

**Regional Public Transit Advisory Committee
April 23, 2013
1-3pm
CERC Redmond**

Attendees:

Anthony Allen (Bend)
Scott Aycock (COIC)
Molly Baker Ray (La Pine)
Scott Cooper (Redmond)
Karen Friend (COIC)
Tamara Geiger (COIC)
Angie Gilley (Prineville/Crook County)
Elaine Henderson (Madras)
Mike Lovely (Bend)
Nikki Roemer (Bend)

Scott explained that the TAC would continue their discussion of fares (from the March 19th meeting) and would review proposed fare changes for CET. He explained that CET is reviewing its fare policy because it is suffering financially, fares haven't been modified since 2008, and while fares can't be used as match for grants they are still an important income stream for CET. Also, CET has heard that riders are willing to pay more and that community stakeholders are interested in the system improving its farebox recovery rate.

Scott added that other communities, like Corvallis, have come up with alternative ways to locally fund their system (like a Utility Fee) that allows them to have a fare-less system. Scott and Karen stated that putting something like this into place would be challenging because of mechanics (multiple water providers, etc) and the political unwillingness to levy another tax on the people without putting it to a vote, but that COIC hasn't taken it off the table for consideration. Another option is for a ballot measure (for a property tax or something similar), but COIC is still unclear on where district lines would be drawn and whether a majority 'Yes' vote in Bend and Redmond would carry the rest of the cities who would likely vote 'No.' Karen added that the next step toward a ballot measure was to create and carry out a survey to gather information about the community willingness to vote for a funded transit district. Molly added that people in La Pine are very active in their community and support transit, but they frequently vote 'no' on tax increases. Scott stated that the first step was to review and change the fare structure so that COIC could be in a better financial situation.

2013 Fare Study Recommendations

Scott reviewed the Peer Review: Summary Findings and the staff recommendations for fare policy changes. The primary considerations were that CET needs to raise local fares, particularly for DAR, and the Community Connector fare needed to be distance sensitive. Also, they removed the day pass option for rural Dial-A-Ride service because each ride on DAR costs extra money (not like fixed-route where the bus would be running regardless). Karen explained that none of the other peer services offered a day pass on their DAR systems. She continued that CET also offered a discount on Bend DAR (paratransit) for low-income disabled persons (while other systems did not). The TAC asked about how eligibility was determined and/or verified for DAR riders. Karen explained that there is an application that requires a doctor's or case manager's signature for disability and low-income is determined through proof of Food Stamps or SSI. She explained that the first ride

is granted on a “conditional approval” basis and after the application is completed then their status is on the record.

The group discussed CET’s current and goal farebox recovery rate. Scott explained that farebox recovery could be tricky to determine because there are certain costs that should be spread across the year but that the report was just for one month. Karen explained that she is comfortable stating a 10% systemwide farebox recovery, but is less comfortable with the percentages related to specific services (Fixed-route: 16.2%, Bend Complementary DAR: 7.5%, CC Shuttles: 17.4%, Rural DAR: 5.8%). Tami related that during the Peer Review it was obvious that most systems knew their overall farebox recovery, but had to calculate for specific services and were less comfortable with the numbers. Karen stated that she would like to see an overall farebox recovery rate of 25%.

Action Item: The CET Fare Policy Proposal should read “Adopt a systemwide farebox recovery rate goal of 25%.”

CET Fare Policy Proposal: Community Connector Shuttles

Karen explained that one of the biggest fare issues was that the fare for Community Connector shuttle trips was not distance sensitive. She explained that she took cues from transit services in bigger cities and developed a point system for the proposed CC fares. She explained that the longest routes (Madras-RDM, La Pine-Bend) were 4 points (Red), the medium distance trips (Sisters-RDM, Bend-RDM, Prineville-RDM) were 3 points (Green) and the shortest trips (DRW-Bend, Terrebonne-RDM) were 2 points (Brown). She proposed each point cost \$1.25. She continued that the only problem with the system was the transfer for people who had to go through RDM to get to Bend from Sisters and Prineville (not really a distance variable because Prineville-RDM-Bend is only .5 miles longer than Prineville-Bend but a perceived convenience issue).

Scott Cooper asked why it was a concern for Sisters and Prineville but not for La Pine-RDM travelers (who have to stop in Bend) or Madras-Bend travelers (who have to stop in RDM). Karen explained that it was the idea of going out of the way, and the trips he mentioned are stopping “on the way.” After doing the math, the TAC realized that the proposed point system would raise the cost for a RT from Madras-Bend from \$6.25 (the former cost of the day pass) to \$17.50 (and it wouldn’t include Bend fixed-route). Scott suggested, for the sake of regional equity and appearances, to make the Red routes Green so that there was no appearance of overcharging certain communities. He suggested creating Red routes that were more convenient and would cost more (Prineville direct to Bend for example). Karen responded that the problem with this logic was that the Madras-RDM trip costs CET more than that RDM-Bend trip. Scott C. added that the trend seemed to be that services are centralizing in Bend and people are going to have to get to Bend but with a cost of \$17.50 people would rather drive. Scott A. added that before considering the cost of the points or distribution of the points, they first needed to determine if the points system was a good overall approach.

The TAC agreed that the point concept was a good one. Nicky stated that the fact that it costs CET more money to drive more miles shouldn’t be disqualified for the sake of “equity.” She added that charging more for more miles is actually the equitable thing to do. She asked about bringing each point down to \$1 instead of \$1.25. Karen explained that they would lose money on the shorter trips (including the Bend-RDM) but there would be some areas to make it up (would add cost to La Pine and Madras CC trips). Karen explained that her hope in raising the fare was to stabilize service and maybe add back some necessary services that CET was forced to cut. Therefore, any change to the fares that doesn’t readily earn CET more money shouldn’t really be considered. Scott A. reviewed that it was clear that the group prioritized maintaining regional equity but that they weren’t united on what that meant. He asked whether the group was proposing two or three different tiers of distance. Nicky responded that three distances makes sense strictly based on miles: 0-10 miles = Brown, 10-20 miles = Green, 20-30 miles = Red.

The group continued with a discussion about the regional perception that Bend is being subsidized by the rural areas. Karen explained that the Bend system and the rural systems are completely separate and one is not subsidizing the other. CET is not proposing as high of a fare increase in Bend because the rural system needs more revenue. Scott Cooper replied that his understanding was that rural DAR was subsidizing Bend DAR. He continued that its farebox recovery rate is very low and so someone must be subsidizing Bend DAR. Karen explained that the City of Bend pays in over \$1 million a year to support its system, which amounts to 50X more than the next highest City (Redmond). Several of the meeting attendees seconded the perception that the rural system subsidized Bend. Angie suggested making the truth about separate funding clear in presentation materials. Karen continued that there are 4 distinct components to CET: Ride Center, Mountain Service, Bend Service and Rural Service. She explained that CET gives new COIC board members a presentation about how the services are distinct, and how the different pots of money don't cross. She explained that the only piece that could be seen as subsidized was the Redmond-Bend shuttle which has a piece funded through the "rest of the pot." Scott added that they are considering approaching Bend to fund part of the shuttle because 40% of ridership originates in Bend. Karen added that if the different cities do not become a part of a regionally funded transit district, then CET will have to discuss who should pay for the service between communities (which city pays for the Bend-La Pine CC shuttle, for example).

The RPTAC continued to discuss fare changes. Karen acknowledged that when determining the cost to drive most people do not include "wear and tear" on their car. She suggested calculating the fare price compared to gas price only. For example, Madras-RDM RT costs about \$10 in gas. She continued that a RT for Bend-La Pine costs CET about \$190 and a RDM-Prineville costs CET about \$130. Anthony added that where they are really pushing the envelope with the long trips (from \$6.25 RT to \$17.50 RT), which would effectively change a month pass from \$100 to \$280. Nicky suggested changing the 2,3,4 levels to 1,2,3 points. This would bring the cost of Madras-Bend RT down to \$12.50, but would decrease the cost of Bend-RDM from \$6.25 to \$5. Anthony suggested keeping the points and values the same but adding a day pass that has a reasonable cap. Scott Cooper seconded the idea of a cap because sometimes people are forced to make a long trip to Bend but COIC should make sure the trip isn't too cost-prohibitive. Anthony added that the day pass should be much more expensive than the current pass. He proposed a \$15 Day Pass that could be used on all fixed-route services (including fixed-route in Bend and RDM). This pass would only be convenient for someone who needed to travel a long distance, or even take a shorter CC shuttle and then travel extensively on a local fixed-route system. The TAC agreed on the point system as proposed with the addition of a \$15 day pass.

Scott and Karen explained the punch card discounts. Each punch card would have 18 punches, and there would be a discount based on how many cards you purchase (5% discount on two cards, for example). Buying punches in bulk would eliminate the need for a month pass (which was giving CET trouble because it was a calendar month pass). Karen returned to an idea she had wanted to present before: the transfer. She explained that her idea was for the transfer to "cost" one extra punch. The TAC agreed that the one punch transfer was a good compromise.

CET Fare Policy Proposal: Bend/RDM Fixed Route

Scott continued to discuss local fixed-route fares. Nicky asked why the cost of a day pass (proposed at \$3.50) was cheaper than one RT (would be \$4, based on \$2 one-way). She explained that they should at least charge for a RT (since a person has to get back where they started from) and then the pass saves a rider money after the first RT. Scott added that the average rider took 4 trips. The TAC agreed that \$5 sounded like a good cost for in-town travel for an entire day. Scott asked if it would be better to have a gradual increase in cost rather than an immediate doubling – since typically a doubling resulted in a 30% decrease in riders. They agreed that the goal would be a \$5 day pass with the initial step up to \$3.50. Karen asked about the month pass which

currently costs \$30 and was proposed to bump up to \$44. The TAC agreed that \$50 for a monthly pass was reasonable, with a \$25 reduced rate.

The RPTAC discussed formulating and posting the proposed day-pass fare increase so that riders were aware of the incremental increase. Scott C. explained that this was a good method because they want the public to see transit as another utility. It's not a luxury but a public service that has annual costs. He added that the higher "user pays" may actually win CET some votes if there was a bond measure.

COIC had also proposed raising the Bend DAR price from \$2.50 to \$2.75 and the reduced cost from \$1.25 to \$2. Karen expressed slight concern at raising the reduced cost so much, but explained to the TAC that they hoped it would encourage people to ride fixed-route.

CET Fare Policy Proposal: Rural DAR

Karen explained that the rural DAR price was way too low and that people needed to pay more of the cost of a ride. COIC proposed doubling the fare from \$1.25 to \$2.50. Nicky asked why the rural DAR and Bend DAR systems price was different. Karen explained that Bend DAR generally had a higher time cost per ride because it served more people with ambulatory disabilities, etc. The group discussed changing the rural fare to \$2.75 but decided to leave it at \$2.50 since it had already doubled. They agreed; however, that they'd like to see Bend DAR and rural DAR cost the same in the future. The TAC asked why there wasn't a monthly pass on the rural DAR system. Karen explained that it was very difficult when they had to deny rides to monthly pass holders (they were generally not very understanding). The TAC decided on \$2.50 general public and \$2 for senior and disabled fares. Scott C. explained that if the areas don't like the rise in price then they can buy it back, just like Bend is buying it back with its large contribution to the system. Molly added that it is very important that CET advertise the changes so that no one is surprised. All proposed fare changes are listed in the table on page 5.

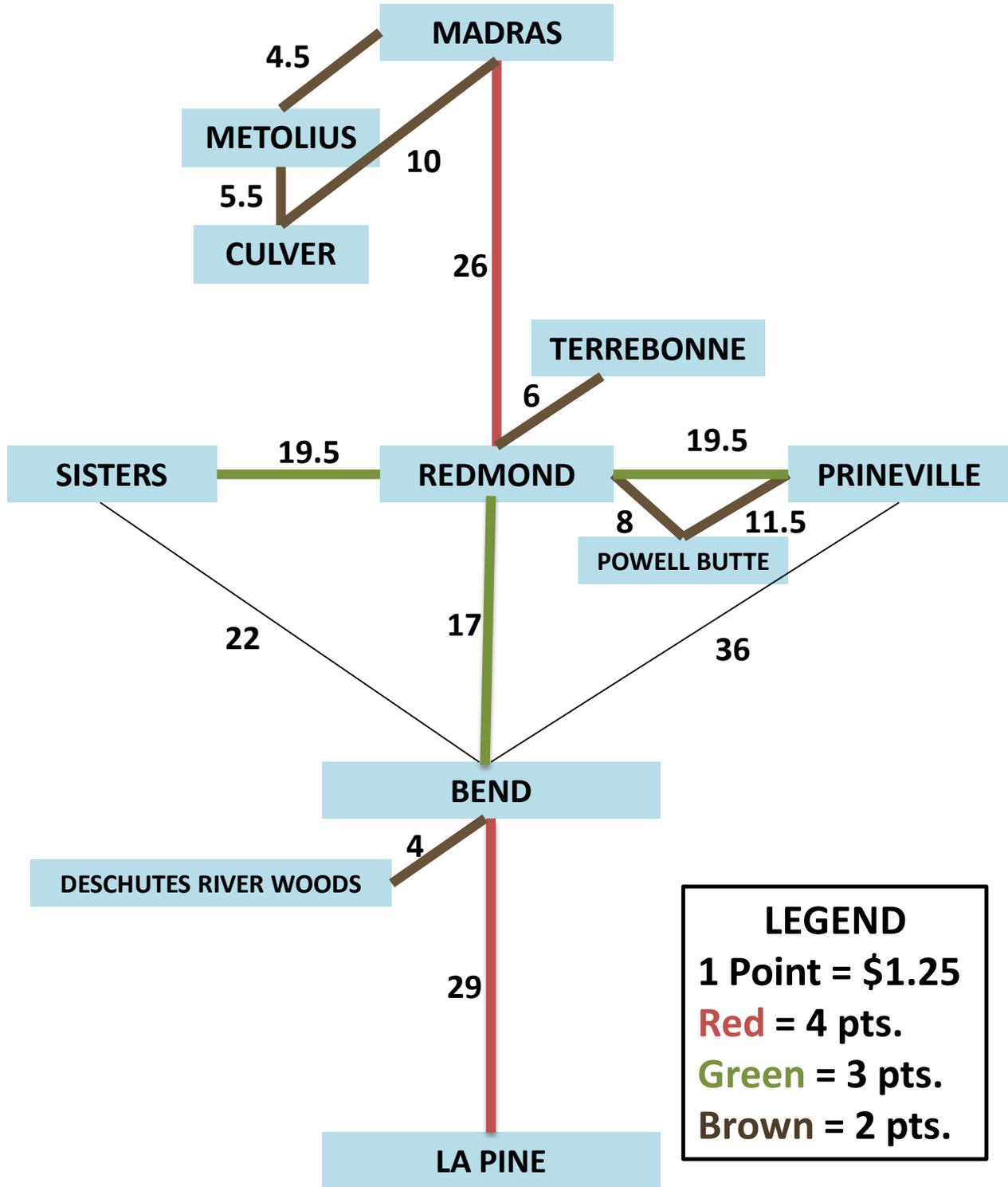
The meeting adjourned. Scott thanked the TAC for their participation and reminded them of the next meeting scheduled for Tuesday, May 21st.

*Additional Notes: Molly mentioned that many of the Bend Wal-Mart employees live in La Pine. Scott proposed following up with them and a survey about shift times and willingness to rideshare or ride transit.

The following two pages summarize the proposed fare policy changes.

Current Single Trip/Discount	PROPOSED Single Trip/Discount	Current Day pass/Discount Month Pass/Discount	PROPOSED Day Pass/Discount Month Pass/Discount	Justification
1. Bend Fixed-Route (Local Fixed Route)				
\$1.5/\$.75	\$2/\$1	\$2.50/\$1.25 \$30/\$20/\$15	\$3.50/\$1.75 (with incremental increase to \$5/\$2.50, timeline tbd) \$50/\$25	The RPTAC felt that the Day Pass should cost more than one RT as is the case with other systems. However, due to the fact that most customers use the day pass, an increase all the way to \$5 in the short run was considered too much of a hardship on current riders.
2. Bend Complementary Paratransit				
\$2.50/\$1.25	\$2.75/\$2	N/A	N/A	The RPTAC acknowledged the larger increase for low-income riders but maintained that the high cost of Dial-A-Ride service should be accompanied by a higher fare. The increase may persuade some riders to switch to fixed-route service which would save CET money.
3. Long-Distance Shuttles (CC Shuttles)				
\$3.75/\$3	\$1.25/point. CC shuttle routes will cost 2, 3, or 4 points, dependent on distance (see attached map).	\$6.25/\$4 \$100/None	\$15/No discount No month pass – discounted point punch cards will be available.	The RPTAC felt that the cost to the rider should be sensitive to distance travelled. They agreed on the proposed point system, with each leg of travel costing 2, 3 or 4 points depending on distance (see map). The \$15 day pass includes all fixed route services and was developed to create a cap on maximum cost per rider per day.
4. General Public DAR				
\$1.25/\$1	\$2.50/\$2 (with increase to \$2.75 for parity with Bend DAR system over time)	NA/\$35/\$25	No day or month pass	The RPTAC discussed the implications of a 2x increase in fare; however, Karen explained that the increase is essential for CET to continue to provide service in those areas. Also community stakeholders have requested a larger demonstrated “user pay” before contributing more funding to the system.

PROPOSED FARE MAP – APRIL 2013



LEGEND
 1 Point = \$1.25
 Red = 4 pts.
 Green = 3 pts.
 Brown = 2 pts.