



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of June 12, 2010**

DATE: June 1, 2010

SUBJECT: Continuation of the public hearing which began on May 25, 2010 regarding Adoption of a Non-Codified Ordinance Amending and Reenacting the Arlington Transit (“ART”) Passenger Fare Schedule By Increasing ART and Specialized Transportation for Arlington Residents (“STAR”) Fares and adoption of same, to Become Effective on July 1, 2010 or on Such Future Date as Determined by the County Board.

C. M. RECOMMENDATIONS:

1. Adopt the Non-Codified Ordinance (Attachment A) amending the Passenger Fare Schedule for the Arlington Transit (“ART”) Transportation System and Specialized Transportation for Arlington Residents (“STAR”), to become effective on July 1, 2010; and
2. Authorize the County Manager or designee to develop options for a local weekly and monthly pass program for ART, to be implemented on October 1, 2010, or on such future date as determined by the County Board, subject to prior approval by the County Board.
3. Appropriate \$200,000 in FY 2011 in revenue from the ART fare increase (101.345000.41103) to the Department of Environmental Services (101.437405.41103) to improve ART route productivity and reliability.

ISSUES: County Board action is needed on the proposed fare changes for ART and STAR paralleling the WMATA fare changes to be enacted July 1st. Staff does not recommend enacting a cash fare surcharge being advanced by WMATA and continues to work to resolve issues with the WMATA regarding the weekly bus pass and associated revenue reimbursement arrangements. Riders may have issues with the level of increase being proposed on ART and STAR.

SUMMARY: The last fare increase enacted for ART and STAR occurred July 1st 2006. The costs for providing both local fixed- route and paratransit services have continued to increase over the ensuing four years. The proposed fare increases will help to offset these increased costs to the County. The proposed fare increase for ART recommended in Attachment A, is consistent with fare changes being advanced by WMATA and other regional transit providers. Riders that

County Manager: MB/GA

County Attorney: SAM

Staff: Steve Yaffe, DES, Transportation Division, Transit Bureau

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use the regional SmarTrip card will pay the same fare on ART and Metrobus. The recommended changes in STAR fares are also aligned with MetroAccess fares with the proposed STAR Zone 1 fare matching the base fare on MetroAccess. For longer trips, the approved increases in MetroAccess fares are far greater than those being proposed for STAR.

Action is also recommended to address major revenue sharing inequities associated with the Metrobus Weekly Flash Pass. ART and other local transit providers have historically accepted Weekly Flash Passes on their buses but all revenue has been retained by WMATA. ART will provide over 458,000 Flash Pass passenger trips in Fiscal Year 2010 with no associated revenue. Arlington staff and other compact member jurisdictions has worked diligently with WMATA to implement a regional pass and revenue sharing agreement over the last two years. The requested authorization will direct staff to begin the development of a ART-specific weekly and monthly bus pass with an associated phase-out of acceptance of the Metrobus Flash Pass as of September 30, 2010 if it is not replaced with a Regional Bus Pass and associated revenue sharing agreement.

DISCUSSION: On May 27, 2010, the Washington Metropolitan Transit Authority (WMATA) Board adopted a new fare structure to be effective June 27, 2010. Metrobus fares will increase from \$1.35 to \$1.50 for customers who pay with SmarTrip® and from \$1.45 to \$1.70 for customers who pay with cash. The Metrobus Weekly Pass price will increase from \$12 to \$15. The weekly pass allows unlimited travel on Metrobus for seven days, and customers begin saving money after taking only 10 trips. The MetroAccess base fare will increase from \$2.50 to twice the equivalent fixed route bus or rail fare, up to \$7.

Staff recommends that ART adopt a base fare of \$1.50 for SmarTrip or cash fare, eliminating the cash surcharge for numerous reasons. First, the cash surcharge is a hardship for many of the remaining cash customers, who cannot afford to have their limited resources on a SmarTrip card. Cash customers have declined to approximately 12% of ART ridership. The 2008 Regional Bus Survey results shown in the table below describe the use of fare media by transit users of lower-income households.

Household Income	ART Riders				Bus Riders of All Area Transit Systems			
	Of All Cash Riders	Of All FlashPass Riders	Of All SmarTrip Riders	Cash & FlashPass Use in this Income Group	Of All Cash Riders	Of All FlashPass Riders	Of All SmarTrip Riders	Cash & FlashPass Use in this Income Group
<=\$10,000	37.7%	17.5%	6.5%	81.9%	25.5%	24.8%	10.0%	59.9%
\$10-20,000	13.5%	23.5%	4.9%	80.5%	12.7%	17.2%	6.3%	58.9%
\$20-30,000	3.3%	10.7%	6.3%	35.1%	13.3%	15.8%	9.5%	44.9%
<-\$30,000	54.4%	51.6%	17.7%	65.8%	51.5%	57.9%	25.7%	54.6%

This table highlights the dependency of low-income riders on use of cash and weekly bus passes. Over half of cash and weekly bus pass users are from low-income households. SmarTrip use in the income group is comparatively very limited.

Second, the increase in the cash surcharge to \$0.20 will push more cash patrons to use the WMATA weekly flash pass. All revenue from the weekly pass now remains at WMATA. Prior to the introduction of the cash surcharge and the elimination of paper transfers in Fiscal Year 2009, 14.4% of ART riders used the weekly flash pass. Currently, 23% of ART riders use the flash pass – that is approximately 458,000 rides this fiscal year. Based on WMATA Calendar Year 2009 data, WMATA generated \$9.1 million from weekly flash pass sales (at \$11 per pass), of which \$238,000 would have been conveyed to ART, based on boarding activity.

Staff proposes that ART continue to accept the Metrobus weekly flash pass through September 30, 2010, to allow WMATA staff additional time to implement a program to reimburse local bus systems for their earned revenue accrued in transporting weekly pass riders. This program would be similar to the balanced transfer system providing discounts for those transferring between buses and Metrorail. Staff from the local bus systems have engaged and will continue to engage WMATA in discussions at the Regional SmartTrip Operations/Finance Subcommittee, WMATA Jurisdictional Coordinating Committee, and other forums in the hope that the WMATA budget will provide earned revenue reimbursement starting Oct 1. If WMATA fails to implement a weekly flash pass with earned revenue reimbursement by that date, Arlington Transit will have the option to develop an independent weekly and monthly bus pass which will be brought to the County Board for approval. The rate for these passes would be priced at a discount, as some users would also need to buy the Metrobus weekly pass.

Staff recommends that the STAR Zone 1 fare match the lowest MetroAccess fare under the fare structure adopted by the WMATA Board on May 27, 2010, which will increase from \$2.50 to \$3.00. STAR Zone 1 covers rides within Arlington County. Staff presumes that the MetroAccess fare for any ride within Arlington County will be \$3.00 – double the bus fare – as most of these trips could be completed without or with one transfer. Staff further recommends that the STAR Zone 2 fare increase from \$3.00 to \$4.00 and the Zone 3 fare increase from \$7.00 to \$8.50, reflecting the higher cost to provide this trips.

COMMUNITY OUTREACH

These staff recommendations have been reviewed with the Transportation Commission and Transportation Advisory Committee. The Transportation Commission approved the concept of ART and STAR fares mirroring Metrobus and MetroAccess fares as described above, at their meetings of April 8 and May 6, 2010. The Transit Advisory Committee at their meeting of May 11, 2010 resolved that ART fares should mirror Metrobus fares; ART bus rides should be free for persons with a MetroAccess card; and ART should not accept Flash Passes (Metrobus Weekly Pass), if Metro does not share the revenue.

This public hearing has been legally advertised in the *Washington Post*. Notices will have been posted on ART buses in both English and Spanish and in large print on vehicles dedicated to the STAR program by Monday, June 7, 2010. ART and STAR alerts will be sent to all text and email subscribers and posted on the ART website on Friday, June 04, 2010. Blog postings were posted on June 4th and will be reposted on June 11th. A headline linked to the ART website sent out to subscribers of Commuter News on Monday, June 7, 2010. The STAR phone line message will include notification of this public hearing on Saturday, June 5, 2010. The hearing will also

be discussed at the Tuesday, June 8, 2010 meeting of the Senior Transportation Committee of the Commission on Aging,

FISCAL IMPACT: The proposed fare increase is projected to produce approximately \$200,000 in additional ART revenue over what was budgeted for Fiscal Year 2011. The adopted FY 2011 budget did include an estimated 5% fare increase. This additional revenue will be used to make necessary ART service adjustments to improve route productivity and reliability. The STAR fare increase will result in a decrease in expenses paid to STAR providers. A portion of the taxi expense savings will be reallocated to restore the planned reductions in STAR Call Center hours and the balance will absorb the cost of anticipated higher ridership.

Future changes, if approved by the Board, to the weekly bus pass program will also have a major positive impact on passenger revenue associated with ART service. Any proposed changes to the weekly bus pass program will be the subject of a future report to the Board.

AMENDMENT AND REENACTMENT OF A NON-CODIFIED ORDINANCE REVISING THE PASSENGER FARE SCHEDULE FOR THE ARLINGTON TRANSIT (“ART”) TRANSPORTATION SYSTEM AND THE SPECIALIZED TRANSIT FOR ARLINGTON RESIDENTS (“STAR”) PROGRAM, TO BECOME EFFECTIVE ON JULY 1, 2010.

I. BE IT ORDAINED by the County Board of Arlington County, Virginia, that the following non-codified ordinance is amended and reenacted to revise the passenger fare schedule for the Arlington Transit (“ART”) Transportation System and the Specialized Transit For Arlington Residents (“Star”) Program, to become effective on July 1, 2010:

ARLINGTON TRANSIT (“ART”) PASSENGER FARE SCHEDULE

One-way base fare-cash/token.....	\$1.35	<u>\$1.50</u>
One-way base fare – SmarTrip.....	\$1.25	<u>\$1.50</u>
One-way base fare discount with a SmarTrip Card after transferring from Metrorail ...	\$0.50	
<u>One-way base fare upon presentation of valid Metrobus Weekly Flash Pass, through September 30, 2010, and thereafter only if inclusive of a revenue sharing program</u>	<u>No Extra Charge free</u>	
One-way base fare upon presentation of valid MetroAccess ID	free	
One-way base fare upon presentation of valid Virginia Hospital Center-Arlington employees with hospital ID	free	
One-way base fare for senior citizens and persons with disabilities, upon presentation of valid WMATA ID or Medicare card	\$0.60	<u>\$0.75</u>
One-way base fare for students with a valid Arlington school ID	\$0.60	<u>\$0.75</u> or i-Ride token

SPECIALIZED TRANSIT FOR ARLINGTON RESIDENTS (“STAR”) PASSENGER FARE SCHEDULE

Zone 1.....	\$2.50	<u>\$3.00</u>
Zone 2.....	\$3.00	<u>\$4.00</u>
Zone 3.....	\$7.00	<u>\$8.50</u>

II. The remaining portions of the Non-Codified Ordinance Amending and Reenacting A Passenger Fare Schedule for the Arlington Transit (“ART”) Transportation System, enacted by the County Board on December 13, 2008, and effective on January 4, 2009, not amended hereby shall remain in effect as previously enacted.