the revenue loss that occurs when current passengers switch to the less expensive promotional fare. The cost of developing and maintaining the pass will be borne by SMART.