

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	04/24/17	Open	Action	04/19/17

Subject: Authorizing up to 10 Free Ride Days for Individuals with Disabilities, Seniors and Students

ISSUE

Whether to give the General Manager/CEO authority to approve up to 10 “free ride” days for Seniors, Individuals with Disabilities and Students.

RECOMMENDED ACTION

Adopt Resolution No. 17-04___, Delegating Authority to the General Manager/CEO to Approve Up to 10 Free Ride Days for Seniors, Individuals with Disabilities and Students.

FISCAL IMPACT

Staff analysis of the fiscal impact from offering 10 free ride days to riders with disabilities, Seniors and Students is shown below. Further details of the analysis can be found in the discussion to follow.

Senior, Disabled and Student Free Ride Days

<u>Fare Category</u>	<u>Daily Fare Revenue Impact*</u>	<u>Maximum # of Days</u>	<u>Total</u>
Senior	(1,792)	10	\$ (17,920)
Disabled	(4,480)	10	(44,800)
Student	(4,318)	10	(43,180)
Total			<u>\$ (105,900)</u>

* The Daily Fare Revenue Impact is based on the average daily boardings by the selected groups (as defined in RT’s Fare Structure) and the average fare for each affected group.

Discussion

In an effort to generate interest in public transportation options and encourage new or repeat ridership, Staff is seeking Board approval to provide up to the 10 free ride days for: Seniors, Individuals with Disabilities, and Students (K-12 as defined in the current fare structure).

Over the past months, RT has been looking for new ways to conduct business that would engage the public and provide innovative ways to increase interest in various public transportation initiatives and options. One such way is to offer free ride days for select groups to “try out” RT and give public transportation a chance. Staff recently sought and received Board approval to

Approved:

Presented:

Final 04/19/17

General Manager/CEO

VP, Finance/Chief Financial Officer

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offer up to 10 free days for Golden One Center event ticket holders, and with much success, RT saw ridership grow with very little fiscal impact on its fares.

After conducting some financial analysis on this topic, staff concluded that so long as free ride days are limited and spread out over the month (as not to impact monthly pass sales), free ride days should not have a significant impact on RT’s base revenues. The analysis conducted assumed that 100% of riders in the selected categories will not pay on the free ride day; in reality, some riders covered by the free ride promotion may still pay, as it is has been our experience that despite efforts to advertise free ride days in the past, the advertising doesn’t reach some riders, especially at unmanned payment locations such as light rail fare vending machines. The analysis also assumes that the free ride days are offered mid-week and on non-holidays where ridership is at its peak. Therefore, it is likely that the fare revenue impact of offering free ride days may be lower than the analysis suggests. As a result, Staff believes this is a low cost benefit to existing riders and a great way to attract new riders.

Under RT’s Fare Structure, the “Senior,” “Disabled” and “Student” discount fare categories require specific forms of ID. For riders with disabilities, this can be an RT-issued Disabled ID, a disabled ID issued by another transit agency or DMV-issued disability placard ID card. This promotion will be provided on RT’s fixed route services only and will not extend to ADA complementary paratransit service, both to encourage passengers with disabilities to try RT’s accessible fixed route services and due to the fiscal impact. The “Senior” discount fare is available to those with a Medicare card or a government-issued ID (license, passport, etc.) showing the person is 62 or older. Student fares are available to those with a School ID or RT-issued Student ID or by parental affirmation of age for those under 13. To ensure that the promotion reaches new riders, the General Manager/CEO will evaluate whether alternate forms of ID should be accepted on free ride days and advertise the acceptable forms of ID.

Staff recommends that the Board delegate authority to the General Manager/CEO to approve up to 10 free ride days for senior, disabled and student riders.

RESOLUTION NO. 17-04-_____

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

April 24, 2017

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE UP TO 10 FREE RIDE DAYS FOR SENIORS, INDIVIDUALS WITH DISABILITIES AND STUDENTS

WHEREAS, by Resolution No. 09-10-0174, the Board of Directors amended and restated the Fare Structure for fixed-route service; and

WHEREAS, RT desires to implement, on up to 10 separate dates, a Free Ride Day allowing Seniors, Disabled Individuals, and Students, as defined by Resolution 09-10-0174 to ride for free on up to 10 designated days; and

WHEREAS, the Board desires to delegate authority to the General Manager/CEO to select up to 10 dates when Seniors, Disabled Individuals and Students may ride for free and to determine the identification documents that will serve as a fare equivalent during the promotion.

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

THAT, the General Manager/CEO is hereby authorized to select up to 10 dates when Seniors, Individuals with Disabilities, and Students are able to ride free (“Free Ride Day”).

THAT, in addition to the other fare and pass types identified in Resolution No. 09-10-0174, the definition of “Fare Equivalent” is temporarily modified to include an ID document approved by the General Manager/CEO to serve as valid Fare during a designated Free Ride Day promotion for Seniors, Individuals with Disabilities, and Students, which must include all forms of ID designated in Resolution 09-10-0174 and may include other forms of identification determined by the General Manager/CEO as sufficient to provide proof of eligibility.

THAT, after 10 selected Free Ride Days, the definition of Fare Equivalent will no longer include an ID document approved by the General Manager/CEO.

THAT, in the event of a conflict between this Resolution and Resolution No. 09-10-0174 this Resolution will govern as to the terms of use of the Free Ride Day.

THAT, in all other respects, Resolution No. 09-10-0174 remains in full force and effect.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary