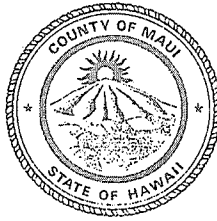


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COUNTY COUNCIL



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Mayor

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COUNTY OF MAUI
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April 24, 2019

Ms. Michele M. Yoshimura *MJ*
Budget Director, County of Maui
200 South High Street
Wailuku, HI 96793

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

[Signature] 4/24/19
Acting Mayor Date

For Transmittal to:

Honorable Keani Rawlins-Fernandez
Chair, Economic Development & Budget Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

SUBJECT: PROPOSED FISCAL YEAR 2020 BUDGET FOR THE COUNTY OF MAUI (EDB-1)

The Department of Transportation (DOT) hereby transmit the following responses in regards to the letter transmitted by Councilmember Tasha Kama dated April 22, 2019, relating to the Economic Development and Budget Committee on April 18, 2019 discussion regarding a proposal that was made to provide a monthly pass for the paratransit service. One of the challenges noted

was the high demand for this service by one rider in particular. In response, you noted that some methodology that would limit the total rides per month may be needed to avoid “overuse” of the service.

Question: If there was no limit on the total rides per month, what is your Department’s best estimate of the likely loss of farebox revenue (based on the current fares for paratransit services)?

Response: The County of Maui subsidizes the Paratransit program by approximately 97%. The following information is based on the 1st three quarters for this fiscal year:

Passenger Boardings:	63,414
Farebox Revenue:	\$79,534.70
Cost (July 2018-March 2019):	\$2,551,747.88
County Subsidy:	\$2,472,213.18
County Subsidy %:	97%

Question: If Council was to establish a limited-use monthly pass or “ticket book,” how many rides would your Department recommend for that limit and what is the likely loss of farebox revenue for that approach?

Response: At this time, the department isn’t able to provide a recommendation with regards to a limited-use monthly pass. There is a proposal that funds be allocated to the department (\$50,000) to conduct a rates and fees study for this purpose including the review of the Fixed Route and Commuter fares as well. The Maui County Council Department of Transportation Audit recommended that the County establish a governing fare policy that establishes overall principles and goals that can be used to inform fare structures. These are the things the department plans to review in the new fiscal year through transportation consultants and community outreach.

Currently the available fares for a Paratransit rider are as follows:

One-way (per boarding):	\$2
Daily pass:	\$4
Students w/ Valid ID, Ages 24 & Under Monthly Pass:	\$30
Senior (55 years & older):	\$45

Maui Economic Opportunity (MEO), Inc., has a program (separate from the County) called the Persons in Need Mobility Assistance Program who assists low-income disabled individuals achieve economic security through supportive services which include subsidies for daily passes for the Paratransit bus system. This is available to individuals with income at or below 125% of the federal poverty level. MEO was able to secure funding for this program from the Community Service Block Grant. This program was created by MEO for the gap group who are unable to purchase the Paratransit general monthly pass (who are not students or seniors). The qualified individual must pay \$45 and the maximum subsidy is \$75 in the month. Once the individual travels more than \$120 (30 days or 30 daily passes) in the month, they are required to cover any additional costs. This program is funded up to September 30th, 2019. MEO believes that there is a 90% chance of this funding continuing into the next fiscal year starting October 1, 2019.

Last fiscal year, the highest amount of Paratransit general passes that were sold were 46, but the average in the fiscal year were 27 passes. The MEO subsidy is currently subsidizing approximately 18 riders. There were several instances where a few riders weren't riding more than \$45 worth of daily passes thus no longer require the use of a monthly pass.

At this point in time, it is recommended that the fares remain the same with MEO continuing their program so that the department is able to conduct a fare review study and come back with a more informed recommendation with regards to fares and services. MEO is amenable to this and also plans to do more outreach on their subsidy.

Sincerely,



Marc I. Takamori
Director, Department of Transportation

cc: Councilmember Tasha Kama