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FRED Board Ponders Changes in Fares

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The Free Lance-Star (Fredericksburg, Virginia)

VIRGINIA - A bus ride on FREDericksburg Regional Transit costs 25 cents.



That's a transportation bargain in a year when gas surpassed \$4 a gallon, airlines starting charging to check baggage, and Virginia Railway Express ticket prices went up 7 percent.

But FRED is not immune to budget challenges.

The 31-bus network that serves the city of Fredericksburg and Caroline, King George, Stafford and Spotsylvania counties is facing rising diesel fuel costs.

Local governments that contribute to FRED are seeing less revenue for all services.

Consequently, FRED is thinking about raising its base fare for the first time since it began running bus service in 1996.

"Unfortunately, given the budget crunch in the area, it's either raise the fares and generate more revenue out of the farebox or face the potential of having to cut service," said Arnold Levine, manager of policy, planning and compliance at FREDericksburg Regional Transit. "And especially in light of our tremendous growth over the last year in ridership, the last thing we want to do is cut service."

The FRED Public Transit Advisory Committee will consider a few fare possibilities at a public meeting March 4. The group's recommendation will be forwarded to Fredericksburg City Council, which has the final authority to set bus fares.

A FRED fare study lays out several options:

The city could leave the base fare at 25 cents.

It could increase the base fare to 50 cents and the Virginia Railway Express feeder-bus fare from \$1 to \$1.25 each way.

Bus transfers could remain 25 cents or increase to 50 cents.

The board could recommend a combination of these changes.

FRED could create a completely new pricing structure based on the distance a rider travels. Or it could use a structure that considers the time of day a passenger travels, at peak or off-peak times.

FRED's current one-fare-fits-all structure does not take into account the expense of longer trips versus shorter trips.

For instance, a rider could travel from Dahlgren in King George to the opposite end of the FRED service area, 50 miles away at Spotsylvania Courthouse, for 75 cents. The base fare for that trip costs 25 cents, plus an additional 50 cents for two transfers.

FRED fares were unchanged until 2007, when FRED decided to charge an additional 25 cents for transfers.

At that time, FRED's public transit advisory board asked leaders to look at fare changes more frequently, Levine said.

On Wednesday, Stafford resident Betty Kearns, 38, rode the bus from her home to the FRED Central bus depot, where she transferred to another bus to reach her daughter's doctor's office near Mary Washington Hospital. Her daughter Abigail, 2, was having stomach pain and wouldn't eat. Children under 3 ride for free on FRED.

Kearns buys a \$15 monthly pass for FRED, which she rides several days a week to Wal-Mart, to visit family and friends, and to run errands. She hopes the monthly pass price stays the same.

Otherwise, she had nothing but good things to say about FRED. "I like the drivers -- they're nice to me. I like the ride, to get out. It'll take me wherever I want to go," Kearns said.

Tamica Anderson, 34, of Caroline paid 25 cents to ride from her home to FRED Central, where she waited for another bus to visit family in King George. The bus deviated from its normal route to pick her up at her house; a deviation of no more than two minutes is a standard FRED service for riders who call 24 hours in advance.

Anderson would still ride if fares went up to 50 cents.

"I think 50 cents is a decent price," she said.

Fares make up a tiny amount of FRED's revenue.

FRED collected \$116,662 in fare revenue over the last fiscal year, compared with \$54,963 in 2007, an increase of more than 100 percent.

FRED has a record ridership year in 2008, carrying 513,150 people.

Still, fares represent just 3.9 percent of all revenue.

FRED's operating expenses increased from \$2.2 million to \$3 million last year.

"Diesel fuel was probably the single largest factor to the increase in operating expenses," Levine said.

Increasing fares could lower expenses paid by participating counties and business partners. Participants pay the local share after fares, state and federal subsidies and donations to FRED are deducted.

If a locality wants to pay a lower share, it can decide to discontinue bus routes.

"In this budget environment, there is no question all of our partners are interested in farebox revenue increasing," Levine said.

Copies of the FRED Fare Study are available for public review at FRED Central, 1400 Jefferson Davis Highway.

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