

STAFF REPORT

DATE: May 8, 2023
TO: Sacramento Regional Transit Board of Directors
FROM: Jason Johnson, VP, Finance/CFO
SUBJ: APPROVE AN AGREEMENT WITH THE COUNTY OF SACRAMENTO FOR DISCOUNT PURCHASE AND SALE OF PREPAID FARE MEDIA

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of the attached resolution will continue SacRT's relationship with the Sacramento County Department of Human Assistance (DHA) to purchase and sell prepaid fare media at a discount through June 30, 2024.

FISCAL IMPACT

The contract with Sacramento County DHA generates \$2,215,136 in revenue for SacRT. This revenue is included in the preliminary operating budget for FY 2024 submitted to the Board for review.

DISCUSSION

SacRT has been working with Sacramento County DHA since 1991 to provide discounted transit passes for individuals receiving General Assistance from the County. SacRT and Sacramento County DHA would like to enter into a new agreement that will allow for the continued purchase and sale of SacRT fare media through June 30, 2024. The new agreement includes minor changes that will reduce the burden on administrative staff for both SacRT and Sacramento County DHA, however, the financial terms of the agreement will remain unchanged.

The Agreement allows DHA to purchase monthly stickers at \$34 each, with a minimum purchase of 5,000 stickers per month, and purchase Basic Single Ride tickets, and Basic Daily passes at a 50% discount as needed. In total the contract will generate a minimum of \$2,215,136 in fare revenue for SacRT. The DHA contract provides discounted fares to passengers who are primarily low income and is a significant source of fare revenue for SacRT. Staff recommends that the Board approve the agreement with County of Sacramento for discount sale and purchase of prepaid fare media.

RESOLUTION NO. 2023-05-038

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

May 8, 2023

APPROVE AN AGREEMENT WITH THE COUNTY OF SACRAMENTO FOR DISCOUNT PURCHASE AND SALE OF PREPAID FARE MEDIA

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

THAT, the Agreement with the County of Sacramento (therein "County") for the purchase and sale of discounted prepaid fare media at a discount exceeding the percentage established in SacRT's Policy for Discount Sale of Prepaid Fare Media through June 30, 2024, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized to execute the Agreement with the County of Sacramento.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary