



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

PUBLIC WORKS DEPARTMENT

Rapid Transit Division

PW011309-06

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MEMORANDUM

TO: Mayor/City Council

FROM: Rich Sagen, Transit Manager

DATE: December 30, 2008

RE: Transit Fare Increase

Based upon the recommendation from the Mayor's subcommittee established to review proposed fare increases for Rapid Transit System the following fare structure is requested to be implemented by the City Council:

1. Increase RapidRide fare from \$1.00 to \$1.50 peak fare and senior/medicare card holder from \$.50 to \$.75 per trip.
2. Increase RapidRide monthly bus passes for adults from \$25.00 to \$30.00 per month and student bus passes from \$15.00 to \$20.00 per month.
3. Adopt zone structure for Dial-A-Ride.
4. Increase Dial-A-Ride single ride fare from \$2.00 to \$2.50 for Zone 1 and \$3.00 for Zone 2.
5. In January 2011, increase Dial-A-Ride single ride fare from \$2.50 to \$3.00 for Zone 1 and \$3.50 for Zone 2.
6. Sell unlimited monthly Dial-A-Ride pass for \$90.00 per month

Please feel free to contact me if you have any questions.

Rapid Transit Fares

January 2009

History

- Transit Development Plan (TDP) 2008
 - Requirement of FTA every 5 years
 - Review entire operations
- TDP recommendation to increase fares
 - 16 years since last increase (1992)
 - Significant increase in operational costs
 - Goal
 - ‡ 30% of operational costs from fares
 - ‡ 50% from general fund
 - ‡ 20% from FTA

History (cont.)

- **Public Input**
 - TDP = 2 public input meetings
 - Public Works Committee meeting
 - City Council meeting
 - Mayor's Committee meeting

Operational Cost Increases

- **Between 2003 and 2007 operational costs increased 65%**
 - Labor is the largest component (70% of total)
 - Fuel is second (9% of total)
 - Maintenance is third (8% of total)
- **Rapid City is growing**
 - City land area growth = 26% (2000-2010)
 - Population growth = 16% (2000-2010)

System Revenue

- Between 2003 and 2007:
 - FTA support increased 384%
 - General Fund assistance increased 167%
 - State support remained stagnate at \$28,425/yr
 - Fare Box revenue increased 50% (due to higher ridership)

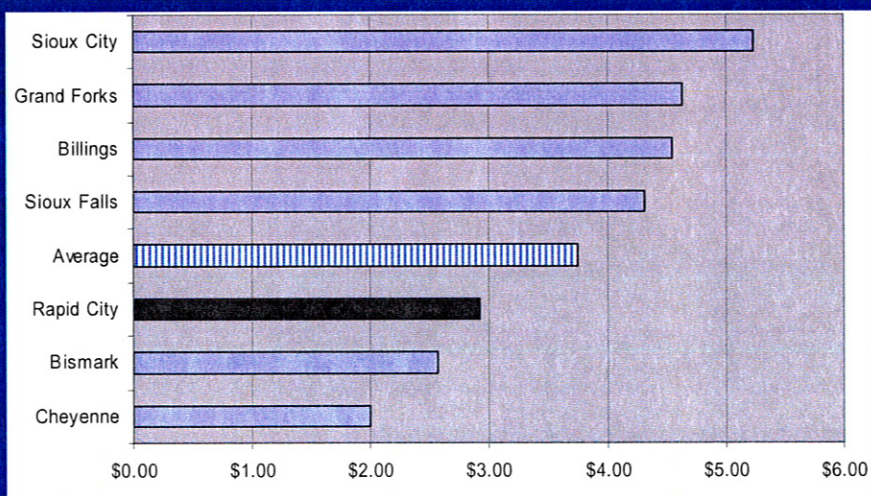
Operational Cost Goals

- Federal Government (FTA) = 50%
- City Contribution (General Fund) = 20%
- Fare Box Receipt (Users) = 30%

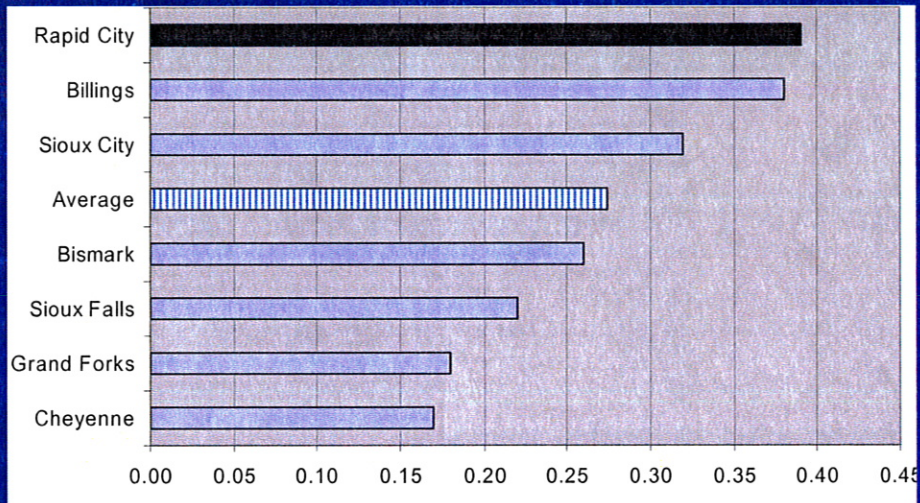
Fare Box Receipts

- In 2008 = (22% operational costs)
- With proposed increase = (26% operational costs)

Operating Expense per Vehicle Revenue Mile (*Rapid Ride*)

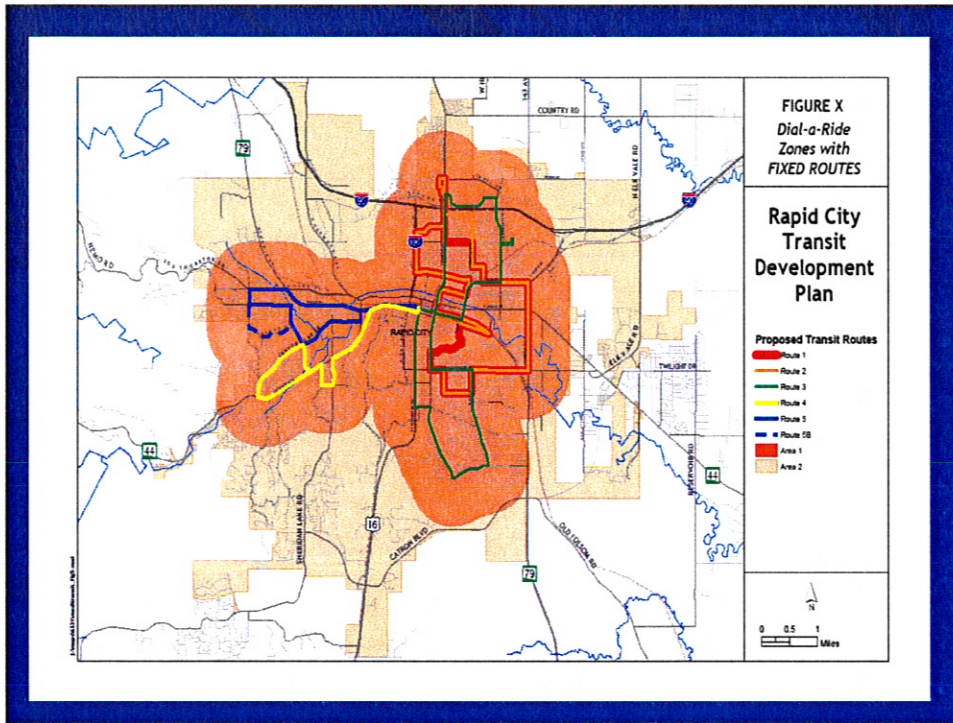


Passenger Trips per Revenue Mile (Dial-A-Ride)



Proposed Fare Increases

<u>Single Ride</u>	RapidRide		Dial-A-Ride	
Current:	Adults	\$1.00	\$2.00	
	Seniors	\$0.50		
Suggested 2009:	Adults	\$1.50	Zone 1 \$2.50	Zone 2 \$3.00
	Seniors	\$0.75		
Suggested 2011:	Adults	\$1.50	Zone 1 \$3.00	Zone 2 \$3.50
	Seniors	\$0.75		
<u>Monthly Pass</u>				
Current:	Adults	\$25.00	NA	
	Students	\$15.00		
Suggested:	Adults	\$30.00	\$90.00	
	Students	\$20.00		



Fare Recommendations (March 1, 2009)

1. Increase RapidRide fare from \$1.00 to \$1.50
2. Increase RapidRide fare from \$.50 to \$.75 for senior/medicare card holders
3. Increase RapidRide monthly passes for adults from \$25 to \$30 per month
4. Increase RapidRide monthly student passes from \$15 to \$20 per month
5. Adopt zone fare structure for Dial-A-Ride
6. Increase Dial-A-Ride fare from \$2.00 to \$2.50 for Zone 1 and \$3.00 for Zone 2
7. Sell unlimited monthly Dial-A-Ride pass for \$90
8. In January 2011, increase Dial-A-Ride Zone 1 fare to \$3.00 and Zone 2 to \$3.50