

City of Greensboro
North Carolina

Department of Transportation

MEMORANDUM

DATE: December 22, 2004
TO: Ed Kitchen, City Manager
FROM: Jim Westmoreland, P.E., Director of Transportation
SUBJECT: Council Follow-Up – GTA ADA (SCAT) Service Options and Fares

I. BACKGROUND:

On November 23, 2004 members of the GTA Board briefed City Council on issues surrounding the implementation of GTA's new Premium ADA service (service planning, public involvement process, service implementation, and fare structure) and related budgetary needs and expectations. As a result of the briefing, Council directed the GTA Board to review options for the City's ADA service as defined below:

- Elimination of monthly ADA unlimited ride pass
- Examination of an option that would combine the required ADA and Premium ADA Service under one fare and service structure
- Maintaining a multi-ride pass with discounts and/or other fare media options that would assist consumers who have difficulties handling cash and provide reasonable discounts for frequent service users

Based on the briefing, the GTA Board requested GTA staff to develop options to respond to Council's direction. At their December 16th Board meeting, the GTA Board heard from staff and passed a resolution to endorse a single ADA service concept and to provide the following information and recommendations (see Recommendations Section) to City Council for review and consideration.

II. SUMMARY OF CURRENT FARE STRUCTURE AND REVENUE:

Currently, GTA has a two-tiered fare structure for SCAT Paratransit service. The cash fare for the required ADA service (trips beginning and ending within ¾ mile of the fixed route service) is \$2.00 per trip (current maximum per trip charge possible, federal regulations only allow a fare which is twice the base fare of a fixed route trip). Premium

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ADA trips (those beginning and/or ending outside the ¼ mile limit) are priced at \$4.00 each. All ADA riders are permitted to purchase either an 11-ride pass at \$17.00 or an unlimited ride monthly pass for \$35.00.

The current 11-ride pass provides a 23 percent discount over the cash equivalent of 11 rides (\$17.00 for what is worth \$22.00). Required ADA Paratransit riders using the 11-ride pass are paying an average fare of \$1.55 per trip (average current cost to provide a required ADA trip is approximately \$15.00 per trip). Premium ADA Paratransit riders who use the 11-ride pass are charged for two rides per trip, and are therefore taking 5.5 rides per pass at an average fare of \$3.09 per trip (average current cost to provide a Premium ADA trip is approximately \$25.00 per trip). Data from the fall of this year indicates that the average required ADA monthly pass rider takes 40 trips per pass for an average fare of \$.88 per trip, a discount of 56 percent over the cash fare. Premium ADA Paratransit riders take an average of 22 trips per pass and pay an average fare of \$1.59 per trip, which is just over a 60 percent discount on the \$4.00 cash fare.

In summary, the revenue collected for required ADA trips ranges from \$.88 to \$2.00 per trip (accounts for 5% to 13% of actual trip cost, City supports remaining 95% to 87% of trip cost), wherein the revenue collected for the Premium ADA trips ranges from \$1.59 to \$4.00 (accounts for 6% to 16% of actual trip cost, City supports remaining 94% to 84% of trip cost). The projected annual revenue for the Premium ADA Service in FY 2005 is \$20,840. This amount is based on four months of actual data and the detail of September 2004. The projected annual revenue for the required ADA Service in FY 2005 is \$112,075, based on the four-month of actual data. The FY 2005 total projected revenue for both required ADA and Premium service is estimated to be \$132,915.

III. FARE PROPOSAL OPTIONS:

Based on Council direction, the GTA Board examined options for two pre-paid, discounted fare instruments for ADA service. These instruments are similar to those prepaid fare instruments currently offered to both fixed route and SCAT users, however, the number of rides that can be taken are limited. These instruments would accommodate persons who have difficulties handling cash and those who need to travel on a daily basis to employment, dialysis treatments or school. Limiting rides for Paratransit users is common in the transit industry because unlike fixed route service where the trip is scheduled and budgeted independent of the number of riders, each Paratransit trip is scheduled and provided separately.

Pass discount options ranging from 23 percent (the current discount for GTA's 11 ride pass), 25 percent (industry standard) and, 30 percent were considered for these fare instruments.

The first fare instrument option would be a 10-ride pass. This pass would replace the 11-ride pass currently priced at \$17.00, and would not require that it be used within a specified time period. The price options for the new 10-ride pass would be as follows:

<i>Cash Price</i>	\$20.00		
Proposed Pass Price	\$15.40	\$15.00	\$14.00
Discount	23%	25%	30%

Impact on Premium ADA Revenue

Annual Revenue	\$17,371	\$16,920	\$16,128
Est. Passes Sold (month)	94	94	96

Impact on Required ADA Revenue

Annual Revenue	\$153,476	\$151,200	\$144,326
Est. Passes Sold (month)	831	840	859

The second fare instrument would replace the \$35 unlimited ride monthly pass. The new ADA monthly pass would be priced between \$56 and \$61.60, and would be limited to 40 trips and would not require that it be used within a specified time period. The resulting average fare per trip would range from \$1.40 to \$1.54 or a discount of between 23 percent and 30 percent over the cash price.

<i>Cash Price</i>	\$80.00		
Proposed Pass Price	\$61.60	\$60.00	\$56.00
Discount	23%	25%	30%

Impact on Premium ADA Revenue

Annual Revenue	\$9,610	\$9,360	\$9,408
Est. Passes Sold (month)	13	13	14

Impact on ADA Pass Revenue

Annual Revenue	\$111,619	\$110,160	\$106,176
Est. Passes Sold (month)	151	153	158

Of the options, the 10-ride pass allows more riders to take advantage of the discount because the cost is more reasonable (the 40 ride pass may be too expensive and is therefore deemed unnecessary). It should also be noted that the proposed 10-ride pass serves the needs of the average Premium ADA rider at no increase in fare. As stated previously, today Premium ADA riders take an average of 22 trips per month using the unlimited \$35 monthly pass. With the new proposed fare policy, the average fare for a 10-ride pass is \$1.54. The cost of 22 rides will be \$33.88, \$1.12 less than the current monthly pass price (\$35 per month – unlimited rides).

By contrast, the average required ADA service rider taking 40 trips per month today on the \$35 unlimited monthly pass would pay up to \$61.60 for those trips. Again, the average fare for a trip on a 10 ride or 40-ride monthly pass is \$1.54 (at the 23% discount level), so the cost of 40 rides would be higher than they currently pay (\$35 per month – unlimited rides).

However in both cases, all riders receive a uniform discount for purchasing passes (versus paying \$2 cash fare) and the City still supports the major portion of the cost to provide each trip. If for instance, the average cost to provide a combine ADA trip is \$18 per trip, this means the City supports approximately 91% of the cost of each trip and the consumer (through pass purchase option), provides 9% for the cost for each trip.

IV. RECOMMENDATIONS:

It is apparent that the City Council and the GTA Board are committed to providing a high quality, citywide ADA service to all qualifying persons with disabilities in the community. Therefore, the GTA Board, at its December Board meeting and in response to Council direction, endorsed the creation of a single, consistent ADA Paratransit service (which eliminates the distinction between "required" and "Premium" ADA service and trips), and endorsed the following fare structure for Council's consideration:

CASH FARE

As per the Americans with Disabilities Act, the cash fare for ADA service cannot exceed twice the base fare for fixed route service and therefore the cash fare for ADA service will be set at \$2.00 per trip.

PRE-PAID LIMITED RIDE PASS

The GTA Board recommends that a 10-ride pass be implemented with any of the discounted price ranges shown above. It is the position of the GTA Board that the creation of the limited 10-ride pass is responsive to Council direction and will result in a fair and equitable fare for all ADA riders. In addition, any of the discounted options provided above will provide some additional service revenue to help support and offset a greater percentage of the total costs to operate the ADA service (albeit a small percentage since the majority of ADA service costs (up to 91%) will still be supported by the City).

In closing, the GTA Board respectfully request City Council consider the information presented herein, endorse the Board plans to implementation a single ADA service concept for GTA, approve the establishment of a uniform \$2.00 one-way cash fare for each ADA trip, and to select a desired pass fare/discount option (23%, 25%, or 30%) for implementation of the discounted 10 ride pass for the service.

Once approved by Council, the GTA Board will be able to implement the new ADA service and fare structure immediately (i.e., no additional public hearings or meetings are required). However and in an effort to most effectively work with and educate our ADA Paratransit service consumers and their care providers on the changes, if approved, the GTA Board plans to implement the changes effective February 1, 2005.

Please advise if you or Council have any questions or other needs. We and the GTA Board will be glad to provide it and look forward to Council's upcoming review of this item at a future Council meeting.