

Attachment B

Estimated Cost of Free Youth Pass Program

All-Student Lower Cost Scenario

Lost Revenue	\$ 7,500,000
Annualized Vehicle Cost*	1,650,000
Annual Operating Cost	2,464,000
Administrative Costs	150,000
TOTAL	<u>\$ 11,764,000</u>

Assumptions for this Scenario include the following:

The number of youth using a free pass is based on current Phoenix youth ridership as measured by Valley Metro's Origin and Destination survey.

To address additional ridership, additional operations and capital will be needed to address overcrowding and provide school trippers to ease peak service needs.

Additional operations and capital funds are needed to extend existing bus routes in order to provide connections to schools currently not served by bus service.

Administrative costs of managing a Free Youth Pass include one city position and cost of passes.

All-Student Higher Cost Scenario

Lost Revenue	\$ 18,000,000
Annualized Vehicle Cost*	2,842,000
Annual Operating Cost	2,843,000
Administrative Costs	500,000
TOTAL	<u>\$ 24,185,000</u>

Assumptions for this Scenario include the following:

The number of youth using the free pass is based on the percentage of Phoenix Union High School District transit riders applied to all youth in Phoenix.

Includes additional operations and capital needed to extend existing routes to provide connections to schools currently not served by bus service and includes school trippers to ease peak service needs.

Includes additional operations and capital needed to increase existing school trippers and free circulators that currently serve schools in anticipation of a higher transit utilization rate than originally projected

Administrative costs of managing a Free Youth Pass include four city positions and cost of passes.