



## STAFF REPORT

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**DATE:** October 25, 2021  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Brent Bernegger, VP, Finance/CFO  
**SUBJ:** DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE A CONTRACT TO CONDUCT SPECIAL SERVICES FOR THE SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

### RECOMMENDATION

Adopt the Attached Resolution.

### RESULT OF RECOMMENDED ACTION

The attached Resolution would approve a contract with the Sacramento Metropolitan Air Quality Management District (SMAQMD) that would allow eligible participants to receive monthly passes for up to 75 months paid for by SMAQMD funds.

### FISCAL IMPACT

SMAQMD will be purchasing basic (non-discounted) monthly passes at the full fare price (\$100 value each pass) and will, therefore, generate fare revenue for SacRT. Each participant is eligible to receive up to 75 monthly passes, or \$7,500 in fare revenue for SacRT. SMAQMD currently has \$1,000,000 in funding for the program.

### DISCUSSION

SacRT and SMAQMD recently engaged in discussions regarding the promotion of public transit for low-income individuals. SMAQMD was awarded a grant from the California Air Resources Board (CARB) to administer the Clean Cars 4 All Vehicle Scrap and Replace Program (CC4A Program) for the Sacramento region. The CC4A Program provides financial incentives (up to \$7,500) to low-income residents to help them replace older fossil-fuel powered vehicles with cleaner plug-in vehicles or alternative mobility options, including public transit. SMAQMD was awarded a total of \$1,000,000 in grant funding for the CC4A Program.

The attached Resolution will delegate approval to the General Manager/CEO of a contract that would provide a mechanism for SacRT to issue pre-loaded Connect Cards to eligible participants who choose the public transit option under the CC4A Program. Under this program, each participant is eligible for up to \$7,500 in incentives. This is the equivalent of 75 monthly passes. SacRT will be responsible for loading the passes

each month to participant Connect Cards. In some cases, multiple family members within the same household may receive Connect Cards with pre-loaded passes on them; however, the entire contribution to the family will not exceed the \$7,500 cap. If the Connect Card is discontinued as a valid form of SacRT fare media or replaced in the future, SacRT and SMAQMD will work together on transition of the fare media used in the program. SacRT staff has been working with SMAQMD staff to finalize the agreement between the parties. The only remaining issue to be resolved is the timing of when SMAQMD will pay for the passes that will be provided to program participants, i.e., will there be an advanced payment or will the payment be made in arrears. All other terms have been agreed to.

The CC4A Program will provide an excellent opportunity for low-income individuals and families to afford cleaner transportation options. Approval of the attached Resolution will ensure that these individuals are provided with car-free alternative options to meet their transit needs. Therefore, Staff recommends that the Board approve the attached Resolution that will delegate authority to the General Manager/CEO to execute an agreement with SMAQMD for the CC4A program.

RESOLUTION NO. 21-10-0122

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

October 25, 2021

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE A CONTRACT TO CONDUCT SPECIAL SERVICES FOR THE SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT**

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

THAT, the Board hereby delegates authority to the General Manager/CEO to execute a contract with Sacramento Metropolitan Air Quality Management District (SMAQMD) to conduct special services for SMAQMD, whereby SMAQMD agrees to provide SacRT with a list of eligible participants and pay SacRT \$7,500 per participant and SacRT agrees to provide monthly passes loaded by SacRT over a period of time until the total value of passes loaded on each participant's Connect Card(s) totals \$7,500 per participant..

THAT, the Board hereby directs the General Manager/CEO to execute said Agreement upon successful completion of contract negotiations on terms materially similar to the terms described above.

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STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

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