



Oahu Transit Services, Inc.

811 Middle St. Honolulu, HI 96819-2316
telephone (808) 848-4400 facsimile (808) 848-4419

www.thebus.org

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2017 APR - 6 AM 9:12

Testimony to the City Council of Honolulu's Budget Committee
April 5, 2017



Joey Manahan, Chair
City and County of Honolulu
Budget Committee

My name is Charlotte Townsend and I am the Vice President for Paratransit Service at Oahu Transit Services. I am speaking in support of Ordinance 28 which amends the fare structure of the Handi-Van by two dollars incrementally until July 1, 2020.

The current fare of the Handi-van which is \$2.00 has not increased since July 1, 2001 a span of 16 years. During this sixteen year period the fare for the Bus has increased four times. Ridership rises yearly with an 8% increase last year and almost 5% this year. Vans have increased from 100 at the time of the last fare increase to 180 today. Supplemental taxi trips have increased from approximately 25,000 in FY 2000 to approximately 210,000 in FY 2017. The budget for Handi-van is \$51 million dollars, (an increase of 18% in two years) with fare revenue from riders being \$1.7 million or 3.5% of operating costs.

Paratransit services cannot sustain itself without an increase in fare revenue. The recent City Council audit recommended the Council consider increasing complementary paratransit fare to enhance the cost recovery ratio and the DTS Growth Management Plan analysis projects ridership will grow by another 50% by 2020 without a fare increase.

I understand that the recommended fare increase will be a hardship for many paratransit riders but 16 years with no service increase has been a fortunate benefit that can no longer be sustained. The increasing cost to provide paratransit services must be shared by all partners.

It is difficult to talk about increased fare rates and not acknowledge the need to increase quality service. I can say that our service is improving but we are short on achieving national acceptable levels regarding on time performance measures. As ridership increases the need for more vehicles becomes critical in meeting our service delivery needs.

I fully support the Handi-van fare increases and urge your support to ensure the viability of a service that has become a necessary and important part of our community.

Thank you for the opportunity to testify.

Charlotte Townsend
Vice President of Paratransit Services
Oahu Transit Services, Inc.