

# Memorandum



**Date:** September 2, 2008

**To:** Honorable Chairman Bruno A. Barreiro  
and Members of Board of County Commissioners

**From:** George M. Burdick  
County Manager

Supplement to  
Agenda Item No. 11(A)3

**Subject:** Supplemental Report: Additional Revenue to be Earned by Increasing Fares for the Dade-Monroe Express Bus Route

The subject resolution requests a report on the additional revenues to be earned by increasing the fares for the Dade-Monroe Express Bus Route. The report is to include, but not be limited to, the daily ridership numbers for this route, the current revenues generated by fares on this route, and projected revenues to be earned if there are fare increases at \$0.25 increments.

This report provides detailed responses and provides additional information for the Board to consider in determining fare policy.

## Current Operations

There are two Metrobus route that operate to and from Monroe County: the Dade-Monroe Express (Route 301) and Card Sound Road Express (Route 302). Both routes are operated by private contractors and are heavily subsidized by Miami-Dade Transit (MDT). The routes charge express fare of \$1.85 each way. The regular Monthly Metrobus Pass, which costs \$75.00, and the Discount Monthly pass, which costs \$37.50, can be used to board the Monroe County express Metrobus routes.

The reason for providing Metrobus service into Monroe County is to give job seekers and employees who live in Miami-Dade County, who do not own cars for travel to and from jobs, the opportunity to find and retain jobs in the Upper and Middle Keys while living in Miami-Dade County. The service can also be used by anyone, not just those traveling between the Miami-Dade and Monroe as work-related commuters.

The Dade-Monroe Express provides service seven days a week with 17 round trips per day, six of which serve the Keys as far south as Marathon (Mile Marker 50). The span of service is from 5:15 a.m. to 1:20 a.m. The service is operated under contract by American Coach Lines of Miami, Inc., with over-the-road coaches and an express fare is charged. In January 2008 there were 22,556 boardings on the Dade-Monroe Express or about 727 per day.

The Card Sound Express provides three round trips each morning and three round trips each afternoon, seven days a week, to and from the Ocean Reef Club in North Key Largo. The bus service is timed to the work schedules at the Ocean Reef Club. The service is operated under contract by JGT Transportation, with over-the-road coaches. In January 2008 there were 3,772 boardings on the Card Sound Express or about 122 per day.

## Funding issue

The Dade-Monroe Express route costs the County about \$1.8 million per year. The route has been partially funded with Federal or State grant over most of the past eight years. County General Funds and Surtax have provided the match required by the grants. Currently the State's Commuter

Assistance Program is providing \$200,000 with the County providing \$200,000 match. Fares received on this route are about \$317,000 per year. Thus fares cover about 17.6% of the cost.

Several efforts were made in the past year to have Monroe County interests provide a subsidy for the Dade-Monroe Express. These efforts were made in light of Board and CITT discussions regarding the benefits this route provides to Monroe County by providing transit service to workers traveling to jobs in the upper keys. However, Transit staff has worked with the business community in Monroe County without success. A formal request was also made to the Monroe County government for them to include in their FY 2008 budget funds to cover half the net cost of the Dade-Monroe Express. The Monroe County Commission did not include such funding in their budget; nevertheless, the service provided by this route continues to play an important economic role in southern Miami-Dade County and is justified by its benefits to commuting residents.

The Card Sound Express route costs the County about \$240,000 per year. The route is subsidized by the Ocean Reef Club through the purchase of 100 full fare transit passes which they distribute to their employees. Those revenues are not attributed directly to the route. Fares received on this route are about \$110,000 or about 45.8% of the cost.

#### **Fare Alternatives**

Express fares of \$1.85 are charged for these routes. Should the Board adopt either of the current proposals under consideration at the Transit committee for a \$0.50 fare increase, MDT would recommend a companion express fare of at least \$2.50 for all express routes which include the following: 95, 34 (Busway Flyer), 204, 272 and 288 (Killian, Sunset and Kendall KATs), 301 Dade-Monroe, 302 Card Sound Expresses. Because the Dade Monroe express is considered a premium route, traveling longer distances than any other of the express routes offered by MDT, a premium fare of \$3.00 is recommended.

Revenues from increased fares, in \$0.25 increments, are provided in the attachment. The table provides revenues at levels starting at \$2.00.

#### **Future Issues**

Any fare changes should be implemented with other fare changes after the beginning of FY 2009 on October 1, 2008. These fare changes can be approved only after a public hearing is held per the Code of Miami-Dade County, Chapter 2, Article XIX, Section 2-150.

As part of the implementation of the Automated Fare Collection System starting later in 2008, there may need to be other policy changes. A Business Plan is currently being developed by Miami-Dade Transit. When that Plan is completed, recommendations for new fare policies will be forthcoming as needed.

  
Assistant County Manager

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Dade-Monroe Express</b>												
Increase Fare to \$2.00	\$ 40,601	\$ 41,088	\$ 41,581	\$ 42,080	\$ 42,585	\$ 43,086	\$ 43,613	\$ 44,137	\$ 44,666	\$ 45,202	\$ 45,745	\$ 46,284
Increase Fare from \$2.00 to \$2.25	\$ 67,668	\$ 68,480	\$ 69,302	\$ 70,133	\$ 70,975	\$ 71,827	\$ 72,689	\$ 73,561	\$ 74,444	\$ 75,337	\$ 76,241	\$ 77,158
Increase Fare from \$2.25 to \$2.50	\$ 87,668	\$ 88,480	\$ 89,302	\$ 90,133	\$ 90,975	\$ 91,827	\$ 92,689	\$ 93,561	\$ 94,444	\$ 95,337	\$ 96,241	\$ 97,158
Increase Fare from \$1.85 to \$2.50	\$ 175,937	\$ 178,048	\$ 180,185	\$ 182,347	\$ 184,535	\$ 186,749	\$ 188,980	\$ 191,258	\$ 193,553	\$ 195,878	\$ 198,227	\$ 200,605
<b>Card Sound Express</b>												
Increase Fare to \$2.00	\$ 6,790	\$ 6,871	\$ 6,954	\$ 7,037	\$ 7,121	\$ 7,207	\$ 7,293	\$ 7,381	\$ 7,469	\$ 7,559	\$ 7,650	\$ 7,742
Increase Fare from \$2.00 to \$2.25	\$ 11,316	\$ 11,452	\$ 11,589	\$ 11,728	\$ 11,869	\$ 12,011	\$ 12,156	\$ 12,301	\$ 12,449	\$ 12,598	\$ 12,750	\$ 12,903
Increase Fare from \$2.25 to \$2.50	\$ 11,316	\$ 11,452	\$ 11,589	\$ 11,728	\$ 11,869	\$ 12,011	\$ 12,156	\$ 12,301	\$ 12,449	\$ 12,598	\$ 12,750	\$ 12,903
Increase Fare from \$1.85 to \$2.50	\$ 29,422	\$ 29,775	\$ 30,132	\$ 30,494	\$ 30,859	\$ 31,230	\$ 31,605	\$ 31,984	\$ 32,368	\$ 32,756	\$ 33,149	\$ 33,547
<b>Total Revenue for Monroe Express</b>												
Fare Increase from \$1.85 to 2.50	\$ 205,358	\$ 207,823	\$ 210,317	\$ 212,840	\$ 215,394	\$ 217,979	\$ 220,595	\$ 223,242	\$ 225,921	\$ 228,632	\$ 231,378	\$ 234,152

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	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
\$	48,849	\$ 47,411	\$ 47,980	\$ 48,556	\$ 49,139	\$ 49,728	\$ 50,325	\$ 50,929	\$ 51,540	\$ 52,159	\$ 52,784	\$ 53,418	\$ 54,058	\$ 54,708
\$	78,082	\$ 79,019	\$ 79,987	\$ 80,927	\$ 81,898	\$ 82,880	\$ 83,875	\$ 84,882	\$ 85,900	\$ 86,931	\$ 87,974	\$ 89,030	\$ 90,098	\$ 91,179
\$	78,082	\$ 79,019	\$ 79,987	\$ 80,927	\$ 81,898	\$ 82,880	\$ 83,875	\$ 84,882	\$ 85,900	\$ 86,931	\$ 87,974	\$ 89,030	\$ 90,098	\$ 91,179
\$	203,013	\$ 205,449	\$ 207,914	\$ 210,409	\$ 212,934	\$ 215,489	\$ 218,075	\$ 220,692	\$ 223,340	\$ 226,020	\$ 228,733	\$ 231,477	\$ 234,255	\$ 237,086
\$	7,834	\$ 7,928	\$ 8,024	\$ 8,120	\$ 8,217	\$ 8,316	\$ 8,416	\$ 8,517	\$ 8,619	\$ 8,722	\$ 8,827	\$ 8,933	\$ 9,040	\$ 9,149
\$	13,057	\$ 13,214	\$ 13,373	\$ 13,533	\$ 13,696	\$ 13,860	\$ 14,026	\$ 14,195	\$ 14,365	\$ 14,537	\$ 14,712	\$ 14,888	\$ 15,067	\$ 15,248
\$	13,057	\$ 13,214	\$ 13,373	\$ 13,533	\$ 13,696	\$ 13,860	\$ 14,026	\$ 14,195	\$ 14,365	\$ 14,537	\$ 14,712	\$ 14,888	\$ 15,067	\$ 15,248
\$	33,949	\$ 34,357	\$ 34,769	\$ 35,186	\$ 35,609	\$ 36,038	\$ 36,468	\$ 36,908	\$ 37,349	\$ 37,797	\$ 38,251	\$ 38,710	\$ 39,174	\$ 39,644
\$	236,962	\$ 239,905	\$ 242,883	\$ 245,895	\$ 248,943	\$ 251,925	\$ 254,943	\$ 257,988	\$ 260,989	\$ 263,917	\$ 266,983	\$ 270,187	\$ 273,429	\$ 276,710

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	2035	2036	2037	2038	30 YEAR TOTAL
\$	55,364	\$ 56,028	\$ 56,701	\$ 57,381	\$ 1,455,748
\$	92,273	\$ 93,381	\$ 94,501	\$ 95,635	\$ 2,426,243
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\$	239,911	\$ 242,790	\$ 245,703	\$ 248,652	\$ 6,308,232
\$	9,258	\$ 9,370	\$ 9,482	\$ 9,596	\$ 243,442
\$	15,431	\$ 15,616	\$ 15,803	\$ 15,993	\$ 405,736
\$	15,431	\$ 15,616	\$ 15,803	\$ 15,993	\$ 405,736
\$	40,120	\$ 40,601	\$ 41,089	\$ 41,582	\$ 1,054,915
\$	280,031	\$ 283,391	\$ 286,792	\$ 290,233	\$ 7,363,147