

Hampton Roads Transit

A Healthier Transit System

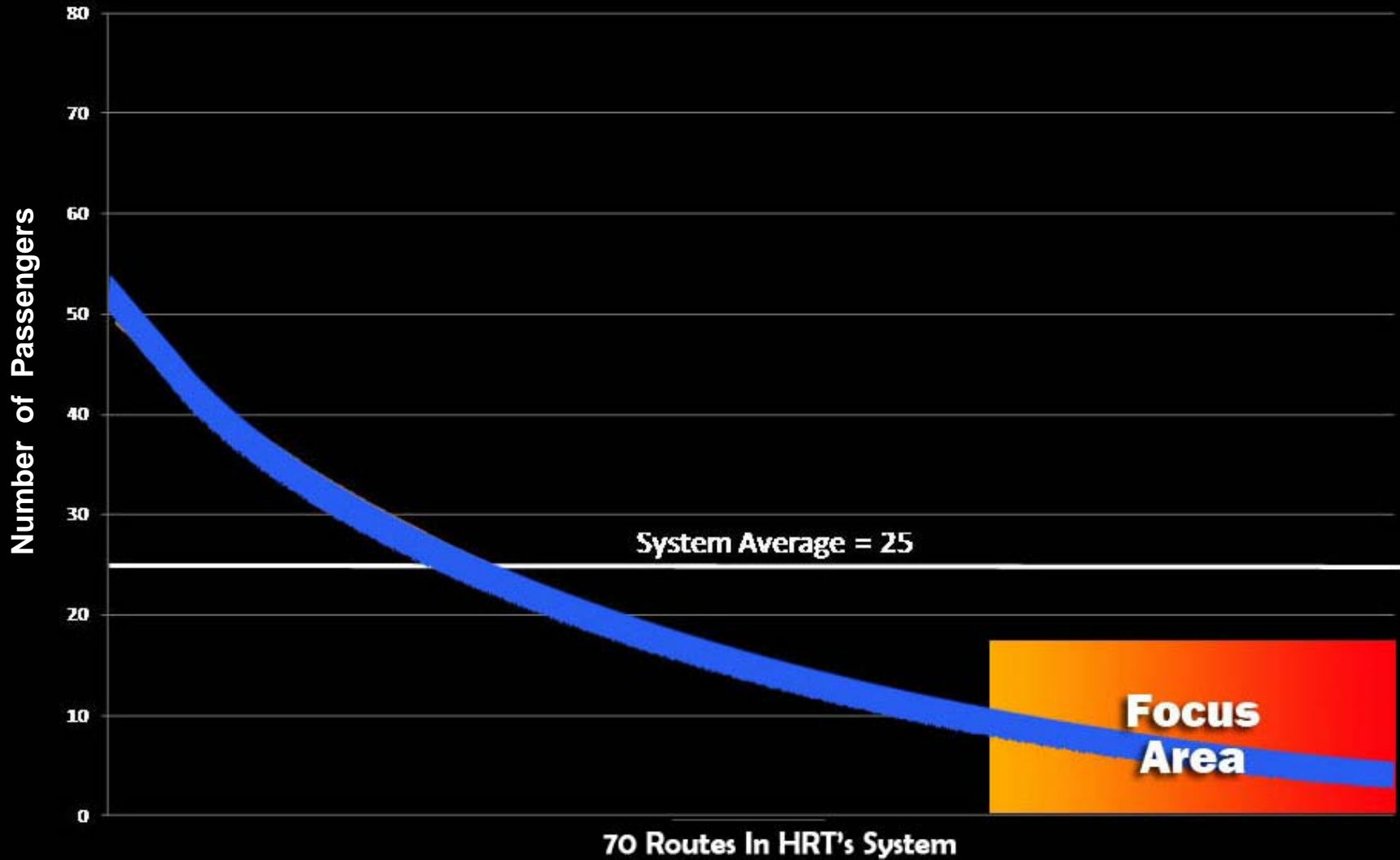
March 23, 2011

	August 2010	Efficiency Study
Fare Increase	YES	NO
Financial Sustainability of HRT	Declining	Improving
Service Quality	Declining	Improving
Taxpayer Return	Declining	Improving

The performance study tells us

- HRT has some high performing routes
- The top 20 routes account for almost 60% of our total bus passengers (7.2 million) and revenue (\$6.6 million)
- But the bottom 20 routes are very infrequently used; accounting for 3-4% of total passengers (430,000) and revenue (\$0.5 million)

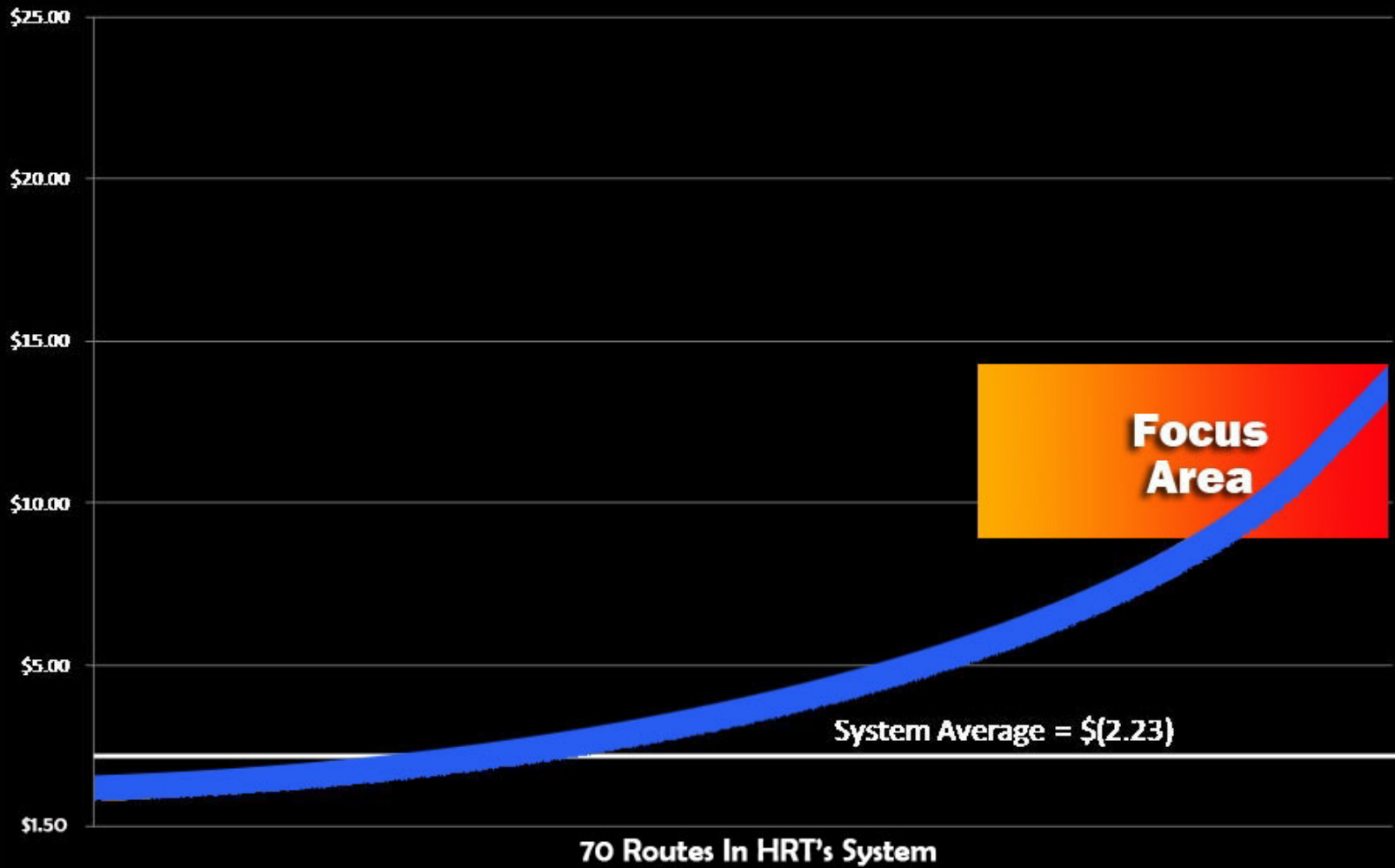
HRT Passengers Per Revenue Hour (weekdays)



The performance study tells us

- Subsidy is spread across the system
- But an inordinate level of subsidy supports our lowest performing 25% of routes; at least half of these require over \$10 of subsidy.
- In one case, taxpayers are paying \$14 per boarding customer

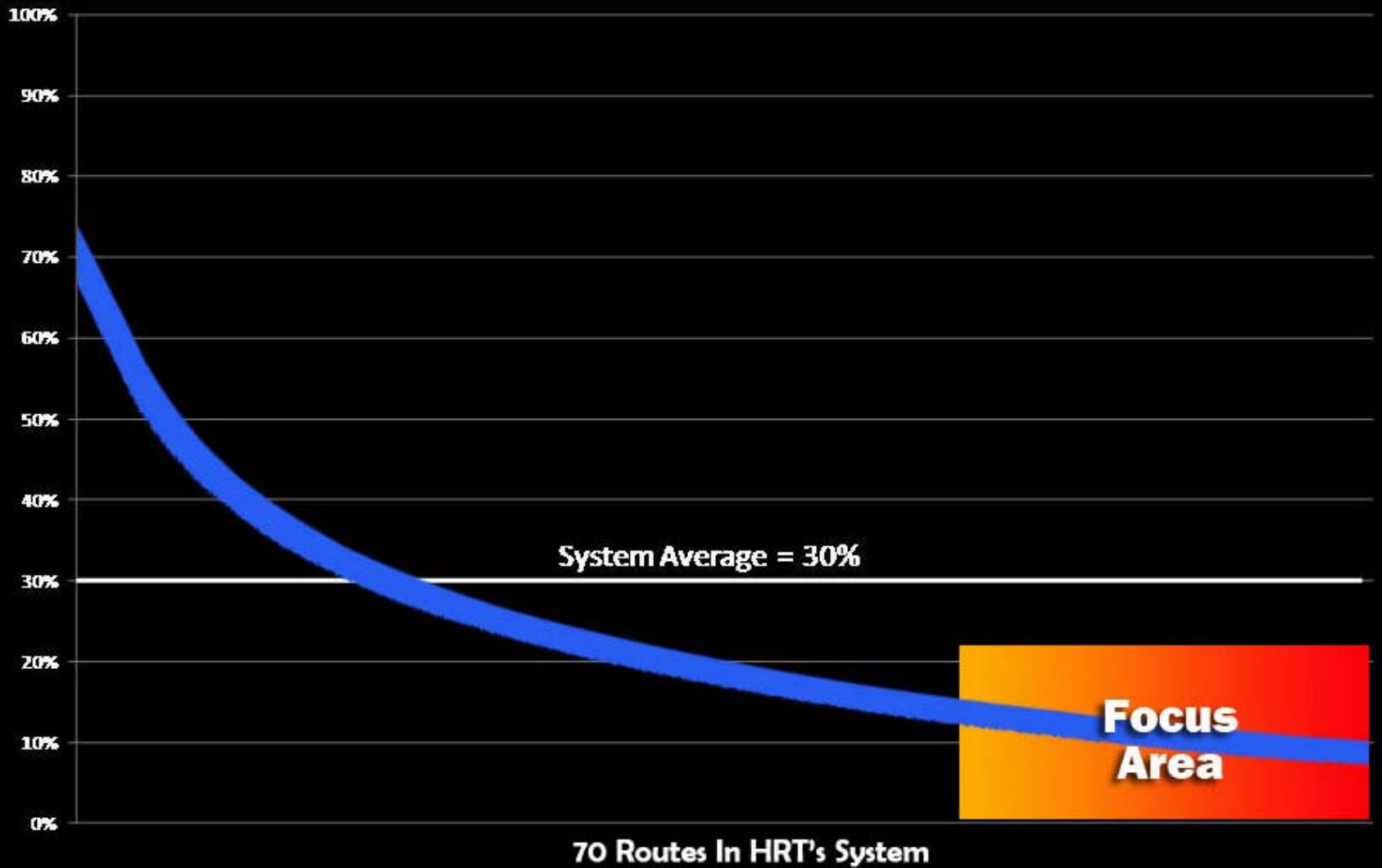
HRT Subsidy Per Passenger Boarding (weekdays)



The performance study tells us

- The majority of the cost of operating each route comes from the taxpayer rather than the customer
- For 25% of routes, only 10% of the cost is borne by the customer

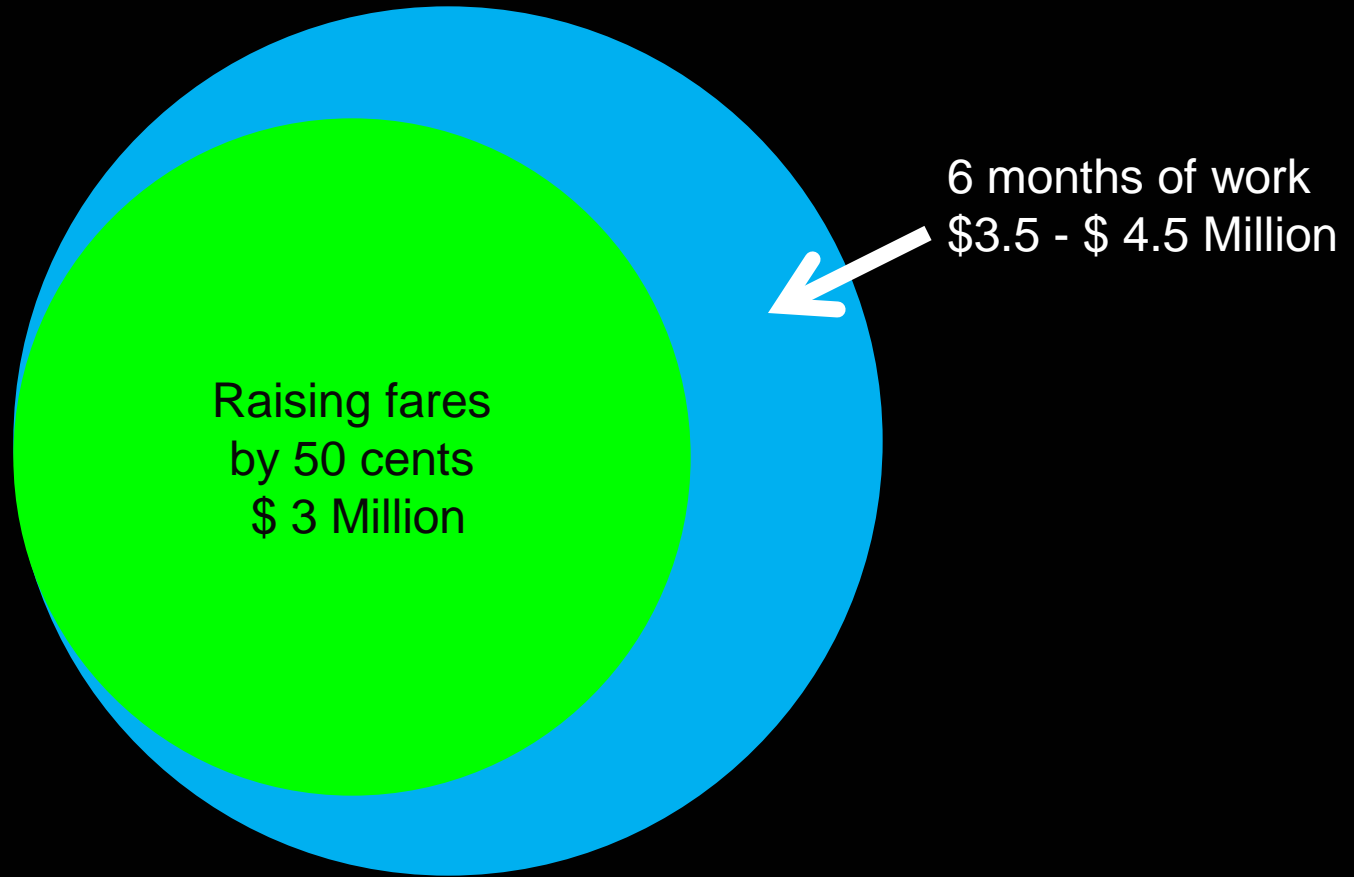
HRT Farebox Recovery Ratio (weekdays)



We can have a healthier transit system



Hold Fares Steady Until 2014



Next 30 days of work

- \$3.5 – \$4.5 M to be pruned from system
- \$2 - \$4 M of savings can be reinvested in improving the top 20 – 25 performing routes
- Build a core network of routes with 15 minute frequencies
- 400k – 500k net increase in annual ridership
- Better taxpayer return on investment

Beyond 30 days...

- March 2011 – More detailed presentation to Commission, including:
 - All route eliminations and trip reductions
 - All service improvements
 - Cost of all changes
 - Customer and community impacts
- April 2011 – individual meetings with city staff and HRT Commissioners
- May 2011 – Commission approval of service reconfiguration
- January 2011 – Service Implementation can begin