



**COMMISSION MEMORANDUM**

TO: Honorable Mayor and Members of the City Commission

FROM: Rickelle Williams, Interim City Manager

DATE: June 26, 2024

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE, AT ITS MAY 24, 2024 MEETING, TO REPLACE THE TESLA MODEL X VEHICLE WITH A HIGHER CAPACITY STARCRAFT VAN OPERATING ON A FIXED ROUTE/FIXED SCHEDULE, SIMILAR TO THE FORMER MIAMI-DADE BUS ROUTE 115 ("ROUTE 115"), TO PROVIDE A MORE RELIABLE AND CONSISTENT CONNECTION BETWEEN NORTH BEACH AND MOUNT SINAI MEDICAL CENTER, AND TO EXPLORE THE FEASIBILITY OF EXTENDING THE PROPOSED SERVICE TO AN EXISTING BUS STOP LOCATED ON 41 STREET EAST OF ALTON ROAD TO CONNECT TO ROUTE 150 (MIAMI BEACH AIRPORT EXPRESS); AND WAIVING, BY 5/7TH VOTE, THE FORMAL COMPETITIVE BIDDING REQUIREMENT IN SECTION 2-367(E) OF THE CITY CODE, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY, AND AUTHORIZING THE INTERIM CITY MANAGER TO NEGOTIATE AND EXECUTE THE FOLLOWING AGREEMENTS IN ORDER TO PROVIDE A FIXED ROUTE/FIXED SCHEDULE TRANSIT SERVICE TO A PORTION OF THE CITY'S AREAS PREVIOUSLY SERVED BY ROUTE 115, WHICH ROUTE WAS ELIMINATED BY MIAMI-DADE COUNTY AS OF NOVEMBER 13, 2023 AS PART OF THE BETTER BUS NETWORK: (1) AN INTERGOVERNMENTAL AGENCY AGREEMENT WITH MIAMI-DADE COUNTY, FLORIDA ("COUNTY"), PROVIDING FUNDING TO THE CITY FOR A FIXED ROUTE/FIXED SCHEDULE TRANSIT SERVICE; AND (2) AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH LIMOUSINES OF SOUTH FLORIDA, INC. TO PROVIDE A FIXED ROUTE/FIXED SCHEDULE TRANSIT SERVICE TO A PORTION OF THE CITY'S AREAS PREVIOUSLY SERVED BY ROUTE 115; PROVIDED, HOWEVER, THAT THE CITY, AT A MINIMUM, HAS SECURED A LETTER OF COMMITMENT FROM THE COUNTY TO FUND THE ENHANCED FIXED ROUTE/FIXED SCHEDULE SERVICE.

**RECOMMENDATION**

The City Administration ("Administration") recommends that the Mayor and City Commission ("City Commission") adopt the Resolution.

**BACKGROUND/HISTORY**

At the December 13, 2023 City Commission meeting, at the request of Commissioner Alex Fernandez, the City Commission referred an item (C4 Z) to the Transportation, Parking & Bicycle-Pedestrian Facilities Committee ("TPBPFC") and the Public Safety and Neighborhood Quality of Life Committee ("PSNQLC" or "Committee") to discuss access to Mount Sinai Medical Center for North Beach residents who use public transportation as their main mode of transportation.

The Miami-Dade County ("County") Better Bus Network is a revamp of regional bus service based on a comprehensive countywide study conducted by the Miami-Dade County Department of Transportation and Public Works ("DTPW") in collaboration with Transit Alliance Miami, a not-for-

profit organization. The Better Bus Network study was initiated in June 2019 and approved, as amended, by Resolution No. R-920-21 of the Miami-Dade County Board of County Commissioners (“BCC”) on October 5, 2021. The BCC Resolution authorized the implementation, by DTPW, of the Better Bus Network. DTPW launched the approved route changes on November 13, 2023. The changes included several new bus routes in Miami Beach including routes 14, 15, 20, and 100 as well as improvements to service frequency. Details and maps of the bus route changes implemented as part of the Better Bus Network can be found [here](#).

Based on DTPW’s assessment, frequency and reliability of Miami-Dade County bus service in the City of Miami Beach (“City”) is expected to improve as a result of the Better Bus Network. However, the Administration initially and consistently expressed a few concerns with the Better Bus Network via City Commission Resolution No. 2021-31866, including the elimination of Route 115 without providing an alternative transit option for the affected community, such as an on-demand service, as a mitigation strategy.

As part of the Better Bus Network, DTPW discontinued Route 115 due to historically low ridership (an average of approximately 134 riders per weekday and 67 riders on weekends). Route 115 connected North Beach to South Beach, serving Mount Sinai Medical Center, primarily along the Alton Road corridor (Attachment A). The service consisted of two (2) cut-away buses operating approximately 13 hours a day, seven (7) days a week, at approximately 50-minute headways (i.e. frequency of service). DTPW introduced new routes, including Route 14 from Omni Terminal in Miami to Mount Sinai Medical Center via the MacArthur Causeway, Alton Road, South Pointe Drive, Washington Avenue, Collins Avenue, and 41 Street, which will somewhat serve the areas in South Beach and Mid-Beach affected by the discontinuation of Route 115.

To help mitigate the impact of DTPW’s discontinuation of Route 115 and provide a suitable public transit option to the affected customers in North Beach, the City’s Transportation and Mobility Department staff worked with DTPW staff on a plan to augment the City’s on-demand transit service operated by Freebee to primarily serve the North Beach portion of Route 115 (all existing stops from 63 Street to 88 Street) as well as Mount Sinai Medical Center as an on-demand service. While City staff requested that DTPW allocate funds for the operation of two (2) additional Tesla X SUV vehicles to meet the anticipated demand of the expanded service area, DTPW approved funding for only one (1) additional Tesla X SUV vehicle for the expanded service. Transportation and Mobility Department staff worked promptly with Freebee to amend the agreement for on-demand transit services to include the additional vehicle and expanded service area. Thus, the additional Tesla X SUV vehicle was put in service on November 13, 2023, the same day Route 115 service was eliminated by DTPW. The annual operating cost of the additional Tesla X SUV vehicle is approximately \$168,000 and will be funded (retroactively and prospectively) by DTPW for a two (2) year period through an Intergovernmental Agency Agreement (“IAA”) between the City and the County. As sponsored by Commissioner Alex Fernandez, the IAA was approved by the City Commission via Resolution No. 2023-32821 adopted on October 18, 2023. Following the two (2)-year financial commitment by DTPW, the continuation of the expanded on-demand Freebee service would need to be partially or fully funded by the City and/or other sources or eliminated.

To inform Route 115 riders and the community about the expanded on-demand Freebee service available as of November 13, 2023, City staff placed flyers at all existing Route 115 bus stops in North Beach and issued e-blasts in conjunction with DTPW. In the notifications, customers were provided a phone number to request a Freebee ride in advance. Attachment B includes the on-demand Freebee service flyer.

Note that at the November 7, 2023 BCC meeting, prior to the launch of the Better Bus Network, Miami-Dade County District 4 Commissioner Micky Steinberg motioned and read into the record the following:

*“Commissioner Steinberg moves to direct the County Mayor or County Mayor’s designee to continue the negotiation of an interlocal agreement with the City of*

*Miami Beach and/or a third-party vendor for the provision of an alternative long-term on-demand or fixed route transit service to replace Route 115 which was eliminated with the adoption of the Better Bus Network. The County Mayor or County Mayor's designee is directed to bring back such negotiated interlocal agreement within 30 days of the effective date of this motion, or alternatively, place a written status report every 30 days thereafter on an agenda of the full Board without committee review pursuant to rule 5.06(j) of the Board's Rules of Procedure, until such time as the final negotiated interlocal agreement is placed on an agenda of this Board."*

Transportation and Mobility staff inquired with DTPW staff about updating the IAA to account for Commissioner Steinberg's approved motion, however, DTPW has not made any changes to the IAA to explicitly reflect the motion. Rather, DTPW has added language to clarify that during the term of the agreement, DTPW will assess ridership and other reporting metrics to determine whether, in the long term, the service needs to be extended, modified, or cancelled. DTPW suggests that the term of the IAA also affords the City time to secure an alternative funding source to sustain the expanded Freebee service, if warranted.

## **ANALYSIS**

Since the launch of the City's expanded on-demand Freebee service on November 13, 2023, Transportation and Mobility Department staff has been collecting data to evaluate the effectiveness of the new service.

Compared to the former Route 115 bus service, which had an average daily ridership of 134 riders on weekdays and 67 riders on weekends, from November 2023 to April 2024, the expanded on-demand Freebee service experienced a lower daily ridership, with an average daily ridership of 72 riders on weekdays and 42 riders on weekends. Based on City staff's assessment, the Tesla X SUV vehicle is currently serving the North Beach area with an average passenger wait time of approximately 15 minutes during off-peak hours. However, a key metric to note is the variation in passenger wait times during peak hours. The data shows that average passenger wait times increased significantly during weekday morning and afternoon peak hours, reaching up to 80 minutes.

It is worth noting, however, that these long wait times during peak hours are higher than those of former Route 115, suggesting that while the City's expanded on-demand Freebee service offers substantial improvements during off-peak hours as compared to Route 115, it is challenging to maintain the high service frequency and low passenger wait times during peak periods of high passenger demand with only one (1) additional Freebee vehicle (Tesla X SUV) in service.

This data analysis is vital to properly assess the performance of the expanded on-demand service and to identify areas where improvements or additional resources may be required. The disparity in passenger wait times underscores the need for a more-balanced approach to the service that adequately addresses both off-peak and peak-hour demands and ensures a consistent and reliable on-demand transit experience for all users throughout the day.

At the February 14, 2024 PSNQLC meeting, the Committee recommended that the Administration share the data collected by the City with the County and explore other alternatives to the existing on-demand Freebee service in North Beach and return to the April 17, 2024 PSNQLC meeting with an update.

Based on the data analysis, City staff met with DTPW and proposed enhancements to the existing on-demand Freebee service. The City requested to replace the existing Tesla Model X vehicle, which accommodates five (5) passengers, with a Starcraft van, a high-capacity vehicle which can accommodate 14 passengers. This upgrade aims to accommodate more passengers per trip, effectively meeting the increased demand for public transportation from North Beach to Mount Sinai Medical Center.

Additionally, the City proposed the implementation of a fixed route/fixed schedule service to provide a more reliable and consistent connection between North Beach and Mount Sinai Medical Center. The new service model would operate with one (1) Starcraft van 13 hours a day, 7 days a week, from 7 am to 8 pm, mirroring the operational hours of the former Route 115 and ensuring continuity in service availability for the community. Attachment C shows the proposed alignment of the fixed route/fixed schedule service. The estimated service frequency and average passenger wait times for the proposed fixed route/fixed schedule service is expected to be between 60 to 70 minutes - which is somewhat comparable to the wait time for the previous Route 115.

To support this new service model, the City requested additional funding from DTPW. The estimated annual operating cost for one (1) Starcraft van is approximately \$245,000. This represents an increase of approximately \$77,000 over the current annual operating cost and commitment from the County of \$168,000 for one (1) Freebee Model X vehicle. Per correspondence from DTPW dated May 1, 2024 (Attachment D), the County is committing to fund \$245,000 annually, from November 13, 2023 until November 2025 through the execution of an IAA between the City and County.

The City's TPBPFC discussed this issue extensively and recommended that the County provide two (2) high-capacity vehicles that accommodate a minimum of 12-15 passengers during peak hours to better serve North Beach's transportation needs, particularly for the route to and from Mount Sinai Medical Center. The proposed modification to the Freebee service is closely aligned with the recommendation of the TPBPFC as shared via Letter to Commission ("LTC") 102-2024 (Attachment E).

At the April 17, 2024 PSNQLC meeting, the Committee recommended that the existing Tesla Model X vehicle be replaced with a higher capacity Starcraft van operating on a fixed route/fixed schedule (similar to the former Route 115) to provide a more reliable and consistent connection between North Beach and Mount Sinai Medical Center. Additionally, the Committee would like the Administration to explore the feasibility of extending the proposed fixed route/fixed schedule service to an existing bus stop located on 41 Street east of Alton Road to connect to Route 150 (Miami Beach Airport Express). The Administration will work with DTPW and provide an update via LTC on the feasibility of this potential route extension.

The recommendation of the PSNQLC was brought to the May 15, 2024 City Commission meeting for acceptance via a Commission Resolution (Item C7 W). However, at the May 15, 2024 City Commission meeting, during a discussion on agenda Item C7 W, and at the request of Commissioner Alex Fernandez, the City Commission referred the item to the May 24, 2024 Finance and Economic Resiliency Committee ("FERC"). The purpose of the referral was to discuss Item C7 W in light of receipt of a recent letter dated May 14, 2024 from Limousines of South Florida ("LSF"), Inc. (Attachment F).

At the May 24, 2024 FERC meeting, the Administration presented a table of comparison of the two proposals (Freebee and LSF). The FERC recommended that the Administration include the proposed fixed route/fixed schedule service in the current month-to-month agreement with LSF. This fixed route/fixed schedule service could be subsequently incorporated into a new contract with a vendor for the provision of Citywide Municipal Transit Circulator Services, currently being procured.

### **FISCAL IMPACT STATEMENT**

The estimated annual operating cost for one (1) Starcraft van is approximately \$245,000 to be fully funded by the County through an IAA.

### **Does this Ordinance require a Business Impact Estimate?** (FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on . See BIE at:  
<https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

## **FINANCIAL INFORMATION**

N/A

## **CONCLUSION**

The Administration is committed to ensuring a convenient and reliable transit option for former Route 115 passengers and the North Beach community. The Administration believes that the enhanced Freebee service effectively meets passenger demands during non-peak hours. However, based on an analysis of data collected since the inception of the enhanced Freebee service on November 13, 2023, the Administration believes that one (1) Tesla Model X SUV vehicle currently in service is not sufficient to adequately meet passenger demand during peak hours.

The Administration presented the data and findings to DTPW to advocate for supplemental funding to replace the existing Tesla Model X SUV with a Starcraft van with a higher passenger capacity, and the implementation of a fixed route/fixed schedule service. The County has preliminarily committed to providing additional funding for a Starcraft van, demonstrating a proactive response to community needs in North Beach. The next steps include updating the IAA and continuing our collaboration with DTPW to implement the desired changes.

The Administration recommends that the City Commission accept the recommendation of the FERC to replace the Tesla Model X vehicle with a higher capacity Starcraft van operating on a fixed route/fixed schedule transit service to provide a more reliable and consistent connection between North Beach and Mount Sinai Medical Center; explore the feasibility of extending the proposed service to an existing bus stop located on 41 Street east of Alton Road to connect to Route 150 (Miami Beach Airport Express); waive by 5/7 vote the competitive bidding requirement in Section 2-367 (e) of the City Code; and authorize the City Manager to negotiate and execute the Intergovernmental Agency Agreement with the County and an amendment to the month-to-month agreement with LSF to provide the fixed route/fixed schedule transit service to a portion of the City's areas previously served by Route 115.

## **Applicable Area**

Citywide

**Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?**

Yes

**Is this item related to a G.O. Bond Project?**

No

**Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s): N/A

## **Department**

Transportation and Mobility

## **Sponsor(s)**

Commissioner Alex Fernandez

**Co-sponsor(s)**