



BOARD OF DIRECTORS

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AGENDA

PERFORMANCE, ADMINISTRATION AND FINANCE COMMITTEE

Chairman Chris Orlando, Vice Chair Dave Roberts
Sam Abed, Mark Packard
Staff Committee Liaison: Richard Hannasch

Tuesday, September 7, 2010 – 8:00 a.m.

Closed Session Room

810 Mission Avenue, Oceanside, California

1. Call to Order
2. Changes to the Agenda
3. Governing Body Resolution for Federal Homeland Security, FY 2010 Transit Security Grant Program (Attachment 3A)

Staff will review the approved use of the FY 2010 Federal Department of Homeland Security - Transit Security Grant Program (TSGP) funds and the related resolution. The Federal TSGP is a competitive program that provides financial assistance to eligible public transit agencies that operate rail and bus networks for protection of critical infrastructure and emergency preparedness activities. The FY 2010 TSGP makes a total of \$253 million available to owners and operators of transit systems to protect critical surface transportation infrastructure and the traveling public from acts of terrorism, major disasters, and other emergencies. Of the TSGP's total funding of \$253 million, \$226 million was made available to the eight urban areas deemed to be of highest risk by the Department of Homeland Security. These applications were not required to go through a competitive process. The balance of the FY 2010 TSGP's funding of \$27.3 million was allocated using a fully competitive process from a single pool for bus and rail projects for eligible Tier II transit agencies, such as NCTD. This is a federal program administered in the State of California by the California Emergency Management Agency (CalEMA). This program does not require any matching funds.

4. Fixed-Price Contract for Diesel and Unleaded Gasoline

NCTD purchases diesel fuel for BREEZE, COASTER, and SPRINTER service on a weekly bid basis. Orders are placed with the lowest cost provider. At its July 8, 2010 meeting, the NCTD Board received a presentation on the advantages and disadvantages of fixed-price contracts for fuel. Based on Board direction, NCTD staff has investigated two alternative methods for NCTD to enter into a contract providing a fixed-price per gallon for fuel.

5. Temporary Fare Decreases for BREEZE and COASTER Services (Attachment 5A)

During the past several years, NCTD has faced an increasingly difficult economic environment. In response, NCTD has implemented a series of cost reduction and business improvement strategies to lower NCTD's annual operating expenses. Ridership has suffered as local unemployment rates increased above 10%. Accordingly, NCTD is investigating a number of options to enhance ridership. The regional Comprehensive Fare Ordinance allows operators to set temporary, promotional, or experimental fares for a period not longer than 12 months. NCTD proposes to make temporary changes to some BREEZE and COASTER fares to stimulate ridership. The proposed temporary fares would begin on January 1, 2011 and would be in place for a period not-to-exceed 12 months. If it appears to be advantageous to make any of the temporary changes permanent, then the NCTD Board would authorize steps to amend the regional Comprehensive Fare Ordinance.

6. Approve Revised NCTD Eligibility Criteria for Reduced Fares

Transit agencies which receive federal funding are required to offer reduced fares on fixed-route services for seniors, persons with disabilities, and individuals receiving Medicare benefits. Per Department of Transportation (DOT) regulations, the definition of disability does not include individuals with drug or alcohol addiction. However, NCTD's internal guidelines have permitted reduced fares for substance abuse applicants participating in recovery programs. NCTD is unusual among transit agencies in using eligibility criteria which differ from DOT Regulations. For example, San Diego MTS does not offer the disability discount to individuals in substance abuse programs. NCTD, MTS, and SANDAG are finalizing the graphics for a regional Senior/Disabled pass on the Compass Card. We believe it would be advantageous for NCTD to revise our eligibility criteria to be consistent with DOT Regulations.

7. Other Matters

8. Public Comment

9. Next Meeting: 8:00 am Tuesday, **October 5, 2010**, 810 Mission Avenue, Oceanside, CA

10. Adjournment

Staff may have updated and/or supplemental items that will be distributed at this meeting.

For individuals with disabilities, we will provide assistive services. To obtain such services or copies of documents in an alternate format, please call or write, a minimum of 72 hours prior to the event, to request these needed reasonable modifications. We will make every attempt to accommodate requests that do not give 72- hour notice. Please contact our Clerk of the Board at (760) 967-2808.

Persons with hearing impairment please use the California Relay Service (CRS): 800-735-2929 using TTY; 800-735-2922 using voice; 800-735-0373 for CRS Customer Service; 800-855-3000 for Spanish.

Any writings or documents provided to a majority of the members of the NCTD Board of Directors regarding any item on this agenda will be made available for public inspection in the department of the Clerk of the Board located at 810 Mission Avenue, Oceanside, CA 92054, during normal business hours.



**STAFF REPORT TO THE
PERFORMANCE, ADMINISTRATION AND
FINANCE COMMITTEE**

**Agenda Item #
3**

TITLE: GOVERNING BODY RESOLUTION FOR FEDERAL HOMELAND SECURITY, FY 2010 TRANSIT SECURITY GRANT PROGRAM

Time Sensitive Consent

**STAFF
RECOMMENDATION:**

Approve Resolution # 10-12 authorizing the Executive Director or his designee to take any actions necessary to implement the COASTER Security Network project (including approval to execute contracts up to the maximum project budget) to be funded under the Department of Homeland Security Federal Emergency Management Agency FY 2010 Transit Security Grant Program (TSGP) – Tier II, subject to final approval by the California Emergency Management Agency.

**BACKGROUND
INFORMATION:**

The Department of Homeland Security Federal Emergency Management Agency FY 2010 Transit Security Grant Program (TSGP) provides financial assistance to eligible public transit agencies, which operate rail and bus networks, to protect critical infrastructure and to assist with emergency preparedness. The FY 2010 TSGP includes a total of \$253 million to owners and operators of transit systems to protect critical surface transportation infrastructure and the traveling public from acts of terrorism, major disasters, and other emergencies. Of the TSGP's total funding of \$253 million, \$226 million was designated for eight urban areas deemed to be of highest risk by the Department of Homeland Security. These applications were not required to go through a competitive process. The remaining balance of \$27.3 million for the FY 2010 TSGP funding was allocated by a competitive process from a single pool for bus and rail projects for eligible Tier II transit agencies, such as NCTD. This federal program is administered in the State of California by the California Emergency Management Agency (CalEMA).

In February 2010, NCTD submitted an application for funding. The application requested \$1,614,090 for rejuvenation and hardening of the COASTER Security Network. This project will allow NCTD to expand the capabilities of its security technology environment to provide more extensive monitoring with fewer personnel. This project also includes upgrading the existing analog camera environment to a digital environment, changing the manner in which the video is: (i) fed to the security operations center, (ii) analyzed and stored, and (iii) accessed. No local match was required for this program.

In May 2010, NCTD received notification from the U.S. Department of Homeland Security that it had been allocated a total of \$1,538,250 for its COASTER Security Network project. All project costs that were applied for were approved for funding except NCTD's internal staff time. As a condition of the award, NCTD is required to submit additional documentation, including a Board resolution.

Implementation of this project is expected to begin within 30 days after receipt of the formal notice to proceed from CalEMA and is expected to take approximately two years to complete.

ATTACHMENT: 3A – Resolution 10-12

BUSINESS PLAN: N/A

FISCAL IMPACT: Capital funding in the amount of \$1,538,250 will be available to NCTD subject to CalEMA approval of the grant application for the COASTER Security Network project.

**COMMITTEE
REVIEW:
9/7/10**

STAFF CONTACT: **Richard Hannasch, Chief Financial and Administrative Officer**
E-mail: rhannasch@nctd.org Phone: 760/967-2809

ATTACHMENT 3A

RESOLUTION # 10-12

Governing Body Resolution

RESOLUTION OF THE NORTH COUNTY TRANSIT DISTRICT BOARD OF DIRECTORS AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS ASSIGNEES TO TAKE ANY ACTIONS NECESSARY TO IMPLEMENT THE COASTER SECURITY NETWORK PROJECT (INCLUDING APPROVAL TO EXECUTE CONTRACTS UP TO THE MAXIMUM PROJECT BUDGET) TO BE FUNDED UNDER THE DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY FY 10 TRANSIT SECURITY GRANT PROGRAM (TSGP) – TIER II, SUBJECT TO FINAL APPROVAL BY THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY.

WHEREAS, the North County Transit District (NCTD) is a public entity established under the laws of the State of California; and,

WHEREAS, the Department of Homeland Security Federal Emergency Management Agency FY 10 Transit Security Grant Program (TSGP) provides financial assistance to eligible public transit agencies which operate rail and bus networks for protection of critical infrastructure and emergency preparedness activities; and,

WHEREAS, a total of \$27,300,000 was allocated to the discretionary program for FY2010 for eligible Tier II transit agencies, of which NCTD is one such agency; and

WHEREAS, the Governor has designated the California Emergency Management Agency (CalEMA) as the State Administrative Agency (SAA) to apply for and administer the TSGP funds for California; and,

WHEREAS, in February 2010, NCTD submitted an application for funding for the COASTER Security Network project under this program, with no local matching funds requirement, in the amount of \$1,614,090; and,

WHEREAS, in May 2010, NCTD received notification from the U.S. Department of Homeland Security that it had been allocated a total of \$1,538,250 for its COASTER Security Network project, requiring NCTD to submit additional documentation including a Board resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH COUNTY TRANSIT DISTRICT THAT:

The Executive Director, OR

The Chief Financial and Administrative Officer, OR

The Chief Management Accountant

are hereby appointed as Authorizing Agents for NCTD and are authorized to execute for and on behalf of the named applicant, a public entity established under the laws of the State of California, any actions necessary for the purpose of obtaining federal financial assistance provided by the federal Department of Homeland Security and subgranted through the State of California.

BE IT FURTHER RESOLVED by the Board of Directors of the North County Transit District that the Executive Director or his Designees are hereby authorized to approve and execute contracts, including change orders, for these specific projects up to the maximum project budget, without further Board approval.

PASSED, APPROVED AND ADOPTED at the regular meeting of the Board of Directors of the North County Transit District this _____ day of _____, 2010.

Bob Campbell
CHAIR, North County Transit District

ATTEST:

Jill McNaughton
CLERK OF THE BOARD, North County Transit District

CERTIFICATION

I, Jill McNaughton, duly appointed and qualified, Clerk of the Board of the North County Transit District do hereby certify that the above is a true and correct copy of a resolution passed and approved by the Board of Directors of the North County Transit District adopted at a legally convened meeting of the Board of the North County Transit District held on the ____ day of _____, 2010.

CLERK OF THE BOARD
North County Transit District

Date



STAFF REPORT TO THE
PERFORMANCE, ADMINISTRATION AND
FINANCE COMMITTEE

Agenda Item #
4

TITLE: FIXED-PRICE CONTRACT FOR DIESEL AND UNLEADED GASOLINE

Time Sensitive Consent

**STAFF
RECOMMENDATION:**

Authorize the Executive Director to purchase diesel and unleaded gasoline using the method in the best interest of the District after bids are opened on September 20, 2010.

**BACKGROUND
INFORMATION:**

NCTD purchases diesel fuel for the BREEZE, COASTER and SPRINTER services on a weekly bid basis, and purchases unleaded gasoline for BREEZE service on an as needed basis. Orders are placed with the lowest cost provider. Purchases for FY 2010 were:

	<u>Diesel</u>	<u>Unleaded Gasoline</u>
Total Cost	\$3,569,920	\$129,161
Total Gallons	1,716,782	52,478
Average Cost per Gallon	\$2.08	\$2.46

During the first five weeks of FY 2011, the average cost per gallon of diesel fuel has been \$2.23, and the average cost per gallon of unleaded gas has been \$2.42.

As of July 1, 2010, NCTD also provides unleaded fuel for the First Transit LIFT service and will soon add 24 cutaway buses to the BREEZE fleet, which also uses unleaded fuel. This will increase the need for unleaded fuel by an estimated 358,000 gallons annually.

The fuel costs above do not include taxes or fees, which are budgeted at \$549,000 for FY 2011.

At its July 8, 2010 meeting, the NCTD Board received a presentation on the advantages and disadvantages of fixed-price contracts for fuel. Based on Board direction, NCTD staff has investigated two alternative methods for NCTD to enter into a contract providing a fixed-price per gallon for fuel.

The first alternative is to add fuel to NCTD's contract 9068-OS with First Transit, adding a fixed-price per gallon for 9 months of FY 2011 based on a start date of October 1, 2010. First Transit has submitted proposed pricing to NCTD.

The second alternative is to conduct a sealed bid process with fuel suppliers for a fixed-price contract. IFB 11001-OS was issued and bids are due on September 20, 2010. Prices will be valid for 72 hours after bids are opened on September 20th.

We recommend that the Board authorize the Executive Director to execute the method which appears to be in the best interests of the District, based on the pricing information which will be available after September 20, 2010. The Executive Director would compare the proposed contract prices to the actual prices NCTD will have paid during the last several months. Depending on the pricing information, the Executive Director may add fuel to NCTD's contract with First Transit, or may accept one of the bids opened on September 20th, or may continue to purchase fuel on a weekly basis.

ATTACHMENT: None

BUSINESS PLAN: N/A

FISCAL IMPACT: There is no fiscal impact unless a contract is awarded. The estimated diesel usage for FY 2011 (1,621,336 gallons) is budgeted at \$3.00/gallon before taxes. The estimated usage for unleaded gasoline (412,000 gallons) is also budgeted at \$3.00 before taxes. To the extent that the District purchases fuel at prices below budgeted levels, the District will have a favorable budget variance.

**COMMITTEE
REVIEW:**
9/7/10

STAFF CONTACT: Larry Frum
Manager of Contracts & Procurement
E-mail: lfrum@nctd.org Phone: 760/967-2864



STAFF REPORT TO THE
PERFORMANCE, ADMINISTRATION AND
FINANCE COMMITTEE

Agenda Item #
5

TITLE: **TEMPORARY FARE DECREASES FOR BREEZE AND COASTER SERVICES**

Time Sensitive Consent

STAFF
RECOMMENDATION:

Approve a temporary fare decrease for BREEZE cash fares, COASTER monthly passes, and COASTER single ride/round trip tickets, to be effective January 2011.

BACKGROUND
INFORMATION:

During the past several years, NCTD has faced an increasingly difficult economic environment. State transit funds have been slashed, and revenues derived from local sales tax collections have declined dramatically. In response, NCTD has implemented a series of cost reduction and business improvement strategies to lower NCTD's annual operating expenses.

Ridership has also suffered as local unemployment rates increased above 10%. Accordingly, NCTD is investigating a number of options to enhance ridership.

The regional Comprehensive Fare Ordinance allows operators to set temporary, promotional or experimental fares for a period not longer than 12 months. Because of the short term nature of these fares, inclusion in the fare ordinance is not required.

NCTD proposes to make the following temporary changes to its current fare structure:

- 1) Decrease the BREEZE single ride cash fare by 25 cents, from \$2.00 to \$1.75.
- 2) Decrease the BREEZE single ride Senior/Disabled/Medicare cash fare by 25 cents, from \$1.00 to 75 cents.
- 3) Change the current COASTER 4-zone fare structure to a 3-zone structure.
- 4) Decrease COASTER monthly pass fares by 10% to 22%, single ride fares by \$1.00, and round trip fares by \$2.00.

The proposed temporary fare changes are shown in greater detail in Attachment 5A.

BREEZE

The BREEZE cash fare was increased from \$1.75 to \$2.00 in FY 2007. Listed below are examples of one-way cash fares at other southern California transit agencies:

San Diego MTS:	\$2.25
Riverside:	\$1.50
Orange County:	\$1.50

If BREEZE ridership remained unchanged, the annual revenue loss from decreasing the BREEZE cash fare from \$2.00 to \$1.75 (and the Senior/Disabled/Medicare cash fare from \$1.00 to 75 cents) would be about \$250,000 annually.

SANDAG's Trip Attraction Model attempts to forecast changes in ridership resulting from fare changes. The model forecasts that the proposed fare reduction would cause an increase in BREEZE ridership of 5%, a reduction in COASTER ridership of 1%, and a reduction in SPRINTER ridership by 3%, with a net revenue impact to NCTD of an additional \$25,000 annually.

We believe the model's projections for increased BREEZE ridership may well be over-optimistic, and that it is likely that the proposed fare reduction will lead to a net decrease in revenue. However, we believe it would be worthwhile for NCTD to experiment with a temporary fare decrease to determine whether BREEZE ridership would increase significantly. If actual ridership does not increase, NCTD would have the ability to return to current fare levels, if that appears to be the most appropriate alternative.

COASTER

Fares

The cost of COASTER single ride fares and monthly passes increased significantly more than BREEZE fares during the past few years. For example, the COASTER single ride fare increased by 50 cents on August 1, 2008 and another 50 cents on January 1, 2009, representing an increase of about 20% compared to BREEZE fare increases of about 10%. COASTER fares were increased at a time when gasoline prices averaged over \$4.50/gallon and the local unemployment rate was 6%.

The proposed COASTER monthly pass prices include a new break even point of 30 trips per month compared to 28 trips per month in the previous pricing. The industry average for commuter rail is 32 trips per month.

If COASTER ridership remained unchanged, the annual revenue loss from the proposed reduced COASTER fares would be about \$760,000 annually. The SANDAG Trip Attraction Model forecasts that the proposed fare reductions would cause an increase in COASTER ridership of 20% from FY 2010 levels, with a net revenue impact to NCTD of an additional \$240,000 annually. (If the proposed fare reductions caused COASTER ridership to increase by 14%, there would be no change in net revenues to NCTD.)

Again, we believe the model's projections for increased COASTER ridership may well be over-optimistic, and that it is likely that the proposed fare reduction will lead to a net decrease in revenue. However, we believe it would be worthwhile for NCTD to experiment with a temporary fare decrease to determine whether COASTER ridership would increase significantly. If actual ridership does not increase, NCTD would have the ability to return to current fare levels if that appears to be the most appropriate alternative.

Zones

During FY 2010, over 28,000 COASTER monthly passes were sold. Only 127 of those were 1-zone passes, indicating little demand for the 1-zone product. A restructuring of the zone system seems appropriate. A new zone structure that

incorporates a 3-zone structure instead of the previous 4-zone structure is illustrated below:

Proposed COASTER Zones:

TO \ FROM	Oceanside	Carlsbad Village	Carlsbad Poinsettia	Encinitas	Solana Beach	Sorrento Valley	Old Town	Santa Fe Depot
Oceanside		1	1	1	1	2	3	3
Carlsbad Village	1		1	1	1	2	3	3
Carlsbad Poinsettia	1	1		1	1	2	3	3
Encinitas	1	1	1		1	2	3	3
Solana Beach	1	1	1	1		2	3	3
Sorrento Valley	2	2	2	2	2		2	2
Old Town	3	3	3	3	3	2		1
Santa Fe Depot	3	3	3	3	3	2	1	

Rail 2 Rail

NCTD is also conducting discussions with Amtrak on providing a “Rail 2 Rail” benefit for COASTER monthly pass holders. One-time programming costs to the regional Automated Fare Collection system to accommodate Rail 2 Rail are estimated at \$150,000. The current discussions propose a benefit whereby monthly pass holders would pay the ongoing incremental costs which would be charged by Amtrak. We will keep the Board informed as discussions progress. If an appropriate agreement can be finalized, we would anticipate bringing it to the Board for approval.

The proposed temporary fares for BREEZE and COASTER service would begin on January 1, 2011 and be in place for a period not-to-exceed 12 months. If it appears to be advantageous to make any of the temporary changes permanent, then the NCTD Board would authorize steps to amend the regional Comprehensive Fare Ordinance.

ATTACHMENT: 5A - Proposed Fare Changes

BUSINESS PLAN: *Goal/Direction:* Enhance Customer Service, Marketing & Ridership Development – #CSMRD6

FISCAL IMPACT: The FY 2011 budget includes a contingency of \$887,925. The apparent worst case result of the proposed fare changes would be no change in ridership, while fare revenues declined. If this were to happen, then anticipated FY 2011 BREEZE revenues would decline by about \$125,000 (based on six months of reduced fares) and COASTER revenues would decline by about \$380,000 (based on six months of reduced fares). If ridership increases due to the temporary fare changes, then the reduction in revenues would be partially offset.

COMMITTEE

REVIEW:

9/7/10

STAFF CONTACT: **Richard Hannasch, Chief Financial and Administrative Officer**
E-mail: rhannasch@nctd.org Phone: 760/967-2809

Proposed Fare Changes

ATTACHMENT 5A

CURRENT COASTER PRICING	Zone	Station	Number of Zones	One Way	One way transfer from transit	Round trip ticket	Regular monthly pass	Regional day pass	Youth monthly	Senior disabled one way	Senior disabled transfer from transit	Senior disabled round trip	Senior Disabled Monthly																	
	1	Oceanside	Within 1 zone	\$5.00	\$3.00	\$10.00	\$144.00	\$14.00	\$91.00	\$2.50	\$1.50	\$5.00	\$45.50																	
		Carlsbad Village																												
	2	Carlsbad Poinsettia	Within 2 zones							\$5.50	\$3.50	\$11.00		\$154.00	\$14.00	\$91.00	\$2.75	\$1.75	\$5.50	\$45.50										
		Encinitas																												
		Solana Beach																												
	3	Sorrento Valley	Within 3 zones							\$6.00	\$4.00	\$12.00		\$170.00	\$14.00	\$91.00	\$3.00	\$2.00	\$6.00		\$45.50									
	4	Old Town	Within 4 zones																			\$6.50	\$4.50	\$13.00	\$182.00	\$14.00	\$91.00	\$3.25	\$2.25	\$6.50
		Santa Fe																												

PROPOSED COASTER PRICING	Zone	Station	Number of Zones	One Way	One way transfer from transit	Round trip ticket	Regular monthly pass	Regional day pass	Youth monthly	Senior disabled one way	Senior disabled transfer from transit	Senior disabled round trip	Senior Disabled Monthly																
One Dollar Rollback with 3 zones	1	Oceanside	Within 1 zone	\$4.00	\$2.00	\$8.00	\$120.00	\$14.00	\$82.50	\$2.00	\$1.00	\$4.00	\$41.25																
		Carlsbad Village																											
		Carlsbad Poinsettia																											
		Encinitas																											
		Solana Beach																											
	2	Sorrento Valley	Within 2 zones							\$5.00	\$3.00	\$10.00		\$150.00	\$14.00	\$82.50	\$2.50	\$1.50	\$5.00	\$41.25									
	3	Old Town	Within 3 zones																		\$5.50	\$3.50	\$11.00	\$165.00	\$14.00	\$82.50	\$2.75	\$1.75	\$5.50
		Santa Fe																											

BREEZE CURRENT PRICING	
Regular Cash Fare	\$ 2.00
Senior/Disabled/Medicare Cash Fare	\$ 1.00

BREEZE PROPOSED PRICING	
Regular Cash Fare	\$ 1.75
Senior/Disabled/Medicare Cash Fare	\$ 0.75

** All other BREEZE fares to remain the same



STAFF REPORT TO THE
PERFORMANCE, ADMINISTRATION AND
FINANCE COMMITTEE

Agenda Item #
6

**TITLE: REVISE NCTD ELIGIBILITY CRITERIA FOR PERSONS WITH
DISABILITIES TO BE CONSISTENT WITH THE DEPARTMENT OF
TRANSPORTATION (DOT) REGULATIONS**

Time Sensitive Consent

STAFF RECOMMENDATION: Approve revisions to NCTD’s eligibility criteria for persons with disabilities to be consistent with DOT regulations.

BACKGROUND INFORMATION:

The Federal Transit Administration (FTA) requires transit agencies receiving federal funding to offer a fixed-route reduced fare program for seniors, people with disabilities, and individuals receiving Medicare benefits.

Department of Transportation (DOT) Regulations define a person with a disability as:

Part 37, Subpart A - § 37.3

“*Disability* means, with respect to an individual, a physical or mental impairment that substantially limits one or more of the major life activities of such individual; a record of such impairment; or being regarded as having such an impairment.”

Per DOT Regulations, the definition of disability does not include individuals with drug or alcohol addiction. However, NCTD’s internal guidelines have permitted reduced fares for substance abuse applicants “currently participating in a sanctioned recovery program...on a case-by-case basis.” Under current practice, NCTD generally approves all reduced fare applications submitted by individuals undergoing drug and alcohol treatment.

NCTD is unusual among transit agencies in using eligibility criteria which differ from DOT Regulations. For example, San Diego MTS does not offer the disability discount to individuals in substance abuse recovery programs.

Each month, NCTD receives and approves about 100 new reduced fare applications for persons enrolled in drug and alcohol treatment programs. It is difficult for NCTD to verify the authenticity of the applications. Also, the reduced fare passes are valid for a six-month period.

The discounted amount is significant to NCTD. A regular monthly BREEZE pass costs \$59. However, the monthly Senior/Disabled pass costs just \$18.

NCTD, MTS, and SANDAG are finalizing the graphics for a regional Senior/Disabled pass on the Compass Card. The Senior/Disabled Compass Card will have a distinctive appearance, and will include the customer’s photo on the card. We believe it would be advantageous for NCTD to harmonize its eligibility criteria for the Senior/Disabled pass.

It is certainly desirable for individuals to enroll in substance abuse programs. However, there are a number of demands on NCTD's limited resources. NCTD's current eligibility criteria are not common among transit agencies, and it is difficult in practice to verify the authenticity of applications.

We believe it would be beneficial for NCTD to revise our eligibility criteria to be consistent with DOT Regulations. Accordingly, persons enrolled in substance abuse programs would not be eligible for discounted Senior/Disabled monthly passes.

To assist area social service agencies in explaining the change to clients, we recommend that the change be effective as of January 1, 2011, with issued passes continuing to be accepted over their six-month timeframe.

ATTACHMENT: None

BUSINESS PLAN: *Goal/Direction:* Improve Community Partnerships – #CP2

FISCAL IMPACT: It is difficult to predict the number of applicants who will switch from the Senior/Disabled monthly pass to the regular monthly pass. If 100% of the applicants purchased the regular monthly pass instead of the Senior/Disabled pass, revenues would increase by about \$400,000 annually. However, we believe it is unlikely that 100% of the applicants would make the switch. If 25% of the applicants purchased the regular monthly pass instead of the Senior/Disabled pass, revenues would increase by about \$100,000 annually.

COMMITTEE

REVIEW:

9/7/10

STAFF CONTACT: **Richard Hannasch, Chief Financial & Administrative Officer**
E-mail: rhannasch@nctd.org Phone: 760 967-2809

September 7, 2010

TO: North County Transit District Board Members
FROM: Clerk of the Board
SUBJECT: POSTING OF BOARD AGENDA

In Compliance with the Ralph M. Brown Act, As Amended, the following information is provided.

The Agenda for this meeting of the Performance, Administration and Finance Committee was posted as follows:

Meeting Date and Time:	September 7, 2010; 8:00 am
Posted At:	810 Mission Avenue, Oceanside, CA
Date & Time of Posting:	September 3, 2010; 5:00 p.m.
Posted By:	Clerk of the Board