

CITY of ALBUQUERQUE

TWENTY-FIRST COUNCIL

COUNCIL BILL NO. C/S R-14-137 ENACTMENT NO. _____

SPONSORED BY: Isaac Benton, by request

1 RESOLUTION

2 ESTABLISHING A MINIMUM SYSTEMWIDE FAREBOX RECOVERY RATIO FOR
3 THE TRANSIT DEPARTMENT'S FIXED-ROUTE SERVICE.

4 WHEREAS, the Transit Department seeks the establishment of a policy that
5 provides guidance for the setting of the prices of fixed-route service fare
6 products; and

7 WHEREAS, the Transit Department seeks a farebox recovery ratio policy
8 that provides for equitable sharing of costs, guides the Department in the
9 pricing of Transit fare products so that these products are reasonably priced
10 for the public, while generating a reasonable level of operating revenue; and

11 WHEREAS, the two prime determinants of a systemwide fixed-route
12 farebox recovery ratio are the revenue generated from the use of assets that
13 are utilized in the providing of fixed-route transit service and the cost incurred
14 to operate, maintain and provide this service; and

15 WHEREAS, the Transit Department seeks to establish a minimum fixed-
16 route, systemwide, farebox recovery ratio and recognizes that it could take
17 some years to achieve this minimum ratio.

18 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
19 ALBUQUERQUE:

20 SECTION 1. Definitions

21 A. Fixed-route, systemwide operating revenues are defined as revenues
22 received from the sale of fare products and revenues received from
23 advertising on buses, bus shelters, and/or on ABQ RIDE software
24 applications. Revenues received by the Department from other governmental
25 entities for the Department operating contractual fixed-route service are
26 excluded from this definition.

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1 **B. Fixed-route, systemwide operating costs are defined as in the United**
2 **States Department of Transportation, Federal Transit Administration, National**
3 **Transit Database Glossary. Operating costs incurred by the Department for**
4 **operating contractual fixed-route service for other governmental entities are**
5 **excluded from this definition.**

6 **C. Fixed-route, systemwide farebox recovery ratio is defined as fixed-route,**
7 **systemwide operating revenues divided by fixed-route, systemwide operating**
8 **costs.**

9 **SECTION 2. By February 1st of each year, the Transit Department will post**
10 **for public review, including but not limited to the Department's Web page,**
11 **performance measurements for all fixed-routes operated by the Transit**
12 **Department for the previous fiscal year.**

13 **SECTION 3. The Mayor or his/her designated representative, the Transit**
14 **Department Director, will through the annual operating budget propose**
15 **changes to the Fare Ordinance and the fixed-route operating system that will**
16 **achieve a minimum fixed-route, systemwide farebox recovery ratio of twenty-**
17 **five percent (25%) by June 30, 2022.**

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