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Legislation Details (With Text)

File #: 21-F0199-2

Type: Service or Fare Approval **Status:** Passed

In control: Board of Trustees

On agenda: 6/22/2022 **Final action:** 6/22/2022

Title: Sponsored Fare Agreement: Trip Reduction Program/Free-Fare Days - Amendment One (Division of Air Quality)

Indexes:

Code sections:

Attachments: 1. Trip Reduction Program/Free-Fare Days - Amendment One (Division of Air Quality)

Date	Ver.	Action By	Action	Result
6/22/2022	1	Board of Trustees	approved	Pass

TO: Board of Trustees

THROUGH: Jay Fox, Executive Director

FROM: William Greene, Chief Financial Officer

PRESENTER(S): Kensey Kunkel, Manager Business Dev. and Sales

TITLE:

Sponsored Fare Agreement: Trip Reduction Program/Free-Fare Days - Amendment One (Division of Air Quality)

AGENDA ITEM TYPE:

Service or Fare Approval

RECOMMENDATION:

Approve and authorize the Executive Director to execute Amendment One (1) with the Division of Air Quality (the Division) extending the existing agreement for one year.

BACKGROUND:

In January 2020, House Bill 353, Reduction of Single Occupancy Vehicle Trips Pilot Program, was approved by the Utah Legislature. The bill created a pilot program by offering free fares for public transit during select bad air days. With the Board of Trustee’s approval, UTA partnered with the Division to fund free-fare days with funds appropriated in HB353. Per the contract (19-F0078) and Amendment One (20-F0179) between UTA and the Division, the maximum amount of funding available for reimbursement from the Division to UTA is \$492,000.

On June 23, 2021, the UTA Board of Trustees approved and authorized the Executive Director to execute a contract (21-F0199) with the Division in the amount of \$492,000 to provide free-fare days on UTA Services on designated bad air quality days. This contract replaced the previous contract (19-F0078) and Amendment One (20-F0179). The amount billable per day is \$82,000 with a maximum allowable total reimbursement of \$492,000 from the Division to UTA. Funding received is used to cover forgone fare revenue. Any administrative or operating costs that are incurred with this program are absorbed by UTA. To date, UTA has utilized three (3) free fare days and the Division supported Free Fare February for a total of \$260,466 in revenue reimbursement. Both UTA and the Division desire to extend the current agreement for one additional year through June 30, 2023 to utilize the remaining funds (\$231,534).

DISCUSSION:

UTA and the Division of Air Quality will extend the current agreement through Amendment One (1) to be valid through June 30, 2023. All other terms of the contract will remain the same.

For clarification purposes, the Division considered contract 21-F0199 as Amendment One (1) and any proceeding documents will be considered Amendment Two (2) for the Division. UTA considered contract 21-F0199 as new contract, and any proceeding document will be considered Amendment One (1) for UTA.

CONTRACT SUMMARY:

Contractor Name:	Department of Air Quality
Contract Number:	21-F0199-1
Base Contract Effective Dates:	July 1, 2021 through June 30, 2022
Extended Contract Dates:	July 1, 2022 through June 30, 2023
Existing Contract Value:	\$492,000
Amendment Amount:	NA
New/Total Contract Value:	\$492,000
Procurement Method:	NA
Budget Authority:	NA

ALTERNATIVES:

Not providing Free Fare Days could result in higher motor vehicle emissions contributing to inversion and in not being compliant with House Bill 353

FISCAL IMPACT:

Up to \$231,534 in revenue reimbursement

ATTACHMENTS:

Amendment 1