

T Transportation Committee

Meeting date: February 9, 2009

For Metropolitan Council: February 25, 2009

ADVISORY INFORMATION	
Date:	January 30, 2009
Subject:	Northstar Commuter Rail Fares Public Review
District(s), Member(s):	All
Policy/Legal Reference:	Public Accountability Policy 2-1, Public Hearings Procedure 2-1b; Transit Fare Policy Changes 3-2-6, Implementing Procedure 3-2-6a
Staff Prepared/Presented:	Brian J. Lamb, General Manager (612) 349-7510 Mark Fuhrmann, Deputy General Manager (651) 602-1942 Edwin D. Petrie, Director, Finance (612) 349-7624 Adam Harrington, Senior Manager Operations Planning (612) 349-7797
Division/Department:	Northstar Project Office, Metro Transit

Proposed Action/Motion

That the Metropolitan Council authorizes proposed Northstar Commuter Rail Fares as set forth below for public comment.

Background

Passenger fares are an important part of operating revenues and budgeting for Northstar Commuter Rail. Setting the base fares is essential for managing operating budgets, fare collection software, communication material, fare media and implementation by late 2009.

In September 2008, fares were proposed for public review:

Big Lake	\$7.50
Elk River	\$5.50
Anoka	\$4.00
Coon Rapids	\$4.00
Fridley	\$3.25
Non-downtown station-station	\$3.25

At the Metropolitan Council's (Council) direction, Metro Transit and Northstar Project staff has re-evaluated additional fare pricing scenarios and their modeled impact on ridership and revenue. Fare pricing scenarios evaluated ranged up to \$10 for one-way cash fare from Big Lake to Minneapolis.

Results have been reviewed with internal staff, the Northstar Corridor Joint Finance Working Group representing Anoka, Hennepin and Sherburne County Staff, Northstar Corridor Development Authority (NCDA) and Metro Transit/Northstar Project Office staff. The analysis included a review of peer commuter rail systems, impacts on ridership and operating revenue.

These results were shared with policy makers at a January 12 meeting including Commissioners from Anoka, Hennepin and Sherburne Counties, Council Chair Bell, Council Member Haas Steffen, Regional Administrator Weaver, and project staff. All present were in favor of the presenting the fares as shown below to the public for comment.

The following one-way cash fares are now recommended for 2009 public review

Big Lake	\$8.00
Elk River	\$6.00
Anoka	\$4.00
Coon Rapids	\$4.00
Fridley	\$3.25
Non-downtown station-station	\$3.25

On a demonstration basis, discounted off-peak, weekend and “Special Event” fares will be developed within or below these fare ranges in consideration of non-commute users, lower parking pricing and congestion levels in downtown Minneapolis during non-peak periods.

These fares will be presented at three public hearings in the Northstar Corridor

- **Downtown Minneapolis Library: April 8, 12 noon-1:00 pm**
- **Sherburne County Government Center, Elk River: April 8, 7:00-8:00 pm**
- **Anoka County Government Center Board Room: April 14, 6:30-7:30 pm**

Comments will be received by the Data Center via US Mail, email, fax and phone until 5:00pm April 24.

After public review and comment, staff will bring final recommendation to the NCDA and Council for approval. Beginning in June 2009, the approved fares will be integrated into fare collection software and hardware, and included in promotional/communication materials.

Rationale

The new fare set will better reflect the customer value of longer distance and higher quality service than express bus, while balancing ridership impacts and fare revenue generation.

Funding

Setting fares is essential for managing the operating budget fare, software, media, administration procedures, promotion and future operational budget preparation.

Known Support / Opposition

On January 12, policy makers representing Northstar funding partners from Anoka, Hennepin and Sherburne Counties as well as the Council were presented the fare pricing evaluation, and support the recommended proposal.

When the original proposal was presented at the September 2008 Northstar Corridor Development Authority (NCDA) meeting, Big Lake NCDA member expressed concern that \$7.50 is too high. Other NCDA members are concerned that revenue needs to be higher.