

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	05/22/17	Open	Action	05/10/17

Subject: Approving an Agreement with Highlands Community Charter School for the Discount Sale of Fare Media.

ISSUE

Whether to approve the Agreement for Discount Sale of Fare Media with Highlands Community Charter School (HCCS) .

RECOMMENDED ACTION

Adopt Resolution No. 17-05-____, Approving the Agreement for Discount Sale of Fare Media with Highlands Community Charter School.

FISCAL IMPACT

HCCS currently purchases approximately 900 full fare tickets/passes each month. If HCCS orders the 1,000 minimum required in RT's Discount Policy, there could be a net reduction of approximately \$22,125 in fare revenue per year (based on the purchases HCCS has made of full fare media over the last 6 months). However, once the discount Agreement is in place, HCCS may increase its purchases beyond the minimum, which would reduce the fare revenue decrease and could result in increased ridership.

DISCUSSION

HCCS would like to enter into an agreement with RT for the discount sale of Fare Tickets and Daily Passes to provide discounted Fare Media to students enrolled in programs requiring career training electives. RT's Policy for the Discount Sale of Prepaid Media (Resolution No. 07-12-0158) allows 501(c)(3) nonprofits and public and local agencies that provide "Human Services" to eligible individuals to purchase RT Fare Tickets and Daily Passes at a discount of up to 50%, with a minimum purchase of 1,000 Fare Tickets and/or Daily Passes per month for at least 12 consecutive months. "Employment preparation and procurement" qualifies as "Human Services" as defined in RT's policy for the Discount Sale of Prepaid Media.

HCCS is a 501(c)(3) nonprofit, independent public charter school. HCCS offers high school diplomas, certification programs, and English Language Development programs to students 22 years of age and older who do not possess a U.S. high school diploma. The segment of the population that HCCS serves typically have not had the means to graduate high school by the age of 18. HCCS aspires to provide these individuals with skills necessary to obtain a livable wage job. All students are required to take job training courses for their elective credits necessary to attain a high school diploma. Students who attend HCCS do not have to pay to obtain their education, and HCCS provides RT fares free of charge to students who need transportation.

HCCS's request complies with RT's Policy for the Discount Sale of Prepaid Media. Further, a partnership with the school would be advantageous and could generate additional ridership. Staff

Approved:

Presented:

Final 05/17/17

General Manager/CEO

Manager, Revenue

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therefore recommends approving the Agreement for Discount Sale of Fare Media with Highlands Community Charter Schools.

RESOLUTION NO. 17-05-_____

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

May 22, 2017

**APPROVING THE AGREEMENT FOR DISCOUNT SALE OF FARE MEDIA WITH
HIGHLANDS COMMUNITY CHARTER SCHOOL**

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

THAT, the Agreement between the Sacramento Regional Transit District, therein referred to as "RT," and Highlands Community Charter School, a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code that provides high school diplomas and other educational programs, therein referred to as "HCCS," wherein HCCS agrees to purchase a minimum of 1,000 combined Fare Tickets and Daily Passes per month for 12 consecutive months, as required by RT's Policy for Discount Sale of Prepaid Fare Media (Resolution No. 07-12-0158), and RT agrees to provide such media at a 50% discount from the cost set out in RT's fare structure, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute the foregoing Agreement.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary