



## STAFF REPORT

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**DATE:** August 23, 2021  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Brent Bernegger, VP, Finance/CFO  
**SUBJ:** TEMPORARILY REDUCING FARES FOR ON-BOARD LIGHT RAIL SINGLE RIDE TICKET AND ON-BOARD LIGHT RAIL DISCOUNT SINGLE RIDE TICKET

### RECOMMENDATION

Adopt the Attached Resolution.

### RESULT OF RECOMMENDED ACTION

The recommended action will temporarily reduce the temporary On-Board Light Rail Single Ride Ticket fare and temporary On-Board Light Rail Discount Single Ride Ticket to \$1.00 for both full fare and eligible discount passengers to promote the new contactless fare payment system, ensure a successful demonstration, and provide sufficient data for examination of the contactless fare payment system.

### FISCAL IMPACT

Staff anticipates that no more than 1,000 passengers per day will take advantage of the reduced fare during the month of September 2021 (30 days). Assuming SacRT provides 1,000 reduced fares per day and if all 1,000 passengers receive the full \$1.50 reduction in fare, the promotional fare could reduce fare revenue by as much as \$45,000 over the 30-day period. This potential reduction represents less than 0.4% of the total \$11,847,000 fare revenue budgeted for FY 2021-2022. This does not account for any new ridership or other increased ridership due to the fare.

### DISCUSSION

SacRT recently launched a new contactless fare payment system in partnership with the California Integrated Travel Project (Cal-ITP). The fare payment system allows passengers to purchase fares using their contactless credit/debit card or payment-enabled smart device (phone, watch, etc.) on board light rail vehicles. The first phase of the program was limited to the Green Line only to test the hardware and software in a live environment. The system has performed well, and SacRT is now ready to launch the contactless payment system on the Blue Line and Gold Line.

Staff is working with Cal-ITP to develop a robust marketing and outreach program to promote use of the contactless payment system. It is imperative that the new system reach as many passengers as possible to provide Staff and Cal-ITP with adequate

feedback in assisting with system updates, improvements, and long-term decisions regarding the viability of the demonstration program.

As an additional way of promoting use of the demonstration program, Staff is recommending that the Board approve a temporary fare reduction for users of the contactless fare payment system. If approved, Staff would launch a 30-day promotional fare reduction during the month of September 2021, reducing the applicable fare to \$1.00 for anyone (full fare and discount) who chooses to purchase their fare using the contactless fare payment system.

RESOLUTION NO. 21-08-0099

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

August 23, 2021

**TEMPORARILY REDUCING FARES FOR ON-BOARD LIGHT RAIL SINGLE RIDE TICKET AND ON-BOARD LIGHT RAIL DISCOUNT SINGLE RIDE TICKET**

WHEREAS, the Board wishes to promote participation by passengers in the demonstration contactless fare payment system on SacRT's light rail system; and

WHEREAS, offering a reduced fare for the contactless fare payment system on a temporary basis may promote participation in the demonstration program.

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

THAT, notwithstanding anything to the contrary in Resolution Nos. 21-04-0033 and 21-06-0074, for the period beginning September 1, 2021 and ending September 30, 2021, the Fare for both the On-Board Light Rail Single Ride Ticket and On-Board Light Rail Discount Single Ride Ticket will be \$1.00.

THAT, prior to September 1, 2021 and for the period beginning October 1, 2021 and ending December 29, 2021 (six months after the public launch of the contactless fare system), the Fares set forth in Resolution Nos. 21-04-0033 and 21-06-0074 will apply to the foregoing fare types.

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STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Tabetha Smith, Assistant Secretary