

September 8, 2009

SUBJECT: Proposed Agreement Between Austin Community College District and Capital Metro for Transit Passes

RECOMMENDATION

That the Board discuss a proposed Interlocal Agreement with Capital Metro for Transit Passes. Staff plan to bring this proposal to the Board for approval on October 5, 2009.

RELATED BOARD POLICY OR PLANNING PRIORITY

The proposed action relates to C-9, Sustainable Practices.

RATIONALE

In July 2009, the Board approved and increase in parking fees and a new Sustainability Fee for the purposes of supporting and encouraging the use of alternative methods of transportation by ACC students, faculty, and staff, and other sustainable practices.

In conjunction with this initiative, staff have been working with Cap Metro on the details of a pilot program whereby free bus passes are provided to students, faculty, and staff. The attached proposal from Capital Metro outlines the terms of this agreement, and staff wish to present the terms to the Board for first review.

BUDGETARY CONSIDERATION

Transit passes will be funded by the increase in parking fees, and the new Sustainability Fee.

RESOURCE PERSONNEL

Mr. Ben Ferrell, Executive Vice President, Finance & Administration
Mr. Bill Mullane, Executive Director, Facilities and Construction

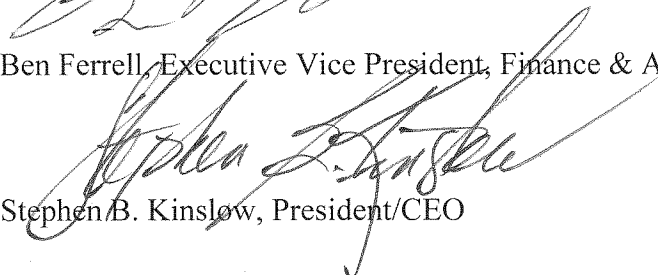
ATTACHMENTS

A: Proposed Agreement Between Austin Community College District and Capital Metro for Transit Passes

Respectfully Submitted By:



Ben Ferrell, Executive Vice President, Finance & Administration



Stephen B. Kinslow, President/CEO

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
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A. B. Douglas

TO: Ben Ferrell, CPA
Executive Vice President, Finance and Administration
Austin Community College (ACC)

FROM: Aida B. Douglas, MPA
Business Development Manager

CC: Andy Kim, Director of Environmental Stewardship, ACC
Randy Hume, EVP, Finance & Administration
Doug Allen, EVP/Chief Development Officer
Dianne Mendoza, Ph.D.
VP, Business & Community Development
Peggy MacCallum, Budget Manager
Barney Sifuentes, Revenue Manager
Jennifer Govea, Service Analysis Coordinator

DATE: August 26, 2009

SUBJECT: Austin Community College Transit Pass Revised Proposal

Over the last 18 months, Capital Metro has been working with ACC to develop a partnership agreement for student transit passes. Capital Metro had presented a proposal on June 1, 2009 which included the development of an ACC Student Transit Pass for use on Capital Metro Bus and Rail services. However, that initial proposal included a two semester option. ACC proposed an alternative because there are three academic semesters and approximately 40,000 students at ACC.

Capital Metro staff and ACC staff met on Wednesday, August 19, 2009 to discuss the potential partnership alternatives that would be acceptable to both entities. The biggest concern for ACC is the fact that this benefit should be available to every students who wants to ride the system, since a sustainability fee will be charged to all students registering. Thus, the idea of charging ACC on a "per ride" basis for every student who rides became a viable option. This option would allow all ACC students with a valid pass to ride and assist in developing a ridership baseline. Therefore, Capital Metro is amenable to charging ACC on a "per ride" basis for a "pilot" program and proposes the following options for consideration:

While there is no exact number of potential riders or "rides", Capital Metro proposes starting with an upfront retainer. Each ride would be charged against this retainer. Once the retainer is depleted, ACC will be invoiced based on actual usage on a per ride basis.

The initial retainer will be based on projected ridership using the following formula:

$$\begin{aligned} & 5,000 \text{ (students expected to ride)} \times \\ & 2.5 \text{ (times a student may ride per day)} \times \\ & 50 \text{ (semester days of class attendance)} \times \\ & \quad \$.40 \text{ (cost per ride)} \\ & = \$250,000 \end{aligned}$$

The pilot will include the following:

1) Magnetic Cards to be issued to ACC programmed as follows: (ACC will pay for the costs associated with producing all the magnetic cards)

Spring Semester: 16 weeks with an expiration date

Summer Semester: 11 weeks with an expiration date

Fall Semester: 16 weeks with an expiration date

Capital Metro will provide ACC with 5,000 initial semester all services passes outlined in an executed Inter-Local Agreement (ILA). The passes will be provided in the form of a magnetic swipe card that students and staff can use during each period. ACC will be responsible for the distribution of the passes to students and staff. Additional cards can be requested in lots of 1,000 as needed.

2) ACC will be charged on a **PER RIDE** basis for the TOTAL rides registered at a cost of **\$.40** per ride. The ridership will be deducted from the initial retainer. Any additional rides will be invoiced to ACC based on total rides on a monthly basis.

As previously discussed, rider usage information is not available for ACC and the goal of this pilot program is to develop a baseline using ridership tracking technology over a 12-month period. Upon completion of the initial ILA, Capital Metro and ACC will consider continuing the program based on actual ridership data and Capital Metro approved fares.

If both parties deem the pilot successful, Phase II will include the opportunity of using ACC issued IDs to track ridership provided that the technology can be worked out by both institutions.

If this proposal is acceptable, Capital Metro will begin to draft an Inter-Local Agreement (ILA) to be executed by Capital Metro and ACC contracting staff. We are pleased to be able to enter into this mutually beneficial intergovernmental partnership. If you have any questions and wish to discuss this proposal in more detail prior to proceeding with the drafting of an ILA, you may contact me at (512) 369-6200 or via email at aida.douglas@capmetro.com