

Rogue Valley Transportation District

From the Desk of Julie Brown, General Manager

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Visit our website at: www.rvtd.org

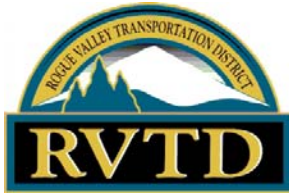
TO: Martha Bennett, City Administrator
CC: Mike Faught and Ann Seltzer
DATE: March 17, 2009
RE: Upcoming Agreement for Services

Thank you for your continued support and partnership. RVTD has supplied your staff with service proposals to review and we are available to discuss these with you. The proposals include a fare buy down and the addition of a circulator route that will allow for 15 min. frequencies between the Plaza, SOU and Tolman Creek Rd.

RVTD has discussed the strengths and weaknesses of both a fare buy down and a Loop route since 2006 as reflected in the narrative to the proposals. We recommend increasing fares to \$1.00 and adding a circulator to make more efficient use of the City's subsidy. Additionally, RVTD is seeking a 22-month contract beginning 9/7/2009.

The City of Ashland has obligated \$290,000 in prior years' budgets dating back to 2003 to be used toward Public Transportation. The City has used a portion of this allocation each year since 2006 toward planning activities. RVTD believes that at this time, there is a higher value to implementing increased transit service to existing and new users than in documenting its value. The proposed Loop route is cost-efficient and, based on actual data, has already proven to be successful in boosting ridership. There will be opportunities to plan future route concepts with RVTD in the 2009-10 and the 2010-11 MPO Unified Planning Work Program.

Sincerely,



Rogue Valley Transportation District

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2009-2011 Service Proposal for the City of Ashland, Oregon

March 9, 2009

Honorable Council Members and City of Ashland Staff,

With your demonstrated support for providing access to all modes of transportation, RVT is pleased to forward a proposal for transit service enhancements during the 2009-2011 Fiscal Years. Also included is a presentation of the surveying and marketing efforts completed recently in the City of Ashland.

Transit Service History

- 1997 - Exclusive Loop Service Started w/ \$0.25 fare
- 1999 - Loop Discontinued
- 2001 - Loop Resumed w/ \$0.25 fare
- 2002 - Both Loop and Route 10 Free Fare
- 2006 to Present Day- Loop Discontinued, Route 10 fare at \$0.50

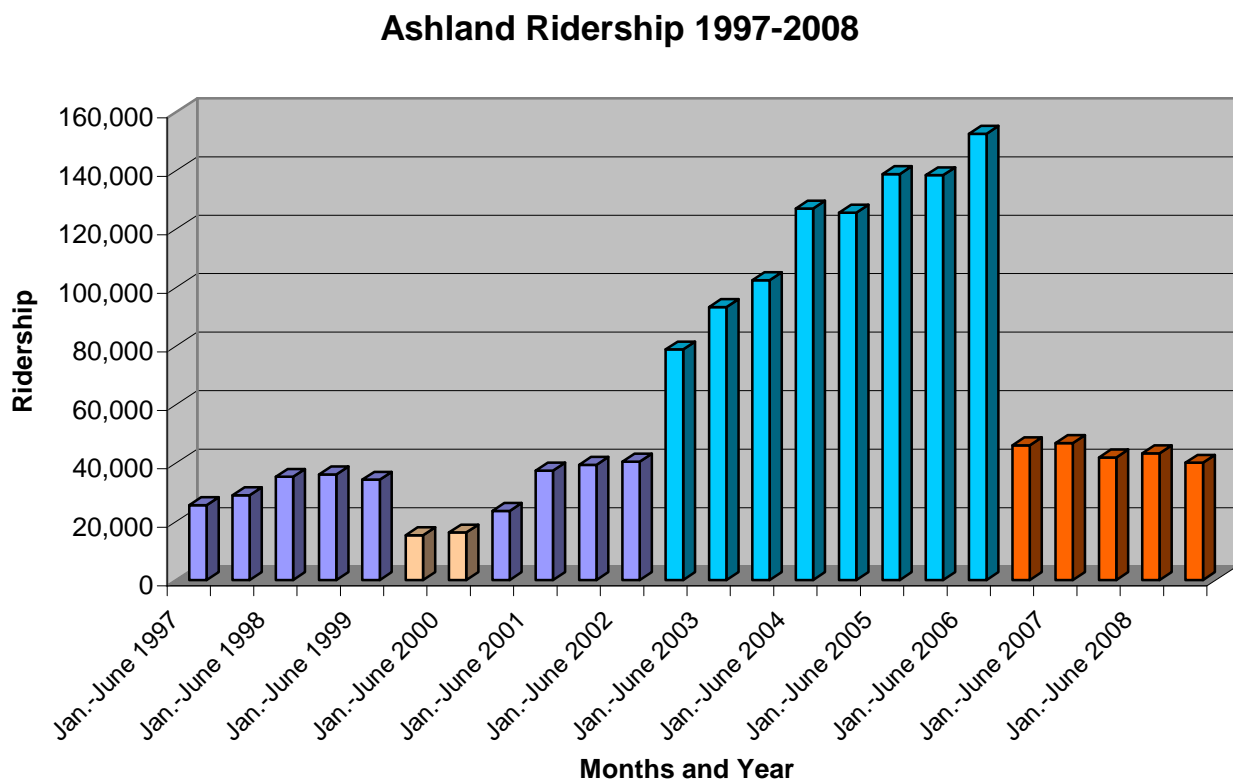
Based on discussions with City Staff members Mike Faught and Ann Seltzer, it was determined that a cafeteria of options should be presented. Ultimately, there are two variables between the options. Those are: the cost of the fare and the hours of operation.

RVT is seeking a 22-month contract starting September 7, 2009 and ending June 30, 2011. The contract is based on the District's direct cost per mile of operations (fuel and maintenance only) and the cost of the driver(s) wages and benefits. This contract amount would be billed to the City on a quarterly basis and reduced by the total fare box collected from the Loop route.

This proposal would only affect the Route #10 agreement in that the fare charged on the Loop must be the same fare charged on the Route #10 within the City. The Valley Lift paratransit service area would not be extended because the Loop route follows the same path as Route #10. The Valley Lift service clauses are still in effect and tied to the fare.

Ashland Ridership and Service Levels

Premium transit service, such as a lower fare and frequent bus arrivals, will generate the most citizens, visitors and students choosing to use transit. This effect is demonstrated well in the City's history of fluctuating levels of transit service. When the Free Fare and Loop were both in place, ridership was at its highest ever seen; between January and June 2006 RVTD and the City provided 152,606 transit trips. When the Loop was discontinued and fare raised to 50 cents, ridership plummeted to 46,021 between July and December 2006.



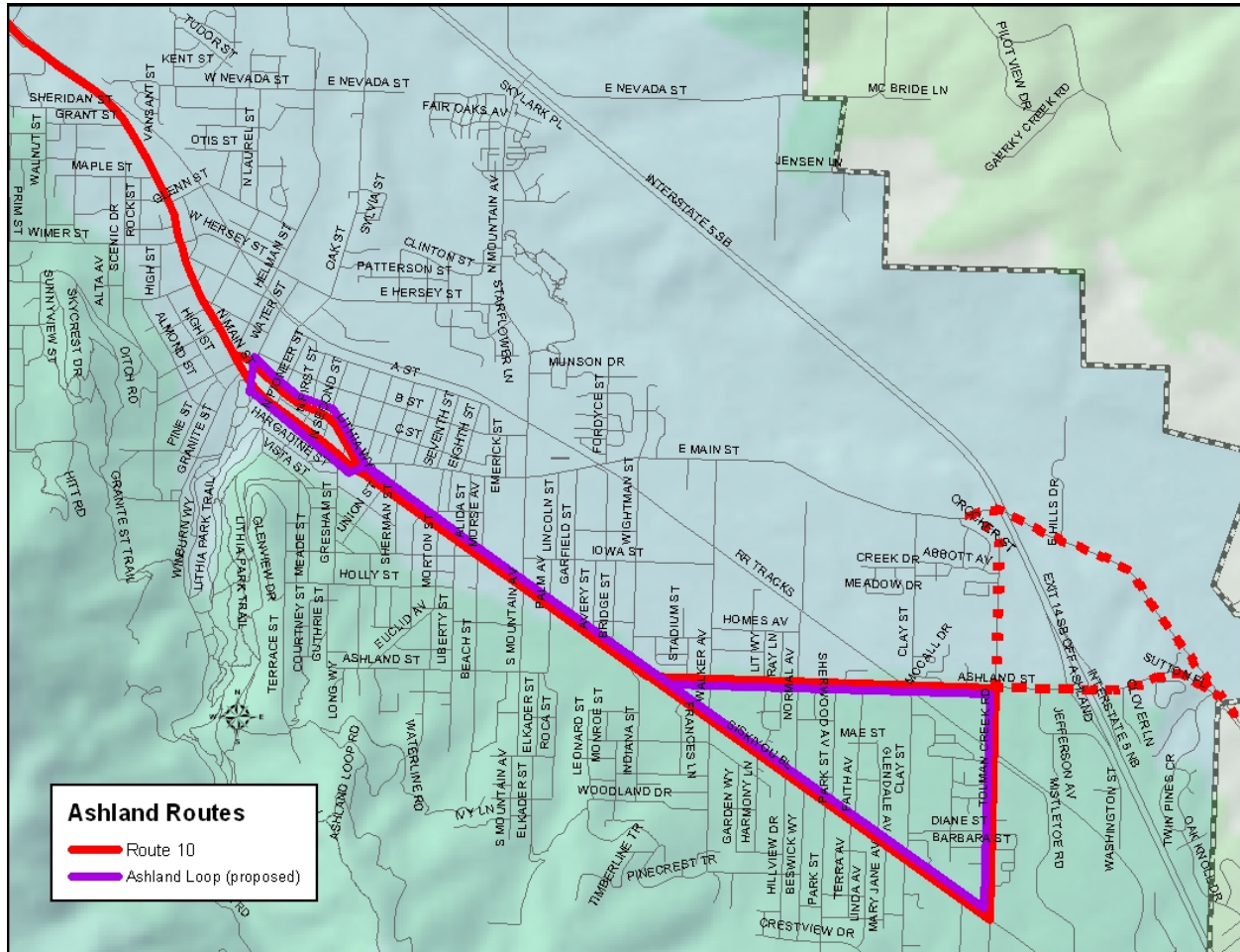
Total Ashland trips Rt 5 & Rt 10 - \$0.25
 Ashland Ridership on Rt 10, No Rt 5

Total Ashland trips Rt 5 & Rt 10 - Free
 Total Ashland trips Rt 10 - \$0.50

Because the Loop and Free Fare were in place at the same time during the ridership 'boom' years, it has been difficult to state which was more important for the rider: frequency or cost. The City's ridership since 2006 has not grown as would be expected after the residual effects of a 'fare shock' would have occurred, usually in the first year. This has lead RVTD to determine frequency as a more important factor than fare cost for someone deciding whether to use transit in the City of Ashland.

Route description-

The Ashland Loop is a five-mile route that begins and ends at the Ashland Plaza. The route would serve the Plaza, E. Main St., the University, Ashland St., Tolman Creek Rd. and Siskiyou Blvd. The route can travel in either direction while in south Ashland however 15-minute service would only be possible with both Route #10 and the Loop traveling in the same direction.



A passenger activity survey completed in 2008 generated useful information about the highest and best use of a Loop route. The previous Loop, Route #5, ran from the Plaza to Ashland St. and around E. Main and back. It did not travel along Tolman Creek Rd. or Siskiyou Blvd. The survey showed that Tolman Creek and Siskiyou Blvd generate considerably more ridership than the E. main loop. Since the proposed loop cannot serve both areas within the time span available, RVTd used the passenger activity data to determine where the loop could run to be efficient and cost-effective.

Service Hours-

As one of the components to minimize costs, RVTD has analyzed a route that would run:

- 6.5 hours per day (requiring 1 FT Driver)
- 9.0 hours per day (requiring 1 FT Driver and 1 PT Driver)
- 13.0 hours per day (requiring 2 FT Drivers)

A 6.5-hour operating day at the cost quoted is only possible with continuous service, meaning the driver cannot have a split shift with this scenario. This is the most economical, however it will not cover both an AM and a PM peak. The day could for example begin at 11:00AM and end at 5:30 PM capturing the majority of afternoon and work commute home travel. Or, the day could begin at 7:30AM and end at 2:00PM to capture early morning commute to work and school (SOU especially) trips.

A 9.0-hour operating day at the cost quoted is only possible with continuous service, one driver works 4X10.5's and a part-time driver picks up the Friday shift. This is the second most economical however will barely cover both an AM and a PM peak. The day could, for example, begin at 7:30AM and end at 5:30 PM.

A 13.0-hour operating day at the cost quoted is a full-day service day requiring two full-time drivers and a relief trip midday. This is the most costly option however will cover both an AM and a PM peak. The day would begin at 6:00AM and end at 7:00 PM.

Fare Considerations

'Fare Shock' often causes ridership to decrease within the first six-months (if in a small increment -\$.25 is standard) but eventually ridership recovers. This recovery can take longer if the increase is more drastic. RVTD increased fares from \$1.00 to \$2.00 in 2006 and ridership decreased 14% system-wide within the first six months but since has recovered and is near the 2005-2006 ridership levels again.

The City of Ashland also increased fares in 2006, but from free to \$0.50. Ridership plummeted and *has not* regained 2005-2006 levels. Evidence from each of the service types and fares the City has supported within the past decade suggests that ridership should have regained just as RVTD's did.

RVTD is confident that frequency is a stronger determinant for generating higher levels of ridership than we see today. If the City moves forward with a fare increase, RVTD strongly suggests a move to \$1.00 with increases of \$0.25 during years when the budget is constrained to ensure a Loop service is maintained.

RVTD's current fare strata would also apply.

For example:

\$1.00 - Full Fare (18-61 years of age)

\$0.50 - Reduced Fare (62 years and older, 10-17 years of age and disabled)

Free - For transfers made within the City and for children 0-9 with paying adult

Hardship Programs

The City of Ashland has a program that was implemented in 2007 to provide monthly bus fare cards for eligible citizens who meet certain income criteria. RVTD also offers a bus pass program for employers, schools and other congruent populations. The RVTD bus pass cost for each person is heavily reduced due to passes being purchased in bulk for every person in the population. The current cost is \$3.85 per person per month. These programs are alternatives for citizens who may experience hardship from a fare increase within the City.

Partnership with SOU

Each year, RVTD encourages SOU to adopt a bus pass program for its students. The students and the Administration have thus far declined a bus pass program to their students even after a campus-wide survey demonstrated the majority of students wanted the program and were willing to pay for it in increased parking fees. SOU could be a financial contributor and is a major benefactor of special transit services.

2008 Passenger Survey

RVTD completed its system-wide triennial passenger survey in May 2008. A total of 288 surveys were collected on the Route #10. The surveys collected on this route demonstrated slightly higher incomes but on the whole there were no major demographic differences between Route #10 and the rest of the system. The following are selected highlights that likely include passengers traveling within Ashland:

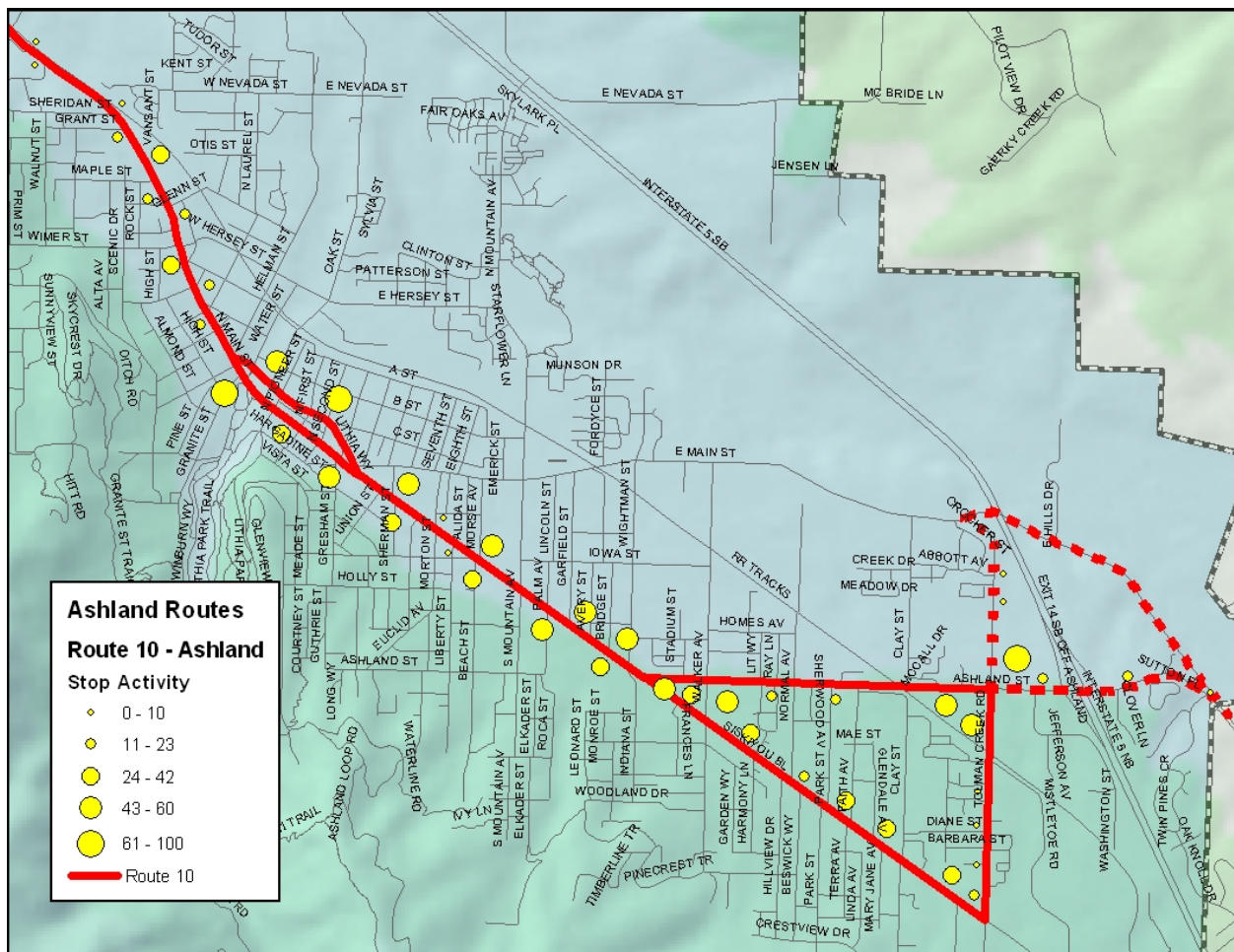
- 77% of the passenger survey pool was between the ages of 19 and 64
- 63% did not have a valid driver's license
- 36% reported annual income of less than \$15,000
- 72% walked to catch the bus; 66% boarded at a bus stop
- 57% reached the bus in less than five minutes, and 55% reached their final destination within five minutes after departing from the bus
- 29% used the bus to get to work
- 79% used the bus three to five days per week
- 50% used the bus five days per week
- 34% would not have made the trip if bus service were not available

Surveying of Ashland Passengers and Stop Activity

RVTD completed a year-long passenger activity survey in accordance with Federal Transit Administration guidelines and practices. The stop activity will assist RVTD staff with planning and stop improvements.

The following are the most frequently used bus stops in the City of Ashland:

- Ashland Plaza
- Albertson's
- Lithia Way and Oak
- Bi-Mart
- Lithia Way north of Oak
- Ashland Library
- Beanery (at the 'Y')



Marketing

Outreach of transit scheduling and availability to the public is an important component of any successful transit line. As part of the 2005 service agreement, RVTD proposed marketing activities that would be completed that service year.

These included:

- RVTD's Interactive Education offered to primary education schools
- Bus Advertising sign advertising the Free Fare (now obsolete)
- Hosting transportation exhibits at local events
- Placing placards in each shelter with a map and schedule- 12 were posted in 2006 since then 6 have been vandalized or stolen and not yet replaced.
- Distributing transit schedules to be available at local venues
- Partnering with SOU Capstone students to increase support for transit

Lastly, an effort to create a TV and Radio commercial was under way to promote the Free Fare when the message became obsolete due to the fare increase.

2009-2011 Marketing Proposal:

RVTD would like to establish a marketing plan for a Loop system or any fare changes with through local resources. The City of Ashland, the Chamber of Commerce, the Student Affairs office of SOU and others could actively promote using transit.

RVTD will commit to doing the following:

- Replacing the removed placards in the shelters
- Updating the information on all placards with new route/schedule information
- Provide free bus advertising space on one vehicle
- Continue to promote Ashland's system at local events

In partnership with the City of Ashland, RVTD would like to see the following:

- Create a tri-fold specific to the Ashland system for distribution
- Distribute promotional information through utility bill stuffers
- Coordinate a public relations event to launch the new service
- Approach SOU Administration to request ongoing support of a fare buy-down
- Approach the Chamber of Commerce and local employers to encourage employees to use transit, especially in downtown
- Creation of a bus ad to utilize free ad space offer from RVTD