

**Date:** June 11, 2014

**To:** Board of Directors

**From:** Neil McFarlane

**Subject:** **RESOLUTION 14-06-34 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND AND THE PORTLAND PUBLIC SCHOOL DISTRICT FOR THE 2014-2015 STUDENT PASS PROGRAM (PUBLIC HEARING)**

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**1. Purpose of Item**

The purpose of this Resolution is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute an intergovernmental agreement (IGA) with the City of Portland (City) and the Portland Public School District (PPS) for the 2014-15 school year PPS Student Pass Program (Program). The Program provides free transit passes to high school students within the PPS district. This Resolution also authorizes the General Manager to work with other school districts within the TriMet District to evaluate the feasibility of developing similar student pass partnership programs.

Because the Program will be in effect for a period of ten months, staff has conducted a fare equity analysis which has been submitted to the Board for their consideration and approval per Federal Transit Administration (FTA) Title VI guidelines, and a public hearing will be conducted in accordance with TriMet Code requirements.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Intergovernmental Agreement

**3. Reason for Board Action**

The Board may approve the Program IGA and fare equity analysis by adoption of a resolution.

**4. Type of Action:**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

## **5. Background**

The Program has been a collaborative partnership among TriMet, PPS and the City. The Program started in September 2008 as a pilot project to provide transit passes to students at Jefferson and Franklin High Schools. Since September 2009, the Program has provided free TriMet Youth passes to nearly 13,000 high school students in the PPS district each year. PPS is the only school district in the TriMet service area that does not provide regular yellow school bus service for their high school students.

Historically, the Program was funded through the State of Oregon's Business Energy Tax Credit (BETC) program, as well as contributions from PPS. TriMet received full value for each Youth pass purchased by PPS. Due to action by the State Legislature, however, BETC funding was discontinued and no longer available for student passes beginning in 2011. From this time through the 2013-14 school year, TriMet, PPS and the City were able to agree to short-term funding arrangements to cover the cost of the Program.

For the 2014-15 school year, TriMet, PPS and the City have agreed to a funding solution to provide Youth passes to all PPS high school students through June 30, 2015, with each agency providing one-third of the funding for the Program. The IGA authorized by this Resolution would fund the Program for the 2014-2015 school year and will allow high school students to continue to access free transit to get to school, after-school activities, and access employment opportunities, for a ten-month period.

Because the proposed Program will be in effect for a period of ten months, staff has conducted a fare equity analysis per the guidelines in FTA Circular 4702.1B. The analysis findings have been presented to the Board for their consideration in the document entitled "Fall 2014 Fare & Service Change Equity Analysis Report" dated May 27, 2014 ("Report"). In summary, the fare equity analysis set forth in the Report provided to the Board for adoption of this Resolution finds no *disparate impact* on minority youth and no *disproportionate burden* on low-income youth. While PPS Student Pass "fares" are more commonly used by non-minority, non-low-income youth, PPS high schools are also the only high schools in the TriMet service district without yellow bus service.

A public hearing will be conducted on the Resolution in accordance with TriMet Code requirements for promotional fares in effect for longer than 180 days.

## **6. Financial/Budget Impact**

The total Program cost for the period of September 1, 2014 through June 30, 2015 is \$2.9 million based on revenue that TriMet would receive if the Program were not in place. As part of the IGA, the partners will share the cost of the Program in 1/3 shares: PPS will contribute \$966,666, the City will provide \$966,666, and TriMet will contribute \$966,666 by way of foregone fare revenue. TriMet's contribution to the current (2013-14) school year Program is \$1.6 million. TriMet is reprogramming the balance (\$634,000) to reduce Youth fares regionally per Ordinance No. 335.

## 7. **Impact if Not Approved**

The option to the IGA would be for PPS to purchase monthly passes for its students at the regular Youth monthly pass price.

**RESOLUTION 14-06-34**

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**WHEREAS**, TriMet has authority under ORS 267.200 and ORS Chapter 190 to enter into an Intergovernmental Agreement ( "Agreement") with the City of Portland and the Portland Public School District for the 2014-2015 Student Pass Program ("Program"); and

**WHEREAS**, having considered and approved the fare equity analysis dated May 27, 2014, the TriMet Board of Directors ("Board") desires to authorize the General Manager to execute the Agreement to implement the Program; and

**WHEREAS**, the Board supports the agency's review and consideration of the feasibility of implementing similar student pass partnerships with other school districts within the TriMet District;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Agreement shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Agreement.
3. That the General Manager is authorized to work with other school districts within the TriMet District to evaluate the feasibility of developing similar student pass partnership programs.

Dated: June 11, 2014

Attest:

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Presiding Officer

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Recording Secretary

Approved as to Legal Sufficiency:

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Legal Department