

T Transportation Committee

Business Item

Item: 2009-178

Meeting date: June 8, 2009

For Metropolitan Council: June 24, 2009

ADVISORY INFORMATION

Date: June 3, 2009
Subject: Northstar Commuter Rail Fare Approval
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, Metro Transit 612 349-7510
Mark Fuhrmann, Deputy General Mgr, Metro Transit, 651 602-1942
Edwin D. Petrie, Director, Finance Metro Transit, 612 349-7624
Adam Harrington, Asst. Director Route & System Planning, Metro Transit 612 349-7797
Division/Department: Northstar Project Office, Metro Transit

Proposed Action/Motion

That the Metropolitan Council approves the recommended Northstar Commuter Rail Fares as set forth below.

Background

In September 2008, after commuter market and ridership elasticity modeling for a range of fare prices, the following cash fares were proposed for public review:

One-way Weekday

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 re-evaluated additional fare pricing scenarios and their modeled impact on ridership and revenue. Fare pricing scenarios evaluated ranged up to \$10.00 for one-way cash fare from Big Lake to Minneapolis.

These results were shared with and a recommendation supported by a Joint Policy Group on January 12, 2009. The Joint Policy Group meeting included Commissioners from Anoka, Hennepin and Sherburne Counties, Council Chair Bell, Council Councilmember Steffen, Council Regional Administrator Weaver, and project staff. All present concurred with presenting the cash fares as shown below to the public for comment.

One-way Weekday

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

This proposal was presented at three public hearings in the Northstar Corridor:

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

Comments were received by the Data Center via US Mail, email, fax and phone until 5:00 pm April 24. A summary of comments is attached.

After reviewing public comment and commuter market factors (attached), staff recommended fares to the Joint Policy Group on May 27 representing the NCDA and the Council. Northstar Commuter Rail Operating revenues for the recommended fare set are estimated to cover 21% of expenses in 2010, and 28% in 2011. This is less than a 1% variance from either previous proposal. By majority, the Group approved the cash fares as recommended below.

Recommendation

One-way Weekday

Big Lake	\$7.00
Elk River	\$5.50
Anoka	\$4.00
Coon Rapids	\$4.00
Fridley	\$3.25
Non-downtown station-station	\$3.25

One-way Saturday and Sunday/Holiday

All-station service	\$3.25
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Limited promotional fare upon start of service (discount up to \$.50, duration to be determined).

Rationale

The recommended fare pricing reflects current travel market conditions for commuter's value of long distance and high quality service, 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

This recommendation is supported by a Joint Policy Group representing NCDA and the Council and reflects the public comments received in April 2009.

**Northstar Commuter Rail
2009 Fare Proposal**

April Public Comment Summary: 122 comments

1. 60 comments received via email and comment line
 - i. Big Lake fare of \$8 is too high – suggested \$5.00-7.00
 - ii. Resolution from City of Big Lake supporting \$7.00 but not \$8.00
 - iii. Elk River fare of \$6 is too high – suggested \$4.75-5.00
 - iv. Car pool alternative is more attractive
 - v. Will drive to next less expensive Northstar park and ride
 - vi. Will drive to bus park and ride with more service and lower fare
 - vii. Commute drive-time is reduced with higher unemployment
 - viii. Suggest having a “group/family pass”
 - ix. Questions regarding MetroPass reimbursement

2. April 8, 2009: Downtown Minneapolis Library; CM Meeks opened
23 attended (Mostly existing bus riders)
 - i. Big Lake fare of \$8 is too high
 - ii. Elk River fare of \$6 is too high
 - iii. Car pool alternative is more attractive
 - iv. Will drive to next less expensive Northstar park and ride
 - v. Will drive to bus park and ride with more service and lower fare
 - vi. Commute drive-time is reduced with higher unemployment
 - vii. Questions regarding MetroPass reimbursement

3. April 8, 2009: Elk River/Sherburne Co Gov Ctr; CM Sanda opened
37 attended (Mostly existing bus riders)
 - i. Big Lake fare of \$8 too high
 - ii. Car pool alternative is more attractive
 - iii. Will drive to next less expensive Northstar park and ride
 - iv. Will drive to bus park and ride with more service and lower fare (Foley or Maple Grove)
 - v. Commute drive-time is reduced with higher unemployment
 - vi. Would like earlier AM train
 - vii. Would like later evening train
 - viii. Twins post game weekday train desired
 - ix. Questions regarding MetroPass reimbursement
 - x. A reporter from <http://www.westsherburnetribune.com/> attended

4. April 14, 2009: Anoka Co Gov Ctr; CM Sanda & Steffen attended
2 existing riders attended
 - i. Questions about how the Go-To card “upcharge” works
 - ii. Peter Bodly from <http://www.abcnewspapers.com/> will go to print April 24.

Northstar Commuter Market Factors

28-May-09

Fare Pricing Scenarios way Weekday	One- Express Bus	Current Proposed Sept 2008	Proposed April 2009	Recommendation May 2009
Big Lake	na	\$7.50	\$8.00	\$7.00
Elk River	\$4.75	\$5.50	\$6.00	\$5.50
Anoka	\$3.00	\$4.00	\$4.00	\$4.00
Coon Rapids	\$3.00	\$4.00	\$4.00	\$4.00
Fridley*	\$3.00	\$3.00	\$3.25	\$3.25
* weekend flat rate and non-downtown station-station rate				
2010 budget fare recovery		20%	22%	21%
2011 budget fare recovery		28%	29%	28%

Market Factors			
Fuel Price		\$3.87	\$1.99
Parking Pricing		\$8.00	reduced
Hwy 10 congestion; lane add 11/2009		high	reduced
Public Input			attached

Market Impact	Weekday Ridership		
Northstar Bus Routes	Oct 08	Apr 09	Change
Rt 851	739	668	-10%
Rt 850	2554	2349	-8%
Rt 854	728	700	-4%
Rt 856	253	253	0%
Rt 888	650	595	-8%
Total	4924	4565	-7%