

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	09/26/16	Open	Action	09/19/16

Subject: Authorizing the General Manager/CEO to Enter into an Agreement with the City of Sacramento to Provide Employee Shuttle Services.

ISSUE

Whether or not to authorize the General Manager/CEO to enter into an Agreement with the City of Sacramento to recognize employee badges issued by Golden 1 Center employers and badges issued by employers adjacent to the Golden 1 Center as valid Fare Equivalent on event days.

RECOMMENDED ACTION

- A. Adopt Resolution No. 16-09-____, Delegating Authority to the General Manager/CEO to Enter into an Agreement with the City of Sacramento to Recognize Employee Badges Issued by Golden 1 Center Employers and Badges Issued by Employers Adjacent to the Golden 1 Center as Valid Fare Equivalent on Event Days; and
- B. Adopt Resolution No. 16-09-____, Amending the Fare Structure (Resolution 09-10-0174) to Modify the Definition of "Fare Equivalent" and Recognizing Employee Badges as Fare Equivalent.

FISCAL IMPACT

Budgeted:	No	This FY:	\$	500,000
Budget Source:	Operating	Next FY:	\$	0
Funding Source:	Operating	Annualized:	\$	500,000
Cost Cntr/GL Acct(s) or Capital Project #:	Cost Centers 32, 34, 77	Total Amount:	\$	500,000
Total Budget:	\$500,000 Estimated Expense \$500,000 Estimated Revenues (shown as \$95,000 fares and \$405,000 contracted services)			

*Note: Revenues are split based on 19% bus farebox recovery percentage.

DISCUSSION

RT has been working with the City of Sacramento's Parking Services Department (City) on a concept that would allow employees working in and around the Golden 1 Center (Golden 1) to be able to park their personal vehicles at available spaces under the W/X freeway and ride RT bus service to and from work.

The initial demand is estimated to be between 600 employees for smaller events up to approximately 1,200 employees for the larger events. The Environmental Impact Report for the Golden 1 anticipates a total of 177 annual events, including 44 NBA games, 15 concerts with

Approved:

Presented:

Final 09/21/16

General Manager/CEO

Vice President of Transit Services/Chief Operating Officer

J:\Board Meeting Documents\2016\16 September 26, 2016\Employee Parking Lot Shuttle CB.doc

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more than 10,000 attendees, and 98 events with attendance of 5,000 or more. For weeknight events, the employees would be coming to work as early as 3:00 PM with some employees working until 3:00 AM the next morning. While RT has a number of routes (bus and rail) that run in the vicinity of the lots, the ending times for most shifts will be outside RT's normal span of service, which means that RT's service would not be a viable transportation option for those workers unless service hours are extended. Given the potential high volume of passengers, RT is evaluating modification of the service hours and routes, on event days to serve this large customer base.

The initial Staff plan for augmented bus service is to create a deviation to RT's existing route 51 serving the W/X parking lots from 6th Street to 21st Street. This would add extra buses to meet the increased demand and extend the span of service to match event specific work shifts. The service would be open to the general public and would serve all of RT's regular bus stops along its route.

The City's Parking Services Department is working with major employers at Golden 1 and in the vicinity of Golden 1 to fund both the parking spaces and the cost of fares on RT service, including the augmented service. RT would in turn contract with the City to transfer the fare revenue collected by the City. While it would be theoretically possible for the employers to independently purchase fare media from RT and distribute it to employees, for logistical and administrative reasons, Staff is recommending that the Board authorize the General Manager/CEO to enter into an Agreement with the City whereby the City would agree to pay the amount of \$500,000 for RT's acceptance of employee badges issued by Golden 1 employers and badges issued by employers adjacent to the Golden 1 as valid fare media for RT service on Golden 1 event days. The advantages to RT of this approach are: (1) centralized collection of revenue; (2) guaranteed minimum revenue; and (3) elimination of the need to distribute fare media.

If the ridership estimates are accurate, the maximum revenue potential from this group of riders would be \$778,800, based on a \$5.50 round trip. However, RT is unlikely to realize this much revenue, given that: (1) many employees would not ride without the ease of showing an employee badge as valid fare media; and (2) many riders could already possess valid fare media (monthly pass, student pass, group pass) or qualify for a discount (student or senior). Because of these variables, Staff believes the \$500,000 payment for the year is a reasonable estimate of the potential fare revenue.

The proposed actions would: (1) authorize the General Manager/CEO to enter into an Agreement with the City to accept employer ID badges as valid fare for Golden 1 event nights for a payment by City of \$500,000; and (2) amend the fare structure to recognize the employee badges as valid fare media, conditioned upon execution of an agreement with the City. The duration of the agreement will be for one year, commencing October 1, 2016 and ending September 30, 2017.

Staff recommends approval of these action items.

RESOLUTION NO. 16-09-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

September 26, 2016

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO ENTER INTO AN AGREEMENT WITH THE CITY OF SACRAMENTO TO RECOGNIZE EMPLOYEE BADGES ISSUED BY GOLDEN 1 CENTER EMPLOYERS AND BADGES ISSUED BY EMPLOYERS ADJACENT TO THE GOLDEN 1 CENTER AS VALID FARE EQUIVALENT ON EVENT DAYS.

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, authority is hereby delegated to the General Manager/CEO to enter into an Agreement with the City of Sacramento whereby RT recognizes employee badges issued by Golden 1 Center employers and badges issued by employers adjacent to the Golden 1 Center as valid Fare Equivalent on event days and City makes payment to RT of \$500,000 for acceptance of the fare media.

JAY SCHENIRER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 16-09-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

September 26, 2016

AMENDING THE FARE STRUCTURE (RESOLUTION 09-10-0174) TO MODIFY THE DEFINITION OF "FARE EQUIVALENT" AND RECOGNIZING EMPLOYEE BADGES AS FARE EQUIVALENT

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the definition of "Fare Equivalent" in the RT Fare Structure is hereby amended to read in its entirety as follows:

"Fare Equivalent" means an RT-approved substitute for U.S. currency that may be applied toward the Applicable Fare or purchase of a Daily Pass. Any one of the following constitutes a Fare Equivalent:

- (1) A Token deposited in the farebox upon Board a bus;
- (2) Value stored on a Connect Card or Mobile Fare application that is validated in the manner required for Connect Card (tapping) or the current Mobile Fare application;
- (3) An ID badge or Event Ticket approved by the Board to serve as valid Fare, subject to the terms and conditions noted in the Board approval; or
- (4) An Event Ticket approved by the General Manager/CEO to serve as "fare equivalent" that is counted toward the General Manager/CEO's complimentary ticket allocation, subject to the terms and conditions set out by the General Manager/CEO."

THAT, employee badges issued by Golden 1 Center employers or those in the vicinity of the Golden 1 Center are recognized as Fare Equivalent on days when Golden 1 events are held, conditioned on the existence of a valid agreement between RT and the City of Sacramento to compensate RT for acceptance of such badges.

JAY SCHENIRER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary