TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: AC Transit Support to Affordable Student Transit Pass Pilot Program

ACTION ITEM

RECOMMENDED ACTION(S):

Consider authorizing the General Manager to execute an amendment to the agreement with the Alameda County Transportation Commission for the Affordable Student Transit Pass Pilot Program.

BACKGROUND/RATIONALE:

The Affordable Student Transit Pass Pilot (Affordable STPP) Program is funded by Measure BB, identified in the 2014 Transportation Expenditure Plan. Fifteen million dollars was allocated to implement “successful models aimed at increasing the use of transit among junior high and high school students, including a transit pass program for students in Alameda County.” The Alameda County Transportation Commission (Alameda CTC), in collaboration with multiple entities, and utilizing the consulting services of Nelson Nygaard, has designed a pilot program covering the three-year period of July 1, 2016 to June 30, 2019. For the first year of the pilot, seven schools in Oakland, San Leandro, and Union City participated in the program. Under the Funding Agreement approved by the Board in 2016, District staff supported the program by administering the distribution of approximately 5,000 Clipper cards with AC Transit passes for those schools. In the second year of the program, four schools will be added for a total of eleven schools, and student participation is expected to more than double.

Under the Funding Agreement and the proposed amendment, the District will continue to perform the following functions: 1) supply Clipper cards to students deemed eligible for the program by Alameda CTC; and 2) track and bill Alameda CTC for each student’s pass at the same rate as the Clipper Youth 31-Day Pass at $26.50 per month; and 3) provide limited administrative and customer service support. Alameda CTC will assume the costs of the Clipper cards ($3 each), and will reimburse AC Transit for the administrative costs of card production and data transmission.

BUDGETARY/FISCAL IMPACT:

Under the Funding Agreement between AC Transit and the Alameda CTC, AC Transit is paid in full for the student passes and reimbursed for the additional administrative costs. The reimbursable and invoiced costs for the first six months of the program were $348,597. Total expenses reimbursable to the District for the first full year are expected to be $706,000. During the first year, 447,686 Clipper boardings were recorded.
ADVANTAGES/DISADVANTAGES:

This is an opportunity for the District to continue support an important voter-approved pilot program. Further, the program utilizes Clipper and moves cash-paying and magnetic stripe pass holding students to Clipper, improving boarding time and fare collection.

ALTERNATIVES ANALYSIS:

There are no practical alternatives to the course of action outlined in this report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 16-182 AC Transit Support to Affordable Student Transit Pass Pilot Program

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