CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

FILED
MAR 16 2013
PURSUANT TO ROH Sec. 1-2.5

No. 12-66

RESOLUTION

AMENDING THE POLICY ON FUNDING THE OPERATING COST OF THE CITY BUS SYSTEM.

WHEREAS, the public transit system of the City and County of Honolulu is comprised of the bus system which provides regularly scheduled, fixed route service and the special transit service which provides paratransit services for persons with disabilities; and

WHEREAS, the City bus system benefits the general welfare by increasing public mobility, lessening traffic congestion by diverting people from cars, reducing emissions and pollutants associated with vehicular travel, and decreasing the demand for limited on- and off-street parking; and

WHEREAS, as an essential municipal service, the City bus system is heavily patronized as evidenced by the following statistics reported by the Department of Transportation Services: actual ridership of 77.3 million in fiscal year 2009, 73.2 million in fiscal year 2010 and projected ridership of 73.5 in fiscal year 2011; and

WHEREAS, pursuant to Resolution 00-29, the farebox recovery ratio, which is the ratio of bus fare revenues to operating cost, was established to be not less than 27 percent and not more than 33 percent; and

WHEREAS, because of the uncertainty of the status of continuing federal subsidies for the bus system and the increasing costs of providing bus services, the Council finds that it is necessary to raise the farebox recovery ratio; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the funding of the annual operating cost of the City bus system, excluding special transit service and debt service, be governed by the following policy:

(1) Bus fares shall be adjusted as provided under this policy so that the farebox recovery ratio does not fall below 33 ½ percent nor exceed 50 percent; and

(2) The portion of operating cost remaining after application of paragraph (1) and intergovernmental grants shall be funded with the City's highway funds and general funds;

and

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BE IT FURTHER RESOLVED that following the adoption of this Resolution, at the same time that the Mayor submits the annual executive operating and capital budgets to the Council for its consideration, the Mayor submit a report to the Council on: 1) the actual farebox recovery ratio for the previous fiscal year; 2) the estimated ratio for the current fiscal year, and 3) the projected ratio for the budgeted fiscal year; and

BE IT FURTHER RESOLVED that this Resolution supercedes Resolution 00-29, CD1 and that all annual executive operating budgets submitted by the Mayor to the Council following the adoption of this Resolution shall comply with this policy; and

BE IT FINALLY RESOLVED that the Clerk is directed to transmit a copy of this Resolution to the Mayor, the Director of Budget and Fiscal Services, the Director of Transportation Services and the Transportation Commission.

INTRODUCED BY:

DATE OF INTRODUCTION:

MAR 16 2012
Honolulu, Hawaii

Councilmembers

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