

RESOLUTION NO. 2004 - 1

AGREEMENT WITH CLEVELAND STATE UNIVERSITY TO ESTABLISH A STUDENT UNIVERSAL ACCESS FARE ("U-PASS") PROGRAM.

WHEREAS, public transit authorities elsewhere in the nation have entered into contractual relationships with institutions of higher education to provide students with easy and economical access to transit travel through "U-Pass" programs; and

WHEREAS, RTA has entered into similar arrangements with Case Western Reserve University, the Cleveland Institute of Art and the Cleveland Institute of Music; and

WHEREAS, Cleveland State University is located on the western end of the Euclid Avenue Corridor where frequent and convenient transit service is already present; and

WHEREAS, Cleveland State University has completed favorable administrative review and has conducted a student referendum indicating approval of RTA's proposal by a majority affirmative vote; and

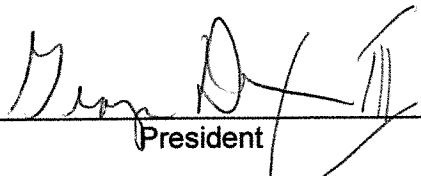
NOW, THEREFORE BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio;

Section 1. That the CEO/General Manager be and is hereby authorized to enter into an agreement with Cleveland State University to provide semester-long transit access for all eligible students at a mutually agreeable fee per student, payable with tuition and other fees.

Section 2. That the program will commence with the beginning of the winter semester (January 2004).

Section 3. That this resolution shall become effective upon adoption.

Adopted: January 6, 2004

  
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President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary -Treasurer



TITLE/DESCRIPTION: <b>AGREEMENT WITH CLEVELAND STATE UNIVERSITY TO ESTABLISH A STUDENT UNIVERSAL ACCESS FARE ("U-PASS") PROGRAM</b>	Resolution No.: 2004 - 1
	Date: December 28, 2003
	Initiator: Marketing & Comm.
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

1.0 **PURPOSE/SCOPE:** This action will authorize a contract between RTA and CSU, establishing a U-Pass program for all full-time students.

2.0 **DESCRIPTION/JUSTIFICATION:** In keeping with a national trend involving more colleges and universities in providing prepaid and universal access to public transit systems, RTA and CSU have jointly developed a U-Pass program. This program would be similar in nature to the program established by RTA and CWRU in May 2001. Each full-time student would pay a flat fee per semester and would be able to ride RTA on an unlimited basis during the semester. For the semester beginning in January 2004, this fee will be \$15.00. During the semester RTA and CSU will review student participation and activity levels to gauge the programs' cost effectiveness.

3.0 **PROCUREMENT BACKGROUND:** Does not apply.

4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does not apply

5.0 **POLICY IMPACT:** This action is consistent with RTA's policy to develop services and fare media that respond to market demands and diverse travel needs of the community. Further it is consistent with the policy to create a climate receptive to transit and to develop policies and revenue sources that encourage transit development.

6.0 **ECONOMIC IMPACT:** A survey of CSU students suggested that 29% currently ride RTA at least once a week. If the negotiated agreement was available, the survey indicated nearly 45% would ride weekly. The goal of the U-Pass type program is to increase both transit ridership as well as transit revenues, but is not to increase ridership at the expense of revenues.

There currently exists limited marketing research regarding existing ridership and revenues by CSU students. Closely monitoring the utilization of this program during the winter semester will allow both RTA and CSU to better monitor ridership and revenue impacts on RTA. Given the limited information available, it is possible that the terms of the negotiated agreement may be revenue positive or revenue negative for RTA. In the worst case, the terms could be revenue negative to approximately \$50,00 for the winter semester. If the program proves to be revenue negative, options would be to increase the per-semester charge per student, expand the program's population to include part-time students, or discontinue the program.

7.0 **ALTERNATIVES:**

A.) Maintain status quo of no universal access program for CSU students.

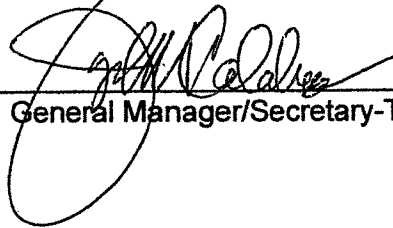
B.) Attempt to renegotiate terms more favorable to RTA, risking loss of administration and/or student support.

C.) Agree to the terms negotiated and approved by the student referendum.

8.0 RECOMMENDATION: Authorize the contract on terms specified with the understanding the program results will be reviewed with the Board prior to establishing term and costs for the fall semester.

9.0 ATTACHMENTS: None

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



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General Manager/Secretary-Treasurer