

GCRTA Fare Analysis

Fare Structure Evaluation / Peer Agency Analysis

April 16, 2019

DRAFT

Interim Report
Presentation to the Board of Trustees

PURPOSE AND GOALS OF STUDY



Enable GCRTA to better understand its ridership, and the relationships between changes in fares, fare structure, fare collection, ridership and revenue, including:

- Comparison of current fare structure to peer agencies
- Survey of GCRTA Riders
- Process and model to analyze impacts of fare changes
- Assistance in analyzing fare alternatives
- Fare Equity Analysis

This is one of five studies that supports the Strategic Plan

FARE STRUCTURE



		Cash	Daily Pass	5-Trip Cards	7-Day Pass	Monthly Pass
Full Fare	Bus / Rapid /BRT	\$2.50	\$5.50	\$12.50	\$25.00	\$95.00
	Park-N-Ride Bus	\$2.75	*	\$13.75	\$27.50	\$105.00
	Out-of-County	\$3.75	*	*	*	*
Reduced	Senior / Individuals with Disability	\$1.25	\$2.75	\$6.25	\$12.50	\$48.00
	Student K-12	\$1.75	\$4.50	\$8.75	**	**
	Paratransit	\$2.75	\$7.50	\$13.75	\$30.00	\$110.00
	* Rider can use a different full fare pass and pay the difference in fares in cash.					
	** No pass is offered.					

FARE POLICY GOALS / FARE STRUCTURE DESIGN



- Related to value provided to customer – Park-N-Ride Surcharge
- Related to cost of providing the service – Park-N-Ride Surcharge, Out of County Surcharge
- Related to whether riders provide tax support to RTA – Out of County Surcharge
- Related to whether riders pay a fair share of costs (farebox recovery)
- Related to riders' ability to pay – Discounts for Seniors, Individuals with Disabilities, Students
- Promote seamless intermodal travel – Daily, 7-Day, and Monthly Passes
- Promote prepayment of fares – Daily, 7-Day, and Monthly Passes
- Simple to communicate to riders and operators – Passes, Cash on Boarding
- Promotes fare payment and easy to enforce – Farebox Validation
- Easy to cooperate with third parties – U-Pass
- Maximizes ridership
- Maximizes revenue

FARE COLLECTION SYSTEM



- Key Elements
 - Buses Equipped with GFI Odyssey fareboxes
 - Ticket Vending Machines and Customer Service Kiosks
 - Mobile Fare Payment App
 - Customer Service Center
 - Online Sales
 - Authorized Sales Agents
 - “Commuter Advantage” Program for Employers
 - Universal Access (UPASS) Programs Mainly for Universities/Colleges
- Products sold vary by channel
 - Great distribution of Day Passes
 - Other products are not available everywhere

MOBILE APP



- 1-Ride, All-Day, 7-Day and Monthly Passes
- Greatest demand is for the 7-Day Pass (38% of 2018 Mobile App gross revenue)
- Users need a smartphone with a data plan plus a credit or debit card



SURVEY OF RIDERS



- Focused on obtaining information to meet Federal Transit Administration requirements.
- The methodology used a stratified random sample by service type (Bus, BRT, Heavy Rail and Light Rail).
- A 14-question paper survey was used to ask riders about the fare product used on that trip, the frequency that the individual uses transit, income and minority status. Surveys were provided in English and in Spanish.
- GCRTA Rider survey period ran from Nov. 9 – Dec. 3, 2018. Surveys were collected throughout the weekday and the weekend from 5:00 a.m. to 1:00 a.m.
- 11 surveyors were recruited, trained and deployed.
- 3,719 surveys were collected.

SURVEY OF RIDERS – DEFINITIONS & WEIGHTING

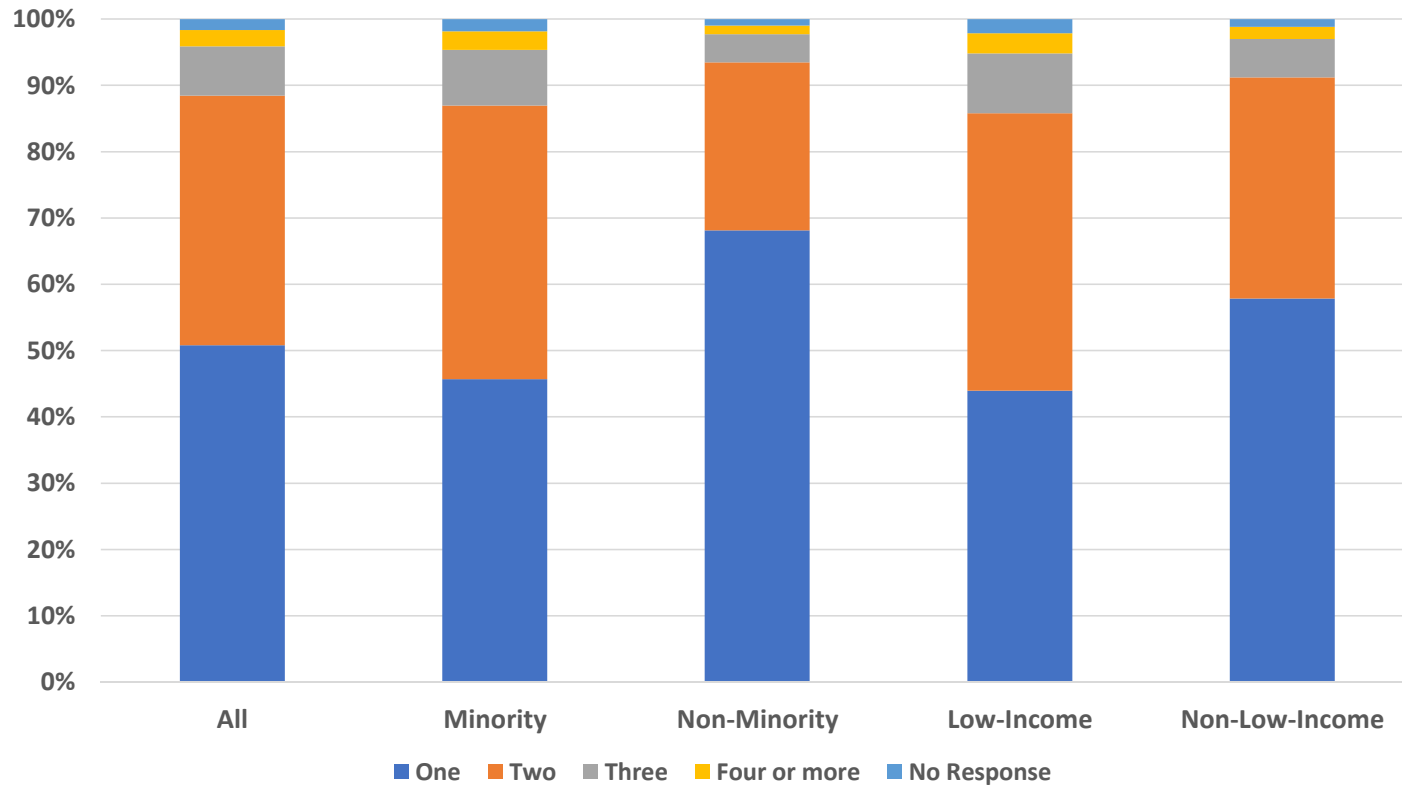


- Minority Riders percentage is everyone who stated a race other than White/ Caucasian, out of all who stated a race
- Low-Income Riders percentage is all riders with a household income of less than \$25,000 and all other riders whose household income is below the HHS's Federal Poverty Guidelines, out of all riders providing household size and income.
 - Household of 5 – approximately \$30,000
 - Household of 6 – approximately \$35,000
- Weighted surveys so that they represent the number of boardings on each service
- Then weighted surveys (for the number of vehicles used by each respondent) so that they represent the number of distinct trips taken on GCRTA services
- Minority Respondents -- 74% of trips (66% of population)
- Low-Income Respondents -- 50% of trips

SURVEY OF RIDERS – NUMBER OF TRANSIT VEHICLES USED



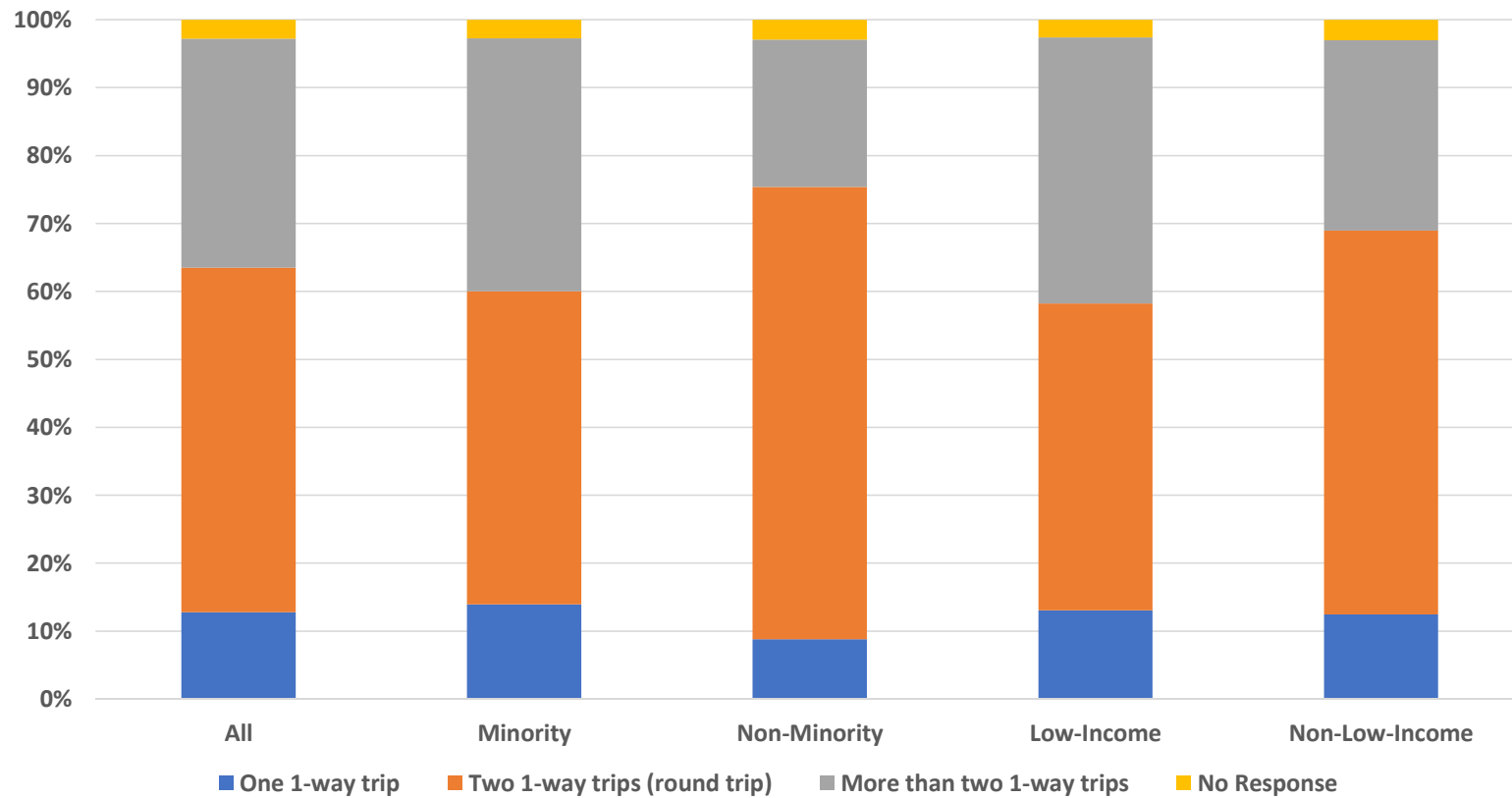
Percentage Distribution of Customers by Number of Vehicles Used For Trip



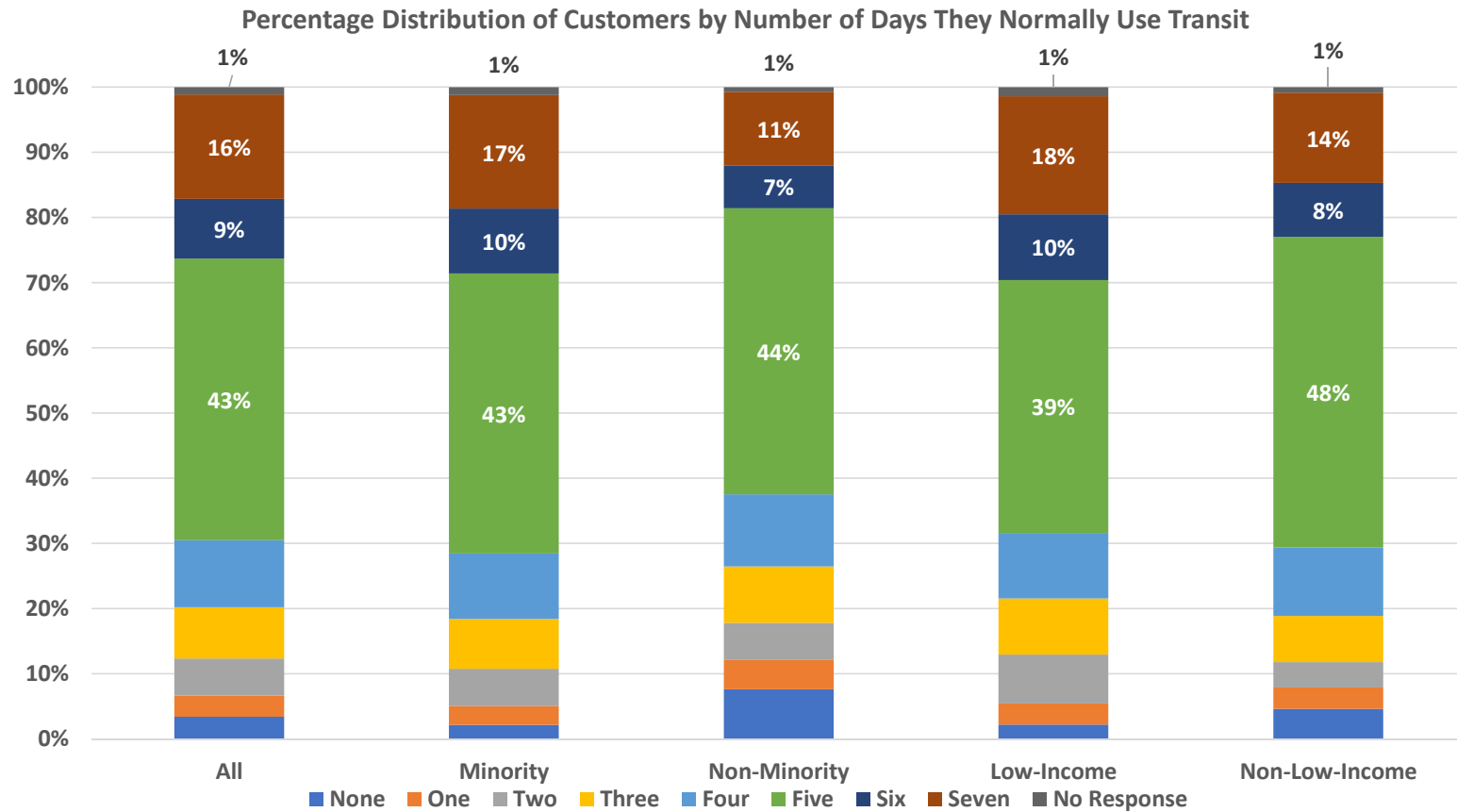
SURVEY OF RIDERS – USE OF TRANSIT PER DAY



Percentage Distribution of Customers by Number of Trips Taken Per Day



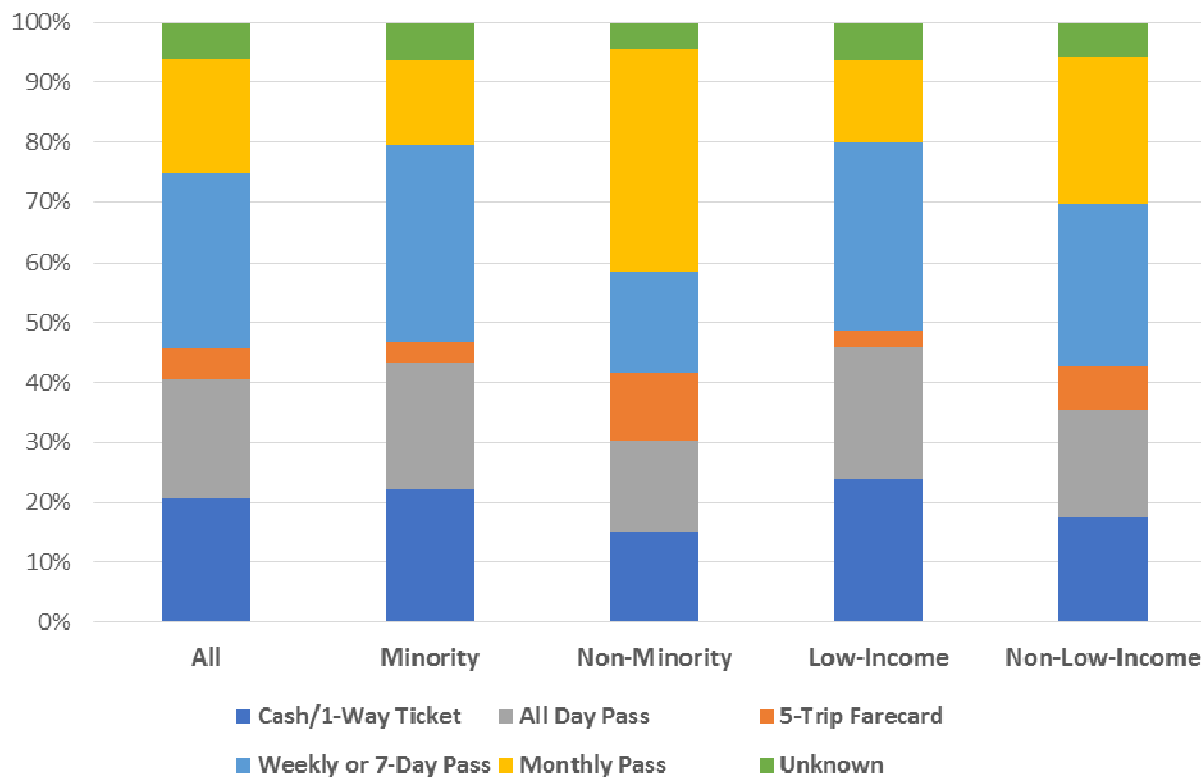
SURVEY OF RIDERS – DAYS USE TRANSIT PER WEEK



SURVEY OF RIDERS – FARE PAYMENT FREQUENT RIDERS



Share of Trips Taken By Fare Product



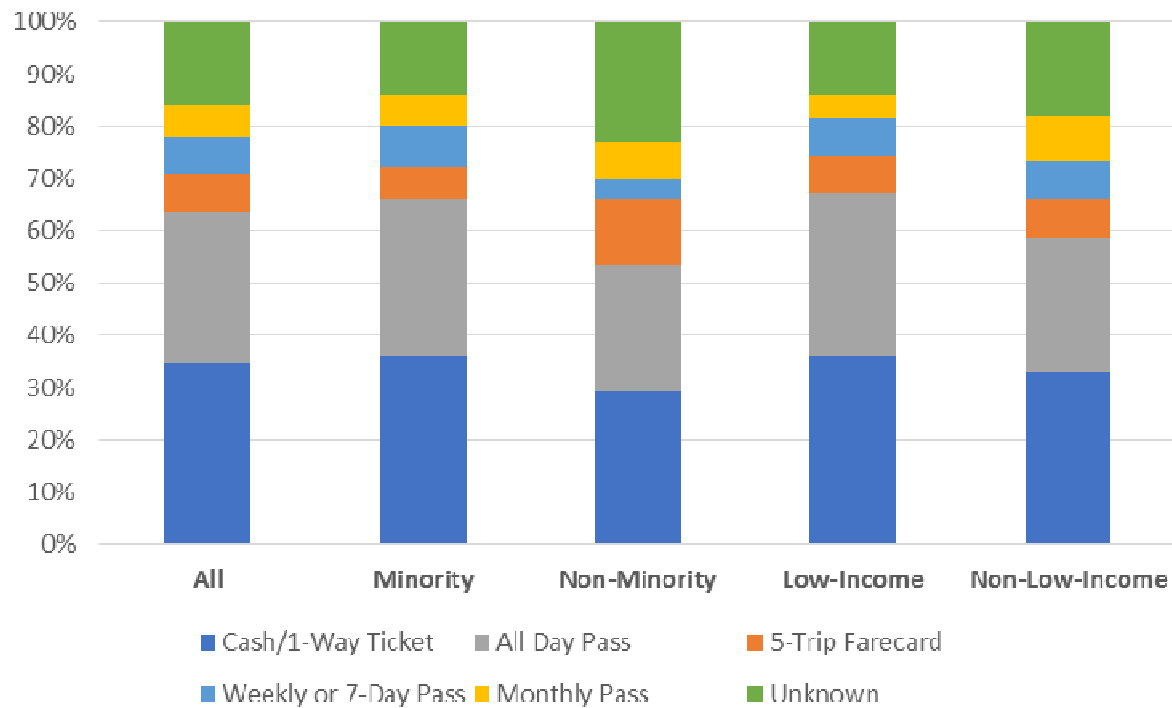
Riders Who:

- Travel 5+ Days per Week
- Travel 10+ Times per Week
- Best Fare Option is Monthly or Weekly Pass
- 59% of Trips

SURVEY OF RIDERS – LESS FREQUENT HEAVY USERS



Share of Trips Taken By Fare Product



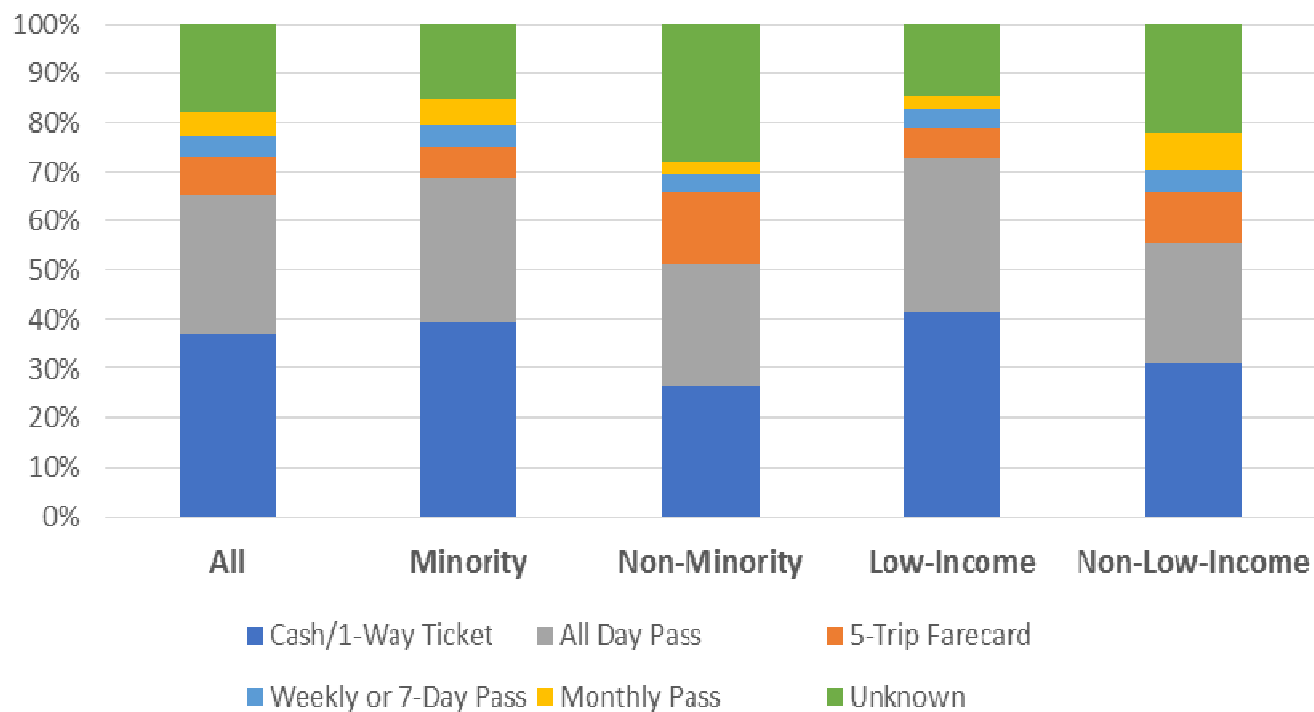
Riders Who:

- Travel 4- Days per Week
- Make 3+ Trips per Day
- Best Fare Option is All Day Pass
- 8% of Trips

SURVEY OF RIDERS – ROUND TRIP RIDERS - WITH TRANSFERS



Share of Trips Taken By Fare Product



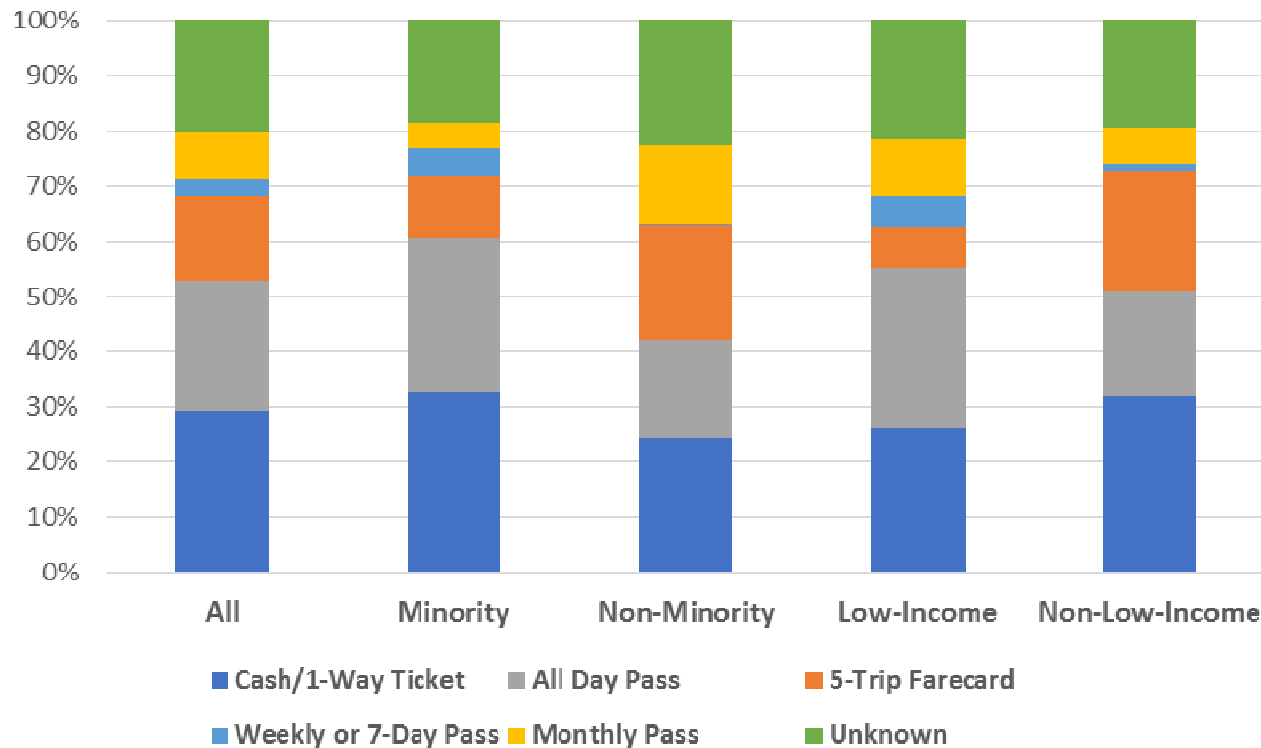
Riders Who:

- Travel 4- Days per Week
- Make 2 Trips per Day
- Make Transfers
- Best Fare Option is 5-Trip Farecard
- 8% of Trips

SURVEY OF RIDERS – ROUND TRIP RIDERS - NO TRANSFERS



Share of Trips Taken By Fare Product



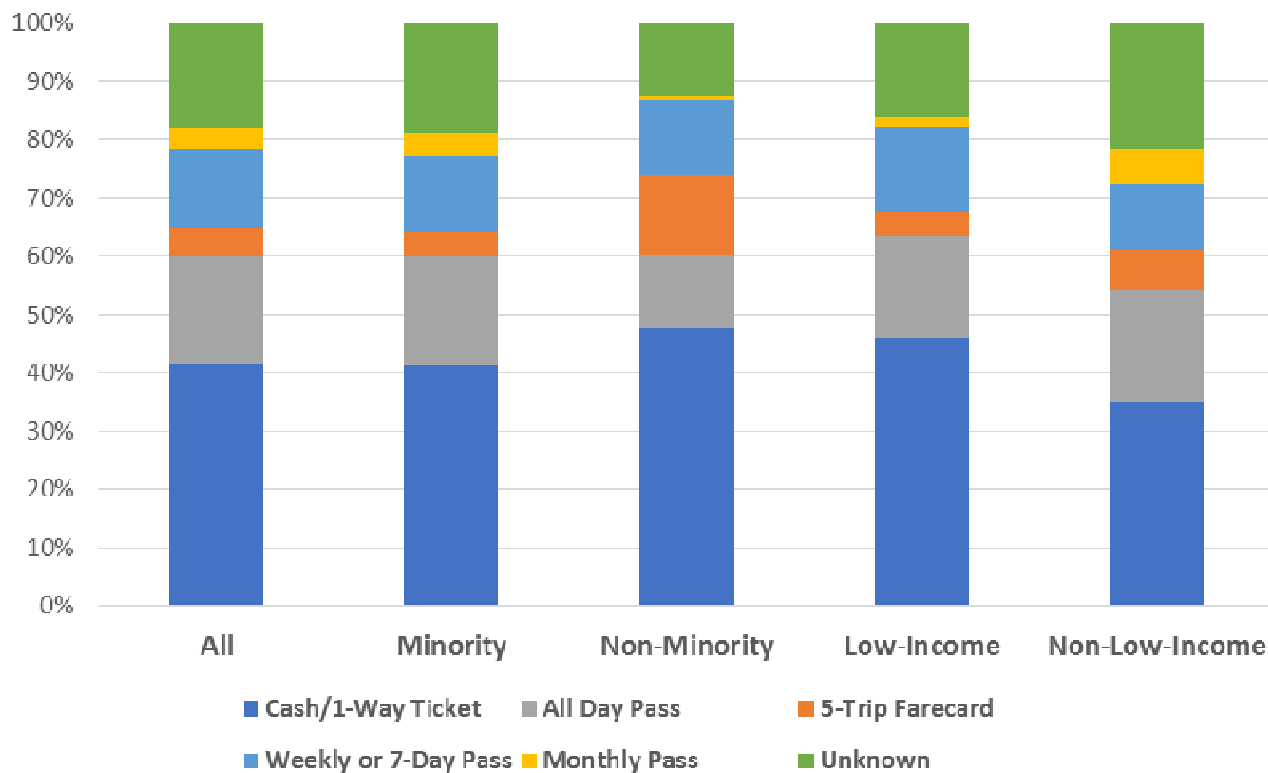
Riders Who:

- Travel 4- Days per Week
- Make 2 Trips per Day
- No Transfers
- Best Fare Option is 5-Trip Farecard or Cash
- 12% of Trips

SURVEY OF RIDERS – LESS FREQUENT ONE-WAY TRANSFERS



Share of Trips Taken By Fare Product



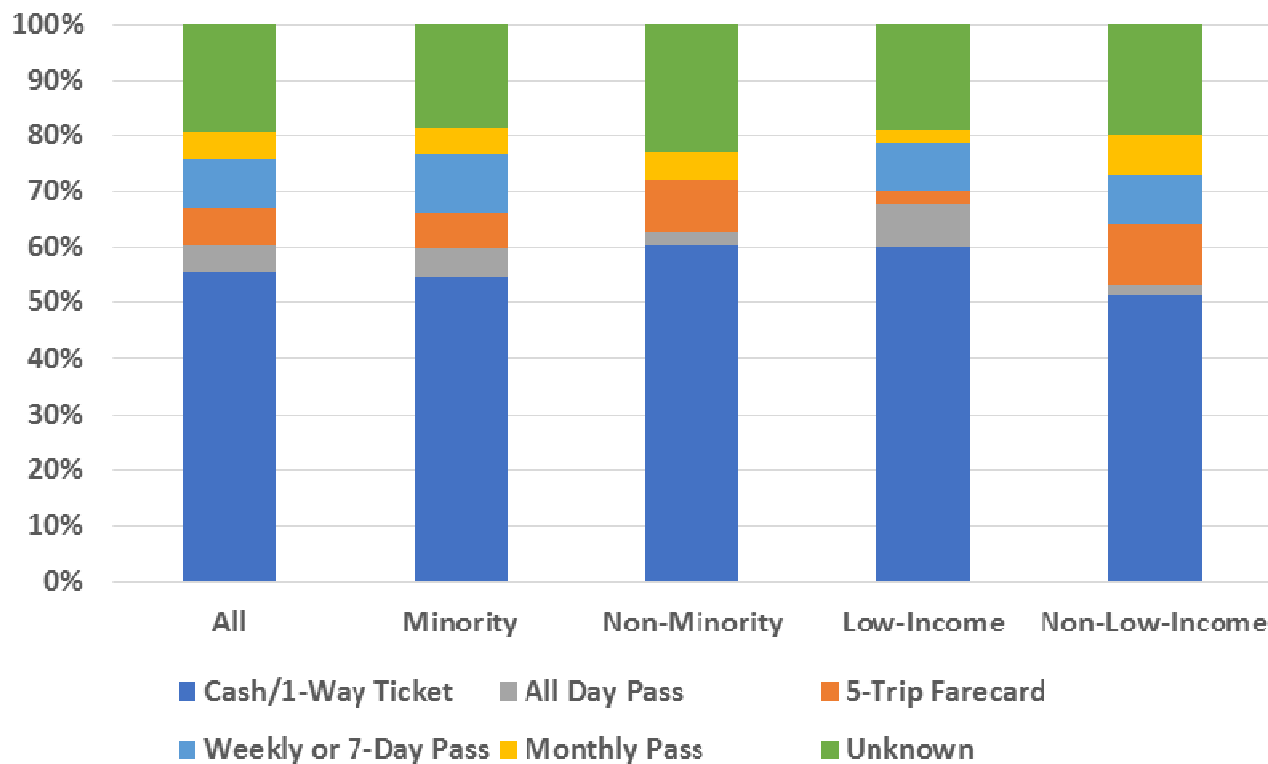
Riders Who:

- Travel 4- Days per Week
- Make 1 Trip per Day
- Transfer Between Transit Vehicles
- Best Fare Option is 5-Trip Farecard
- 3% of Trips

SURVEY OF RIDERS – LESS FREQUENT ONE-WAY RIDERS



Share of Trips Taken By Fare Product



Riders Who:

- Travel 4- Days per Week
- Make 1 Trip per Day
- Don't Transfer
- Best Fare Option is 5-Trip Farecard or Cash
- 11% of Trips

PEER AGENCIES –

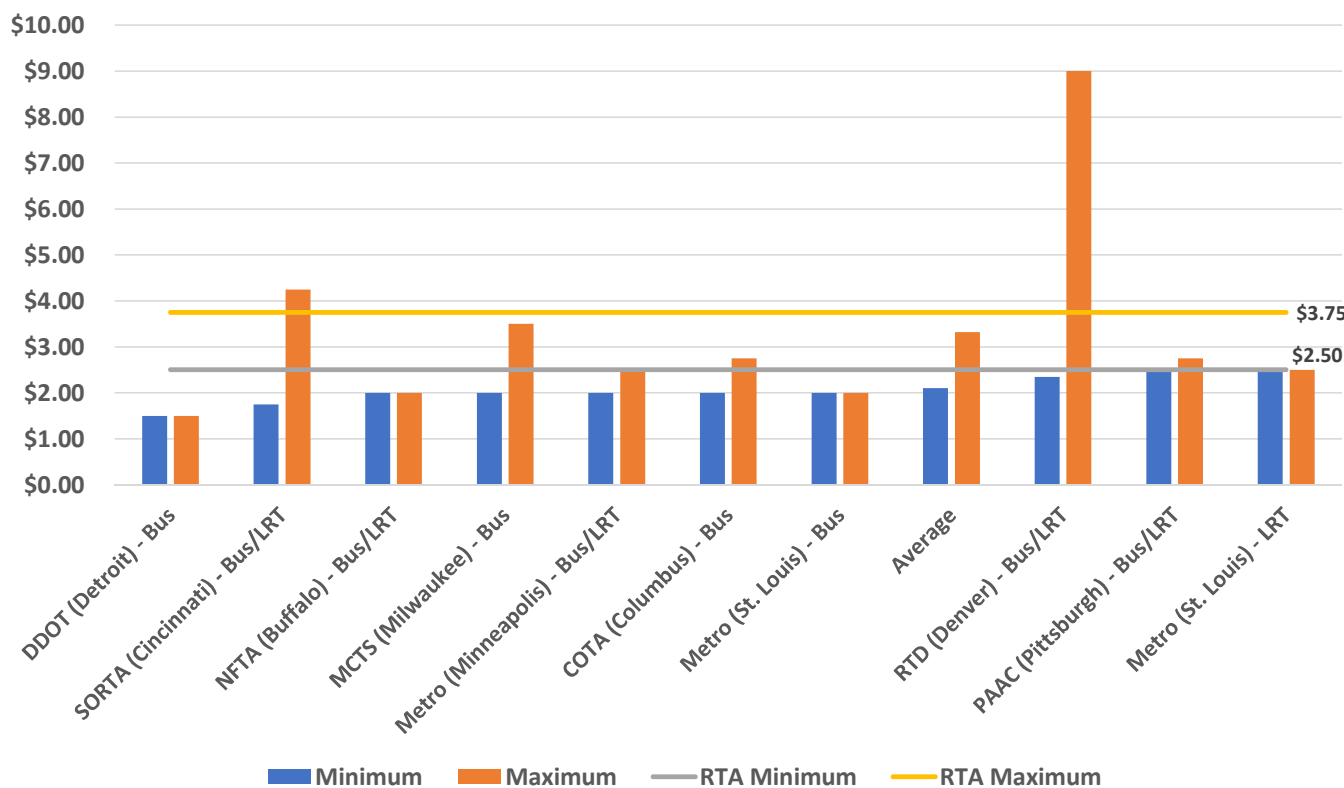


- Other major Ohio transit agencies
- Agencies with similar
 - Modes of service
 - Size of operation
 - Climate

PEER AGENCIES – SINGLE RIDE FARES



Figure 3: Local Service Single Ride Fares



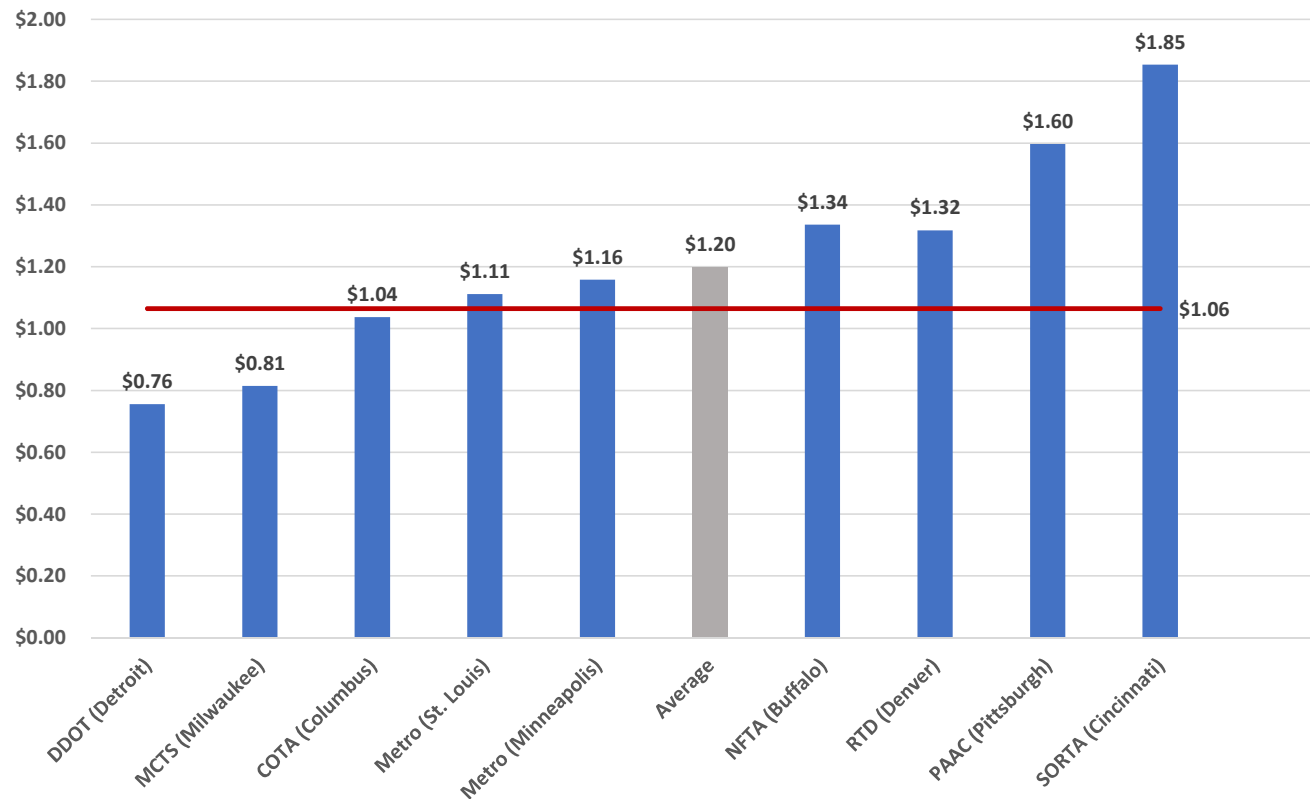
GCRTA Single Ride Fares are at the high end of the peer range.

Denver RTD just raised its lowest fares to \$3, but that provides a 3-hour pass.

Agencies with Transfers:

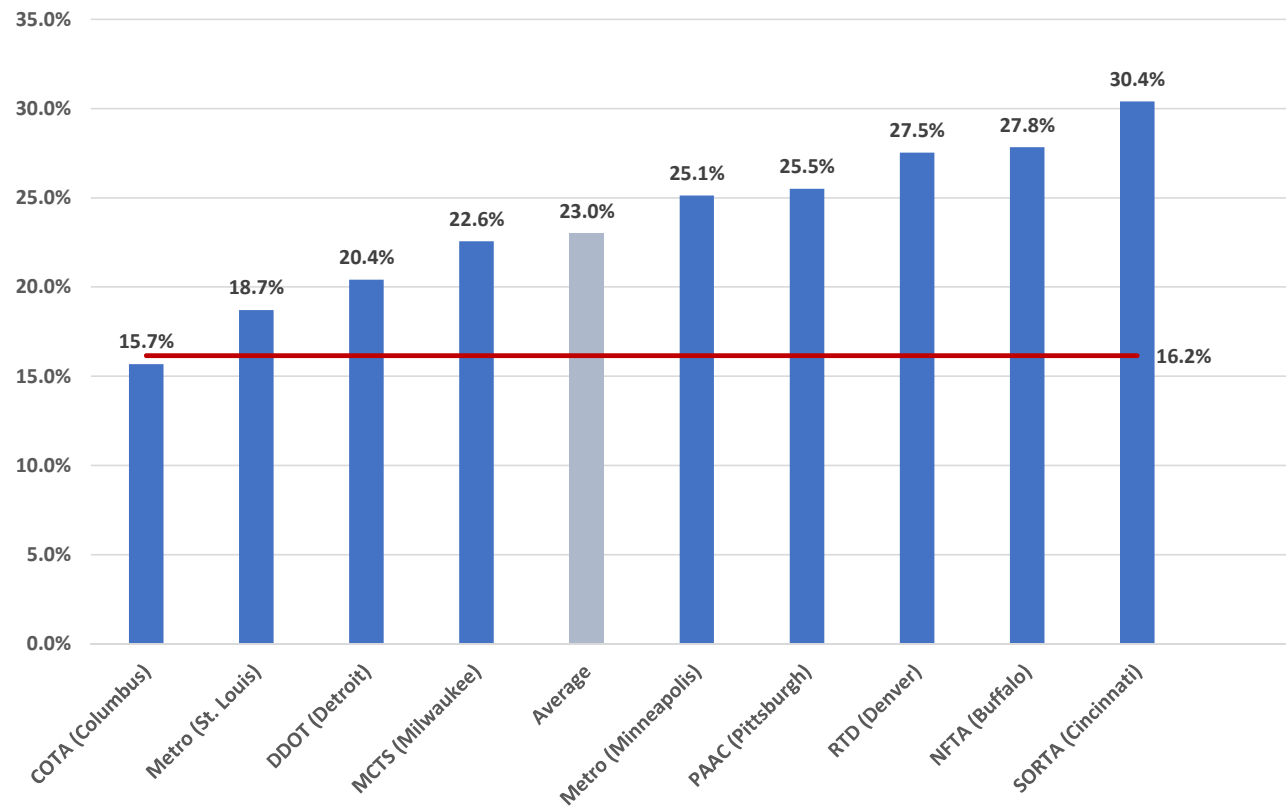
- DDOT -- \$0.25
- PAAC -- \$1.00 (smart card only)
- MCTS -- \$0.00 (smart card and mobile only)
- SORTA -- \$0.50
- COTA -- \$0.00
- Metro (StL) -- \$1.00

PEER AGENCIES – AVERAGE REVENUE PER BOARDING



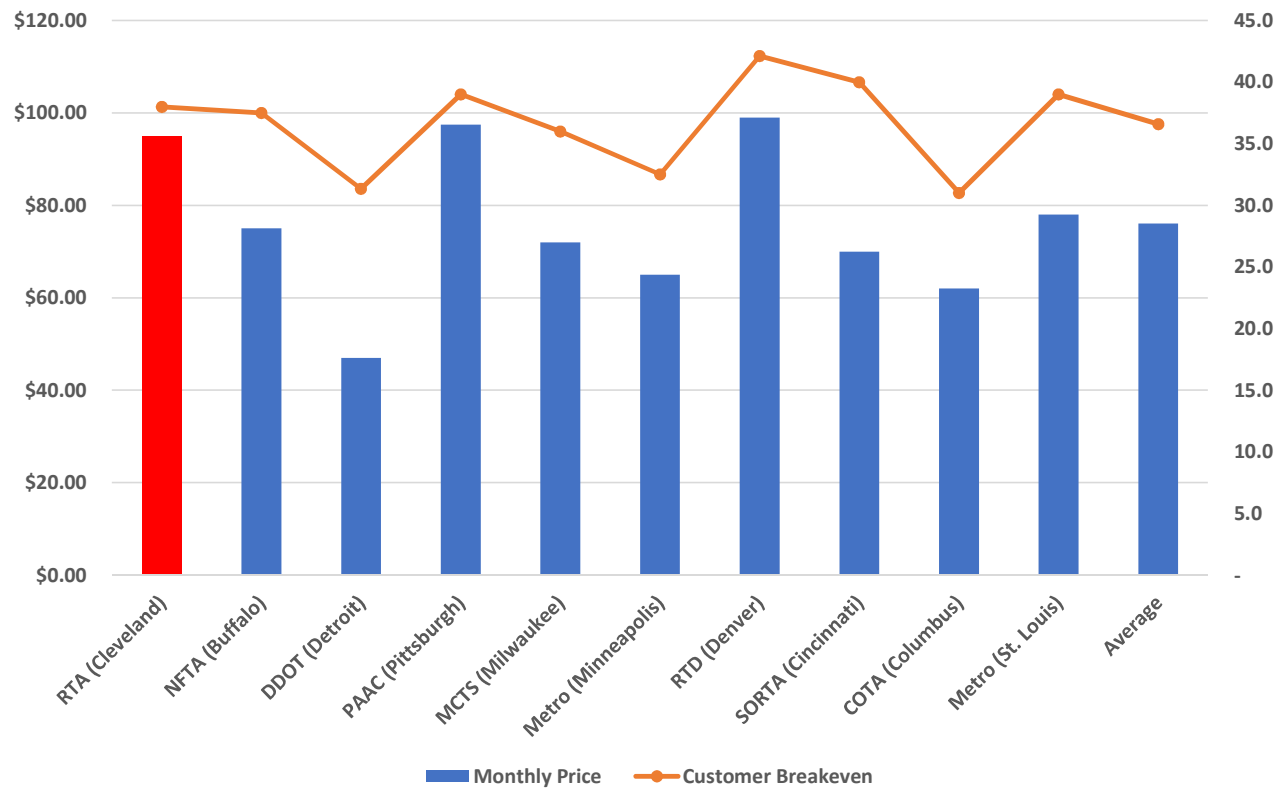
GCRTA revenue per boarding @ \$1.06 (GCRTA) is at the low end of the peer range.

PEER AGENCIES – FAREBOX RECOVERY RATIO



GCRTA recovery of operating expenses from the farebox @16.2% is almost the lowest of all peers.

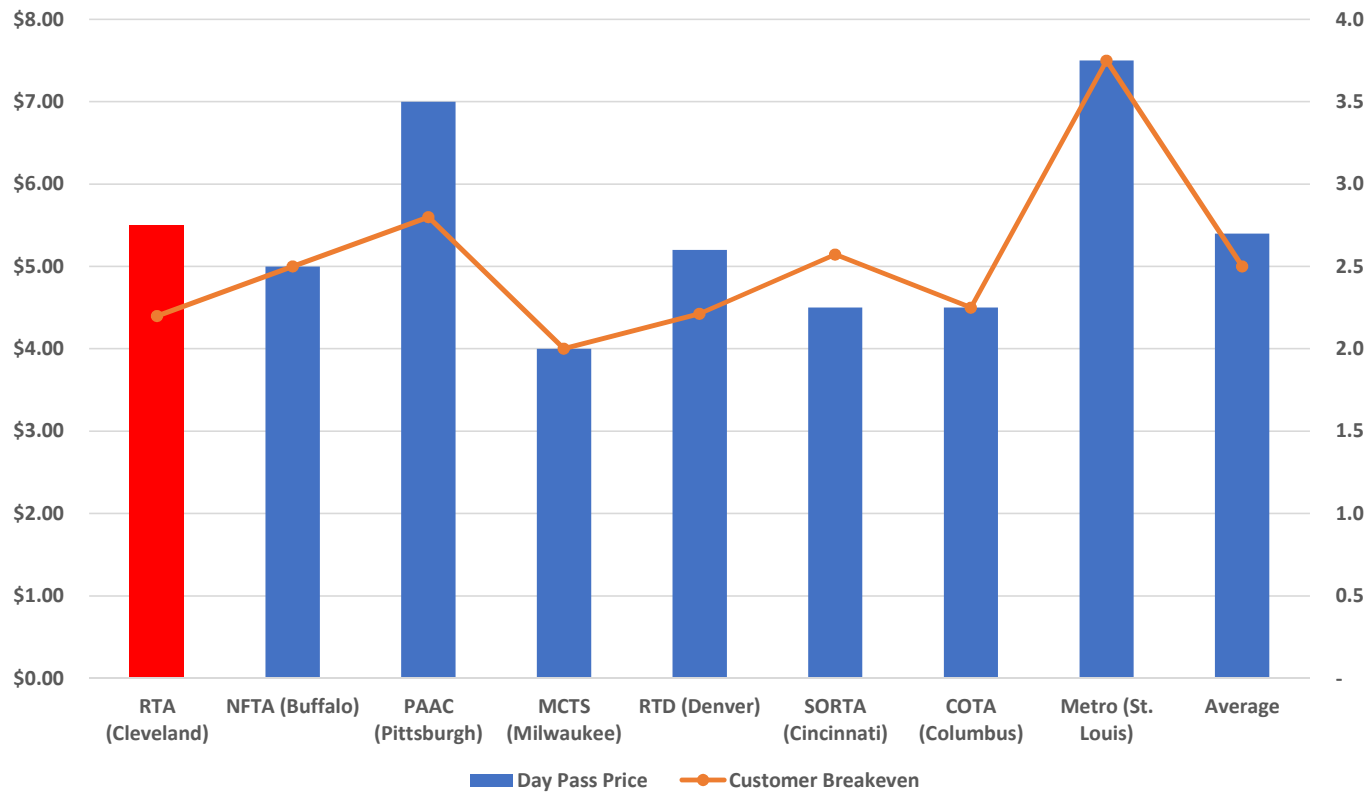
PEER AGENCIES – MONTHLY PASS PRICES



Monthly pass prices are also at the high end, but equal about the average number of cash fares.

Customer Breakeven answers the question:
How many trips makes the price of the pass worth it?

PEER AGENCIES – DAY PASS PRICES



Day pass prices are about average among the peers, although lower than average compared with the cash price.

KEY ISSUES



- Over half of trips are taken by riders who are best served by a monthly or weekly pass, but only half of these actually use a monthly or weekly pass
- Cleveland's transit network design requires about half of all riders to transfer
 - Riders who make one-way trips with a transfer pay an extra \$2.50 compared with a 5-Trip Card
 - Riders who make a round trip with a transfer pay an extra \$0.50 for a Daily Pass compared with a 5-Trip Card
- Fares are on the upper end of the peer range, but average revenue per boarding is on the low end.
 - This is driven by transfers and discounts

NEXT STEPS



- Board Comments and Concerns
- Finalizing fare structure design objectives
- Modeling of alternative fare structures
- Assess impacts of other studies
- Public Comment
- Develop staff recommendations on fare policy, structure, and levels for Board review