

PRESENTED AND ADOPTED: August 6, 2015

SUBJECT: APPROVAL TO NEGOTIATE AN AMENDMENT TO THE REDUCED FARE AGREEMENT FOR DISTRICT OF COLUMBIA STUDENTS

2015-49

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, Since the late 1970s, the Washington Metropolitan Area Transit Authority (WMATA) has offered reduced Metrobus and Metrorail fares to students in the District of Columbia (DC) under an agreement with DC whereby DC makes equitable payments to WMATA for these reduced fares, consistent with Compact Section 79; and

WHEREAS, In the past, WMATA and DC have modified the student reduced fare agreement as needed for service changes, fare policy changes, and fare payment technology changes; and

WHEREAS, In June 2013, the Council of the District of Columbia approved the *Free Transportation for Students Amendment Act* (also known as the "Kids Ride Free on Bus" program) which provides all DC students with free access to Metrobus and DC Circulator; and

WHEREAS, WMATA successfully implemented the Kids Ride Free on Bus program for the opening of the 2013-2014 school year, and the program has substantially increased the number of student trips taken on Metrobus; and

WHEREAS, On June 30, 2015, the Council of the District of Columbia adopted the *Kids Ride Free Metrorail Benefit* that authorized the Mayor to establish a program for public and public charter school students to receive additional subsidies of up to \$100 per month for the Metrorail Transit System that would supplement the existing reduced student fares; and

WHEREAS, Staff from WMATA and the affected DC public agencies, including the District Department of Transportation (DDOT), the Office of the Chief Technology Officer (OCTO), the Office of the Chief Financial Officer (OCFO), and DC Public Schools (DCPS) have worked cooperatively to determine the most effective way to implement this new Metrorail benefit, including considerations of ease of use, accountability of usage, fare enforcement, financial exposure and other risks; and

Motioned by Mr. Corcoran, seconded by Mr. Price

Ayes: 7 – Mr. Downey, Mr. Goldman, Mrs. Hudgins, Mr. Evans, Ms. Harley, Mr. Corcoran and Mr. Price

WHEREAS, WMATA currently offers a monthly pass for DC students at a cost of \$30 to the student which allows unlimited rail travel within a geographically defined set of Metrorail stations, with DDOT paying an additional \$36 for each pass sold plus a usage charge of \$0.65 per trip; and

WHEREAS, WMATA and DC agency staff have jointly agreed that the most effective approach for implementing the new Metrorail benefit is to offer a modified version of the existing unlimited monthly pass at a cost of \$66 per month per student (or \$660 per student for the ten-month school year), to be paid entirely by DDOT with no upfront cost to the student, and with a usage charge of \$0.65 per trip to be paid by DDOT; and

WHEREAS, A new version of the existing monthly pass can be created that would cover a period of ten months, so that participating public and public charter school students would not have to load a new pass product on their DC One cards each month, in the same manner as the current Kids Ride Free on Bus fare product was created as a ten-month pass; and

WHEREAS, The current Kids Ride Free on Bus program will continue unchanged alongside the new Metrorail benefit, so that eligible public and public charter school students will now be able to ride both Metrobus and Metrorail free of charge; and

WHEREAS, The District of Columbia has only identified funding for the *Kids Ride Free Metrorail Benefit* for the upcoming 2015-2016 school year; and

WHEREAS, In accordance with Compact Section 79, a change to the pricing and structure of the Reduced Fare Agreement for DC Students requires the approval of the Board of Directors; and

WHEREAS, WMATA and DC agency staff need to begin work immediately in order to implement the necessary testing, deployment, and outreach activities for the new Metrorail benefit prior to the beginning of the 2015-2016 school year on August 24, 2015; now therefore be it

RESOLVED, That the Board of Directors authorizes the Interim General Manager/CEO to negotiate and execute such amendments to the Reduced Fare Agreement for DC Students as are necessary to implement the new Metrorail benefit created by the Council of the District of Columbia and described herein; and be it further


RESOLVED, That WMATA shall provide monthly DC student ridership data to DDOT for use in tracking the utilization of the new Metrorail benefit and ensuring that the total costs of the new Metrorail benefit over the program period are within the \$100 per month per student subsidy cap; and be it further

RESOLVED, That the new Metrorail benefit shall be in effect only for the 2015-2016 school year, and that a continuation of the benefit in the 2016-2017 school year shall require the authorization of the Board of Directors as well as the identification of commensurate funding by the District of Columbia; and be it further

RESOLVED, That after the new benefit has been in place for at least six months, but prior to the end of the 2015-2016 school year, the Board of Directors directs WMATA staff to work jointly with DDOT and other DC public agency staff to evaluate the effectiveness of the new Metrorail benefit and to assess both the financial and non-financial aspects of the program, including overall utilization, fare enforcement, travel patterns, and customer feedback, and to report these findings to the Board to support a decision on whether to continue the new Metrorail benefit; and be it further

RESOLVED, That this Resolution shall be effective immediately so that WMATA and DC agency staff can begin implementation and deployment activities in advance of the 2015-2016 school year.

Reviewed as to form and legal sufficiency,

A handwritten signature in blue ink that reads "Mark R. Pohl". The signature is written in a cursive style and is positioned above a horizontal line.

Mark R. Pohl
Acting General Counsel

WMATA File Structure:
4.3.1 Fare and Fee Agreements