



STAFF REPORT

DATE: October 26, 2020

TO: Sacramento Regional Transit Board of Directors

FROM: Laura Ham, VP, Planning and Engineering

SUBJ: APPROVING A TITLE VI FARE EQUITY ANALYSIS FOR THE UNIVERSITY OF CALIFORNIA, DAVIS IDENTIFICATION CARD FOR THE CAUSEWAY CONNECTION

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

The attached Resolution would approve a Title VI fare equity analysis for the University of California, Davis (UC Davis) Graduate Student and Employee Identification Cards (ID) as valid fare on Route 138, the Causeway Connection intercity express bus service between UC Davis campuses in Davis and Sacramento. The UC Davis Graduate Student and Employee IDs are already being used in this manner on a temporary basis. The attached Resolution is required to continue this program beyond a six-month promotional period.

FISCAL IMPACT

There would be no fiscal impact from adopting the Title VI Fare Equity Analysis proposed in the Resolution.

DISCUSSION

SacRT is required to conduct a Title VI fare equity analysis prior to implementing any fare change, with some exceptions, including promotional free-ride days and promotional fare reductions lasting up to six months.

Prior to any fare changes being approved permanently, the Board of Directors must approve the findings of a Title VI fare equity analysis. Prior to approving a Title VI fare equity analysis, SacRT policy requires that: a draft analysis of the proposed changes be made available for a 30-day public review period; members of the public be invited to comment; and Staff and the Board of Directors take public comments into consideration. In accordance with these requirements, SacRT published a draft analysis on September 18, 2020 and notified the public of the opportunity to provide public comments. See Attachment 1 for copies of the public notice and public comment.

Background

On May 4, 2020, SacRT launched the new Causeway Connection Route 138, an intercity express bus between Sacramento and Davis. The Causeway Connection is operated jointly with the Yolo County Transportation District (YCTD). Approximately half of operating costs are covered by UC Davis. The remaining operating costs are primarily covered by a Congestion Mitigation and Air Quality (CMAQ) grant awarded for the multi-agency project. Funding for new electric buses was provided to SacRT and YCTD by Electrify America (EA) as part of the project.

Original Plan - The new Causeway Connection service itself, including a Title VI service equity analysis, was approved by the SacRT Board of Directors on December 9, 2019, following a 30-day public review. At that time, a Title VI fare equity analysis was also approved for a fare change to allow the UC Davis undergraduate ID to be recognized as valid fare media on the Causeway Connection service, subject to execution of an operating subsidy agreement. At that time, it was anticipated that UC Davis employees and graduate students would purchase SacRT fare media through normal channels, with a subsidy provided by UC Davis, and that UC Davis would receive a credit for a portion of the fare revenues received by SacRT and YCTD from such purchases.

Revised Plan - On March 23, 2020, the SacRT Board approved the addition of the UC Davis graduate and employee ID as valid fare media on the Causeway Connection service, subject to the same condition of execution of the operating subsidy MOU. This fare change took effect on May 4, 2020 with the beginning of the Causeway Connection service and has been treated as a six-month demonstration project. The project partners desire to continue the UC Davis ID fare program beyond the six-month demonstration period. To do so requires approval of a Title VI fare change analysis, which is the effect of the attached resolution.

Summary of Analysis

As discussed in the full analysis (Exhibit A) recognizing the UC Davis ID as fare media provides a significant discount to the rider (i.e., allowing the holder to ride without payment) to a group of riders that has limited minority and low-income representation. Although this population is a small fraction of overall SacRT ridership, the analysis finds that recognizing the UC Davis ID as fare media for employees and graduate students results in a potential disparate impact to minority populations and a potential disproportionate burden to low-income populations.

This finding does not prohibit SacRT from implementing the proposed changes; however, before doing so, the SacRT Board must declare a *substantial legitimate justification* for the changes, show that there are no alternatives that would have a less disparate impact on minority riders, and take steps to avoid, minimize, or mitigate impacts to low-income riders, where practicable.

Alternatives – When the Causeway Connection service was being planned, the partners agreed that UC Davis would pay approximately half the operating cost of the service, net of fare revenue. The partners intended to allow only the undergraduate student ID as fare media. Graduate students and employees would have been required to purchase other valid fare media, with UC Davis proposing to subsidize a portion of employee fare purchases.

However, this proposal presented logistical difficulties with implementation, as it would be difficult to distinguish Causeway Connection fare purchases from purchases of SacRT or YCTD fare media for use on other services since the same fare media is generally used on all services. UC Davis does not have the budgetary resources to provide a transit subsidy for all YCTD or SacRT services.

Under the approach implemented in May, SacRT honors the UC Davis ID as a valid fare on the Causeway Connection and UC Davis pays the gross operating cost, without deduction of fare revenue. This achieves the intended approximate 50 percent cost share for UC Davis. At the same time, it increases ridership, by reducing the cost for most employees from \$35 per month to zero. SacRT does not receive any less revenue than was intended, i.e., the service remains 100 percent funded by UC Davis and the CMAQ grant, except for a small match that SacRT committed separately for more frequent service.

The analysis also examines alternative approaches where UC Davis ID holders would be required to pay a small fee for their passes to avoid the statistically significant disparate impact/disproportionate burden. However, while that approach would result in a clear negative financial impact to all groups of Causeway Connection riders (including the estimated 40% who are minority and 5.7% that are low-income), it offers no corresponding increased financial benefit to SacRT because, under the terms of the MOU, the UC Davis operating subsidy would simply be reduced to reflect the fare revenue. Therefore, increasing the cost for Causeway Connection riders harms those who are minority or low-income riders of the service and potentially dissuades them from riding, while not providing any overall benefit to users of the remainder of the SacRT service. The analysis therefore finds that the proposed change (i.e., continuation of the existing demonstration program) is both justifiable, in the interest of maximizing ridership and reducing the cost to the individual to ride, at no cost to SacRT, as well as offering the maximum benefit for disadvantaged populations.

Justification – The “program goal” of the CMAQ operating assistance being used for the Causeway Connection is to help start up viable new transportation services that can demonstrate air quality benefits and eventually cover costs as much as possible. Other funding sources should supplement and ultimately replace CMAQ funds for operating assistance, as these projects no longer represent additional, net air quality benefits but have become part of the baseline transportation network. Allowing the UC Davis graduate and employee IDs to be recognized during this start up period will build a ridership base that increases the likelihood of continued viability of the service beyond the funded period and also increases the likelihood that UC Davis will remain a funding partner beyond the 3-year period.

The Title VI merits of the new fare therefore rest on the merits of the Causeway Connection service itself. The SacRT Board of Directors resolved on December 9, 2019 that there was a substantial legitimate justification for the service, because (1) the only alternative was to abort the entire service, which was fully-funded, and (2) that the Causeway Connection effectively migrated funding from a private, closed-door service exclusively for UC Davis affiliates to an open-door public transit service, providing benefits to the population at large that would not exist without the service.

Attachment 1

Public Notice and Public Comment

Public Notices

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SacRT Seeking Comments on Title VI Fare Equity Analysis

[Click Here to Read the Report](#)

The Sacramento Regional Transit District is seeking comments on a transit fare analysis, prepared in accordance with Title VI of the Civil Rights Act of 1964. The report is available for review at sacrt.com. It includes an analysis of a free ride program for affiliates of the University of California, Davis for use on the Causeway Connection intercity express bus route.

Please address comments to:

SacRT Planning Dept.
Attn: James Drake
P.O. Box 2110
Sacramento, CA 95812-2110

Phone:

SacRT Customer Advocacy Dept (916) 557-4545

Email:

customeradvocacy@sacrt.com

All comments will be provided to the SacRT Board of Directors prior to approval of the final analysis. The deadline for written comments to be included in the board packet is October 19, 2020. All comments will be provided to the SacRT Board of Directors at their regular meeting scheduled for October 26, 2020 at 5:30 p.m. Members of the public may also provide written comments to the SacRT Board of Directors meeting via SacRT's

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Public Notices

board clerk on the day of the meeting; however, comments submitted this way will be limited to 250 words and will not be printed in the agenda item. Please visit sacrt.com for more information on board meeting accommodations for the COVID-19 pandemic.

Please visit sacrt.com to review fare changes for SacRT.

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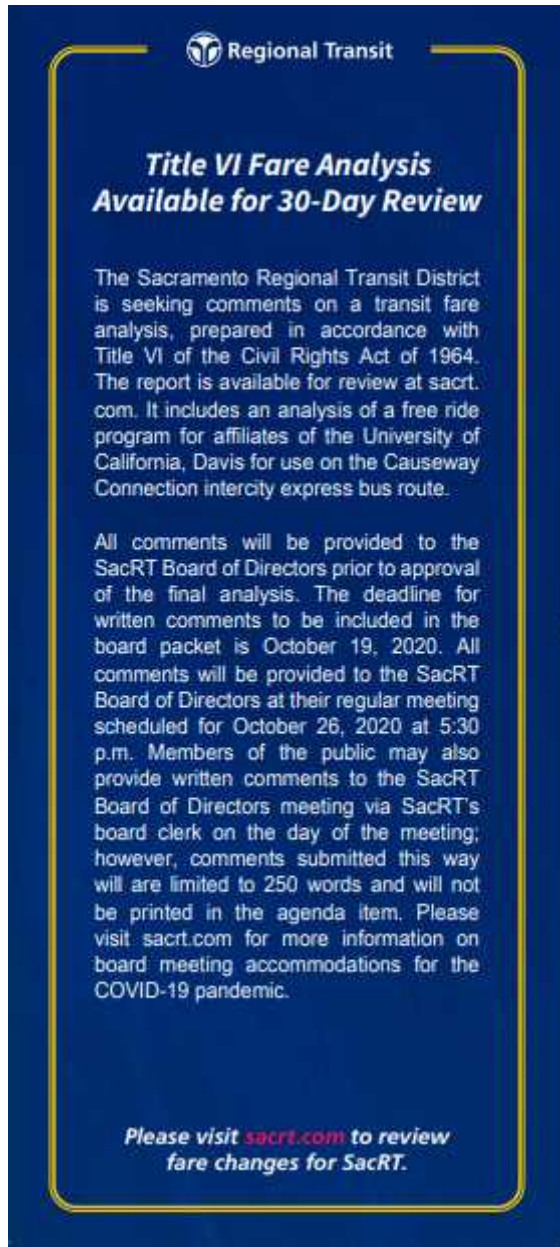
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**Title VI Fare Analysis
Available for 30-Day Review**

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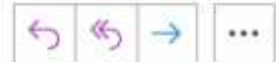


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SacRT Seeking Comments on Title VI Fare Equity Analysis

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Public Comment

RE: Title VI Fare Equity Analysis

 James Drake
To: rftm@rftm.info

[Reply](#) [Reply All](#) [Forward](#) [...](#)

Wed 9/23/2020 9:02 PM

Thank you, Barbara!

From: rftm@rftm.info <[REDACTED]>
Sent: Wednesday, September 23, 2020 5:38 PM
To: James Drake <JDrake@sacrt.com>
Subject: Title VI Fare Equity Analysis

[EXTERNAL EMAIL] CAUTION: This email has originated from outside of SacRT. Please do not click on links, open attachments or respond to this email unless you are expecting the content.

RiderShip for the Masses Group has no negative comments.

"g"
Barbara Stanton
RFTM

RESOLUTION NO. 20-10-0120

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

October 26, 2020

APPROVING A TITLE VI FARE EQUITY ANALYSIS FOR THE UNIVERSITY OF CALIFORNIA, DAVIS IDENTIFICATION CARD FOR THE CAUSEWAY CONNECTION

WHEREAS, SacRT, under Resolution No. 20-03-0012, authorized acceptance of 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 as a valid Fare Equivalent on the Causeway Connection fixed-route bus service and desires to continue the new fare type beyond a six-month demonstration period, as a fare change, as defined in Resolution No. 15-11-0129; and

WHEREAS, a Title VI fare equity analysis of the proposed fare change has been prepared, was made available for public review on September 18, 2020 for a 30-day comment period, and was publicized in accordance with SacRT policy on fare changes; and

WHEREAS, the Title VI fare equity analysis found that there might be potential disparate impacts to minority populations and that there might be potential disproportionate burdens to low-income populations from adopting the proposed fare change because the proposed new fare type is expected to be less utilized by minority and low-income populations than SacRT's overall system.

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

THAT, the Board of Directors has reviewed, is aware of, and approves the Title VI equity analysis set forth in Exhibit A; and

THAT, the Board of Directors recognizes that the proposed fare change will support continued operation of the Causeway Connection service, which effected a transition of an existing private, closed-door shuttle service into a public, open-door service, which is more beneficial to minority and low-income populations than the prior conditions; and

THAT, the "program goal" of the CMAQ operating assistance being used for the Causeway Connection is to help start up viable new transportation services that can demonstrate air quality benefits and eventually cover costs as much as possible, which requires undertaking actions that will increase ridership and promote an ongoing funding relationship with UC Davis after the initial CMAQ-supported period.

THAT, the Board of Directors has considered alternatives to the proposed fare change and found that none of the considered alternatives to the proposed fare change

would have a less disparate impact on minority riders but would still accomplish SacRT's legitimate program goals; and

THAT, the Board of Directors therefore finds that there is a substantial legitimate justification and no viable alternatives to continue acceptance of 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 as a valid Fare Equivalent on the Causeway Connection fixed-route bus service.

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary



Title VI Fare Equity Analysis
Causeway Connection Free Ride Program

October 26, 2020

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1. Purpose of Analysis

Pursuant to SacRT's fare change policy and in accordance with Federal Title VI civil rights requirements, the purpose of this analysis is to identify and document any potential disparate impacts on minority populations or disproportionate burdens on low-income populations resulting from changes to SacRT's fare structure.

2. Project Description

On May 4, 2020, SacRT launched a new route, Route 138, the Causeway Connection, an intercity express bus between Sacramento and Davis. The Causeway Connection is operated jointly with the Yolo County Transportation District (Yolobus). Approximately half of operating costs are covered by the University of California – Davis (UCD). The remaining operating costs are primarily covered by a Congestion Mitigation and Air Quality (CMAQ) grant awarded for the multi-agency project. New electric buses were also provided to SacRT and Yolobus by Electrify America (EA) as part of the project. The agreement between the project partners included a pass program for UCD affiliates. The Title VI ramifications of the pass program are the subject of this report.

Original Plan - The new Causeway Connection service itself, including a Title VI service equity analysis, was approved by the SacRT Board of Directors on December 9, 2019, following a 30-day public review. At that time, a Title VI fare equity analysis was also approved for a fare change to allow UCD undergraduate students to ride for free. UCD was also expected at that time, to pay part of the out-of-pocket cost for UCD employees and graduate students to purchase ordinary SacRT fare media.

Revised Plan - On March 23, 2020, the SacRT Board approved a change to the original fare change. Under the new plan, free riding privileges on the Causeway Connection would be extended to all UC Davis ID holders, i.e., undergraduates, graduate students, and employees. This fare change took effect on May 4, 2020 with the beginning of the Causeway Connection service and has been treated as a six-month demonstration project. The project partners desire to continue the UC Davis ID fare program for the life of the three-year agreement for the Causeway Connection service. To do so requires passage of a Title VI fare change analysis which is the subject of this draft report.

3. Title VI Requirements

SacRT is required to conduct a Title VI fare equity analysis prior to implementing any fare change, with some exceptions, including promotional free-ride days and promotional fare reductions lasting up to six months.¹

¹ See FTA Circular 4702.1B, Chapter IV, Section 7 and RT Fare Change Policies (Resolution No. 15-11-0129).

Prior to any fare changes being approved permanently, the Board of Directors must approve the findings of a Title VI fare equity analysis. Prior to approving a Title VI fare equity analysis, SacRT policy requires that a draft analysis of the proposed changes be made available for a 30-day public review period, that members of the public be invited to comment, and that staff and the Board of Directors take public comments into consideration. In accordance with these requirements, SacRT published a draft analysis on September 18, 2020 and notified customers of the opportunity to provide public comments.

4. Definitions

Minority Definition - FTA defines a minority person as anyone who is American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, or Native Hawaiian or other Pacific Islander, or mixed race.

Low-Income Definition - FTA defines a low-income person as a person whose household income is at or below the U.S. Department of Health and Human Services (HHS) poverty guidelines. The HHS definition varies by year and household size. Survey participants were asked their household size and their household income from a list of ranges. For the purposes of this survey, the participant's income is assumed to be the midpoint of the range selected.²



² For example, if a passenger selected a household income range of \$25,000 to \$35,000, that passenger's income was assumed to be \$30,000 for the purposes of this analysis.

5. Baseline Data

Census Data – Based on Census data, the SacRT service area is 53.2 percent minority and 20.1 percent low-income. This data is used for the sake of context, but transit riders make up a small, non-representative fraction of the overall population, so it is not directly relevant to most Title VI service or fare equity analyses.

On-Board Survey – SacRT customers are estimated to be 72.3 percent minority and 55.8 percent low-income. This data comes from a statistically valid passenger survey conducted in April 2013 covering all bus and light rail routes. Although this data is somewhat outdated, it is still the best available data on actual customers. SacRT was in the process of updating this survey in March 2020; however, surveying had to be suspended due to the outbreak of COVID-19, so 2013 survey data continues to be the most recent data.

**Figure 1
Existing SacRT Demographics**

	SacRT Service Area	SacRT Customers
Minority	53.2%	72.3%
Low-Income	20.1%	55.8%

Fare Survey – On an annual basis, SacRT conducts a passenger fare survey. This survey does not require questionnaires; SacRT surveyors merely inspect passenger fares at the time of boarding. This provides ridership volumes for each fare type. Combined with the 2013 survey data, this allows SacRT to estimate the average fare for minority and low-income populations, which is the key statistic for Title VI analyses.

$$\text{Average Fare Per Boarding} = \frac{\text{Fare Revenue}}{\text{Passenger Boardings}}$$

Because of the COVID-19 pandemic, the most recent fare survey data is from early 2019. Those survey responses have been projected over pre-COVID ridership totals to estimate what the average fare would have been without the major changes to ridership from COVID. The actual impacts to ridership from COVID cannot be known until it is safe to resume surveying, so SacRT believes this is the most reasonable analysis.

Figure 2
Existing Minority Average Fare

	Fare Revenue	Passenger Boardings	Average Fare
Minority	\$19,593,175	15,768,345	\$1.24
Non-Minority	\$8,995,491	6,741,462	\$1.33
Total	\$28,588,666	22,509,807	\$1.27

Minority riders currently pay an average of \$1.24 per boarding, compared to \$1.33 for non-minority riders.

Figure 3
Existing Low-Income Average Fare

	Fare Revenue	Passenger Boardings	Average Fare
Low Income	\$13,854,614	11,295,467	\$1.23
Non-Low Income	\$14,734,052	11,214,340	\$1.31
Total	\$28,588,666	22,509,807	\$1.27

Low-income riders pay an average of \$1.23 per boarding compared to \$1.31 for non-low-income riders.

6. Demographics of New Fare Type

Prior Analysis – For the Title VI analysis of the Causeway Connection service, SacRT used data from UCD on its students and employees, which were 23.7 percent minority and 36.4 percent low-income. For the fare program, as envisioned at the time, data on the UCD undergraduate population was used indicating undergraduates were 72.0 percent minority and 58.7 percent low-income.

As discussed above, census data was not applicable to the analysis, because transit riders make up a small, non-representative fraction of the overall population. This is especially so for an intercity express route, such as the Causeway Connection, which is likely to attract riders from an unusually broad geographic area (e.g., Solano County residents driving to Davis to catch the bus the rest of the way into Sacramento).

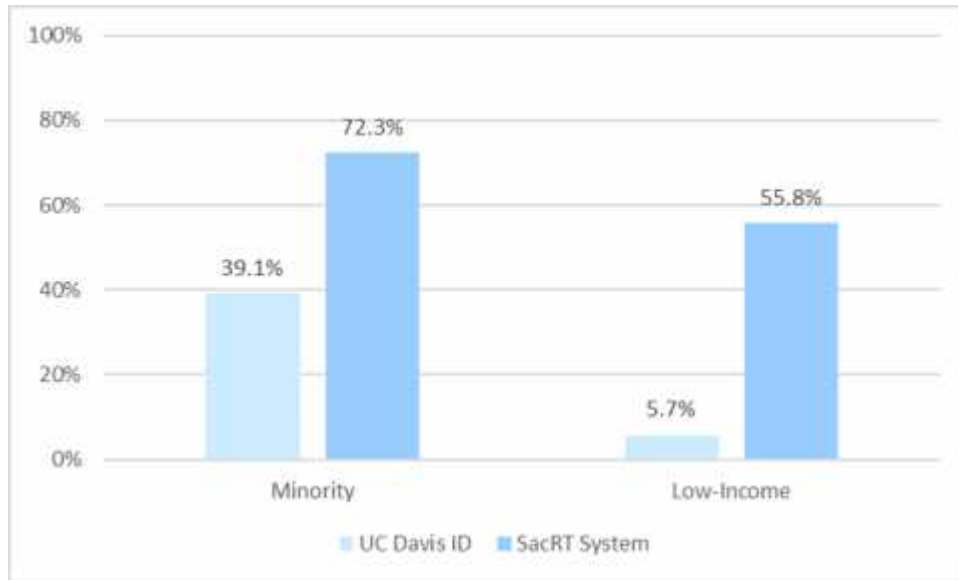
Special Survey – Due to the shortcomings of the existing data, SacRT intended to conduct an in-person passenger survey on the Causeway Connection during the six-month promotional period for the new UC Davis ID fare type; however, the COVID pandemic prevented SacRT from conducting an in-person survey. As an alternative, SacRT conducted this survey electronically.

Many Causeway Connection riders (or likely future riders) were known to be former riders of a former UCD-operated intercampus shuttle. Multiple mailing lists were available to reach these customers, including a UCD-maintained mailing list of approximately 400-500 persons and a rider-maintained mailing list of similar size. Using these channels, an online survey was conducted in August 2020 which captured over 200 responses.

The online survey found that likely users³ of the UC Davis ID free ride program are 39.1 percent minority and 5.7 percent low-income, both well below SacRT system averages of 72.3 percent and 55.8 percent.

³ Likely users of the UC Davis ID are considered to be respondents indicating they have already ridden or plan to ride the Causeway Connection when it ramps up to full service and that have identified that they are UC Davis affiliates with a UC Davis ID card. There were 174 such respondents.

Figure 4
UC Davis ID Demographics



Utilization – Boardings on the UC Davis ID are estimated at 127,000 per year, 63,500 on SacRT. All such riders would pay zero out of pocket cost to ride. Of those riders, an estimated 24,816 would be minority riders and 3,649 would be low-income riders.

Figure 5
Ridership Using UC Davis ID

	Percent	Boardings
Minority	39.1%	24,816
Non-Minority	60.9%	38,684
	100.0%	63,500
	Percent	Boardings
Low Income	5.7%	3,649
Non-Low Income	94.3%	59,851
	100.0%	63,500

**Figure 6
Change in Systemwide Average Fare**

<u>Minority</u>	<u>Fare Revenue</u>	<u>Boardings</u>	<u>Average Fare</u>
Existing	\$19,593,175	15,768,345	\$1.24
Additional	\$0	24,816	\$0.00
New	\$19,593,175	15,793,161	\$1.24

<u>Non-Minority</u>	<u>Fare Revenue</u>	<u>Boardings</u>	<u>Average Fare</u>
Existing	\$8,995,491	6,741,462	\$1.33
Additional	\$0	38,684	\$0.00
New	\$8,995,491	6,780,146	\$1.33

<u>Low Income</u>	<u>Fare Revenue</u>	<u>Boardings</u>	<u>Average Fare</u>
Existing	\$13,854,614	11,295,467	\$1.23
Additional	\$0	3,659	\$0.00
New	\$13,854,614	11,299,116	\$1.23

<u>Non-Low Income</u>	<u>Fare Revenue</u>	<u>Boardings</u>	<u>Average Fare</u>
Existing	\$14,734,052	11,214,340	\$1.31
Additional	\$0	59,851	\$0.00
New	\$14,734,052	11,274,191	\$1.31

7. Results of Changes

The UC Davis ID provides a significant discount (i.e., allowing the user to ride for free) to a group of riders that is very low in minority and low-income representation but that is overall a small part of SacRT ridership.

Because of the small number of users, the systemwide average fare would decrease by less than \$0.01 for each demographic group. However, there are notable differences in the percent change by demographic group. Title VI impacts are determined by comparing these percent changes.

Figure 7
Percent Change in Systemwide Average Fare

<u>Rider Type</u>	<u>Existing</u>	<u>Proposed</u>	<u>Change</u>	<u>% Change</u>
Minority	\$1.243	\$1.241	(\$0.002)	-0.16%
Non-Minority	\$1.334	\$1.327	(\$0.008)	-0.57%
Low-Income	\$1.227	\$1.226	(\$0.000)	-0.03%
Non-Low-Income	\$1.314	\$1.307	(\$0.007)	-0.53%

For a fare reduction, the goal is for the average fare to decrease as much or more for minority populations as for non-minority populations. This is not the case, as non-minority riders would pay 0.57 percent less, compared to only 0.16 percent less for minority populations.

The goal is also for the average fare for low-income populations to decrease as much or more as for non-low-income populations. This is also not the case, as non-low-income populations would pay 0.53 percent less, compared to only 0.03 percent less for low-income populations.

The statistical significance of these results is discussed in the next section.

8. Findings

SacRT uses 20 percent as a threshold for statistical significance. The difference in the percent change in the average fare for non-minority riders (0.57 percent) and minority riders (0.16 percent) is both adverse and exceeds 20 percent; therefore, *there may be potential disparate impacts (DI) to minority populations from the new fare.*

Figure 8 Potential Disparate Impacts and/or Disproportionate Burdens

a. Percent decrease in non-minority avg fare	-0.57%
b. Threshold of statistical significance (80% * a)	-0.46%
c. Percent decrease in minority avg fare	-0.16%
d. Do fares decrease more for non-minority populations? (a < c)	Yes
e. Is there evidence of a potential disparate impact (c > b)	Yes
f. Percent decrease in non-low-income avg fare	-0.53%
g. Threshold of statistical significance (80% * f)	-0.42%
h. Percent decrease in low-income avg fare	-0.03%
i. Do fares decrease more for non-low-income populations? (f < h)	Yes
j. Is there evidence of a potential disproportionate burden? (h > g)	Yes

The difference in the percent change in the average fare for non-low income riders (0.53 percent) and low-income riders (0.03 percent) is also adverse and exceeds 20 percent; therefore, *there may be potential disproportionate burdens (DB) on low-income populations from the new fare.*

9. Justification, Alternatives, and Mitigation

The above findings of potential DI/DBs do not prohibit SacRT from implementing the proposed changes; however, before doing so, the SacRT Board must declare a *substantial legitimate justification* for the changes, show that there are no alternatives that would have a less disparate impact on minority riders, and take steps to avoid, minimize, or mitigate impacts to low-income riders, where practicable.

Alternatives – When the Causeway Connection service was being planned, the partners agreed that UCD would pay approximately half the operating cost of the service, net of fare revenue. The partners intended to allow free rides for undergraduate students only. Graduate students and employees would also have been required to pay the ordinary fare, with UCD paying for a portion of employee fare purchases.

The partners later realized that this obligated UCD to subsidize the purchase of an *unlimited* number of passes. Not all of the sales revenue from the passes could justifiably be credited back to UCD against their bill for operating support, because the passes would be valid on the entire SacRT system. The original plan therefore committed UCD to potentially have to overspend its total intended commitment of approximately half of net operating costs.

To protect UCD from cost overruns, the partners conceived a new approach, which is what this report analyzes. Under the new approach, SacRT simply honors the UC Davis ID as a valid fare on the Causeway Connection. This achieves the intended approximate 50 percent cost share for UCD. At the same time, it increases ridership, by reducing the cost for most employees from \$35 per month to zero. SacRT does not receive any less revenue than was intended, i.e., the service remains 100 percent funded by others, except for a small match that SacRT had committed separately.

One alternative would be to create fare media for the UC Davis ID graduate and employees for the Causeway Connection that would have an out-of-pocket for customers (e.g., \$35 per month). However, while that approach would result in a clear negative financial impact to all groups of Causeway Connection riders (including the estimated 40% who are minority and 5.7% that are low-income), it offers no corresponding increased financial benefit to SacRT because, under the terms of the MOU, the UC Davis operating subsidy would be simply be reduced to reflect the fare revenue. Therefore, increasing the cost for Causeway Connection riders harms those riders who are minority or low-income riders of the service and potentially dissuades them from riding while not providing any overall benefit to users of the remainder of the SacRT service.

While UC Davis affiliated riders of the prior closed-door service did pay a fare for the service, those riders expressed significant reticence about the transition to the new Causeway Connection service. Honoring the UC Davis graduate and employee ID cards for the service provides an opportunity to build ridership on the new service in accordance with the intent of the CMAQ program goals and to continue a funding relationship with UC Davis to help support the service after the CMAQ funding is exhausted.

Justification – The “program goal” of the CMAQ operating assistance being used for the Causeway Connection is to help start up viable new transportation services that can demonstrate air quality benefits and eventually cover costs as much as possible. Other funding sources should supplement and ultimately replace CMAQ funds for operating assistance, as these projects no longer represent additional, net air quality benefits but have become part of the baseline transportation network. Allowing the UC Davis graduate and employee IDs to be recognized during this start up period will build a ridership base that increases the likelihood of continued viability of the service beyond the funded period and also increases the likelihood that UC Davis will remain a funding partner beyond the 3-year period.

The Title VI merits of the new fare therefore rest on the merits of the Causeway Connection service itself. The SacRT Board of Directors resolved on December 9, 2019 that there was a substantial legitimate justification for the service, because (1) the only alternative was to abort the entire project, which was fully-funded, and (2) that the Causeway Connection effectively migrated funding from a private, closed-door service exclusively for UCD affiliates to an open-door public transit service, providing benefits to the population at large that would not exist without the project.

On this basis, SacRT believes that there is a substantial legitimate justification for and no viable alternatives to the new UC Davis graduate and employee ID fare types.