Chapter VI

TRANSPORTATION
CONSULTANTS, INC.

CHAPTER VI

Peer Community Analysis

INTRODUCTION

This chapter examines how peer communities structure their fares and what types of revenue they have. This chapter also presents some operating statistics for the peer systems in order to provide a comparison of how Red Apple Transit is performing. Lastly, the fare structure of peer systems is presented and analyzed.

PEER COMMUNITY CHARACTERISTICS

This section of the chapter examines the demographics of peer communities, focusing on the transit-dependent populations of these communities. This information is presented to see how similar, or dissimilar, the Farmington area is to these potential peer communities. Transit agencies in the following metropolitan areas were used for this section:

- Billings, Montana
- Cheyenne, Wyoming
- Duluth, Minnesota
- Fargo, North Dakota
- Flagstaff, Arizona
- Grand Junction, Colorado
- Martinsburg, West Virginia
- Racine, Wisconsin
- Roswell, New Mexico
- St. George Utah
- Topeka, Kansas
- Waco, Texas
- Waterloo, Iowa

Most peers were chosen because of their service area populations, which are between 100,000 and 120,000 individuals. Several other peers listed above were included because of their geographic location in the southwest and mountain region, which makes them comparable to Red Apple Transit.

Table VI-1 shows a breakdown of the city population and the transit-dependent characteristics. Please note that demographic information for Farmington is displayed for the entire study area, while the transit agency information is for the city only. This was done because it is difficult to capture the population of the service area for these communities, as some of these peer systems may provide service to parts of outlying areas. Information is also shown regarding the service area population for the peer communities. This information is helpful because it shows the reach of the transit system for comparable service area statistics. As shown in the table, the average population of the peer systems is around 74,000 individuals. It would appear that Farmington is considerably larger than the peer communities, but when examining their service areas (using National Transit Database data), the average service area population is approximately 96,000 individuals.

The average percentage of zero-vehicle households for all of the peer systems is roughly 9.7 percent. The Martinsburg, West Virginia area represents the greatest proportion of zero-vehicle households of the peer communities with approximately 16.8 percent. Farmington has a relatively low proportion of zero-vehicle households in the study area at around 4.8 percent, well below the average for its peers.

The peer communities represent a wide range of the proportion of elderly individuals, from 7.9 percent in Flagstaff, Arizona to 21.8 percent in Grand Junction, Colorado. Farmington has a slightly lower proportion of elderly residents than the peer communities on average. The study area is made up of around 12.9 percent elderly individuals, while the peer communities represent an average of 16.6 percent.

Table VI-1
Demographics of Peer Communities

Agency				Service			Zero-Vehicle HH		Elderly		Mobility-Limited		Low Income	
Full Name	**Acronym**	**City**	**State**	**Pop**	**City Pop**	**Households**	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Red Apple Transit		Farmington	NM	105,120	105,120	36,515	1,747	4.8%	13,596	12.9%	5,555	5.3%	16,074	15.3%
Grand Valley Transit	GVT	Grand Junction	CO	118,652	42,225	17,957	1,534	8.5%	9,209	21.8%	2,791	6.6%	4,807	11.4%
MET Transit	MET	Billings	MT	100,000	89,362	37,401	3,027	8.1%	16,870	18.9%	4,210	4.7%	10,902	12.2%
Metro Area Transit	MAT	Fargo	ND	125,000	90,787	39,341	3,151	8.0%	11,758	13.0%	3,415	3.8%	10,305	11.4%
Eastern Panhandle Transit Authority	PANTRAN	Martinsburg	WV	118,095	14,945	6,676	1,123	16.8%	3,014	20.2%	1,345	9.0%	2,948	19.7%
Topeka Transit		Topeka	KS	122,377	122,045	52,230	4,701	9.0%	22,751	18.6%	8,184	6.7%	14,683	12.0%
Metropolitan Bus System	MET	Waterloo	IA	109,418	68,636	28,166	2,879	10.2%	13,229	19.3%	5,136	7.5%	9,289	13.5%
The Belle Urban System		Racine	WI	112,100	81,827	31,498	4,180	13.3%	12,981	15.9%	4,798	5.9%	11,120	13.6%
Waco Transit System	WTS	Waco	TX	117,241	114,032	42,341	4,961	11.7%	18,693	16.4%	8,970	7.9%	27,844	24.4%
Duluth Transit Authority	DTA	Duluth	MN	122,970	86,810	35,487	5,086	14.3%	16,154	18.6%	5,068	5.8%	12,627	14.5%
Mountain Line	NAIPTA	Flagstaff	AZ	49,920	53,137	19,374	1,249	6.4%	4,173	7.9%	2,189	4.1%	8,751	16.5%
Pecos Trails Transit	PTT	Roswell	NM	45,451	45,451	17,110	1,429	8.4%	9,074	20.0%	3,192	7.0%	10,003	22.0%
City of St. George Transit	Sun Tran	St. George	UT	62,630	99,621	17,359	743	4.3%	11,743	11.8%	2,000	2.0%	5,665	5.7%
Cheyenne Transit Program	CTP	Cheyenne	WY	53,000	52,763	22,282	1,478	6.6%	9,991	18.9%	2,783	5.3%	4,541	8.6%
			AVERAGE	**96,681**	**73,972**	**28,248**	**2,734**	**9.7%**	**12,280**	**16.6%**	**4,160**	**5.6%**	**10,268**	**13.9%**

Source: US Census, 2000; LSC, 2010.

The study area has a similar proportion of mobility-limited persons as the peer communities on average, with 5.3 percent in the study area and 5.6 for the peers. There was a fairly small range of variation between the peers with regard to mobility-limited populations. This value is close to the national average of five percent mobility-limited individuals.

Lastly, the study area has a slightly higher proportion of low-income individuals than the average of the peer communities. The study area comprises 15.3 percent low-income individuals, while the average is approximately 14 percent for the peer communities. This proportion is not significantly higher, but is worth noting. The Waco, Texas area had approximately 24.4 percent of their residents living below the poverty line according to US Census statistics.

Looking at these demographic data, it is evident that the Farmington area shares similar demographic characteristics with the chosen peer communities. It is impossible to find a large group of communities that share exactly the same characteristics. However, these communities are enough alike in their demographic characteristics that it makes it worthwhile to further examine other variables about their transit systems.

TRANSIT OPERATIONS COMPARISON

This section of the chapter examines the system performance of peer communities in comparison to Red Apple Transit. Knowing the average operating costs and performance statistics related to the peer systems allows Red Apple Transit to gauge how other transit systems in similar communities operate. Performance statistics such as cost/passenger and ridership/revenue-hour are good measures of efficiency.

Table VI-2 displays the performance statistics for the peer communities. This information was taken from the most recently available (2008) National Transit Database (NTD). The table displays information on annual passenger-trips, revenue-hours, and performance statistics such as ridership per hour and cost per passenger. Please note that information was not available for the City of St. George Transit.

Table VI-2

Comparison of Operating Statistics

Agency Full Name	Acronym	City	State	Service Area Population per 2008 NTD Data	Passengers	Revenue-Hours	Revenue-Miles	Operating Cost	Riders/Hour	Riders/Mile	Riders/Capita	Cost/Rider
Red Apple Transit		Farmington	NM	105,120	136,597	22,800	378,912	$827,991	6.0	0.4	1.3	$6.06
Grand Valley Transit	GVT	Grand Junction	CO	118,652	759,877	52,033	825,709	$2,577,394	14.6	0.9	6.4	$3.39
MET Transit	MET	Billings	MT	100,000	720,045	55,061	777,631	$4,207,518	13.1	0.9	7.2	$5.84
Metro Area Transit	MAT	Fargo	ND	125,000	1,107,202	65,754	847,585	$3,962,611	16.8	1.3	8.9	$3.58
Eastern Panhandle Transit Authority	PANTRAN	Martinsburg	WV	118,095	115,148	17,838	274,038	$856,766	6.5	0.4	1.0	$7.44
Topeka Transit		Topeka	KS	122,377	1,853,751	95,803	1,535,908	$7,247,201	19.3	1.2	15.1	$3.91
Metropolitan Bus System	MET	Waterloo	IA	109,418	503,252	66,628	1,076,400	$3,748,717	7.6	0.5	4.6	$7.45
The Belle Urban System		Racine	WI	112,100	1,516,149	101,019	1,298,414	$7,584,108	15.0	1.2	13.5	$5.00
Waco Transit System	WTS	Waco	TX	117,241	719,383	60,522	962,243	$3,996,440	11.9	0.7	6.1	$5.56
Duluth Transit Authority	DTA	Duluth	MN	122,970	3,244,277	147,962	1,950,119	$11,827,930	21.9	1.7	26.4	$3.65
Mountain Line	NAIPTA	Flagstaff	AZ	49,920	1,105,464	53,788	749,328	$5,807,960	20.6	1.5	22.1	$5.25
Pecos Trails Transit	PTT	Roswell	NM	45,451	171,958	14,170	381,660	$997,242	12.1	0.5	3.8	$5.80
City of St. George Transit	Sun Tran	St. George	UT	62,630	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cheyenne Transit Program	CTP	Cheyenne	WY	53,000	277,802	35,887	531,362	$1,489,488	7.7	0.5	5.2	$5.36
			Averages	**96,681**	**1,007,859**	**63,872**	**934,200**	**$4,525,281**	**13.9**	**0.9**	**10.4**	**$5.19**

Source: NTD, 2008; PanTran Data that were available are 2007, LSC, 2010.

The majority of these peer systems have service area populations similar to Farmington. Most of these systems have between 100,000 and 120,000 individuals in the service area of their transit routes. Of these systems, Red Apple Transit had the second-lowest annual ridership after PanTran. The system with the next closest annual ridership to Red Apple is Pecos Trails Transit in Roswell, New Mexico. The system representing the greatest amount of ridership is the Duluth Transit Authority (DTA) with over 3,000,000 annual passenger-trips.

Looking at the passenger-trips per capita for the peer systems shows the relative trip rate for the population being served. Red Apple Transit currently has approximately 1.3 trips per person within their service area in a given year. The lowest is PanTran at 1.0 rider per capita. The next lowest number of trips per capita for the peer systems is Pecos Trails Transit with 3.6 trips. Conversely, DTA reported over 26 passenger-trips per capita for the 2008 reporting year. The peer systems provide a large range of values regarding passenger-trips per capita. The average value for the peer systems is 10.4 passenger-trips per capita.

Ridership is often a function of the level of service that is provided. In order to standardize this relationship, looking at the productivity of the system is often a reliable measure. DTA also had the highest number of riders per revenue-hour with nearly 22 passengers per revenue-hour of service provided. Mountain Line Transit in Flagstaff, Arizona also had a high passenger-per-hour value at 20.6. Red Apple Transit currently has the lowest ridership per revenue-hours with around six passengers per hour. The average for the peer systems was approximately 13.9 passengers per revenue-hour.

Examining the number of revenue-miles is another way to look at productivity. Instead of looking at just the revenue-miles, looking at the passengers per mile is a better means of productivity. The average for all of the peer systems is slightly less than one passenger per revenue-mile traveled. This means that for every mile a vehicle operates, one passenger boards (on average). The highest values for the peer communities are DTA and Mountain Line, both with over 1.5 passengers per mile. Red Apple Transit currently operates at approximately 0.4 passengers per mile (or one passenger per every 2.5 miles traveled).

Lastly, the cost per passenger-trip is another effective measure of evaluating performance. The lower the cost per rider, the more cost-effective the system is operating. The average for all of the peer systems is $5.19 per passenger. This is the actual cost, not accounting for fare revenue collected. Red Apple Transit currently operates at roughly $1.00 more than the average of the peer systems. MET in Waterloo, Iowa had a much higher cost, however, at $7.45 per passenger. Grand Valley Transit had the lowest cost per passenger at $3.39.

Red Apple Transit is consistently toward the lower end of these performance measures. The level of service being provided is lower than all of the other systems, but so too is the effectiveness of the system, as shown with the performance measures. Increasing the level of service provided should increase ridership to a more productive level. Increasing the geographic coverage, lowering the headway time, and extending service hours are various ways to increase ridership and productivity at the same time.

CAPITAL FUNDING

Local Sources

When examining these peer communities' capital funding, there is a wide range of local and federal funds that were used for capital revenue. Table VI-3 shows a breakdown of this information (in thousands) for each agency as reported to the NTD. In total, 79 percent of capital funding for the agencies came from federal funds, while the remaining 21 percent was from local funding. The federal funds were broken down into capital program money (representing 69 percent of funding) and urbanized area funds (representing 10 percent of total funding). The local monies were also broken down into two categories. Funds allocated out of general revenue represented only two percent of the total funding for capital while dedicated taxes and tolls made up the remaining 19.0 percent.

Table VI-3
Total Capital Revenue

Agency				Service Area	Local Funds (in thousands)				Federal Funds (in thousands)				
Full Name	Acronym	City	State	Population per 2008 NTD Data	Funds Allocated out of General Revenue		Dedicated Taxes, Tolls and Others		Capital Program		Urbanized Area Formula		Total Funds
Red Apple Transit		Farmington	NM	105,120	0	0%	0	0%	34.3	100%	0	0%	34.3
Grand Valley Transit	GVT	Grand Junction	CO	118,652	14.7	50%	0.0	0%	0.0	0%	14.7	50%	29.5
MET Transit	MET	Billings	MT	100,000	0.0	0%	94.7	20%	378.9	80%	0.0	0%	473.6
Topeka Transit		Topeka	KS	122,377	0.0	0%	25.3	34%	38.0	51%	11.4	15%	74.6
Metropolitan Bus System	MET	Waterloo	IA	109,418	0.0	0%	592.7	46%	709.0	54%	0.0	0%	1,301.7
The Belle Urban System		Racine	WI	112,100	135.3	20%	0.0	0%	541.4	80%	0.0	0%	676.7
Waco Transit System	WTS	Waco	TX	117,241	0.0	0%	64.2	2%	2,522.4	95%	72.6	3%	2,659.2
Duluth Transit Authority	DTA	Duluth	MN	122,970	0.0	0%	487.8	20%	1,951.2	80%	0.0	0%	2,439.1
Mountain Line	NAIPTA	Flagstaff	AZ	49920	0.0	0%	1,153.4	24%	2,646.4	55%	1,039.3	21%	4,839.0
Pecos Trails Transit	PTT	Roswell	NM	45,451	0.0	0%	0.0	0%	69.3	100%	0.0	0%	69.3
City of St. George Transit	Sun Tran	St. George	UT	62630	17.3	100%	0.0	0%	0.0	0%	0.0	0%	17.3
Cheyenne Transit Program	CTP	Cheyenne	WY	53000	96.9	23%	36.3	9%	111.3	26%	177.7	42%	422.2
TOTALS					**264.2**	**2%**	**2,454.4**	**19%**	**8,967.9**	**69%**	**1,315.7**	**10%**	**13,002.2**

Source: NTD, 2008; LSC, 2010.

St. George Transit reported that all of their capital funding came from local general revenue funds. GVT had the second highest proportion of capital funding from general revenue of any of the agencies that reported allocating funds from this source. Red Apple did not report any of their capital funds being from local sources. Cheyenne Transit Program had 23 percent of their capital revenue from the general fund, and The Belle Urban System had 20 percent of their capital funding from the same source. None of the other peer agencies reported using funds from this source for capital purposes.

The other local source for capital expenditures was classified as dedicated taxes, tolls, and others. As stated above, this category accounts for 19 percent of total capital revenue of the peer agencies. The systems in Billings, Montana; Waterloo, Iowa; and Duluth, Minnesota all generate their funds in this category through property taxes. The sources of the dedicated funding in Topeka, Kansas; Flagstaff, Arizona; Cheyenne, Wyoming; and Waco, Texas were not stated.

Federal Sources

The federal capital program accounted for the greatest portion of capital funds for the peer agencies, representing 69 percent of the total. The capital program accounts for $8.97 million of peer agencies' capital funding. GVT and St. George Transit were the only peer agencies to not report any federal capital program funding for 2008. Some of the agencies relied on the capital program to provide up to 100 percent of their total capital funding, as shown in Table VI-3. Red Apple reported receiving $34,300 from the capital funding program, representing all of their capital funding.

Urbanized area funding made up the remaining 10 percent of capital revenue for the peer agencies. Half of the agencies received some sort of urbanized area funding, with GVT having the highest proportion of their funding coming from this source. Red Apple Transit did not report receiving any funding from this source.

OPERATING FUNDING

When examining all of the peer communities as a whole, funding was evenly distributed between directly generated funds and federal, state, and local funds.

For the agencies, approximately 19 percent of the funding came from directly generated funds such as fare revenues. Nearly 31 percent of operating funds came from federal funding, such as urbanized area funding. An additional 21 percent was procured from state funds, and the remaining 27 percent came from local funding. All of this information is contained in Table VI-4.

Table VI-4
Total Operating Revenue

Agency				Service Area	Directly Generated Funds						Federal Funds				State Funds				Local Funds				
Full Name	Acronym	City	State	Population per 2008 NTD Data	DO Fare Revenues		PT Fare Revenues		Other Revenues		Urban Area Funding		Other Federal		General Revenue		Dedicated and Other		General Revenue		Dedicated and Other		Total
Red Apple Transit		Farmington	NM	105,120	83.4	11%	0	0%	0	0%	294.8	38%	0	0%	0	0%	0	0%	400.2	51%	0	0%	778.4
Grand Valley Transit	GVT	Grand Junction	CO	118,652	0.0	0%	305.5	12%	15.4	1%	839.7	33%	260.7	10%	0.0	0%	0.0	0%	1,156.1	45%	0.0	0%	2,577.4
MET Transit	MET	Billings	MT	100,000	489.0	12%	0.0	0%	245.3	6%	1,230.0	29%	147.5	4%	0.0	0%	65.5	2%	0.0	0%	2,030.2	48%	4,207.5
Eastern Panhandle Transit Authority	PANTRAN	Martinsburg	WV	118,095	83.0	10%	0.0	0%	0.0	0%	299.7	35%	0.0	0%	50.0	6%	0.0	0%	404.3	47%	19.8	2%	856.8
Topeka Transit		Topeka	KS	122,377	758.8	10%	64.9	1%	155.4	2%	2,910.9	40%	196.1	3%	0.0	0%	460.5	6%	0.0	0%	2,700.6	37%	7,247.2
Metropolitan Bus System	MET	Waterloo	IA	109,418	760.5	20%	57.0	2%	120.3	3%	1,391.5	37%	140.2	4%	0.0	0%	244.3	7%	0.0	0%	1,005.0	27%	3,718.7
The Belle Urban System		Racine	WI	112,100	1,126.7	15%	0.0	0%	319.1	4%	2,183.5	29%	74.3	1%	1,937.7	26%	0.0	0%	1,942.8	26%	0.0	0%	7,584.1
Waco Transit System	WTS	Waco	TX	117,241	532.0	13%	0.0	0%	488.3	12%	2,223.6	56%	136.3	3%	536.2	13%	0.0	0%	80.1	2%	0.0	0%	3,996.4
Duluth Transit Authority	DTA	Duluth	MN	122,970	1,813.3	15%	36.4	0%	973.4	8%	1,105.0	9%	200.2	2%	4,907.0	41%	1,707.9	14%	0.0	0%	1,084.8	9%	11,827.9
Mountain Line	NAIPTA	Flagstaff	AZ	49920	398.4	12%	0.0	0%	168.0	5%	472.8	14%	255.9	8%	0.0	0%	143.0	4%	0.0	0%	1,903.6	57%	3,341.7
Pecos Trails Transit	PTT	Roswell	NM	45,451	89.3	9%	0.0	0%	0.0	0%	0.0	0%	465.0	47%	0.0	0%	0.0	0%	443.0	44%	0.0	0%	997.3
Cheyenne Transit Program	CTP	Cheyenne	WY	53000	119.6	9%	0.0	0%	127.0	10%	582.7	44%	49.4	4%	80.5	6%	0.0	0%	363.1	27%	0.0	0%	1,322.3
TOTALS					**6,170.6**	**13%**	**463.8**	**1%**	**2,612.2**	**5%**	**12,656.7**	**27%**	**1,925.6**	**4%**	**7,511.4**	**16%**	**2,621.2**	**5%**	**4,389.4**	**9%**	**8,744.0**	**18%**	**47,677.3**

Source: NTD, 2008; LSC, 2010.

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Directly Generated Funds

Directly generated funds include fare revenues from directly operated services, purchased transportation, and contracted services (which are listed as other revenue). GVT is the only one of the peers that has no funding reported for the directly operated fare revenue, but has the highest proportion of purchased transportation fare revenue. This is most likely due to the way in which NTD data are reported, with some of the peer agencies using contracted operators to provide service for their systems. In total, the directly operated transportation farebox recovery represents 13 percent of operating funds, while purchased transportation represents only one percent. For the remaining peers, directly operated farebox revenues account for 9 to 20 percent of their total operating revenues. Purchased transportation represents small revenues, accounting for no more than four percent of revenues for the other peers. Overall, fare revenues represent 11 to 22 percent of total operating revenue. Red Apple reported collecting $83,400 from fare revenues in 2009.

Federal Funds

Federal funding made up a total of 31 percent of available revenue for operating costs of the peer systems. Urbanized area funding made up 87 percent of the federal funding for peer communities. This funding source was used within every agency to a varying degree, with the exception of Roswell, New Mexico. Urbanized area funding made up only nine percent of Duluth's operating budget, but 56 percent of the operating budget in Waco, Texas. A total of 38 percent of Red Apple's operating funds came from federal urbanized area formula funding. This funding source accounted for $294,800, which is 38 percent of Red Apple's total operating budget for 2009.

Pecos Trails Transit (PTT) had the highest amount of federal funding listed under "other." This category includes any funding that is not urbanized area funding, including Section 5311 and New Freedom Section 5317 funding. This funding category made up 47 percent of the operating budget for PTT during 2008 NTD reporting. The majority of transit agencies reported only small amounts of operating funding coming from this category.

State Funds

State funding is broken into two categories—general revenue and dedicated/ other. In total, these categories accounted for 21 percent of total operating revenue for the peer communities. For state sources, 16 percent came from general revenue funds, with only five percent of funds falling into dedicated and other. Only half of the agencies reported receiving any type of general revenue funds from their respective state, with Waco reporting the highest proportion of their operating funding coming from this source. The range of those receiving general state funds for operating was between six and 41 percent of their total operating budget. Similarly, only six agencies received dedicated state funding, but at smaller proportions than the general revenue. Duluth reported the highest percentage of dedicated state funding, which represented 14 percent of their total operating budget. Red Apple Transit did not report receiving any state funds to aid in operating costs.

Local Funds

Local funding made up approximately 27 percent of the funding for the peer communities. There is a large disparity among the peer communities when relating the amount of local funding to each other. Waco reported getting only two percent of their operating funding from local sources, while Mountain Line gets 57 percent of their operating funding from local sources. All of the agencies reported some sort of local funds being used for operating costs, but generally only reported for one of the two local categories. Local funding made up 51 percent of Red Apple Transit's operating budget, with a total of slightly more than $400,000 for 2009.

FARE POLICIES

This section compares current fare policies (ticket media and cost) to the other peer agencies of similar size and geographic scale. Doing this will allow Red Apple Transit to see how other agencies operate their fare structure to determine if they are competitive with peer agencies. If these fare policies are similar to those of other agencies, there may be no need for change. However, if Red Apple Transit seems to be out of scale with their peers, changes in fare and

media may be needed. All of the communities used for the revenue comparison were also analyzed for fare policy.

Fixed-Route Fares

The systems that were analyzed have an average adult fare of $1.45. The range represented was between $1.00 (GVT and Red Apple) and $2.00 to $4.00 in Martinsburg, West Virginia, where a zonal fare system is in place. The majority of the systems examined have a fare between $1.00 and $1.50, with Roswell and Martinsburg being the exceptions. Four systems had a fare of $1.25, and three others had a fare of $1.50. It should also be noted that the Duluth Transit Authority offers a $0.60 fare during the off-peak period. Table VI-5 shows this information for each agency.

The average fare for a senior passenger was $0.70 for the peer systems, or roughly half of the adult average fare. Most agencies use a simple half-fare calculation to determine the senior fare. Since the senior fare is a function of the adult fare, PTT had the lowest senior fare as well. Most of the systems had a reduced fare for seniors and disabled passengers, with the exception of Duluth Transit Authority (DTA). The DTA does, however, allow disabled American veterans to ride for free when showing their VA card.

Many systems also offer discounted fares to youth or student riders. Twelve of the systems—with the exception of Eastern Panhandle Transit Authority (Pan-Tran) in Martinsburg, West Virginia and GVT in Grand Junction, Colorado—offer some kind of discount to youth riders. MET Transit in Billings, Montana allows individuals under the age of six to ride free, but offers no other youth-specific fare. Of the agencies that offer a reduced fare but still charge, the average cost was $0.77. The range in costs for a youth rider was between $0.50 (three systems) and $1.25 (Bell Urban System in Racine, Wisconsin).

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Table VI-5
Fare Comparison for Peer Communities

Agency				Service Area Population per 2008 NTD Data	Fixed-Route Cash Fare				Discount Pass		Monthly Pass			Other Pass			Paratransit Fare	Website
Full Name	Acronym	City	State		Adult	Senior	Youth	One-Day Pass	Price	Description	Adult	Senior	Student	Adult	Youth & Senior	Description		
Red Apple Transit		Farmington	NM	105,120	$1.00 Local $2.00 Regional	$0.50	$0.50	n/a	n/a		n/a	n/a	n/a	n/a	n/a		$2.00	http://www.fmtn.org/city_services/red_apple_transit/transit_fares.html
Grand Valley Transit	GVT	Grand Junction	CO	118,652	$1.00	n/a	n/a	$2.50	$10.00	11-Ride Pass	$30.00	$15.00		$100.00 $175.00	$75.00 $125.00	Six-Month Pass Annual Pass	$2.00	http://www.gvt.mesacounty.us
MET Transit	MET	Billings	MT	100,000	$1.25	$0.50 62+ Disabled	Free Under 6	n/a	$10.00	10-Ride Ticket	$22.00	$6.00	$15.00	n/a	n/a		$2.50 $25/10-punch available	http://ci.billings.mt.us/index.aspx?nid=259
Metro Area Transit	MAT	Fargo	ND	125,000	$1.25	$0.60 62+ Disabled Medicare	$0.60 K-12 Free Birth-Pre K	n/a	$12.50 $6.00	10-Ride Card Senior/Disabled/Youth	$40.00	$26.00 $5 for reloadable card	$26.00	n/a	n/a		$2.50 $50/20-ride coupon books available	http://www.matbus.com/default.htm
Eastern Panhandle Transit Authority	PANTRAN	Martinsburg	WV	118,095	$2.00 to $4.00 zonal fare	$1.00 to $2.00 60+ Disabled Medicare	n/a	n/a	n/a		n/a	n/a	n/a	n/a	n/a		$5.00 to $7.00 $3.00 + regular route fee 24-hr reservation Medical appts take priority	http://www.pantran.com/
Topeka Transit		Topeka	KS	122,377	$1.25	$0.60 65+ Medicaire Disabled	$0.60 Under 18	n/a	n/a	10-Ride Tickets	$33.00	$22.00	$22.00 Under 18	$35.00		Evening and Sunday 10 tickets	$2.50 10-ride book for 25	http://topekatransit.com/
Metropolitan Bus System	MET	Waterloo	IA	109,418	$1.50	$0.75 65+ Medicaire Disabled	$0.75	n/a	$15.00	11-Ride Ticket	$50.00	$45.00	$45.00				$3.00	www.mettransit.org
The Belle Urban System		Racine	WI	112,100	$1.50	$0.75 65+ Medicaire Disabled	$1.25		$12.50	10-Ride Ticket	$50.00	$25.00		$2.50	$2.50	Super Weekend pass (Sat and Sun)	$2.50	www.racinetransit.com
Waco Transit System	WTS	Waco	TX	117,241	$1.50	$0.50	$1.00	$3.00	$30.00	Student Summer pass (June through August)	$40.00		$20.00	$520.00		Yearly Pass	$3.00	http://www.waco-texas.com/Transit/index.asp
Duluth Transit Authority	DTA	Duluth	MN	122,970	1.25/.60 Peak/Off Peak		1.00/.60	$3.00	$15.00 $12.00	7-Day Adult Pass 7-Day Youth Pass	$35.00		$30.00	$400.00 $200.00 $100.00	$45.00 $340.00 $170.00 $85.00	Summer Teen Pass 360-Day Pass 180-Day Pass 90-Day Pass		www.duluthtransit.com
Mountain Line	NAIPTA	Flagstaff	AZ	49,920	$1.00	$0.50	$0.50	$2.00 Senior/Disabled $1.00			$26.00	$13.00	$13.00 (Youth)				$2.00	http://www.mountainline.az.gov/fares_and_transfers.htm
Pecos Trails Transit	PTT	Roswell	NM	45,451	$0.75	$0.35	$0.50				$27.00	$12.60	$18.00				$1.50	http://roswell-nm.gov/pecostrails.htm
City of St. George Transit	Sun Tran	St. George	UT	62,630	$1.00	$0.50	$1.00	$2.50 Seniors $1.25			$30.00	$15.00	$30.00		$90.00 $45.00	Semester Pass Discount Semester Pass	$2.00	http://www.sgcity.org/suntran/
Cheyenne Transit Program	CTP	Cheyenne	WY	53,000	$1.00	$0.50	$0.75		$22.00 $15.00	22 Ride Card Student 22 Ride Card	$30.00	$15.00	$22.00				$2.00	http://www.cheyennecity.org/index.aspx?NID=252

Source: LSC, 2010.

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Paratransit Fares

Paratransit service generally has a higher cost to operate and thus has a higher fare charged to passengers. The Federal Transit Administration limits the amount that can be charged for these services to a function of the regular adult fare. Fares for paratransit cannot be more than twice the cost of the regular fixed-route fare at the same time of the day. As such, most of the systems have a paratransit cost that is exactly double that of the regular adult fare, maximizing the fare recovery while adhering to this regulation. The only system that does not charge double their fixed-route fare is The Belle Urban System, which charges paratransit riders $2.50 and regular fixed-route riders $1.50.

One-Day Passes

Single-day passes are offered by five of the 14 agencies that were examined. The average one-day pass costs $2.60. Two of these agencies offer one-day passes at a cost of $3.00, two agencies at a cost of $2.50, and another agency at a cost of $2.00. For most of the transit agencies, a one-day pass costs about 2.5 times that of a one-way fare.

Monthly Passes

All but one of the systems (PanTran) have a monthly pass program. While the regular adult fares represented a fairly small range, the monthly passes vary quite a bit more. The lowest monthly pass offered was $22 by MET Transit in Billings, Montana. Conversely, the highest cost for a monthly pass was $50 by both Metropolitan Bus System in Waterloo, Iowa and The Belle Urban System in Racine, Wisconsin. In order to get a better sense of how these costs relate to each other, the monthly pass cost was divided by the regular fixed-route cost. The resulting number shows how many one-way trips are needed to equal the cost of the monthly pass. The lower the figure, the more advantageous buying a monthly pass is for the passenger. The average of the systems was 28.4, meaning that once a user takes 29 trips, they have saved money by buying the pass. The lowest number in the comparison was MET Transit in Billings, which had a value of 17.6. The systems in both Waterloo, Iowa and Racine, Wisconsin had a value of 33.3, which was the highest of the systems evaluated.

Most of the systems that offer a monthly pass also had a discounted senior monthly pass, with the exception of Waco, Texas and Duluth, Minnesota. The monthly pass for seniors ranged from $15 (GVT) to $45 (Waterloo, Iowa). MET Transit has a monthly pass for seniors/disabled riders for $6. Instead of comparing the senior monthly pass to the senior one-way fare, the pass was compared to the full-price pass. Both GVT and The Belle Urban System have a senior monthly pass that is half that of the full-price pass, which is in line with the one-way fare structure. The other systems ranged from charging 65 percent of the adult monthly pass (Fargo, North Dakota) to 90 percent of the adult monthly pass (Waterloo, Iowa).

Youth passes are also available through many of the systems. Of the ten systems that offer a youth monthly pass, five of them charge the same as the senior rate. The remaining systems generally charge somewhere between the cost of a senior/disabled and full adult fare pass.

Discount Passes

Most of the systems offer some sort of intermediate pass as well. These passes are generally 10- or 11-ride passes/tickets that are offered at a discount. In one instance, the discount pass was a seven-day unlimited ride pass (Duluth, Minnesota). The four systems that offer 10-ride tickets/passes average $11. The 11-ride pass offered by GVT has a cost of $10, which essentially gives riders one free ride or a savings of approximately nine percent. The other transit system that offers an 11-ride pass has the same type of structure, where the 11-ride ticket is 10 times the cost of an adult one-way fare. To compare the savings these passes offer, the cost of the pass is divided by the regular adult fare. Since both of the systems offering 11-ride tickets use the same structure, their scores were both 10.0.

Other Passes

Some of the systems offer passes that cannot be categorized into one of the above sections. These passes are briefly discussed and compared when applicable. GVT currently offers a six-month pass for $100 for adults and $75 for youth and seniors. Duluth Transit Authority (DTA) offers a similar pass (for 180 days as

opposed to six months) that costs $200 for adults and $170 for youth and seniors. The GVT pass costs the equivalent of 100 trips for the adult pass and 150 trips for the youth and senior pass. In contrast, the Duluth pass of similar length costs the equivalent of 160 trips for adults and about 170 for youth and seniors. The GVT pass offers a much greater value to the frequent rider, as the cost is much lower when examining the trip equivalencies.

GVT also offers a yearly pass at a cost of $175 for adults and $125 for youth and seniors. Two other systems offer annual passes—Waco Transit System (WTS) and DTA. The pass offered by Duluth is simply double what the 180-day pass costs. The annual pass for the Waco Transit System costs $520. When examining the trip equivalencies, the GVT yearly pass offers the best value, costing only 175 adult trips. The Duluth pass costs the equivalent of 320 trips. The WTS pass has the least savings for the customer with an equivalency of 346 trips.

There are three other pass systems that have not been discussed. The Belle Urban System of Racine, Wisconsin offers a weekend pass that costs $2.50, which is slightly less than the cost of two one-way adult trips. The DTA has a summer pass for teen riders that costs $45 and is good for three months. Similarly, Cheyenne Transit Program offers a semester pass for students that is good for one academic semester at a rate of $90. For disabled students, the cost of the pass is $45.

CONCLUSIONS

- Red Apple appears to have significant latent demand and should pursue multiple options for increasing its ridership and system utilization. Some service options are explored in later chapters.
- Red Apple is successful in receiving and utilizing a slightly higher proportion of federal operating funds than peer systems (38 percent Red Apple vs. 29 percent peer average).
- Red Apple receives less revenue than peer systems from “other sources” such as advertising, sponsorships, and service contracts. There may be an opportunity to increase local revenue.
- Red Apple may want to consider raising fares from $1.00 to between $1.25 and $1.50. While the peer average is $1.45, a rounded value of $1.25 or

$1.50 is preferred for ease of implementation both by the customer and by drivers/operators.

- Red Apple may want to consider implementation of discounted multi-ride tickets and/or pass sales as a means of both increasing fare revenues and promoting higher ridership.