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# What is a fair fare?

There has been a lot of discussion around fare increases from the state legislature as well as from the Transportation Funding and Reform Commission. I'd like to talk a little about our new fares in Altoona.

"We'll pay more."

A comment we heard from some of our customers at the public hearings was that they were willing to pay more if it would save their bus. Unfortunately since less than 30% of AMTRAN's expenses are covered through the farebox, this is not very realistic.

(If 30% doesn't seem like very much, let me point out that most highways cover 0% of their expenses. The exceptions are tollbased roads like the Pennsylvania Turnpike which is now fighting to maintain its very existence.)

But that's not the only reason that

AMTRAN tried to approach fare increases with caution.

*Price Elasticity* 

Economic theory (and common sense) state that as prices go up, demand goes down. This is particularly true with bus fares. Since our customers are generally from the lower end of the economic scale, they are very sensitive to price increases, so much so that the last two fare increases at AMTRAN actually reduced ridership so much that there was no overall increase in revenue. So what was the point?

We ultimately decided to increase fares gradually over the next five years (5 cents each year) to have the least impact on our customers and the best impact on our revenue stream.

Apples & Oranges We heard a lot of "A 5 cent fare

increase is not enough. The people who use this service need to pay more."

Last-Stop

Yet the same folks who make that statement are incensed at the mere mention of a 5 cent increase in the gas tax to improve our state's roads and bridges.

Increase the gas tax? How did you feel when you read that? You're against it, right? What if it were to go up 5 cents each year for the next five years? Even worse, right?

So what we're saying is that we have to protect the people who drive on our highways from paying 5 cents more, but paying 5 cents more isn't enough for the people who ride the bus even if many of them are poor, elderly, or disabled.

When you look at it that way, it doesn't sound very fair, does it?

> Eric Wolf **General Manager**

#### **Change Service Requested**

Altoona, PA 16602 3301 Fifth Avenue *t*20*t*-*tt*6-*t*18 *Вло.притал.*www <u>1120002</u>

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## **Governor Rendell Visits Altoona**



Governor Ed Rendell visits Altoona to support funding for public transportation.

On May 10, Governor Edward G. Rendell held a news conference with Altoona Mayor Wayne Hippo at Heritage Plaza in downtown Altoona. Mayors in 23 cities across the Commonwealth held simultaneous news conferences that day to focus attention on Pennsylvania's crisis in public transportation funding.

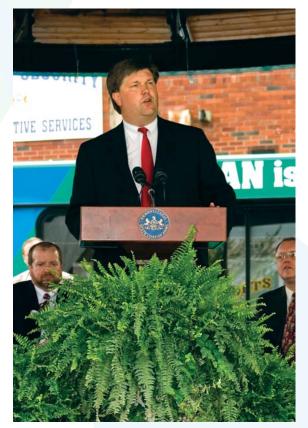
The combined message from Governor Rendell and Mayor Hippo, along with the other mayors, is that inaction in Harrisburg on the issue of public transportation funding is unacceptable. The Governor and the Legislature must work together now to develop a

Volume XII, Number 3

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### Governor Rendell Visits Altoona

solution that will result in a dedicated and growing funding source for the state's 73 public transit systems. Other mayors participating were from Philadelphia, Pittsburgh, Harrisburg, Carlisle, Hazleton, New Castle, York, Allentown, Bethlehem, Easton, Lancaster, Lebanon, Erie, Johnstown, Wilkes-Barre, State College, Scranton, Pottsville, Reading, Washington, and Williamsport. They were joined by their communities' transit heads and business leaders.

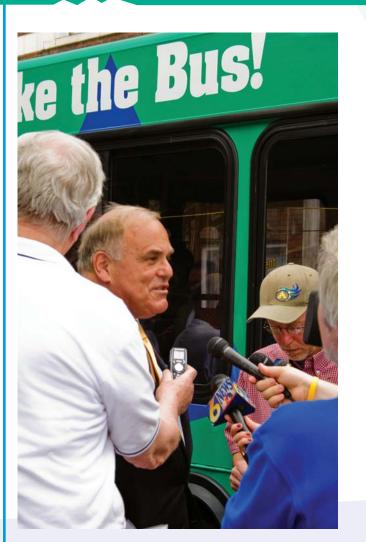


Altoona Mayor Wayne Hippo (center) with AMTRAN General Manager Eric Wolf (left) and Blair County Chamber of Commerce Executive Director Joe Hurd (right).

Published to inform the community of the benefits of public transportation. **June 2007** 

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## FHE-FRIP



Photos by Steve Cantrell www.keylightphoto.net.





Additional photos of Governor Ed Rendell's May 10 visit to Altoona to support public transportation.

## **Service Cuts** beginning June 11 AMTRAN to Work Bus The New Flash

On May 16, AMTRAN's Board of Directors voted unanimously to implement the revised service plan and new fare structure. (See www.amtran.org.) Many customer and driver suggestions were incorporated into the revised plan.

According to General Manager Eric Wolf, "Two issues were repeated over and over in our public hearings. First, a lot of people were not going to be able to get to work early enough. Second, a lot of downtown residents rely on Route 9 the Flash."

#### "AMTRAN to Work Bus"

To address the work trips, staff developed the "AMTRAN to Work Bus." This new subscription service is available only to monthly pass holders who need to get to work by 8:00 a.m. Monday through Saturday. Those customers should call now (944-4074) to see if the "AMTRAN to Work Bus" can get them to their jobs beginning June 11.

#### "The New Flash"

The New Flash is based on customer and driver feedback and will connect downtown Altoona with Station Medical Center, Altoona Hospital, and the new Martin's supermarket on Chestnut Avenue every 30 minutes beginning at 8:00 a.m. and ending at 2:30 p.m. The New Flash will also be useful in helping customers make connections to other buses.

For help in planning your trips, just phone AMTRAN at 944-4074.

> We can help you get to where you need to go.



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### **Planning your trips** under the new service plan

There seems to be a lot of incorrect information circulating regarding AMTRAN's new service plan that will go into effect on June 11.

For accurate information, go to AMTRAN's website at www.amtran.org. It has been updated with all new maps and timetables. New printed schedules will be on the buses shortly.

Any customers who don't like maps and timetables are encouraged to phone AMTRAN at 944-4074 so that we can help you plan your trips individually. Personal assistance is available 7:00 a.m. to 7:00 p.m. Monday through Saturday.

Many customers have been pleasantly surprised to find that their trips on the new service will not be much longer that they have now. The most common customer response these days is "Oh, that's not bad at all."

Just have a pencil ready when you call. Then give us your trip's beginning and ending locations. We'll help you get where you need to go.