



**FOR IMMEDIATE RELEASE
JULY 24, 2006**

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CITY COUNCIL TO CONSIDER OPTIONS FOR TRANSIT FARE INCREASES

VALLEJO – Following a public meeting and consideration of ideas and input from members of the public through e-mail and phone calls, a new alternative for transit fare increases will be presented to the Vallejo City Council for their consideration on Tuesday night.

The meeting will be held in council chambers at 7 p.m. at Vallejo City Hall, 555 Santa Clara Street.

The City's Transportation Fund ended Fiscal Year 2005-2006 with a \$2.4 million deficit. Increased operating costs, along with a sudden spike in the cost of fuel, led to the deficit. Left unchecked, that deficit could grow to \$5.7 million by the end of Fiscal Year 2006-2007. A proposal to eliminate the deficit by July 1, 2007, which called for fare increases between 20 and 70 percent to be implemented August 1, was presented to the public earlier this month.

Public sentiment, however, led city staff to reconsider both the amount of the increase and the timing of its implementation.

"Based on public input we've developed an alternative proposal for City Council consideration" said Interim City Manager John Thompson. The new option calls for smaller increases of approximately 22-23 percent for ferry tickets, and 33-35 percent for bus service; about half of what had been earlier presented to the public. The cost of a monthly pass will increase from \$215 to \$265. The previous proposal called for an increase to \$280. Even with those increases, the Transportation Fund deficit will grow by \$1.3 million.

(More)

“That deficit is backed by the General Fund and other funds in the form of loans to the Transportation Fund,” Thompson said. “We cannot afford to do that any longer. We need to fix this problem and get both the Transportation Fund and General Fund back in shape. At the same, phasing the increases over a longer period of time may accomplish the deficit reduction we need while reducing the hardship on our riders.”

The new option also calls for the smaller fare increases to become effective a month later than originally planned, September 1, 2006, and for City staff to work with the transit operators and riders on additional fare increase options and system changes. Those ideas would be presented to the City Council in a few months with a January 1, 2007 effective date.