

RESOLUTION NO. 03-039

A RESOLUTION OF THE CITY COMMISSION OF THE  
CITY OF KEY WEST, FLORIDA, AUTHORIZING AN  
INCREASE IN PUBLIC TRANSIT SYSTEM (BUS) FARES;  
PROVIDING FOR AN EFFECTIVE DATE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST,  
FLORIDA, AS FOLLOWS:

Section 1: That the following increased fares for the public  
transit system are hereby authorized, effective January 1, 2003:

Regular Full Fare -- \$ 1.00/trip.

Reduced Fare -- \$ .50/trip.

Monthly Pass, Regular -- \$25.00/unlimited.

Monthly Pass, Reduced -- \$15.00/unlimited.

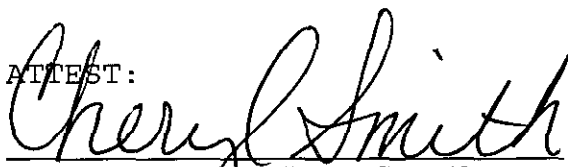
Section 2: That this Resolution shall go into effect  
immediately upon its passage and adoption and authentication by the  
signature of the presiding officer and the Clerk of the Commission.

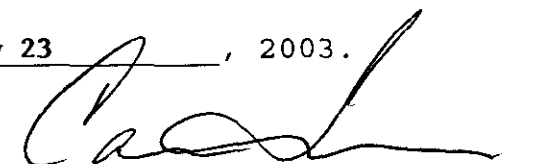
Passed and adopted by the City Commission at a meeting held  
this 22nd day of January, 2003

Authenticated by the presiding officer and Clerk of the  
Commission on January 23, 2003.

Filed with the Clerk January 23, 2003.

ATTEST:


  
CHERYL SMITH, CITY CLERK

  
CARMEN TURNER, MAYOR PRO TEM

## Executive Summary

**To:** Robert Tischenkel, City Manager

**cc:** Julio Avel, City Manager  
John Jones, Asst. City Manager  
Finance / Budget

**From:** Myra Hernandez, KWDoT Manager 

**Date:** January 9, 2003

**Subject:** Fare Structure and Rate Increase – Key West Transit System



### Project:

The Key West Department of Transportation (KWDoT) is responsible for the operation of the public transit system in the City of Key West, and Stock Island, Florida. As such, it is our responsibility to recapture operating expenditures in the form of passenger fares, via the fare box revenues, as a public transportation system.

Present industry standard of operating expense ratio to revenue source is 15-40%, according to Florida Department of Transportation guidelines provided on an annual basis. Last fiscal year, which closed out on September 30, 2002, KWDoT achieved a fare box revenue collection of \$167,847. with a total operating expenditure of \$934,796., or an expenditure to revenue ratio of 18%.

For fiscal year ending 2001 the fare box revenues were \$118,219. In fiscal year ending 2002, the fare box revenues were \$167,847. A net increase of \$49,628., in just one (1) fiscal year.

If one wanted to take it a step further, we could add in advertising revenue for fiscal year 2002, which was \$24,625. and that would bring our expenditure to revenue ratio for public transportation up from 18% to 21%, of the 2002 year end operating budget figure.

As KWDoT continues to work toward improved and increased services for public transportation, the need for additional revenues will also grow accordingly. And, in order to maintain our expense to revenue ratio, a fare increase is recommended, as noted below.

### Advantages:

KWDoT feels justified at this time in our request to establish and increase bus fares, as noted in the rate structure that follows. It should also be noted that there has not been a fare or fee increase for public transit services in more than twenty (20) years. It is time to move forward.

Add to that, the fact that rider ship and fare box revenues for last fiscal year increased significantly, more than exemplifies that our fare increase request at this time is valid.

Executive Summary – Fare Structure and Rate Increase  
January 9, 2003  
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The proposed fare increase and rate structure is as follows

<u>Fee / Use</u>	<u>Current</u>	<u>Proposed</u>
Regular Full Fare	\$ .75 / trip	\$ 1.00 / trip
Reduced Fare (includes seniors, students and disabled)	.35 / trip	.50 / trip
<u>Monthly Pass</u>		
Regular Full Fare	\$20.00 / unlimited	\$25.00 / unlimited
Reduced Fare	\$12.00 / " " "	\$15.00 / " " "
<u>Additional Options</u>		
1-Day Pass	\$3.00 / unlimited	Same / No change
3-Day Pass	\$6.00 / unlimited	Same / No change
7-Day Pass	\$12.00 / unlimited	Same / No Change

For additional reference, I have attached a copy of the Florida Transit System Motorbus Fare Fee Comparison, prepared by Florida Department of Transportation, dated July 2001.

**Disadvantages:**

The disadvantage is that the city will pass up an opportunity to increase fare box revenue collections, and thereby, decrease the internal support for our public transit system.

**Fiscal Impact:**

As stated above, the revenues generated via fare box collections for public transit should continue to increase, and the approval of this fare structure and rate increase will support that goal for fiscal year 2003.

**Recommendation:**

KWDoT recommends approval of the requested fare structure and rate increase for the public transit system, effective April 1, 2003, in order to provide adequate notice and public hearing requests, should any be received by this office.

If there are any questions please let me know.

/mh  
Attachments  
Executive Summary (Fare Increase – Transit) 1-9-03

# Florida Transit System Motorbus Fares (as of July 2001)

System	Cash Fare		Express Fare		Transfer Fee		Daily Pass		Weekly Pass		Monthly Pass	
	regular	discount	regular	discount	regular	discount	regular	discount	regular	discount	regular	discount
Bay County Council on Aging, Inc.	\$0.50	\$0.25	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$10.00	n/a
Broward County Transit	\$1.00	\$0.50	n/a	n/a	\$0.15	n/a	\$1.50	\$1.25	\$9.00	n/a	\$32.00	\$16.00
Escambia County Area Transit	\$1.00	\$0.50	n/a	n/a	\$0.10	n/a	n/a	n/a	\$9.00	n/a	\$30.00	n/a
Hillsborough Area Regional Transit	\$1.15	\$0.55	\$1.50	n/a	n/a	n/a	\$2.50	\$1.25	\$12.00	\$6.00	\$35.00	\$17.50
Indian River County Council on Aging, Inc.	Free	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jacksonville Transportation Authority	\$0.75	Free*	\$1.00	n/a	n/a	n/a	n/a	n/a	\$10.00	n/a	\$40.00	\$20.00
Ky West Department of Transportation	\$0.75	\$0.35	n/a	n/a	n/a	n/a	\$3.00	n/a	n/a	n/a	\$20.00	\$12.00
Lakeland Area Mass Transit District	\$0.75	\$0.35	n/a	n/a	Free	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Lee County Transit	\$1.00	\$0.50	n/a	n/a	\$0.15	n/a	\$3.00	n/a	n/a	n/a	\$30.00	\$18.00
Lynn Transit	\$1.00	\$0.25	\$2.00	\$1.00	\$0.10	n/a	n/a	n/a	\$10.00	n/a	\$35.00	\$21.00
Manatee County Area Transit	\$1.00	\$0.50	n/a	n/a	Free	n/a	n/a	n/a	n/a	n/a	\$25.00	\$14.00
Miami-Dade Transit	\$1.25	\$0.60*	n/a	n/a	\$0.25	\$0.10	n/a	n/a	n/a	n/a	\$60.00	\$30.00
Oakland MPO (Sun Tran)	\$1.00	\$0.50	n/a	n/a	Free	n/a	n/a	n/a	n/a	n/a	\$36.00	\$18.00
Palm Beach County Transportation Agency	\$1.25	\$0.60	n/a	n/a	n/a	n/a	\$2.00	\$1.25	\$12.00	\$6.00	\$48.00	\$24.00
Pasco County Public Transportation	\$0.50	\$0.25	n/a	n/a	n/a	n/a	\$1.00	\$0.50	n/a	n/a	\$7.50	\$3.75
Pinellas Suncoast Transit Authority	\$1.00	\$0.50	\$1.50	n/a	n/a	n/a	\$2.50	\$1.25	\$12.00	n/a	\$40.00	\$20.00
Regional Transit Systems (Gainesville)	\$1.00	\$0.50	n/a	n/a	n/a	n/a	\$2.00	n/a	n/a	n/a	\$30.00	n/a
Sarasota County Area Transit	\$0.50	\$0.25	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$30.00	\$15.00
Space Coast Area Transit	\$1.00	\$0.50	n/a	n/a	Free	n/a	n/a	n/a	n/a	n/a	\$26.00	\$14.00
Tallahassee Transit	\$1.00	\$0.50	n/a	n/a	Free	n/a	\$2.50	n/a	\$8.00	\$6.00	\$33.00	n/a
Volusia County aka VOTRAN	\$1.00	\$0.50	n/a	n/a	Free	n/a	n/a	n/a	n/a	n/a	\$35.00	\$17.50
Winter Haven Area Transit	\$0.75	\$0.35	n/a	n/a	Free	n/a	n/a	n/a	n/a	n/a	\$24.00	n/a

\* In Miami, those aged 65 and over can ride free with a Golden Passport. Also, in Jacksonville, seniors aged 60 and over ride free.