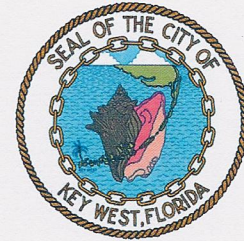


EXECUTIVE SUMMARY



To: Bogdan Vitas, City Manager
cc: Jim Fitton, Director / Port & Transit
From: Myra Wittenberg, Manager / KWDoT *Myra W.*
Date: April 23, 2013
Subject: **Amending Resolution No. 08-096
(CITY Bus Fares RE: One Way Token)**

Action Statement:

This is a request for amendment of Resolution No. 08-096, specific to the CITY network bus fares, by adding an additional fare type for customers. The new fare will be a "one way trip token" sold as a point of sale purchase, in bulk of no less than ten (10), and available in the full rate category.

Project History:

Currently, a one way trip or fare may only be purchased at the fare box meter on the bus, and must be paid in cash. Over the last several months we have had numerous requests to purchase bulk quantities of a one way trip fare in advance – as a point of sale - to allow social service organizations, as well as other businesses, the ability to purchase tokens which they later distribute or issue to their customers or clients. This fare option provides businesses with limited budgets a solution to still provide the necessary travel for a client or customer without restricting or forcing the business to purchase monthly passes which are cost prohibitive to these businesses. More importantly, these agencies are prohibited from giving cash to their clients. The tokens will allow the agencies to provide for transportation needs without cash being required.

The amendment to this resolution would resolve the problem and add the "one way trip token" to the fare media currently available for purchase at our office, KWDoT, and at City Hall. This is the same point of sale process used for monthly passes currently being sold.

Option #1:

Option #1 would see the City approve the request for revision to Resolution 8-096, as written above to add a "one way trip token " for full fare trips.

Advantages

The advantages to passing this resolution is the City provides greater flexibility in our fare structure by adding a "one way trip token" to accommodate more transportation needs in the community.

Disadvantages

The only small disadvantage to passing this resolution is the operational cost to purchase the reusable tokens.

Fiscal Impact

We may see an increase in revenues as we are hopeful that the added fare type, a “one way trip token,” may increase ridership by people who otherwise would not be in a position to purchase a 7 day or 31 day pass because they do not have the funds to do so. This option provides greater flexibility to the social service agencies as well as private, for profit businesses who may wish to purchase the tokens in bulk and offer them as a perk to the customer base as part of a marketing package.

Option #2:

Option #2 would be to not approve the resolution and the City do business as usual without expanding the fare structure to accommodate an established need in the community.

Advantages

There is no advantage to this option.

Disadvantages

An obvious disadvantage to not adding the new “one way trip token” fare is that many social service agencies will not be able to assist their clients with transportation needs when funds for monthly passes are not available.

Fiscal Impact

The only potential fiscal impact to not approving an additional fare type would be a loss of potential customers who would use those tokens, which has an unknown value at this time.

Recommendation:

City of Key West Department of Transportation recommends approval of Option #1, above.