



Legislation Text

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**Fiscal Note**

The City's current ordinances pertaining to non-represented employees and employee labor agreements with represented employees already provide for some measure of subsidies for employee transit fares. In 2003, the City cost for such subsidies totaled \$48,914; in 2004, the City cost totaled \$51,831. The 2005 City Operating Budget includes \$75,000 for the employee transit fare subsidies in anticipation of the transition to a full employee bus pass program.

If the Metro Unlimited Ride Pass Program is implemented August 1<sup>st</sup>, as is currently the goal, total 2005 costs for both subsidies and the new pass should be something less than the \$75,000 that is budgeted. If we assume that the full annualized cost in 2005 for the current subsidies might range from \$50,000 to \$55,000, then estimated 2005 costs for the subsidies and passes may total an estimated \$54,000 to \$65,000, as detailed below:

	Low Range	High Range
Current Subsidy (Jan 1 - July 31):	\$29,167	\$32,083
Unlimited Ride Pass Program (Aug 1 - Dec 31)	<u>\$25,589</u>	<u>\$32,569</u>
Total Estimated 2005 Cost	\$54,756	\$64,652

If the Unlimited Ride Pass Program had been in place for all of 2005, City costs would have ranged from a minimum of \$61,414 to a maximum of \$78,166. These costs are derived from Metro's estimate of all City employee-associated annual fare revenues on the low end to an upper-range estimate based on projected ridership from survey and other data multiplied by Metro's current benchmark fare rate of \$0.825 per ride, plus an additional allowance for paratransit rides. (The pricing model is similar to Metro's current fare contracts with the University of Wisconsin, MATC, and other non-City entities.)

There may also be some nominal costs associated with administration of the program, as Revenue/Treasurer and Human Resources assume some additional administrative burden including the re-issuance of some employee ID cards.

In order to continue this Program into 2006 and beyond, the Council will need to annually appropriate funding as part of the budget process. Since little actual employee ridership data will be available for use in the 2006 budget preparation period, the 2006 Unlimited Ride Pass Program will be based on current data and the cost for the program in 2006 will not exceed \$78,200. Metro will have actual employee ridership data collected during the latter part of 2005 and several months in 2006 for use in projecting 2007 ridership and related costs. If the program and related ordinance are adopted by the Council, the Unlimited Ride Pass Program will be offered to non-represented employees via the ordinance and to represented employees via the collective bargaining process.

The actual City cost will vary depending on the number of employees who participate in the program.

**Title**  
Authorizing the City of Madison to implement an Unlimited Ride Pass Program for City Employees. Terms and Conditions of the Program, described in Addendum A to this Resolution: Report: Metro Transit Unlimited Ride Pass Program, have been reviewed by the Mayor, Comptroller, and Interim Human Resources Director. The Unlimited Ride Pass Program would operate initially on a pilot program basis with the opportunity for program continuation through the normal legislative process.

**Body**

PREAMBLE

WHEREAS, Madison would like to enhance its Transportation Demand Management Program to be able to provide its employees access to a Metro Transit Unlimited Ride Pass Program which would make it possible for those employees to access Metro's fixed route and ADA Complementary paratransit services free of charge, in order to provide maximum incentive to its employees to use transit service for work commutes as well as incidental transportation purposes

throughout the year; and

WHEREAS, Metro has successfully developed Unlimited Ride Pass Programs with major area employers and educational institutions, all within guidelines for contractual terms established by the Madison Transit and Parking Commission, and would be interested in instituting such a program for the City of Madison for employees throughout the various Departments and Divisions; and

WHEREAS, the 2005 adopted City Operating Budget has made provision to purchase Metro Unlimited Ride Pass Program services through establishment of a designated line item in Madison's budgetary process, and will reimburse Metro through standard billing arrangements for this fare-replacement program as described in the attached Report: Metro Transit Unlimited Ride Pass Program, above and beyond normal annual subsidies provided to Metro by Madison; and

WHEREAS, the Mayor, Comptroller, and Interim Director of Human Resources have reviewed the attached Report: Metro Transit Unlimited Ride Pass Program, which describes the terms, conditions and implementation of the Program for an initial pilot period from August 1, 2005 through December 31, 2005; and

WHEREAS, the Transit and Parking Commission has reviewed the attached Report: Metro Transit Unlimited Ride Pass Program and approved the terms and conditions of the Program for its initial period of operation; and

WHEREAS, adoption of the attached Report of the Transit General Manager by the Common Council after recommendation by the Transit and Parking Commission, shall constitute authorization to initiate and implement the Program and direction and authorization to appropriate City agencies to act in connection with the Program and to provide all required reports and undertake such additional activities and responsibilities as may be required.

NOW, THEREFORE, BE IT RESOLVED that the Common Council authorizes implementation of the proposed pilot program, Metro Transit Unlimited Ride Pass Program (for City of Madison Employees), as described in the attached Report with the Program to continue for such time as the requisite funding is allocated and approved during the normal legislative budget process.