



STAFF REPORT

DATE: October 26, 2020

TO: Sacramento Regional Transit Board of Directors

FROM: Brent Bernegger, VP, Finance/CFO

SUBJ: MODIFYING THE DEFINITION OF 2020-2021 ANNUAL STUDENT (TK-12) PASS IN THE FARE STRUCTURE TO ALLOW STUDENTS IN GRADES 7-12 TO USE THE RYDEFREERT CARD AS VALID FARE MEDIA THROUGH SEPTEMBER 30, 2021 AND RATIFYING THE GENERAL MANAGER'S EXECUTION OF THE AMENDED AND RESTATED STUDENT RIDERSHIP INITIATIVE STUDENT TRANSIT PASS AGREEMENT

RECOMMENDATION

Adopt the Attached Resolutions.

RESULT OF RECOMMENDED ACTION

Adopting the attached Resolutions will ratify an agreement with the City of Sacramento regarding the RydeFreeRT program and allow all students in grades TK-12 to use the RydeFreeRT card as a 2020-2021 Annual Student (TK-12) Pass.

FISCAL IMPACT

There is no projected significant fiscal impact of the proposed Resolutions beyond what was previously disclosed for the RydeFreeRT program in the August and September Staff Reports. The City of Sacramento will compensate SacRT for acceptance of the RydeFreeRT card as a valid 2020-2021 Annual Student (TK-12) Pass (Pass) for Students in Grades 7-12 who reside in or attend school in the City of Sacramento at the rate of \$.84 per ride as specified in the prior Board action (Resolution 20-09-0106), with the assumption that 2/3 of the 2020-2021 Pass holders will reside in or attend school in the City of Sacramento.

Allowing use of the Pass by older Students without the requirement of showing a photo ID may result in a negligible number of rides by ineligible riders, a portion of which will be uncompensated, unless other jurisdictions agree to provide a subsidy on the same terms as the City of Sacramento.

DISCUSSION

Prior to the launch of RydeFreeRT in October 2019, the SacRT Board adopted a new type of pass, the "Annual Student (TK-12) Pass", which recognized three different types of valid Student ID to which a RydeFreeRT sticker could be attached: school-issued photo ID, SacRT-issued Student ID with photo; and a SacRT-issued RydeFreeRT card,

which was limited at the time to Students in grades TK-6 because there is no photo printed on the card.

The limitation on grade level was put in place for two primary reasons: (1) SacRT research indicated that Students in grades 7-12 all received a personalized identification card from their school; and (2) as a fraud prevention measure against use by individuals who might be out of high school and trying pass as a Student.

On September 14, 2020, the Board adopted a definition of “2020-2021 Annual Student (TK-12) Pass” that did not modify the valid forms of ID but (1) eliminated the requirement to affix a sticker; and (2) delegated authority to the General Manager/CEO to approve and execute an amendment or agreement with the City of Sacramento for Year 2 of the RydeFreeRT for compensation for acceptance of the Pass with the new definition.

Following the September 14th meeting, the City requested that a further change be made to the SacRT Fare Structure and to the agreement to allow all students in grades TK-12, not just TK-6, to use the RydeFreeRT card to ease the administration of the program.

Given the current school closures in the area, there is growing concern that legitimate Students may not be able to obtain a School-issued ID card this school year and SacRT has a single location with limited hours for Students to obtain a SacRT-issued Student ID. As a result, Staff was supportive of the City’s request to expand the definition of the 2020-2021 Annual Student (TK-12) Pass to include use of the RydeFreeRT Card by students in grades 7-12 through September 30, 2021. While there is a risk of fraud as mentioned previously, it is critical that Students have easy access to fare media. The RydeFreeRT card allows SacRT to quickly provide fare media to Students who need it.

The Sacramento City Council was poised to approve the agreement terms for Year 2 at the October 13th City Council meeting. To avoid the need for the City Council to approve the agreement with old pass description and then promptly amend it if the SacRT Board approved the modified definition, the General Manager/CEO executed the Amended and Restated Student Ridership Initiative Student Transit Pass Agreement with the modified definition, which was outside of the scope of the Board’s September 14th delegation of authority. Therefore, ratification is being sought to preserve the validity of the executed agreement.

RESOLUTION NO. 20-10-0114

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

October 26, 2020

REPEALING RESOLUTION NO. 20-09-0107 AND TEMPORARILY MODIFYING THE FARE STRUCTURE (RESOLUTIONS 09-10-0174 AND 18-06-0061, AS AMENDED) TO CREATE A 2020-2021 ANNUAL STUDENT (TK-12) PASS PREPAID FARE

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

THAT, Resolution No. 20-09-0107 is hereby repealed.

THAT, the following definition is hereby added to Article J "Fare Structure Definitions" of the Fare Structure:

"2020-2021 Annual Student (TK-12) Pass means a: (a) School ID, (b) Student ID card or (c) an RT-issued Sac RydeFreeRT card. Eligibility for receipt and use of an Annual Student (TK-12) Pass will be as defined in Section V. Prepaid Fares, paragraph E of the Fare Structure."

THAT, the following provision is hereby added as paragraph E. of Section V, "Prepaid Fares" to define the validity requirements for a 2020-2021 Annual Student (TK-12 Pass).

"A valid 2020-2021 Annual Student (TK-12) Pass entitles the bearer to an unlimited number of Rides on Fixed Route or SmarT Ride Service until September 30, 2021 subject to the following limitations and conditions:

1. The Pass constitutes prepayment of the Applicable Fare for all SacRT service;
2. The Pass is issued to an eligible Student based either: (1) on an agreement between RT and another public entity or private School that has agreed to provide funding for the 2020-2021 Annual Student (TK-12) Pass in an amount sufficient to compensate SacRT for the estimated average lost fare revenue from honoring the 2020-2021 Annual Student (TK-12) Pass for the students defined to be eligible for the Pass as specified in the agreement; or (2) a Resolution adopted by the SacRT Board of Directors authorizing the Pass to be distributed to the student without payment of the required fee.
3. The Pass is issued by RT, an authorized public entity, or School pursuant to the terms of an agreement between RT and that entity.
4. As applicable, the image on the Student ID or School ID matches the bearer.

5. The Pass is non-transferable and non-exchangeable.”

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 20-10-0115

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

October 26, 2020

**RATIFYING EXECUTION BY THE GENERAL MANAGER/CEO OF THE AMENDED
AND RESTATED STUDENT RIDERSHIP INITIATIVE
STUDENT TRANSIT PASS AGREEMENT**

WHEREAS, by Resolution No. 20-09-0106, the Board of Directors delegated authority to the General Manager/CEO to execute an Amended and Restated Student Ridership Initiative Student Transit Pass Agreement with the City of Sacramento on specified terms; and

WHEREAS, subsequent to that action, the City of Sacramento requested a modification in the proposed terms of the Amended and Restated agreement to expand the definition of 2020-2021 Annual Student (TK-12) Pass to provide better access to the Pass due to school closures resulting from the COVID-19 pandemic; and

WHEREAS, in the interest of expediting access to the pass and avoiding the need for a further amendment to the agreement, the General Manager/CEO executed the Amended and Restated Agreement with the revised terms.

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

THAT, the General Manager/CEO's action in executing Amended and Restated Student Ridership Initiative Student Transit Pass Agreement by and between the City of Sacramento (therein "City") and the Sacramento Regional Transit District (therein "SacRT") whereby, the term was extended to September 30, 2021 and City agreed to pay an amount equal to \$0.84 per ride up to a total consideration of \$750,000, based on Student ridership data, as consideration for SacRT to permit Students who live in or attend school within the boundaries of the City or who are homeless or in foster care within the City to ride SacRT services at no cost for the period from October 1, 2020 until September 30, 2021 using a 2020-2021 Annual Student (TK-12) Pass, including acceptance of the RydeFreeRT card for Grades 7-12, is hereby ratified.

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary