



**Item #13-6-6  
Action**

**Transportation Committee**

May 30, 2013

**Finding that Public Transportation Services in Sacramento County are Coordinated to Help Meet State Farebox Recovery Requirements**

**Issue:** Should the SACOG Board make a finding that the services of Sacramento County transit operators are coordinated to allow a composite farebox ratio that meets state requirements?

**Recommendation:** That the Transportation Committee recommend approval by the SACOG Board of Directors of the attached resolution finding that transit services are coordinated for Sacramento Regional Transit District, City of Elk Grove, City of Folsom, and SCT/LINK to enable a composite fare ratio for Sacramento County to meet state farebox recovery requirements.

**Discussion:** The state Transit Development Act (TDA) imposes certain financial requirements on transit operations making claims for TDA funds, including requirements that fares collected by the operator cover a specified percentage of operating costs. Sacramento Regional Transit District (RT) is required to meet a minimum fare box recovery ratio of 23 percent and is able to do so with points to spare because of its large size. However, smaller urban transit providers in Sacramento County are unable to meet the required fare ratio of 20 percent for fixed route service.

To address the challenge for smaller operators, SACOG staff worked with State Assemblymember Roger Dickinson to introduce and pass Assembly Bill (AB) 432. AB 432 states that fares collected by all of the transit operators in Sacramento County may be used to determine a fare ratio for the county as a whole. However, to make a determination that operators achieved the minimum required farebox recovery ratio through this composite ratio method, SACOG must find that the public transportation services of the county transit operators are coordinated.

Coordination of public transportation services in Sacramento County is addressed in a myriad of ways, including:

- The Transit Coordinating Committee (TCC), composed of representatives of transit operators across the SACOG region, discusses service changes, transit funding, and opportunities for coordination of procurements and services.
- By Memorandum of Understanding with each of the transit operators, SACOG has required cooperation and coordination for transit projects in the Metropolitan Transportation Plan and Metropolitan Transportation Improvement Program.

- Each transit operator is required to update its Short Range Transit Plan (SRTP) to include on-going operations, expansion plans, and capital needs. Coordination of services is an integral part of each SRTP.
- Each transit operator has a transfer agreement with Sacramento RT and agreements with neighboring transit agencies on honoring transit passes and allocating fare revenue.
- SACOG recently completed a Downtown Transit Circulation Improvement Plan, working with all of the operators whose commute and/or local bus services make stops in the downtown Sacramento area.
- Coordination and planning between transit operators has occurred for the Louis Orlando Transfer Center and the Blue Line Phase II Transfer Center at Cosumnes River College.
- The regional Connect Card Project involves seven of the region's transit operators, and will be phased in across the region to improve connectivity and linking trips for passengers.

Staff recommends approval of the finding based on these various coordination efforts.

Approved by:

Mike McKeever  
Chief Executive Officer

MM:SS:GT:ts  
Attachment

Key Staff: Matt Carpenter, Director of Transportation Services, (916) 340-6276  
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**SACRAMENTO AREA COUNCIL OF GOVERNMENTS**

**RESOLUTION NO. xx – 2013**

**APPROVING THE FINDING OF COORDINATED TRANSIT SERVICES**

**WHEREAS**, smaller transit operators in Sacramento county have inherent difficulty meeting the farebox ratio requirements of the Transportation Development Act (TDA) to be able to make claims for TDA funds; and

**WHEREAS**, AB 432 was supported by SACOG as a method to meet TDA farebox ratio requirements, by allowing fares collected by the transit operators in Sacramento county to be combined to determine an overall farebox recovery ratio; and

**WHEREAS**, the Sacramento Regional Transportation District (RT) is supportive of combining RT's fares and expenses with other transit operators in Sacramento county in order to meet the individual TDA fare box ratio requirements; and

**WHEREAS**, SACOG will oversee the calculation and reporting of the combined farebox ratio for Sacramento county; and

**WHEREAS**, AB 432 requires the SACOG Board to find that the public transportation services of the operators are coordinated as a condition of using a combined Sacramento county farebox ratio to meet TDA requirements;

**NOW, THEREFORE, BE IT RESOLVED** that the SACOG Board of Directors hereby approves the finding that the public transportation services of the grouped transit operators in Sacramento county are coordinated, as required by AB 432.

**PASSED AND ADOPTED**, this 20<sup>th</sup> day of June 2013, by the following vote of the Board of Directors:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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Peter Hill  
Chair

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Mike McKeever  
Chief Executive Officer