

STAFF REPORT

DATE: May 13, 2024
TO: Sacramento Regional Transit Board of Directors
FROM: Chris Flores, Chief of Staff/VP, Real Estate
SUBJ: APPROVING A LICENSE AGREEMENT FOR FLIXBUS STOP AT UNIVERSITY/65TH STREET STATION/Q STREET/67TH STREET FOR INTERCITY SERVICE AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE FUTURE LICENSE AGREEMENT AMENDMENTS

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of the recommended action will result in SacRT granting Flixbus Inc. (“Flixbus”) a one-year license to make 1,460 stops per year at SacRT’s Q and 67th Street bus stop at the University/65th Street Station for intercity passengers and authorize the General Manager to approve future amendments to the License Agreement.

FISCAL IMPACT

SacRT will receive a minimum \$1,856 per month or a total of \$22,272 for twelve months for use of the bus stop, subject to increase if more than the stop is used more than 4 times per day. The revenue is not included in the Fiscal Year 2024 Operating Budget. Execution of future amendments will be contingent upon payment of a fee at least equal to the current year amount plus the applicable CPI increase.

DISCUSSION

Flixbus is a private intercity bus service provider with over 400,000 routes in more than 40 countries. In July 2018 SacRT and Flixbus entered into a one-year license agreement for Flixbus to use the Q and 67th Street bus stop at the University/65th Street Station. The proximity to both Sac State and the light rail station made this an excellent location for Flixbus passengers.

A new one-year License Agreement was executed in November 2019; in recognition of the impending construction project at the University/65th Street Station, that agreement allowed for use of either the University/65th Street station or the Power Inn Station. In the intervening period, Flixbus has been using other stops in the Sacramento area (Midtown, Old Sacramento, Richards Blvd).

Now that the 65th Street Transfer Station Relocation Project is complete Flixbus would like to re-initiate this location as a passenger stop with four trips per day or 1,460 trips per year. The original fee charged to Flixbus was \$1,513 per month, which included SacRT's maintenance and cleaning of the stop, and has been increased to \$1,856 per month per CPI adjustment.

Staff has not yet requested Federal Transit Administration concurrence in this proposed incidental use but, given the limited impact on SacRT's use (the bus stop to be used by Flixbus is not used by SacRT buses and the waiting passengers are unlikely to interfere with SacRT passenger ingress and egress) and the benefits to SacRT riders of having a seamless connection to intercity bus service, SacRT does not anticipate that the FTA will disapprove the use. The License Agreement will permit SacRT to terminate the License if the FTA disapproves the use.

RESOLUTION NO. 2024-05-047

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

May 13, 2024

APPROVING A LICENSE AGREEMENT FOR FLIXBUS STOP AT UNIVERSITY/65TH STREET STATION/Q STREET/67TH STREET FOR INTERCITY SERVICE AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE FUTURE LICENSE AGREEMENT AMENDMENTS

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

THAT, the License Agreement between Sacramento Regional Transit District ("SacRT") and Flixbus Inc. ("LICENSEE") for Flixbus Inc. to make 1460 trips per year at Sacramento Regional Transit District's Q and 67th Street bus stop at the University/65th Street Station for intercity service for a term of one year subject to payment by Licensee of an annual license fee of \$1,856 per month, subject to SacRT's right to terminate if the Federal Transit Administration (FTA) does not concur in this incidental uses, is hereby approved.

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

THAT, authority is hereby delegated to the General Manager/CEO to execute future amendments to the License Agreement to extend the term for up to 5 additional years, contingent upon an increase to the annual license fee based on the Consumer Price Index published by the United States Department of Labor, bureau of Labor Statistics, now known as the "Consumer Price Index" for all Urban Consumers for the San Francisco-Oakland-San Jose California Area (Index 1982- 1984 = 100) and FTA approval if required.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary