

**SUBJECT: Fare Strategy Process and Public Consultation Update**

**PURPOSE**

The purpose of this report is to provide an update on the Fare Strategy process and to provide a summary of public consultation received as of November 5, 2012 for **INFORMATION**.

**BACKGROUND**

At the September 11, 2012 meeting, a set of proposed fare structures were provided to the Commission for information and were approved to proceed with public consultation. Public consultation, scheduled from September 20<sup>th</sup> to November 9<sup>th</sup>, includes support for written feedback, an online survey and a public hearing during the November 13, 2012 Commission meeting. Final results will be shared with the Commission prior to the December 4, 2012 meeting, at which time the Commission will be asked to approve a three-year Service and Financial Strategy.

**DISCUSSION**

***Public Consultation***

Public consultation efforts during this fare strategy campaign have already garnered over 1,000 survey responses, 64 emails, and 28 phone messages; far surpassing the 600 responses received three years ago.

For reference, the four fare options are described below:

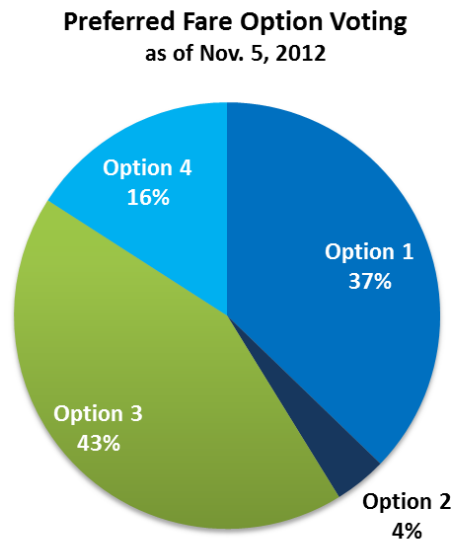
Option 1 - Includes increases to cash fares (\$2.75 for adult, \$2.00 for seniors/youth), decrease to the cost of day passes and no change to adult monthly passes.

Option 2 - Includes increases to adult cash fares (\$3.00 adult, \$2.00 for seniors/youth) and monthly passes with a decrease to the cost of day passes. This option introduces a whole-dollar denominated cash fare that is more user-friendly and is expected to result in less fare disputes.

Option 3 - Introduces a single cash fare (\$2.50 for both adults and seniors/youth). While the cash discount offered to seniors and youth is removed, the discount offered on tickets and monthly passes remain. The single cash fare offers a simplified fare structure and provides an incentive for riders to switch to pre-paid products. A single cash fare structure is common in a number of transit systems throughout Canada.

Option 4 - Introduces the single cash fare concept (\$3.00 for both adults and seniors/youth) and maintains the adult monthly pass rate while decreasing the rate for senior/youth passes.

As part of the online survey, respondents were asked to rank these options in terms of their preference. Interim results show the strongest preference for Option 3, with 43% of respondents choosing it as their most preferred option, followed by Option 1, with 37%. The following chart summarizes the fare option voting results (with 1056 responses) as of November 5, 2012:



From an analysis of the interim results, two options are generally preferred by the public and are discussed briefly in the following section.

Option 3 offers a single cash fare of \$2.50 and has the lowest price increase out of the four options and subsequently the lowest revenue increase. When asked to support the rationale for their preferred option, many respondents choosing this option indicated they like the fact that monthly pass prices for adults remain the same as before and the rate for senior/youth passes are reduced. Most respondents recognized that this single cash fare option offers an alternative for seniors/youth to avoid paying a higher cash rate by offering discounted tickets and monthly passes. The benefits of a single cash fare remain as outlined in the report presented in September. Operationally, it reduces the number of age-related fare disputes onboard buses, and also decreases cash handling by promoting use of more prepaid fare products. From a customer point-of-view, there is less confusion as to the correct fare with everyone paying the same cash fare of \$2.50.

Option 1 uses the historical transit pricing model employed in the Greater Victoria region by having a higher cash rate for adults and a discounted cash rate for seniors/youth. In this case, the proposed \$2.75 adult and the \$2.00 seniors/youth rate is favoured by respondents who feel this conventional method of pricing should remain. Ticket rates increase in all fare categories,

while monthly passes stay the same. Consequently, this option would likely generate higher revenue to the system than Option 3.

Options 2 and 4 are the least preferred options showing a general opposition towards introducing a \$3.00 adult cash fare.

### ***Approval Process***

The final results of the public consultation, along with revenue and ridership assumptions associated with the options, will be presented at the December 4, 2012 Commission meeting. The anticipated revenue projections will be assessed against funding requirements to support the base and expansion scenarios outlined in the three-year Service and Financial Strategy presented at the September 11, 2012 meeting.

Approval of a fare structure is required at the December 4, 2012 to meet the planned implementation date of April 1, 2013. Approximately three months lead time is required to prepare the necessary fare media, signage and supporting systems. Taxation approval is planned for either the January 22, 2013 or the February 19, 2013 Commission meeting

### **RECOMMENDATION**

It is recommended that the Victoria Regional Transit Commission receive this report for **INFORMATION**.

Respectfully,



Manuel Achadinha  
President and Chief Executive Officer

Attachments:

- 1) Interim Online Survey Summary Report
- 2) Interim Fare Option Voting Results

# Attachment 1 – Interim Online Survey Summary Report

## 1121 Responses – as of November 5, 2012 (deadline November 9, 2012)

*(Completion rate: 99.91%)*

### Question 1 - Which age group do you fit in?




Response	Chart	Percentage	Count
17 and under		3%	34
18 to 29 years		41%	457
30 to 49 years		33%	369
50 to 64 years		18%	199
65 plus		6%	67
<b>Total Responses</b>			<b>1121</b>

### Question 2 - How do you usually pay your transit fare?






Response	Chart	Percentage	Count
Cash		14%	162
Ticket		27%	307
Monthly Pass		31%	346
DayPASS		0%	1
U-PASS		13%	143
ProPASS		9%	102
BC Bus Pass		4%	48
Youth Pass		1%	12
<b>Total Responses</b>			<b>1121</b>

### Question 3 - What is your main purpose for using transit?







Response	Chart	Percentage	Count
Work		69%	775
School		22%	251

Shopping/Errands		36%	403
Recreation		26%	294
Other, please specify...		11%	127
<b>Total Responses</b>			<b>1120</b>




#### Question 4 - How long have you been a transit user on the Victoria Regional Transit System?



Response	Chart	Percentage	Count
New rider		1%	16
Less than 1 year		5%	54
1 to 3 years		21%	230
4 to 5 years		15%	162
More than 5 years		58%	651
<b>Total Responses</b>			<b>1113</b>

#### Question 5 - From Monday to Friday in the past six months, how often did you use transit?










Response	Chart	Percentage	Count
5 days per week		52%	584
3 – 4 days per week		24%	273
1 – 2 days per week		10%	115
A few times per month		7%	79
Infrequently		5%	59
Never		1%	9
<b>Total Responses</b>			<b>1119</b>

#### Question 6 - On Saturday and Sunday in the past six months, how often did you use transit?

Response	Chart	Percentage	Count
One day per weekend		20%	228
Two days per weekend		27%	302
A few times per month		20%	226

Infrequently		23%	252
Never		10%	109
<b>Total Responses</b>			<b>1117</b>

**Question 7 - What is the most important reason you use public transit?**

Response	Chart	Percentage	Count
A car was not available		13%	148
I am unable to drive		22%	250
It is expensive to park a car at my destination		14%	159
I want to avoid driving in traffic		7%	76
Public transit is the cheapest option		19%	211
Public transit is the most reliable option		3%	30
Public transit is better for the environment		14%	155
Public transit provides time to relax / work / read / listen to music / walk		6%	66
I normally don't use public transit		2%	26
<b>Total Responses</b>			<b>1121</b>

**Question 8 - Rank the options below with A being your most preferred option and D being your least preferred option.**

	A	B	C	D	Total Responses
<b>Option 1</b> - Increases to cash fares with no change to adult monthly passes. Decrease to daypass cost.	385	232	254	119	990
<b>Option 2</b> - Increases to cash fares and fare products (tickets, daypasses, youth pass and monthly passes). Decrease	41	124	195	591	951

to daypass cost.					
<b>Option 3</b> - Introduces a single cash fare for all users. A much higher discount to pre-paid fare products for seniors and youth. Decrease to daypass cost.	433	217	200	105	955
<b>Option 4</b> - Introduces a single cash fare for all users. A higher discount to pre-paid fare products for seniors and youth. Decrease to daypass cost.	166	341	269	196	972



**Question 9** - Based on your preferred option in Question 8, what is your main reason for choosing that option? (choice A) – 999 responses received to-date.

All responses to this question will be summarized as part of the final public consultation report.

**Question 10** - Based on your least preferred option in Question 8, what is your main reason for choosing that option? (choice D) – 958 responses received to-date.







All responses to this question will be summarized as part of the final public consultation report.

**Question 11** - Based on your most preferred option in Question 8, how do you prefer implementing the three year fare strategy?

Response	Chart	Percentage	Count
Implement all changes on April 1, 2013		42%	442
Implement the changes over a three year period		42%	443
Comments		17%	180
<b>Total Responses</b>			<b>1065</b>

**Question 12** - On a scale from 1 to 5 how willing would you be to pay a higher fare if it was tied to an increase frequency or expanded transit service?

Response	Chart	Percentage	Count
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5. extremely likely		14%	159
4. very likely		12%	132
3. likely		18%	193
2. somewhat likely		18%	193
1. not likely		33%	363
Don't know		5%	60
<b>Total Responses</b>			<b>1100</b>

**Question 13** - If additional service was implemented, where would you like to see more service or new service? – 891 responses received to-date.

All responses to this question will be summarized as part of the final public consultation report.

**Question 14** – Do you have any other comments? – 624 responses received to-date.

All responses to this question will be summarized as part of the final public consultation report.

End of Report



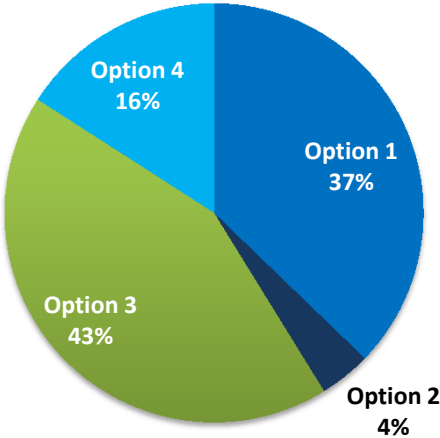
**Attachment 2 - Interim Fare Option Voting Results  
- as of Nov. 5, 2012\***

	A	B	C	D	Total Survey Responses
<b>Option 1</b> - Increases to cash fares with no change to adult monthly passes. Decrease to daypass cost. \$2.75 adult cash fare, \$2.00 discount cash fare.	385	232	254	119	990
<b>Option 2</b> - Increases to cash fares and fare products (tickets, daypasses, youth pass and monthly passes). Decrease to daypass cost. \$3.00 adult cash fare, \$2.00 discount cash fare.	41	124	195	591	951
<b>Option 3</b> - Introduces a single cash fare for all users. A much higher discount to pre-paid fare products for seniors and youth. Decrease to daypass cost. \$2.50 single cash fare.	433	217	200	105	955
<b>Option 4</b> - Introduces a single cash fare for all users. A higher discount to pre-paid fare products for seniors and youth. Decrease to daypass cost. \$3.00 single cash fare.	166	341	269	196	972

Email Votes	Telephone Votes	Total "Choice A" Votes	% "Choice A" Votes	Ranking
5	3	393	37%	2
1	0	42	4%	4
15	5	453	43%	1
2	0	168	16%	3

1056

**Preferred Fare Option Voting  
as of Nov. 5, 2012**



\*Interim Fare Option Voting Results for Nov. 13, 2012 Commission Report - Fare Strategy Process & Public Consultation Update