

**DATE:** October 26, 2020

# **TO:** Sacramento Regional Transit Board of Directors

**FROM:** Brent Bernegger, VP, Finance/CFO

**SUBJ:** APPROVING THE AGREEMENT BETWEEN CAPITOL CORRIDOR JOINT POWERS AUTHORITY (CCJPA) AND SACRAMENTO REGIONAL TRANSIT DISTRICT FOR SUBSIDIZED TRANSIT TRANSFER PROGRAM

## RECOMMENDATION

Adopt the Attached Resolution.

#### **RESULT OF RECOMMENDED ACTION**

The recommended action will approve the Agreement Between Capitol Corridor Joint Powers Authority (CCJPA) and Sacramento Regional Transit District for Subsidized Transit Transfer Program.

#### FISCAL IMPACT

There is no anticipated fiscal impact of the proposed Resolution. SacRT and CCJPA have an existing transfer subsidy agreement in place; the new agreement would not modify the reimbursement rate per transfer, but would transition from paper to electronic fare media. If anything, staff anticipates that the agreement will result in additional fare revenue for SacRT by more accurately accounting for individuals transferring from Capitol Corridor service to light rail and eliminating the ability to use a paper transfer as a daily pass.

#### DISCUSSION

SacRT and CCJPA have had a transfer agreement in place since January 9, 2000 (Resolution No. 00-12-0269). The agreement allows passengers of the Amtrak Capitol Corridor system to transfer to SacRT at no cost to the passenger. SacRT in turn bills CCJPA at a rate equal to the average fare.

Currently, passengers request a paper transfer ticket from the train conductor and use that ticket to board SacRT's system. The paper ticket consists of two parts (to allow for a round trip) and each part is surrendered when riding bus; the surrendered transfers on bus are counted for billing purposes. Billing on light rail is based on extrapolated survey data.

Paper tickets present complications for both SacRT and CCJPA that Staff is attempting to eliminate with a transition to electronic fare media. First, handing a paper ticket to a

passenger presents an undesirable extra point of contact during the COVID-19 pandemic. Second, because the paper ticket has only a date stamp and not a time stamp, users on light rail can continue the use of the pass for longer than the standard 90-minute ticket window, essentially converting it into a daily pass that is paid for at a single-ride rate.

The proposed new agreement would transition 100% of CCJPA passengers from paper transfers to SacRT's mobile fare app (ZipPass). CCJPA passengers will use the train's onboard Wi-Fi system to access a portal (available only on the train) to obtain voucher codes that will be redeemed in the ZipPass application for single ride tickets. This process is similar to what has been implemented in the new fare vending machines. If the train's onboard Wi-Fi is inoperable, CCJPA will provide passengers with an alternative method of obtaining a voucher code. One-way CCJPA passengers will receive one ZipPass Mobile Fare Ticket, while roundtrip CCJPA passengers will be eligible to receive up to two Mobile Fare Tickets. This is consistent with the existing CCJPA agreement. CCJPA will reimburse SacRT for each unique code generated for a single ticket and for each instance in which generic code is redeemed for a single ticket at a rate equal to the average fare for the prior Fiscal Year, plus the cost of producing the voucher code. Consistent with the adopted fare structure, each ticket has a 90-minute validity period after activation; unused tickets will spoil after 48 hours to ensure that riders are using the transfer tickets as intended.

Using ZipPass to handle the CCJPA transfer will resolve each of the identified complications and further leverage the use of technology at SacRT. While the prior agreement had an indefinite term, the new agreement will be for 5 years. The prior agreement will be terminated after execution of the new agreement.

#### RESOLUTION NO. 20-10-0111

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

#### October 26, 2020

## APPROVING THE AGREEMENT BETWEEN CAPITOL CORRIDOR JOINT POWERS AUTHORITY (CCJPA) AND SACRAMENTO REGIONAL TRANSIT DISTRICT FOR SUBSIDIZED TRANSIT TRANSFER PROGRAM

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

THAT, the Agreement Between Capitol Corridor Joint Powers Authority (CCJPA) and Sacramento Regional Transit District for Subsidized Transit Transfer Program, whereby CCJPA passengers are eligible to receive up to two Mobile Fare Tickets using voucher codes for redemption through SacRT's ZipPass mobile application and CCJPA agrees to compensate SacRT for all voucher codes generated or redeemed at a rate equal to SacRT average fare plus the cost of generating the code for each Mobile Fare Ticket, as further set forth therein, is hereby approved.

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

STEVE HANSEN, Chair

ATTEST:

HENRY LI, Secretary

By:

Cindy Brooks, Assistant Secretary