



STAFF REPORT

DATE: March 23, 2020
TO: Sacramento Regional Transit Board of Directors
FROM: Brent Bernegger, VP, Finance/CFO
SUBJ: FARE POLICY AND TRANSFER AGREEMENT UPDATES

RECOMMENDATION

Adopt the Attached Resolutions.

RESULT OF RECOMMENDED ACTION

If approved, the attached Resolutions will help to improve access to SacRT services and simplify fare payment for the affected passengers.

FISCAL IMPACT

There are 4 attached Resolutions, each of which has a potential respective fiscal impact:

- Temporary and conditional acceptance of all UC Davis Aggie cards as a form of valid fare payment on the Causeway Connection service – It is anticipated that there will be no fiscal impact related to this item.
- Acceptance of free ride fliers with a SacRT issued QR code printed on them as a valid form of fare payment for services described on the flier – It is anticipated that there will be no additional fiscal impact related to this item. The new fliers simply streamline the process for the SacRT Marketing team to distribute their previously approved allotment of complimentary tickets and passes.
- Authorizing the General Manager/CEO to enter into an amendment to the transfer agreements with Yolo County Transportation District and the City of Elk Grove (E-Tran) - It is anticipated that there will be no fiscal impact related to this item.
- Eliminating the 44 ride SacRT Go Paratransit monthly pass and allowing passengers who purchase the 60 ride SacRT Go Paratransit monthly pass to receive a SacRT Senior or Disabled monthly pass for free. Staff anticipates that there could be a net negative fiscal impact of approximately \$18,496 annually beginning in Fiscal Year 2021 if approved.

DISCUSSION

ACCEPTANCE OF AGGIE ID CARDS

SacRT, Yolo County Transportation District (YCTD) and the University of California, Davis (UC Davis) are partnering to provide a new public transportation service, the Causeway Connection, which will allow passengers to travel between the UC Davis Medical Center and the UC Davis main campus with multiple additional stops in between. The Memorandum of Understanding (MOU) originally called for SacRT (and YCTD) to accept only the undergraduate UC Davis Aggie card as fare payment on the Causeway Connection in addition to all other forms of fare media accepted on SacRT services. The Causeway Connection service is expected to be 100% funded by the parties involved with a portion of the funding being anticipated fare revenues (\$200,000 per year). As originally written, UC Davis was planning to have graduate students and employees purchase passes and tickets for SacRT and YCTD services. If there had been a fare revenue shortfall, UC Davis would have been required to make up that difference.

More recently UC Davis approached SacRT and YCTD offering to provide additional funding that would guarantee that SacRT and YCTD meet the fare revenue goal associated with the Causeway Connection Service. In exchange, UC Davis is asking that SacRT and YCTD honor all forms of UC Davis Aggie ID cards as fare equivalent on the Causeway Connection service only. Staff fully supports this arrangement as it will guarantee budgeted fare revenues and support increased ridership on the Causeway Connection.

Prior to permanently adopting the UC Davis Aggie ID card as valid fare on the Causeway Connection the Board must adopt a Title VI analysis relative to the new fare type. Staff will present this to the Board at a later date.

FREE RIDE FLIERS WITH PRINTED QR CODES

SacRT has historically used major events within our service area as an opportunity to promote ridership by offering free rides to and from the event. The Board has authorized the General Manager/CEO to distribute up to 50,000 complimentary single rides and daily passes per month. One effective use of this authority is leveraging major events in our service area. However, currently Staff must distribute tickets in our existing forms of fare media (paper tickets, ZipPass, Connect Card, etc.).

While this works for some individuals, it is not effective for reaching large populations. To ease the burden of distribution and increase awareness of free ride opportunities, SacRT staff would like to allow passengers to either download or print free ride fliers posted on the SacRT website and use the flier as a valid form of fare payment. To mitigate the risk of fraud, marketing staff will customize the fliers to the particular event and include the date on which the flier is valid. Additionally the QR code when scanned by a Transit Ambassador will be linked to a SacRT web page.

Based on historic patterns of utilization by the community, Staff estimates that utilization of the free ride fliers will represent no more than 10% of event attendees. Staff will monitor the issuance of free ride fliers through fare inspection and ridership analysis to ensure that the General Manager/CEO authority is not exceeded in any month.

FARE CHANGES RELATED TO SACRT GO PARATRANSIT SERVICES

In 2016, the Board adopted fare changes that included the creation of two distinct Paratransit monthly passes (priced equally) as described below:

- 44 ride monthly pass – The 44 ride monthly pass limited pass holders to 44 Paratransit trips per month. In addition to the 44 Paratransit trips per month, pass holders were given a complimentary SacRT monthly pass valid for unlimited trips on SacRT fixed route services.
- 60 ride monthly pass – The 60 ride monthly pass limited pass holders to 60 Paratransit trips per month with no allotment of complimentary fixed route fares.

The 44 ride pass was created in an effort to encourage Paratransit eligible passengers to use fixed route services when possible. In practice, the 44 ride pass has not been very popular with fewer than 20 patrons per month opting to purchase the 44 ride pass.

To determine the estimated fiscal impact of the fare offering, Staff assumed that the existing passengers who opted for the 44 ride pass option may increase their paratransit use by as much as 20% given the opportunity for additional trips. The estimated increase in use resulted in cost increases of \$49,458 annually. The increased cost is partially offset by an assumption that there will be a small reduction (1%) in Paratransit trips taken by current 60 ride pass holders given that they will now have access to an unlimited ride monthly pass for SacRT fixed route and SmarT ride services. The 1% reduction in trips amounts to a savings of \$30,962 annually. Therefore, the estimated net impact of eliminating the 44 ride paratransit monthly pass and offering 60 ride pass holders a free fixed route monthly pass is \$18,496 annually.

To better serve the community, Staff feels that eliminating the 44 ride pass and offering complimentary fixed route (and SmarT ride) monthly passes to all Paratransit monthly pass holders (60 ride pass) will provide improved access to all SacRT services for all paratransit eligible passengers. If approved, Staff plans to implement these changes in conjunction with the launch of SacRT GO Paratransit service on June 28, 2020.

TRANSFER AGREEMENT UPDATES

The current transfer agreements among SacRT, Yolo County Transportation District (YCTD) and the City of Elk Grove (E-Tran) were entered into in 2009. Since that time there have been numerous changes to each agencies fare policies. The transfer agreements allow for acceptance of certain SacRT fare media on both YCTD and E-Tran. This simplifies the purchase process for the rider and in some cases (unlimited ride passes) can limit costs as well.

The recommended action will delegate authority to the General Manager/CEO to amend the transfer agreement allowing for overdue updates including the acceptance of electronic fares (smart card and mobile application) under the transfer agreement. Staff does not anticipate that the amendment will have a fiscal impact to the agencies involved. The amendment as proposed focuses solely on updating outdated language related to available fares. Staff expects that the parties will continue to share revenues under the previously agreed to model.

RESOLUTION NO. 20-03-0012

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

March 23, 2020

CONDITIONALLY RECOGNIZING ALL FORMS OF UNIVERSITY OF CALIFORNIA, DAVIS IDENTIFICATION CARDS, INCLUDING GRADUATE STUDENT IDENTIFICATIONS AND UC DAVIS EMPLOYEE IDENTIFICATIONS

WHEREAS, pursuant to Resolution No. 16-09-0104, the Board of Directors may authorize the recognition of an Identification (“ID”) badge to serve as valid Fare, subject to terms and conditions; and

WHEREAS, pursuant to Resolution No. 19-12-0140 the Board authorized the acceptance of UC Davis Undergraduate Student ID cards as fare equivalent to access the Causeway Connection fixed-route bus service because UC Davis agreed to subsidize the service; and

WHEREAS, the University of California, Davis intends to provide an additional operating subsidy for the Causeway Connection fixed-route public transit service through a Memorandum of Understanding; and

WHEREAS, the additional operating assistance is intended to subsidize undergraduate student, graduate student and UD Davis employee fares that would otherwise be paid to access the services and compensate SacRT and TCTD for lost fare revenue for allowing UC Davis students and employees to access the service.

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

THAT, a current University of California, Davis graduate student identification card or a current University of California, Davis employee ID bearing the name and likeness of the individual presenting it will serve as a valid Fare Equivalent on the Causeway Connection fixed-route bus service conditioned upon execution, and only during the duration, of a Memorandum of Understanding between the Sacramento Regional Transit District, Yolo County Transportation District and the University of California, Davis providing an operating subsidy for the Causeway Connection.

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 20-03-0013

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

March 23, 2020

AMENDING THE FARE STRUCTURE (RESOLUTION NO. 09-10-0174) TO MODIFY THE DEFINITION OF “FARE EQUIVALENT” AND RECOGNIZING SACRT ISSUED EVENT FLIERS WITH A QR CODE AS FARE EQUIVALENT

NOW, THEREFORE, 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 SacRT 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;
- (5) An Event Flier with a QR Code issued by SacRT approved by the General Manager/CEO to serve as “fare equivalent” that is counted toward the General Manger/CEO’s complimentary ticket allocation, subject to the terms and conditions set out by the General Manger/CEO.”

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____

Cindy Brooks, Assistant Secretary

RESOLUTION NO. 20-03-0014

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

March 23, 2020

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO NEGOTIATE AND ENTER INTO AN AMENDED AND RESTATED TRANSFER AGREEMENT WITH YOLO COUNTY TRANSPORTATION DISTRICT (YCTD)

WHEREAS, SacRT and YCTD entered into a transfer agreement on July 1, 2009 (Transfer Agreement), as authorized by Resolution No. 09-06-0102;

WHEREAS, the Transfer Agreement contains outdated language related available fares; and

WHEREAS, SacRT and YCTD desire to amend and restate the Transfer Agreement.

NOW, THEREFORE, 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 negotiate an amended and restated Transfer Agreement with Yolo County Transportation District to update outdated language related to available fares; and

THAT, the General Manager/CEO is hereby authorized to execute the Amended and Restated Transfer Agreement with YCTD, upon reaching agreement with YCTD and review and approval as to Legal Form by the General Counsel.

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 20-03-0015

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

March 23, 2020

**ELIMINATING THE 44-RIDE SACRT GO PARATRANSIT MONTHLY PASS
ESTABLISHED IN RESOLUTION NO. 16-03-0025 AND REPLACING IT WITH A
FREE MONTHLY SENIOR OR DISABLED PASS FOR ALL ELIGIBLE CUSTOMERS
THAT PURCHASE A 60 RIDE SACRT GO PARATRANSIT MONTHLY PASS**

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

THAT, Section 4 of Resolution No. 16-03-0025 is hereby modified as follows:

“Section 4: The priced charged for a monthly pass for Complementary Paratransit Service is the price set forth under Item B. of Exhibit A attached to Resolution 16-03-0025. A person certified by SacRT as an ADA-eligible rider who displays a valid monthly pass for Complementary Paratransit Service is entitled to ride such service for up to 60 one-way trips per month, without further charge during the month of the year printed on the pass. An ADA-eligible rider who purchases a 60 ride Pass to be used on Complementary Paratransit Service will also receive a fixed-route monthly pass for unlimited rides on fixed-route during the month the pass is valid. Additional trips on Paratransit Service beyond 60 per month must be paid for at the per-trip basic fare established by the Board.”

THAT, the General Manager/CEO is hereby authorized and directed to take all steps necessary to effectuate this change.

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary