



Metro

Los Angeles County
Metropolitan Transportation Authority

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TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE 
CHIEF EXECUTIVE OFFICER

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CHIEF COMMUNICATIONS OFFICER

SUBJECT: CUSTOMER CENTER ISSUES IN SAN FERNANDO VALLEY

ISSUE

With the new Metro Orange Line opening soon, some concern has been expressed that there is no Metro customer center in San Fernando Valley. Although the Metro-operated customer center at Van Nuys has been closed for five months, customers have been able to buy passes, stamps and tokens at about 90 other retail locations in the San Fernando Valley. Staff explains other steps taken to facilitate and improve customer service in the Valley.

BACKGROUND

In March 2005, the Board of Directors was notified that staff was consolidating operations from six customer centers to four, closing the ARCO and Van Nuys Customer Centers in June. This action was taken to reduce the 2006 fiscal year budget by about \$400,000.

ARCO Center customers had the option of 12 vendors within a one-mile radius and the utilization of the Metro East Portal Customer Center, and customers at the Van Nuys Center, which was Metro's least productive center in terms of sales, had four vendors located within a few blocks of that location.

Mitigation Actions

To mitigate customer inconvenience caused by the closure of the two centers, Metro has made a number of changes, which are listed below.

- Customers can submit applications and can obtain reduced fare ID Cards by mail.
- The San Fernando Valley Service Sector office is offering limited customer services for seniors, disabled and students.

- Senior Centers in the San Fernando Valley are being recruited to issue Metro ID cards to eligible persons.
- Locations of Metro Pass sales outlets are being aggressively publicized.

These changes are described in more detail below.

Applications and ID Cards by Mail - In the past, certain reduced fare applications and ID Cards required in-person visits to a Metro customer center. Now, it can all be done by mail:

- Los Angeles County Transit Operators Association (LACTOA) Disabled Identification (ID) Card applications and the College/Vocational ID Card applications can be mailed in for verification and processing to the Metro Reduced Fare Office, One Gateway Plaza, M.S. 99-PL-4, Los Angeles, CA 90012-2952.
- The new photo-less K-12 Student ID Cards can be obtained at any LAUSD school by contacting the school administrator, or by mail via the Metro Reduced Fare Office.
- Senior ID cards can also be obtained by mailing in the appropriate documentation to the Metro Reduced Fare Office.

All applications can be found on the Web at metro.net. For those without internet access, applications can be obtained by calling the Reduced Fare Office at 213-680-0054.

San Fernando Valley Service Sector Office to Serve as Limited Customer Center - To assist customers in the Valley, the San Fernando Valley Service Sector Office is acting as a limited service customer center and is currently able to make senior ID cards and to distribute the K-12 student photo-less ID card. The office has a supply of reduced fare application forms for those who don't have Web access, and they will forward any returned applications to the Metro Reduced Fare Office for verification and processing. Lists of Metro pass, stamp and token vendors located in the San Fernando Valley are also available.

Senior Centers being Recruited to Produce ID Cards - Staff has been diligently working to increase the number of senior centers in the San Fernando Valley that will provide Metro Senior ID Cards to eligible persons. Currently the Mid-Valley Senior Center has agreed to make senior ID cards on Mondays and Fridays from 9:00 am to 11:00 am. The Mid-Valley Senior Center is located at 14450 Valerio Street in Van Nuys. Their phone is 818-785-8488.

Metro is also working with the Los Angeles Department of Community & Senior Citizens Services to find other facilities throughout the County.

Location of Pass Outlets being Publicized - Metro Pass sales outlets in the San Fernando Valley are being publicized through ads in approximately 12 Valley newspapers as well as brochures being placed on-board the sector's lines. Both the ads and the brochure list all Valley sales outlets and provide details on obtaining Metro Senior ID Cards.

Concerns Stem from Confusion

Some of the concerns are due to confusion regarding terminology and options regarding where and how to buy monthly fare media. These are explained below.

Confusion in Terminology - Sometimes people confuse the terms “pass” and “stamp”. A pass is a type of fare media that does not require a special identification card to buy it. For example, a monthly pass can be purchased by anyone. However, a monthly stamp, which is used for Metro’s reduced fare customers, does require an identification card. This is to prevent misuse of the fare media, since it is sold at a highly discounted rate (e.g., \$12 for a senior stamp, versus \$52 for a monthly pass).

Once a senior, disabled person, K-12 student or college/vocational student has an ID card, they can purchase a monthly stamp at any customer center or at any of the 650 retail outlets across the county. Almost 90 outlets are located in San Fernando Valley.

Confusion due to Withdrawal of a Key Vendor - In late September, Popular Cash Express abruptly stopped selling Metro passes and stamps because the company is restructuring its operations. More than 5 percent of Metro’s total pass and stamp sales occurred at Popular Cash Express locations, with the preponderance in San Fernando Valley. Because this happened right before the October pass and stamp sales cycle, some of the other vendors in the Valley ran out of stock to sell to their customers. Metro staff worked diligently to supply those vendors with reorders in a timely manner. Over the past several weeks, staff have worked with vendors nearby Popular Cash Express locations to increase their stock of November passes and stamps so that stock outages do not occur again.

Confusion about Where to Buy Monthly Reduced Fare Stamps – There appears to be some confusion among customers about where to purchase a monthly stamp for a reduced fare card. Once the eligible person has an ID card, they can purchase their monthly discounted stamp at any of the 650 locations throughout the county, as well as at a Metro customer center. Or, if a senior, disabled, K-12 student or college/vocational student prefers, they can purchase their monthly stamp by mail at Metro Mail when they send in a completed Metro Mail Order Form, a photocopy of their ID card and their check or money order.

Fare Media Sales and Distribution and Cost Savings

Since the fare restructuring was introduced in January 2004, Metro has undergone significant changes to its fare media sales and distribution. Annual fare revenues have increased by more than \$20 million and fare media and distribution costs have been reduced by about \$3.5 million.

Currently, more than one-third of Metro’s customers use the Day Pass. In contrast, other types of fare media usage have decreased significantly:

- Customers using tokens have dropped from 26 percent to 13 percent.
- Monthly pass sales have dropped from 50,000 to 43,000.
- Semi-monthly pass sales have decreased from 55,000 to 35,000.
- Weekly pass sales have decreased from 210,000 to 160,000.

At the same time, monthly K-12 student stamp sales have increased 45 percent, from 20,000 to 29,000 per month due to simplifying requirements for the student fare card. Metro Mail and e-commerce are also growing. Metro Mail currently mails out \$1.5 million in fare

media to our customers each month, and e-commerce has grown to \$39,000 per month (62 percent more than the average monthly sales at Van Nuys).

As monthly and weekly pass sales have declined, the quantity of passes produced has also been adjusted, saving over \$500,000 per year. Commissions paid to vendors have decreased by \$2.3 million per year.

NEXT STEPS

Staff will continue to work with senior centers in the San Fernando Valley to increase the number of locations that will issue Metro senior ID cards to eligible persons. In addition, outlet locations will continue to be publicized. An update will be provided in three months.