



MicroCAT Update & Fare Discussion

September 2, 2026



Agenda

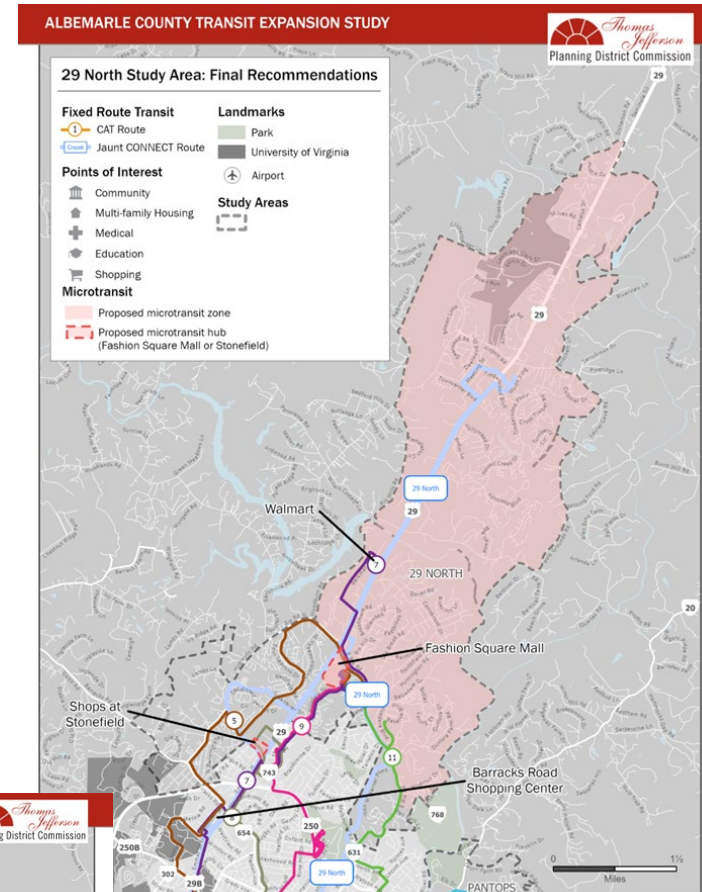
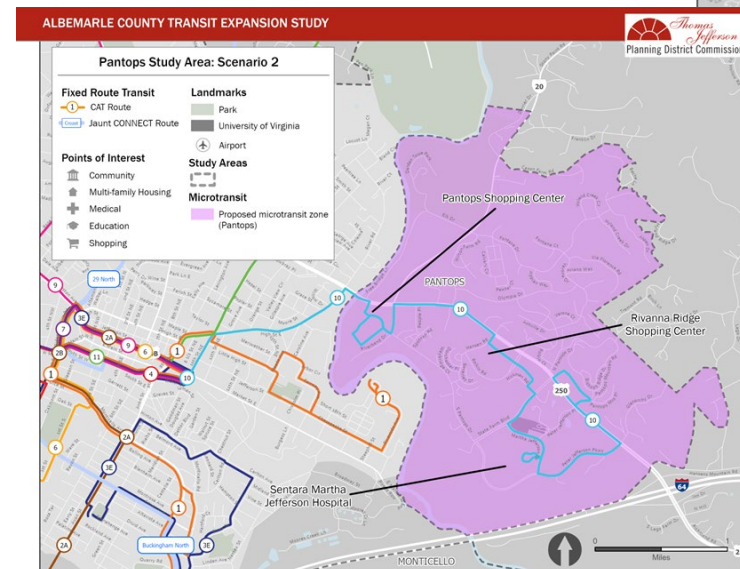
1. **Info:** Provide background and data on service and service levels
2. **Action:** MicroCAT fare structure recommendation and Board discussion



Background

2022 Albemarle County Transit Expansion Study

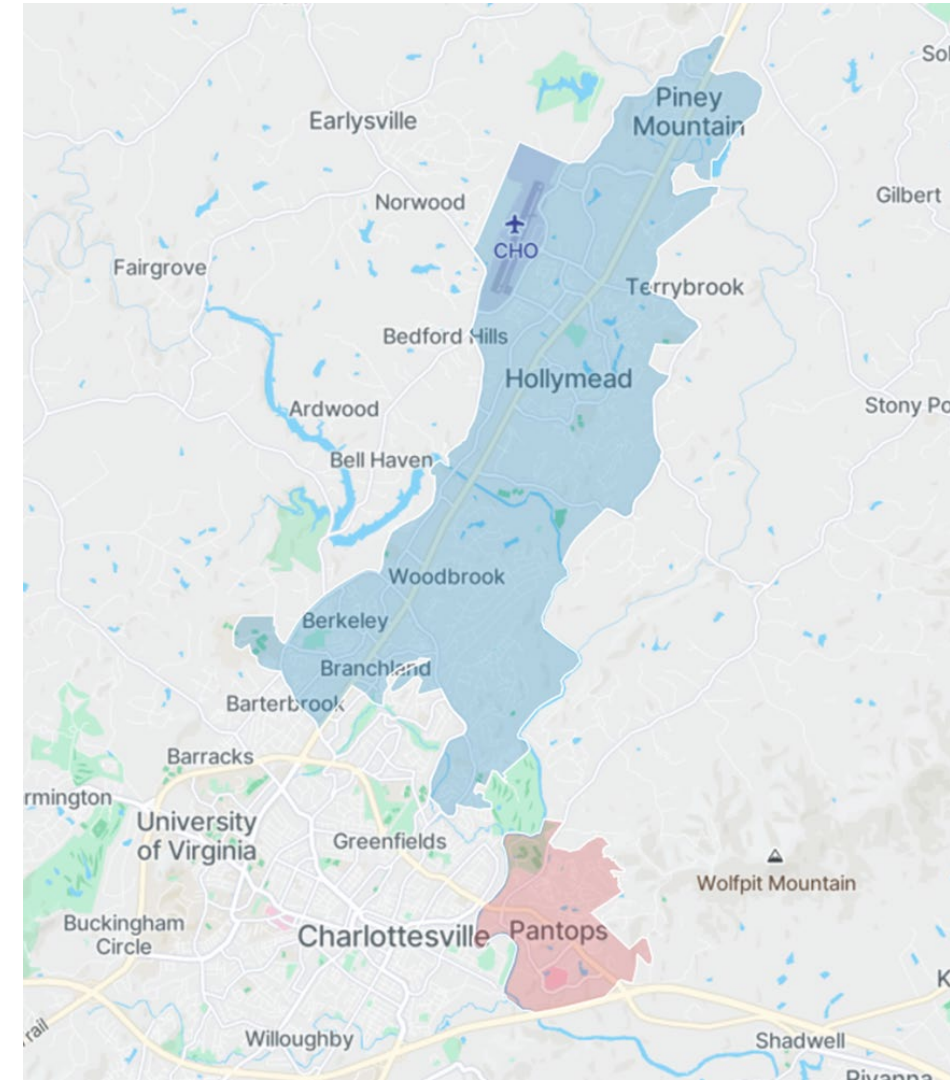
- Recommended MicroTransit for Pantops and 29 North as separate zones
- Estimated 100 total rides/day
- 2023 - Resulted in successful Demonstration Grant from DRPT
 - \$1.94 Million
 - 2-year grant





Background

- Launched service on October 30, 2023
- Service Hours – 6:30 am – 9:00 pm, Monday – Saturday
- Eight hybrid minivans in operation
- FY27 Adopted Budget of \$1.4M



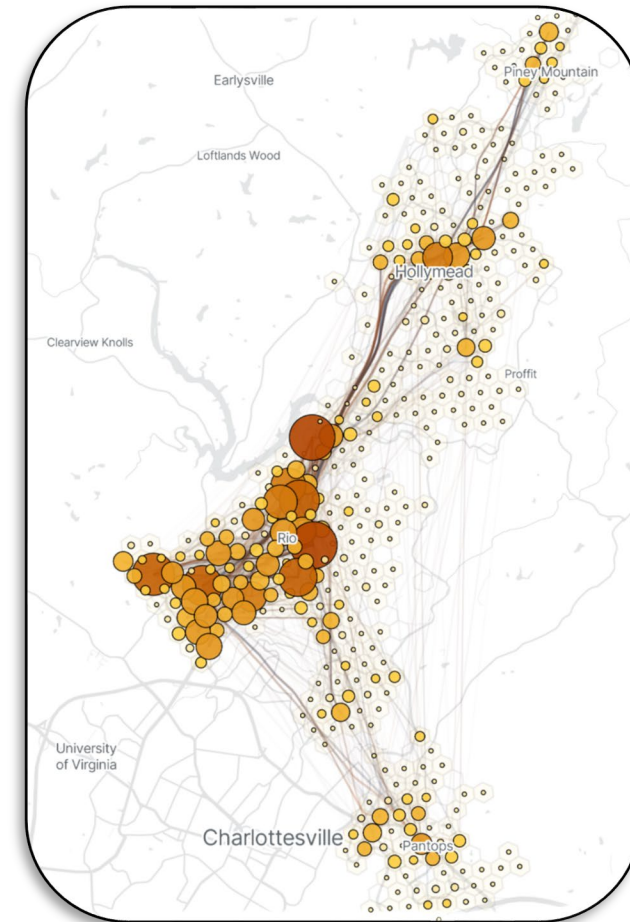
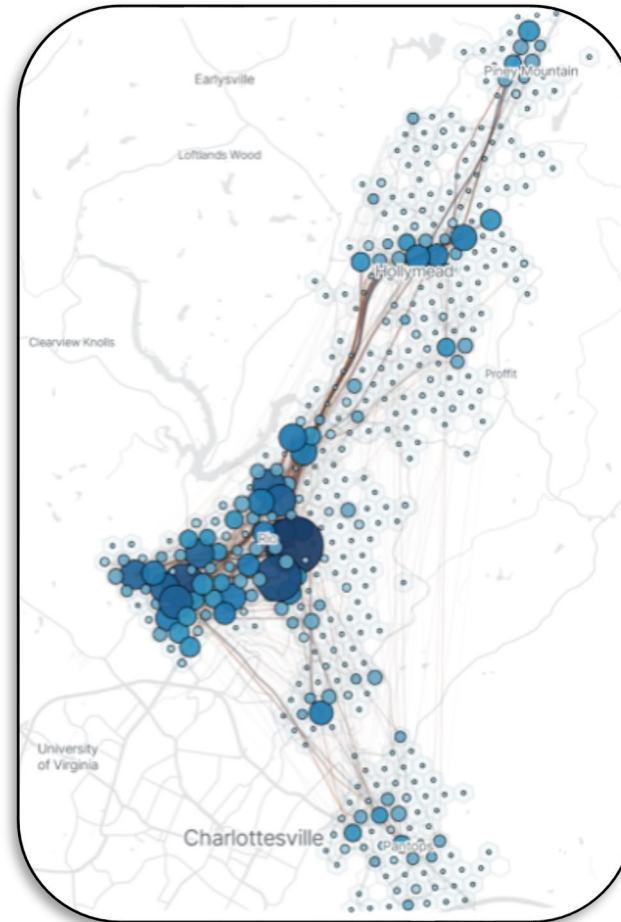


Service Data

184,426 rides completed! (~180 rides/day)

Top Origins and Destinations

1. Mallside Forest Court Aptartments
2. Commonwealth Driver Corridor
3. Cobalt Ridge Apartments
4. Albemarle HS/Lambs Lane Campus
5. Rio Hill Apartments
6. Parks Edge Apartments
7. Walmart Supercenter
8. Peyton Drive Apartments
9. Food Lion (All locations)
10. Trader Joe's/Bond Street
11. Kroger (Rio Hill)
12. Target
13. Branchlands (Senior Living Area)
14. T.J. Maxx
15. Albemarle Square Shopping Center





Service Performance

MicroCAT provides quality service resulting in high engagement and retention.

Excellent Service Quality

93%

Call Center CSAT

<0.03%

Complaints per ride in August 2026

Loved by Riders

93%

5 star ride ratings

"I love the staff, very friendly and supportive. Great service and always smiling. Thank you"

High Rider Engagement

8

Rides / rider / month

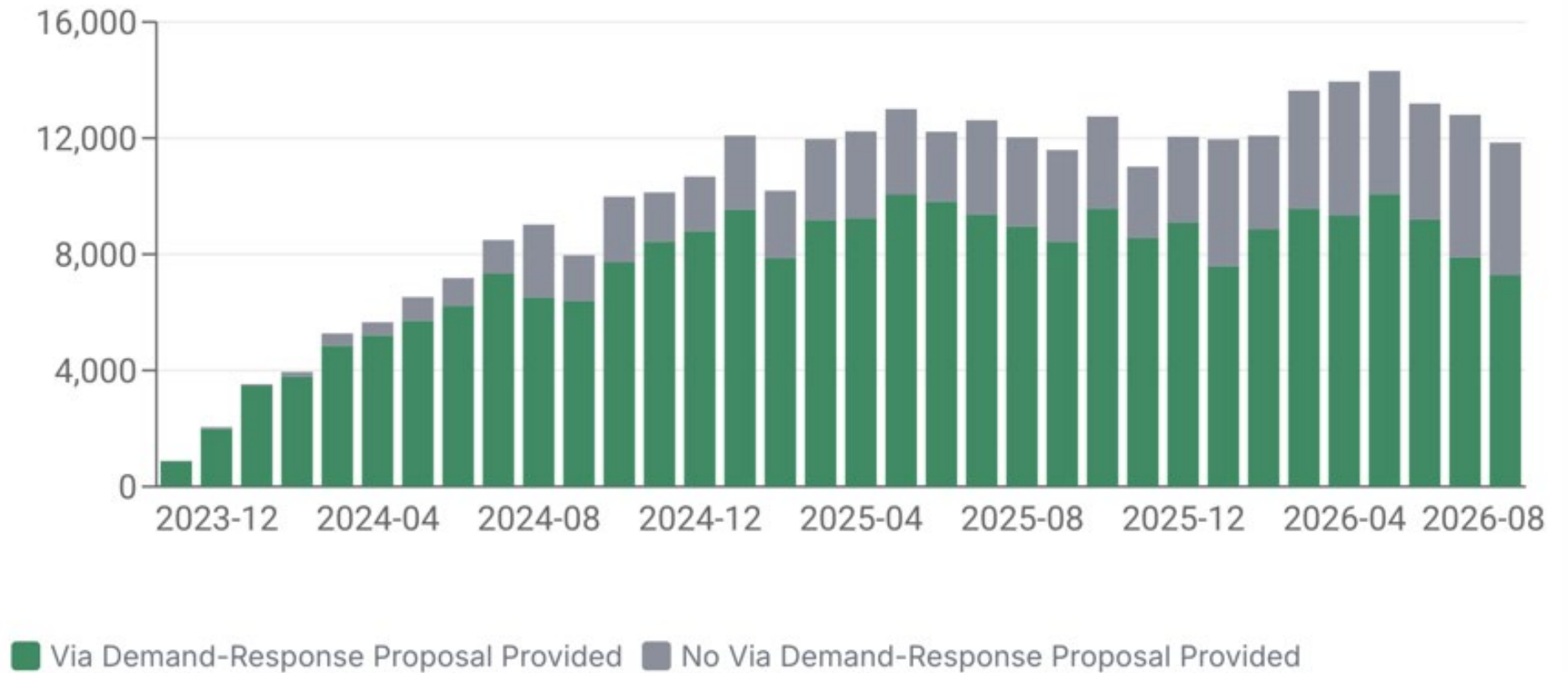
79%

Rider retention rate



Limitations on Service

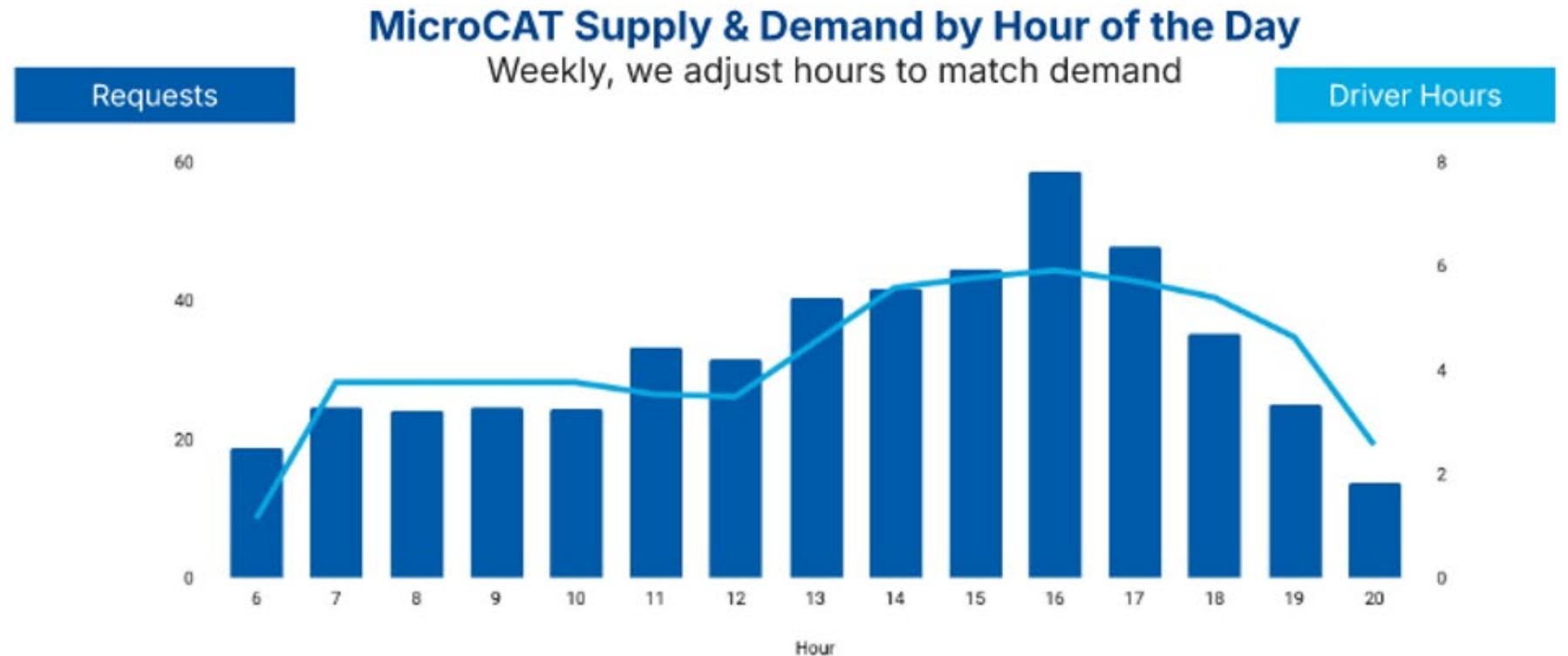
- Budget allows for 380 driver hours/week
- Vehicle hours require optimization to increase efficiency





Limitations on Service

- Vehicle hours and demand require optimization to increase efficiency





MicroCAT Fares



MicroCAT Fares Background

- FY27 Adopted budget contains MicroCAT fares revenue (\$80,000)
- FY 27 is the first year not governed by the conditions of the original grant
- Implementation of these fares is consistent with the County's adopted Financial Management Policies:

"To the extent possible, the County shall attempt to decrease its dependency on real estate taxes to finance the County's operating budget..." and

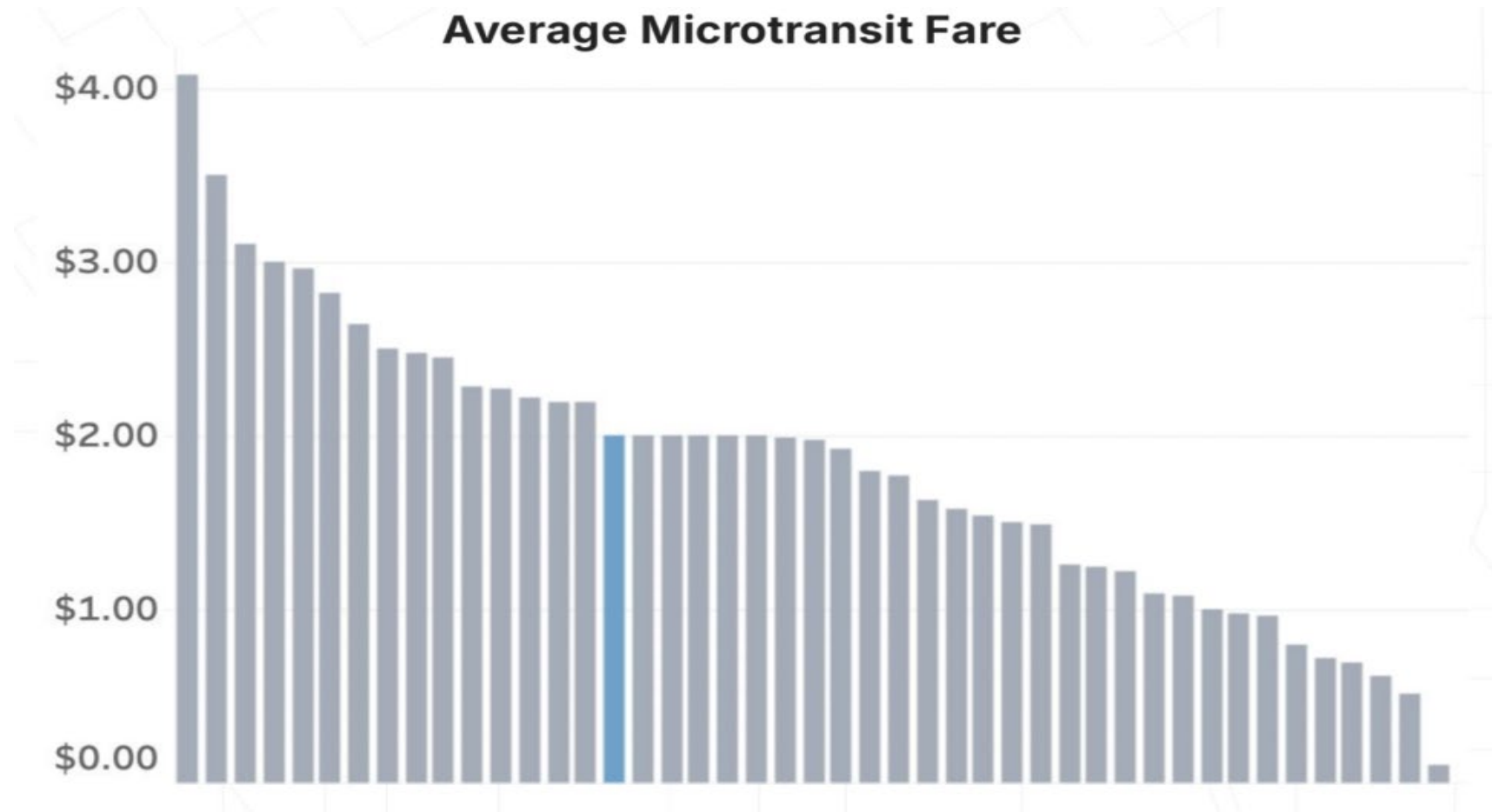
"The County will, where possible, institute user fees and charges for specialized County programs and services... Rates will be established to recover operations costs... and considering the equitable access to services with a goal to review user fee charges as least every three years."

MicroCAT Fare Options

	Category	Description	Impact
	Flat Fare	Flat fare for all trips, such as a default of \$2 per trip	Create uniform fare policy that is easy for riders to understand, but has minimal impact on rider behavior
	Concessions	Discounted fares for specific riders (e.g., seniors)	Use discounts to enhance access for specific rider groups. Depends on the representation of the group in the service.
	Group discounts	Discounted fares for +1 passengers on a booking	Discount +1 passengers for additional revenue (vs. alternative approach of upcharging them).
	Distance-based	Higher flat fare for trips above X miles, or extra charge for each mile above X miles	Discourage long trips which are expensive to serve and limit overall trip volume that can be served
	Time-based	Higher fare during defined time periods (e.g., peak-demand times)	Flatten hourly demand curve to avoid spikes in wait times and unmet demand during peak-demand hours
	Location-based	Discounted trips that start/end at transit hubs or designed points of interest	Encourage specific use cases and/or increase aggregation along preferred demand corridors
	Subscription	Weekly/monthly pass that riders can purchase to unlock X free trips/week/month	Generate rider loyalty and increase ridership



MicroCAT Fares



A fare of \$2.00 is average when compared to microtransit services across the US



MicroCAT Fares Recommendation

- **Recommendation:** Start with a simple fare that will increase revenue with some potential to improve service efficiency

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Flat Fare	Flat fare for all trips, such as Breeze's default of \$2 per trip	Create uniform fare policy that is easy for riders to understand, but has minimal impact on rider behavior
Concessions	Discounted fares for specific riders (e.g., seniors)	Use discounts to enhance access for specific rider groups
Group discounts	Discounted fares for +1 passengers on a booking	Discount +1 passengers for additional revenue (vs. alternative approach of upcharging them)

Suggested for MicroCAT

MicroCAT Fares Recommendation

- **Recommendation:** Start with a simple fare that will increase revenue with some potential to improve service efficiency

Passenger Type	Current Fare	Proposed Fare*
Single passenger	\$0	\$2.00
Additional passengers	\$0	\$1.00
Concessions for specific passengers, e.g. seniors	\$0	\$1.00

*Flat fare for single rider bookings, plus \$1.00 for each additional passenger.



Pricing rationale: Minimum fare of \$2.00 matches the national benchmarked average, plus a \$1.00 discounted fare for each additional passenger.



Ridership Impact: While fares may slightly reduce *demand* in short term, we project that *ridership* will only fall by 2-3%, given that there is a high unmet demand rate and therefore ongoing opportunity to fulfill more rides of this uncaptured demand pool.



MicroCAT Fares Considerations

Recommendation for Reduced Fares of \$1.00 per ride for...

1. Additional passengers for same ride
2. Seniors over 65
3. Riders with disabilities
4. Riders with income below 60% AMI



MicroCAT Fares Summary

- Recommending \$2.00 per ride with available discounts
- Not intended to be a fully self-supporting service/fare, but meets the intent of the County's revenue diversification policy & consider access to services
- 1st step to building different habits in riders
- Has been shown to help with unmet demand
- Has been shown to increase efficiency of rides



Next Steps (if approved)

- **September/October** – Begin rider education efforts
 - Work with Charlottesville Area Transit (CAT), Via and County Communications & Public Engagement (CAPE) to provide awareness and education about the upcoming fees for service
- **Fall 2026** – Work with Via and CAT to update app for the coming fees
- **January 1, 2027** – MicroCAT to begin charging fees



Board Discussion and Action

Recommendation: After discussion staff recommends that the Board adopt the resolution to set the MicroCAT fees, Attachment A.