

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
7	05/13/19	Open	Action	04/30/19

Subject: Promotional Summer Pass for Students

## ISSUE

Whether or not to temporarily modify the Fare Structure (Resolution Nos. 09-09-0174, 16-03-0024, as amended) to provide a new promotional three-month Summer Student pass for \$30 valid for June, July and August 2019 and only available on Connect Card and ZipPass.

## RECOMMENDED ACTION

Adopt Resolution No. 19-05-\_\_\_, Temporarily Modifying the Fare Structure (Resolution Nos. 09-09-0174 and 19-03-0038 as Amended, Including by Resolution Nos. 17-03-0027 and 18-01-0008) to Authorize a Three-Month Summer Student Pass Valid for June, July and August 2019 and Only Available on Connect Card and ZipPass.

## FISCAL IMPACT

Prior Year Results:

In May, 2018 the Board adopted Resolution No.18-05-0046 temporarily modifying the Fare Structure authorizing a promotional two-month summer pass valid for the months of July and August. This promotion resulted in 64 passes sold on ZipPass and 289 passes sold on Connect Card. Combined ridership based on pass activations and taps totaled 11,858 during the promotional period.

Current Year Results:

Staff performed an analysis to determine the fiscal impact of a three-month pass for Students (valid June, July and August) priced at \$30 and estimates a fare revenue loss of approximately \$18,587.25. However, this is projected to increase ridership by 21% or 113,506 trips.

## DISCUSSION

In June 2018, the Board adopted Resolution No.18-06-0061 approving a permanent fare reduction for Students (as defined in the Fare Structure), lowering the semi-monthly pass price from \$27.50 to \$10, and adding a Student monthly pass at \$20.00; previously SacRT only offered a semi-monthly pass for Students. These offerings resulted in higher than anticipated increases in ridership and an overwhelming level of support and appreciation from the public.

Due to the success of the 2018 promotional Summer pass, SacRT staff would like to expand the promotion to a three-month pass valid June through August 2019 at a price of \$30, available only on Connect Card and ZipPass. Staff believes that offering this fare to Students will build on the positive press and feedback that SacRT has been receiving for the original promotion, and

Approved:

Presented:

Final 05/08/19

General Manager/CEO

Treasury Controller

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permanent fare reduction given to Students. A summer pass will help students get to and from internships, jobs, or extracurricular activities when school is no longer in session. Connect Card and ZipPass are now widely available and, given the fact that Students can't buy stickers from their local schools when they are closed over the summer, Staff feels that Students will find it easier and more convenient to purchase this pass on electronic forms of fare media.

As mentioned prior to last year's Student Summer Pass promotion, fare reductions for Students over the summer, including offering multi-month passes, are quite common among other transit agencies in the four-county region. For example, the cities of Roseville, Auburn and Placer County offer a program whereby Students can purchase a multi-month summer pass for June, July and August for \$10. The same three-month offering is available on YoloBus for \$30. El Dorado Transit will be offering a summer Student discount for the first time this year. Their Students can purchase a two-month pass for July and August at a price of \$5.

Staff reached out to each of these agencies to discuss the success of their programs and draw comparisons among the agencies. Staff found these programs to be successful at generating ridership among Students over the summer. However, there is one significant difference between SacRT and the regional partners: many of these agencies reported virtually no Student ridership prior to introducing the summer fare reduction. Therefore, the risk of fare revenue loss was minimal. SacRT maintains a healthy Student ridership level through the summer months, so the fiscal impact will be more significant for SacRT. However, Staff believes that a summer Student pass program can continue to foster ridership growth amongst SacRT's Student population.

## CONCLUSION

Based on the research and discussion above as well as the relative success of similar programs in the area and the prior success of the original two-month promotion in Summer 2018, Staff recommends that the Board approve the Resolution and adopt a temporary promotional summer pass for Students allowing them purchase a three-month pass valid for the months of June, July and August 2019 at a price of \$30, available only on Connect Card and ZipPass.

RESOLUTION NO. 19-05-\_\_\_\_\_

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

May 13, 2019

**TEMPORARILY MODIFYING THE FARE STRUCTURE (RESOLUTION NOS. 09-09-0174 AND 19-03-0038 AS AMENDED, INCLUDING BY RESOLUTION NOS. 17-03-0027 AND 18-01-0008) TO AUTHORIZE A THREE-MONTH SUMMER STUDENT PASS VALID FOR JUNE, JULY AND AUGUST 2019 AND ONLY AVAILABLE ON CONNECT CARD AND ZIPPASS**

WHEREAS, pursuant to the adopted Fare Structure (Resolution Nos. 09-10-0174 and 19-03-0038, as amended, including by Resolution Nos. 16-03-0024, and 18-01-0008), SacRT provides discount fares for Students, as defined in Resolution No. 18-06-0061.

WHEREAS, SacRT desires to implement, on a temporary basis, an additional promotional fare reduction for Students to increase ridership.

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

THAT, Resolution No. 09-09-1074, as previously amended, is hereby modified to add a new Prepaid Fare type entitled "Summer Student Pass" defined as "electronic Prepaid Fare purchased for or by a Student, stored on a Connect Card or mobile fare application and accompanied by the required proof of discount eligibility (School ID or Discount Connect Card ID Card)";

THAT, the price and validity of the Summer Student Pass is defined as follows:

Student Summer Pass

A valid Student Summer Pass entitles the bearer whose picture is on the Discount Connect Card ID Card or School ID Card to an unlimited number of Rides on Fixed Route Service for June, July, and August 2019, subject to the following limitations and conditions:

- A. This Pass constitutes prepayment of the Discount Fare or any Fare established in an amount lower than the Discount Fare;
- B. This Pass may be used only by the Student whose image is shown on the School ID or Discount Connect Card ID Card;
- C. This Pass is valid for the period beginning June 1, 2019 and expires August 31, 2019; and
- D. This Pass shall be sold for \$30.

THAT, all other provisions of the Fare Structure not modified by this Resolution remain in full force and effect.

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PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary