

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	03/23/09	Open	Action	03/23/09

Subject: Amend Agreement with Sacramento County to Temporarily Increase the Minimum Number of Monthly Passes Issued to the Department of Human Assistance (DHA)

ISSUE

Whether to approve an amendment to the agreement with the County of Sacramento which would temporarily increase the number of monthly passes issued to DHA.

RECOMMENDED ACTION

Adopt Resolution No. 09-03-_____, Approving the First Amendment to the Agreement with the County of Sacramento for the Purchase and Sale of Prepaid Fare Media at a Discount

FISCAL IMPACT

Budgeted:	\$1,858,800	This FY:	\$	18,750.00
Budget Source:	Operating	Next FY:	\$	31,250.00
Funding Source:	Revenue	Annualized:	\$	
Cost Cntr/GL Acct(s) or Capital Project #:		Total Amount:	\$	50,000.00

DISCUSSION

On January 28, 2008 the RT Board of Directors approved Resolution number 08-01-0008 08-04-0044 approving an agreement with the County of Sacramento for the purchase and sale of prepaid fare media at a discount for DHA. This agreement allows RT to provide monthly passes at a 60% discount, and both single and daily prepaid fare media at a 50% discount to DHA. DHA then provides these passes to its General Assistance (GA) program participants. The contract requires DHA to purchase a minimum dollar amount of the monthly, single and daily tickets/passes each fiscal year. The minimum quantity of monthly stickers purchased per month is 6,196 and 6,373 stickers for FY 2009 and 2010, respectively.

Due to the current downturn in the economy, DHA is experiencing a higher than anticipated use of the RT monthly pass. As a result, DHA has requested a temporary increase in the minimum purchase requirement by 250 passes per month for the time period April - November 2009. These passes would be purchased at the contractual discounted rate of \$25 per monthly pass based on the fare structure in place at the time of the agreement. The required number of monthly passes purchased by DHA would be increased to 6,446, for the time period April - June 2009, and 6,623 for the time period July - November 2009. This would increase the guaranteed minimum revenues from this source by \$18,750 in FY 2009 and \$31,250 in FY 2010.

Staff recommends approval of the proposed first amendment to the agreement between RT and Sacramento County.

Approved:


General Manager/CEO

Presented:


Chief Financial Officer