



Office of the City Manager

CONSENT CALENDAR
December 12, 2006

To: Honorable Mayor and
Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Submitted by: Claudette Ford, Director, Public Works Department

Subject: Contract: Eco Pass Transit Program

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an agreement and any related amendments with the Alameda-Contra Costa Transit District (AC Transit) for the continuation of the Eco Pass transit pass program for City of Berkeley employees in an amount not to exceed \$201,800 for the period beginning January 1, 2007 and ending December 31, 2008.

FISCAL IMPACTS OF RECOMMENDATION

Funds for the Eco Pass program for the 2007 calendar year are available in FY 2007 budget code 930-9701-410-2090. The CMS number is ABAFW. The funding for the 2008 calendar year will be included in the FY 2008-2009 budget.

The draft contract sets the annual cost per Eco Pass as \$60 for a minimum purchase of 1,400 passes, and a maximum of 1,600. This price has not changed since the establishment of the program.

Over each of the past five years, the City has purchased the minimum 1,400 passes. The total annual program costs have been pass production (\$9,800) plus the cost of the 1,400 passes (\$84,000), for a total of approximately \$93,800 per year. By issuing a two-year Eco Pass rather than a single year pass, the City will avoid the 2008 production costs of \$9,800. Over two years, providing 1,400 passes will therefore cost the City an estimated \$177,800.

If the City elects to purchase 1,600 Eco Passes, the maximum number allowed under the contract terms, it would cost \$201,800. However, the City has not needed to distribute more than 1,400 Eco Passes since the program's inception in 2002.

CURRENT SITUATION AND ITS EFFECTS

The current Eco Pass contract with AC Transit expires on December 31, 2006. Staff is recommending that Council authorize the continuation of the Eco Pass contract through December 31, 2008, for a two-year period.

Approval to continue the Eco Pass Program with a two-year agreement with the City of Berkeley was given by the Finance Committee of the AC Transit Board of Directors on September 20, 2006 and by the full Board of Directors on October 4, 2006.

Contracting for a two-year period rather than for one year will reduce administrative costs and staff time devoted to Eco Pass distribution and contract management.

BACKGROUND

The City of Berkeley and AC Transit formed a partnership to establish an employee transit pass program (Eco Pass) in January 2002. This program provides all eligible City employees with unlimited rides on all AC Transit buses. Council approved extension of the Eco Pass program for 2003, 2004, 2005, and 2006.

RATIONALE FOR RECOMMENDATION

The Eco Pass has proved to be an effective and popular tool for encouraging City employees' use of AC Transit for commuting and other trip purposes. The City has distributed approximately 1,300 passes to all eligible employees.

The City has carefully evaluated the effectiveness of the Eco Pass program through annual employee surveys and analysis of the usage data provided by AC Transit. The most recent analysis is derived from the May 2005 City employee survey results and 2005 monthly fare box data. These data show that:

- Employee use of the Eco Pass and AC Transit services has increased since the program's inception. In 2002, an average of 192 employees used their Eco Pass per month, and employees took an annual total of 36,068 trips. In 2005, an average of 218 employees used their Eco Pass per month, and employees took an annual total of 46,606 trips.
- If the Eco Pass were not available, 59% of respondents to the 2005 Employee Transportation Survey reported that they would reduce their use of AC Transit services, including 25% who would stop using AC Transit services completely.

ALTERNATIVE ACTIONS CONSIDERED

The City could decline to extend the contract, thus ending the Eco Pass Program. Staff advises against this option based on the program's cost-effectiveness, popularity and success in reducing single occupant vehicle commuting among City employees.

The City could also extend the contract for one year, rather than a two-year period. Staff believes that a two-year contract reduces the administrative costs associated with contract negotiation, management and pass distribution, especially since no major changes in program operations or costs are expected during this period.

CONTACT PERSON

Matt Nichols, Principal Transportation Planner, Public Works, 981-7068

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

AGREEMENT: ANNUAL TRANSIT PASS PROGRAM (ECO PASS PROGRAM)

WHEREAS, the continuation of the Eco Pass Program will assist the City in its Transportation Demand Management Program; and

WHEREAS, the concentration of bus service in Berkeley and the size of the City's employee base support an employee pass program with the Alameda-Contra Costa Transit District (AC Transit); and

WHEREAS, the City agrees to purchase a minimum of 1,400 passes, but no more than 1,600 for each calendar year ending on December 31, 2007 and December 31, 2008; and

WHEREAS, the AC Transit Board of Directors authorized the General Manager to negotiate and execute a two-year agreement with the City of Berkeley to extend the current terms of the Eco Pass program on October 4, 2006; and

WHEREAS, \$100,000 for the 2007 calendar year is available in the FY 2007 account code 930-9701-410-2090 (CMS # ABAFW); funding for the 2008 calendar year will be included in the FY 2008-2009 budget.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council of the City of Berkeley authorizes the City Manager to execute an agreement and any amendments with the Alameda-Contra Costa County Transit District for the continuation of an annual transit pass program (Eco Pass Program) for City of Berkeley employees in an amount not to exceed \$201,800, for the period beginning January 1, 2007 and ending December 31, 2008.

