



October 2, 2014

To: Fox Cities Transit Commission

From: Deborah Wetter
General Manager

Subject: 2015 Proposed Fare Increase

In order to balance Valley Transit's budget for 2015 without reducing service, staff is proposing a fare increase for both fixed route bus service and ADA paratransit services in 2015. The last fare increase for Valley Transit was in 2009 when regular fares were raised from \$1.50 to \$1.80. Since that time, Valley Transit costs have increased by 11% due to increasing costs of fuel, parts and tires in addition to an increased number of parts being needed due to the aging fleet. Purchased transportation expenses have increased approximately 12% since 2009 primarily because of increased ridership, but also because the cost of the rides has also increased during that time. Salaries and fringe benefits have only increased 2% since 2009 and utility costs have remained relatively flat.

Since 2009, non-transportation revenue (from advertising on the buses, scrap metal sales, AASD tripper routes and selling several vehicles that were past their useful life) increased 21.5%, combined state and federal revenues increased by 9%, local share revenue increased 23%, but farebox revenue only increased 5.9%. In past years, local share revenue and farebox revenue each accounted for about 20% of Valley Transit revenue. Farebox revenue has been falling in the last several years and now makes up only 18% of revenue which has meant that local funding partners had to increase their contribution and now make up 22% of the revenue.

Staff is proposing several changes to the fare structure in addition to recommending a fare increase on the regular cash fare from \$1.80 to \$2.00. For a number of years, customers and community partners have requested that Valley Transit institute a youth fare. The AASD program only covers middle and high school students so elementary school children who ride the bus are paying full fare. And the youth in all communities other than Appleton are paying full fare for all their rides. It is a hardship for families with several kids to pay full fare for them to get to school every day. We are proposing a \$.75 youth fare with a \$22 30-day youth pass (Freedom Pass) which would be good year-round, not just in the summer. The Kids on the Go program will no longer be needed and will be eliminated. The Valley Transit II (VT II) basic fare will increase from \$3.60 to \$4.00, twice the regular fixed route fare which is allowable by the Americans with Disabilities Act (ADA). The premium VT II fare will remain at \$6.00.

We are also proposing to increase the ticket and pass prices except for the Senior/Disabled 30-Day Pass which was already at a higher rate. The fare for the Link (Route 9) would remain \$0.50. We are also proposing to reduce the Call A Ride fare from \$2.50 to \$2.00 to be consistent with the regular bus fare and allow free transfers to any bus route from Call A Ride. Lastly, in order to encourage Day Pass use rather than having customers pay cash for each ride, we propose to lower the Day Pass from \$5.00 to \$4.00 (the price of one round-trip bus ride). We hope that by pricing the Day Pass in this way, it will

provide more flexibility for our riders and also speed up operation of the routes by reducing the number of people paying cash fares. The table of existing and proposed fares is attached to this memo.

It is important to provide a number of opportunities for the public to provide comments to you about the fare increase. The communications plan is as follows:

ACTION ITEM	DATE
Memo to Fox Cities Transit Commission regarding proposed fare increase	October 8, 2014
Notice regarding Information Sessions & Public Hearing posted in Valley Transit buses and provided to Running, Inc. for distribution to VTII riders	October 9, 2014
Letters sent to non-profit agencies and businesses to inform them of the proposed fare increase and Public Hearing.	October 9, 2014
Press Release issued	October 10, 2014
Information Sessions in the following communities: Grand Chute/Town of Menasha, Neenah, Menasha, Heart of the Valley, Buchanan, Appleton – downtown & east	October 13-23, 2014
Public Hearing Legal Notice in Post-Crescent	October 19, 2014
Public Hearing on the Budget – Fox Cities Transit Commission	October 22, 2014 3:00 pm
Fox Cities Transit Commission Special Meeting – Valley Transit Budget Approval Requested	October 29, 2014
Budget Saturday – Council review of City of Appleton 2015 Budget. Public attendance is allowed.	November 1, 2014
Public Hearing on City of Appleton 2015 Budget (including Valley Transit) Meeting location: Appleton City Hall, Council Chambers	November 5, 2014 7:00 pm
2015 City of Appleton Budget (including Valley Transit) approval requested by Common Council	November 12, 2014 7:00 pm
Fare increase in effect	January 5, 2015
All information during the process on website, Facebook, Twitter and e-alerts	

The Commission will have several opportunities to give input and vote on the fare increase. The first is a discussion today. There will also be a public hearing on the fare increase and the budget at the Transit Commission meeting on October 22, 2014 when the item will be on the Commission agenda for discussion as well. And there will be a special meeting on October 29 for the Transit Commission to approve Valley Transit's budget including whatever fare increase the Commission decides is appropriate. In addition, there will be the opportunity for the public to give input on Valley Transit's budget at the Appleton Common Council public hearing on November 5, 2014 at 7 p.m. If a fare increase is approved by the Transit Commission and the Appleton Common Council, it will go into effect on January 2, 2015.

**Valley Transit
Proposed 2015 Fare Schedule**

Fare Type	Existing	Proposed	\$ Increase (Decrease)	% Increase
Cash - Regular	\$1.80	\$2.00	\$0.20	11.11%
Cash - Senior/Disabled	\$0.90	\$1.00	\$0.10	11.11%
Daypass	\$5.00	\$4.00	(\$1.00)	-20.00%
10-Ride Ticket	\$15.00	\$17.00	\$2.00	13.33%
10-Ride Senior/Disabled Ticket	\$9.00	\$10.00	\$1.00	11.11%
30 Day Pass	\$56.00	\$60.00	\$4.00	7.14%
30 Day Pass - Senior/Disabled	\$40.00	\$40.00	\$0.00	0.00%
Freedom Pass	\$42.00	Eliminated		
30 Day Freedom Pass (available all year)	\$20.00	\$22.00	\$2.00	10.00%
Route 9	\$0.50	\$0.50	\$0.00	0.00%
Call A Ride with free transfers	\$2.50	\$2.00	(\$0.50)	-20.00%
VT II	\$3.60	\$4.00	\$0.40	11.11%
VT II Premium	\$6.00	\$6.00	\$0.00	0.00%
Connector - ESA	\$4.00	\$4.00	\$0.00	0.00%
Connector - ESH	\$6.00	\$6.00	\$0.00	0.00%
Kids on the Go	\$0.60	Eliminated		
Kids (4 & Under)	Free	Free		
Youth Fare (18 & Under)	\$1.80	\$0.75	(\$1.05)	-58.33%
Transfers	Free	Free		