



Item #6

DATE June 2, 2021
TO GCTD Board of Directors
FROM Vanessa Rauschenberger, Director of Planning and Marketing
SUBJECT Consider Authorizing the General Manager to Sign Amended Regional Fare Media Reimbursement Agreements with VCTC

SUMMARY

For the past decade, GCTD and other transit operators across the county have participated with Ventura County Transportation Commission (VCTC) in various agreements to be reimbursed for VCTC's regional fare media accepted on local buses. Examples of VCTC passes currently accepted on GCTD buses include VCTC's "Zone 1" and "Zone 2" 31-day passes, a Social Service Agency "Single-Ride" ticket, and Student ID's from local colleges and universities. The existing agreements with VCTC include the reporting and billing process that VCTC uses to reimburse GCTD for rides taken using VCTC passes. Historically, pass reimbursements vary based on usage, but range from \$0.60-\$1.25 per ride depending on pass type. In FY 19-20, total number of rides taken on GCTD buses using VCTC's 31-Day pass was 51,159 (2% of all rides), VCTC's Social Service Agency "Single-Ride" was 20,117 (1% of all rides), and the College Ride was 234,087 (8% of all rides).

In December 2020, VCTC awarded a contract for a new contactless regional fare media system to Delerrok Inc., a company acquired by Cubic, which includes solutions for mobile tickets and reloadable smartcards (both capable of issuing stored value or "e-purse"), as well as options to upgrade the system to accept contactless bank cards. This system was procured by VCTC, to improve the rider experience, and to facilitate the automatic collection of fare revenue data as well as provide reporting necessary to distribute funds associated with VCTC regional fare media. VCTC has provided transit operators with amended agreements (attached) to reflect the new technologies, and to add the new option to accept "Stored Value" on buses. Staff have reviewed the attached agreements and have no issues with the amendments as presented. GCTD's Technical Advisory Committee has concurred with staff recommendation.

RECOMMENDATION

It is recommended that the Board of Director's consider authorizing the General Manager to sign amended agreements with Ventura County Transportation Commission (VCTC) to accept the VCTC's Single Ride Ticket, VCTC's Interagency 31-Day Pass, and a new agreement for the "Stored Value" option.

General Manager's Concurrence

Steven P. Brown

- Attachments
- Amendment No. 1 to VCTC Interagency Countywide 31-Day Pass Agreement
 - Amendment No. 1 to the Reimbursement Agreement for VCTC Single Ride Tickets
 - Reimbursement Agreement for Transit Providers for VCTC Stored Value

GOLD COAST TRANSIT DISTRICT

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FIRST AMENDMENT TO VCTC INTERAGENCY COUNTYWIDE 31-DAY PASS AGREEMENT

This First Amendment to the VCTC Interagency Countywide 31-Day Pass Agreement (“First Amendment”) between the Ventura County Transportation Commission (“VCTC”) and Gold Coast Transit District, The Cities of Thousand Oaks, Simi Valley, Moorpark, Camarillo, and Ojai, and the Heritage Valley Transit Service (“County Transit Providers”), (collectively referred to herein as “Parties”) is entered into as of this _____ day of _____ 2021.

WHEREAS, on July 1, 2015, VCTC entered into an Interagency “Countywide 31-Day Pass” Agreement (“Agreement”) with County Transit Providers; and,

WHEREAS, on December 9, 2020, VCTC entered into a contract with transit fare technology provider Delerrok Inc., a wholly owned subsidiary of Cubic Transportation Systems (“Cubic”), to provide a regional contactless fare collection system (herein referred to as “System”) for Parties; and,

WHEREAS, the System is anticipated to be implemented beginning April 2021, and Parties now wish to utilize the upcoming System to facilitate Countywide 31-Day Pass sales, and for validation onboard transit vehicles, as well as for reporting associated with the collection and disbursement of revenues; and,

WHEREAS, VCTC and the County Transit Providers recognize the use of modern technologies, such as reloadable smartcards and mobile phones for fare payment as afforded through the System, has a beneficial impact on the transit rider experience; and,

WHEREAS, VCTC and County Transit Providers acknowledge the need to accept the pre-existing Countywide 31-Day Passes for a transitional period while the fare media provided by the new System are adopted and the pre-existing fare media are phased out; and,

WHEREAS, the Parties now desire to amend the Interagency Countywide 31-Day Pass Agreement to include the methods by which VCTC and County Transit Providers may additionally sell, validate, report and transmit data concerning Countywide 31-Day Pass usage and the associated revenues for disbursements.

NOW, THEREFORE, VCTC and County Transit Providers agree as follows:

- 1. Countywide 31-Day Rolling Pass Production.** Section 1 of the Agreement is hereby amended as follows: VCTC will design and produce a “Countywide 31-Day Pass”. The Countywide 31-Day Pass fare media types shall include, paper magnetic stripe passes (“Paper Passes”), electronic virtual passes sold through the System loaded on mobile devices (“Mobile Passes”), and electronic virtual passes sold through the System loaded on chip-enabled smartcards (“Smartcard Passes”).
- 2. Countywide 31-Day Pass Rider Entitlement.** Section 2 of the Agreement is hereby amended as follows: The “Countywide 31 -Day Pass” shall entitle the user to make unlimited trips on

participating transit services during the 31 -day period which is printed on Paper Passes, made visible or scannable on Mobile Passes, or encoded on Smartcard Passes upon activation.

- 3. Pass Usage Monthly Reports.** Section 9 of the Agreement is hereby amended as follows: The participating COUNTY TRANSIT PROVIDERS will report the number of passenger boardings paying the fare with a valid Countywide 31-Day Pass using Paper Passes to VCTC in the manner prescribed by VCTC no later than the last day of each month for the prior month's ridership. The System will report the number of passenger boardings paid with a valid 31-Day Pass using Mobile Passes and Smartcard Passes. For the purposes of the distribution process, ridership will be based on boardings occurring between the first of the month, and the last day of the month. The following table provides the schedule of monthly due dates for the reports of passenger boardings paid with Paper Passes:

Ridership Period	Paper Pass Boarding Report Due to VCTC
January	February 28*
February	March 31
March	April 30
April	May 31
May	June 30
June	July 31
July	August 31
August	September 30
September	October 31
October	November 30
November	December 31
December	January 31
*On leap year due February 29	

At a minimum:

- a. The County Transit Providers which have deployed or implemented a pass-validating GFI farebox with magnetic farecard capability, or compatible device able to validate passes, will provide original unedited and untampered system reports that accurately reflect the number of times a valid "Countywide 31-Day Pass" Paper Pass was used in a calendar month. Data shall indicate the number of uses by pass type (Zone 1-Full, Zone 1-Reduced, Zone 2- Full, Zone 2-Reduced). Or,
- b. The County Transit Providers which DO NOT have or have not deployed or implemented a pass-validating GFI farebox with magnetic farecard capability, or a compatible device able to validate passes, will provide documentation that accurately reflects the number of times a valid "Countywide 31-Day Pass" Paper Pass was used in a calendar month. Counts of passenger boardings paid with a valid "Countywide 31-Day Pass" Paper Pass will be based on rider counts by drivers. Driver counts should record the number of uses by pass type (Zone 1-Full, Zone 1-Reduced, Zone 2- Full, Zone 2-Reduced). Drivers are responsible for checking each pass for validity before accepting and counting the boarding.

- c. The Mobile Passes and Smartcard Passes shall be validated by onboard pass readers which are components of the System. County Transit Providers shall operate the System per the training and instructions provided by VCTC or System provider, Cubic, in order to ensure the proper validation, recording and transmission of accurate data for monthly reporting purposes. No other report shall be required from County Transit Providers for Mobile Passes or Smartcard Passes, other than those automatically generated by the System. VCTC and County Transit Providers agree to develop a plan to validate and document Mobile Passes and Smartcard Passes, in the event of temporary System malfunction.

Except to the extent amended herein, all other provisions of the Agreement remain in full force and effect.

This Amendment may be executed in counterparts and/or by facsimile or other electronic means, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterpart, shall constitute one original, which shall be binding upon and effective as to all Parties.

IN WITNESS THEREOF, the Parties hereto have caused this First Amendment to be executed and attested by their respective duly authorized officers.

VENTURA COUNTY TRANSPORTATION COMMISSION

Darren M. Kettle, Executive Director
VCTC

APPROVED AS TO FORM

Steve Mattas, General Counsel
VCTC

Gold Coast Transit District

Steven P. Brown, General Manager
Gold Coast Transit District

3714180.1

**FIRST AMENDMENT TO REIMBURSEMENT AGREEMENT FOR TRANSIT PROVIDERS
VCTC SINGLE RIDE TICKETS**

AGREEMENT BETWEEN VCTC AND GOLD COAST TRANSIT DISTRICT

This First Amendment to the Reimbursement Agreement for Transit Providers (First Amendment) between the Ventura County Transportation Commission (“VCTC”) and Participating Transit Providers, (collectively referred to herein as “AGENCIES”) is entered into as of this _____ day of _____ 2021.

WHEREAS, VCTC and the AGENCIES entered into Reimbursement Agreement for Transit Providers (“Agreement”) for the use of VCTC single-ride tickets sold to social service agencies for the use of their clients with general public transit services; and,

WHEREAS, on December 9, 2020, VCTC entered into a contract with transit fare technology provider Delerrok Inc., a wholly owned subsidiary of Cubic Transportation Systems (“Cubic”), to provide a regional contactless fare collection system (herein referred to as “System”) for the AGENCIES; and,

WHEREAS, the System is anticipated to be implemented beginning April 2021, and the AGENCIES now wish to utilize the upcoming System to facilitate single-ride ticket validation onboard transit vehicles, as well as for reporting associated with the collection and disbursement of revenues; and,

WHEREAS, VCTC and the AGENCIES recognize the use of modern technologies, such as reloadable smartcards and mobile phones for fare payment as afforded through the System, has a beneficial impact on the transit rider experience; and,

WHEREAS, VCTC and the AGENCIES acknowledge the need to accept the pre-existing single-ride ticket fare media for a transitionary period while the fare media provided by the new System are adopted and the pre-existing fare media are phased out; and,

WHEREAS, the AGENCIES now desire to amend the Agreement to include the methods by which VCTC additionally sell single-ride tickets, and the AGENCIES may, validate, report and transmit data concerning usage and the associated revenues for disbursements.

NOW, THEREFORE, VCTC and the AGENCIES agree as follows:

1. **Operation.** Section 3 of the Agreement, “Operation” is hereby amended as follows:
The responsibilities of the AGENCIES with respect to the social service agency single-ride ticket program are as follows:
 - **Ticket Sales:** The VCTC will be responsible for the sales and distribution of single-ride tickets to social service agencies.
 - **Fare Collection:** The passenger shall provide the transit vehicle operator (driver) the appropriate single-ride ticket on the transit vehicles when boarding. It will be the responsibility of the transit

vehicle operator to require proof of eligibility if a reduced-fare single-ride ticket is used. The collecting agency shall retain and void the single-ride ticket QR for the transit providers which have a pass-validating capability, the pass shall be validated and voided electronically. The electronic validation of the single-ride ticket may include through use of the System, or pre-existing GFI Farebox, depending on the Fare Media type used. Fare media types shall include, paper magnetic stripe passes ("Paper Passes"), electronic virtual passes sold through the System loaded on mobile devices (Mobile Passes), paper tokens which use "QR-code" sold through the System (QR Passes), and electronic virtual passes sold through the System loaded on chip-enabled smartcards (Smartcard Passes).

Reimbursement: Each Participating Transit Provider shall submit an accounting invoice listing the number of full-fare and reduced-fare single-ride ticket Paper Passes collected. The invoice will be submitted no more than once a month to the VCTC. As backup the voided single-ride ticket Paper Passes or, original, unedited, and untampered GFI system reports that accurately reflect the number of times valid single-ride ticket Paper Passes were used will be submitted. No invoices or additional reporting is required from the AGENCIES for single-ride tickets sold and validated by the System. The VCTC will reimburse the transit provider agency at a rate of \$.60 for each reduced-fare ticket, and \$1.25 for each full-fare single-ride ticket submitted or collected through the System. The VCTC will provide the reimbursement within thirty days following acceptance of a complete invoice packet (i.e. invoice and tickets) for Paper Passes, and will provide reimbursement within thirty days following the end of the month for single-ride tickets validated through the System. Reimbursements are subject to change if the VCTC adjusts the value of the tickets. Sixty days prior notice will be provided to all transit Agencies participating in the program.

Except to the extent amended herein, all other provisions of the Agreement remain in full force and effect.

This Amendment may be executed in counterparts and/or by facsimile or other electronic means, and when each Party hereto (VCTC and the Participating Transit Provider subject to the Agreement) has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterpart, shall constitute one original, which shall be binding upon and effective as to Parties.

IN WITNESS THEREOF, the Parties hereto have caused this First Amendment to be executed and attested by their respective duly authorized officers.

VENTURA COUNTY TRANSPORTATION COMMISSION

Darren M. Kettle, Executive Director
VCTC

APPROVED AS TO FORM

Steve Mattas, General Counsel
VCTC

Gold Coast Transit District

Steven P. Brown, General Manager
Gold Coast Transit District

3714835.1

Reimbursement Agreement for Transit Providers for Stored Value Fare Media

AGREEMENT BETWEEN VCTC AND _____ TRANSIT

For good and sufficient consideration, the receipt of which is hereby acknowledged, this Agreement is made and entered into by and among **the Ventura County Transportation Commission (“VCTC”)** and the **Participating Transit Provider** named above (“AGENCY” and collectively referred to herein with other Participating Transit Providers as the “AGENCIES”). VCTC and AGENCY shall each constitute a Party to the Agreement and may be referred together herein as the “Parties.”

Section 1: Purpose

The purpose of this Agreement is for VCTC to cooperatively provide reimbursement for the use of the Stored Value fare media product sold to passengers used as fare payment to board AGENCIES’ general public transit services.

Section 2: Term

The term of this Agreement is on-going, and may be terminated by either Party subject to the terms of Section 6.

Section 3: Operation

The responsibilities of the VCTC and the AGENCIES with respect to the Stored Value fare media product are as follows:

- **Fare Media Sales:** The VCTC will be responsible for the sales and distribution of Stored Value fare media product to the public. The fare media for the Stored Value product includes mobile phones and reloadable smartcards for use with the Contactless Fare Collection System (“System”) deployed by VCTC. Separately, AGENCIES may engage in sales agreements for the in-person sales of fare media.
- **Fare Collection:** The passenger shall provide the transit vehicle operator (driver) the appropriate Stored Value fare media on the transit vehicles when boarding. The driver shall instruct the passenger in utilizing the System. The Stored Value product will be electronically validated by the System prior to boarding. It will be the responsibility of the transit vehicle operator to require proof of eligibility if a reduced-fare Stored Value fare product is presented for use. The System will automatically deduct the appropriate fare revenues from the passenger’s Stored Value account.
- **Reimbursement:** The VCTC will reimburse AGENCIES full-fare and reduced-fare boardings at 90 percent of the rate of their corresponding single-trip cash fare (e.g., AGENCIES will be reimbursed \$1.80 for a \$2.00 single-trip cash fare). The VCTC will reimburse the AGENCIES based on the System reports that accurately reflect the number of times full-fare and reduced-fare boardings occurred using the Stored Value product. The VCTC will provide the reimbursement for passenger boardings within forty-five days following the close of a month that occurred during the prior month. Reimbursement rates are subject to change by mutual agreement between the AGENCIES. Sixty days prior notice will be provided to AGENCIES participating in the program.

- **Reimbursement for Transfers:** Upon boarding, passengers using Stored Value product are eligible to a single free transfer valid for 2 hours after first use on the originating bus. The transfer will automatically be issued using the smartcard or mobile phone fare medium (not using a paper transfer). AGENCIES shall not be reimbursed for passengers boarding with valid transfers.

Section 4: Beneficiaries of Agreement

This Agreement is for the sole benefit of the parties hereto and no individual, organization, group, firm, or other entity shall have any claim for benefits hereunder.

Section 5: Changes to Agreement

VCTC will notify the AGENCIES of any proposed changes in the Stored Value fare media product, including any changes in the reimbursement rates, in writing 60 days before such change goes into effect.

Section 6: Termination of Agreement

A Party may terminate this Agreement in whole at any time, by provision of thirty (30) days written notice to the other Party, whenever, for any reason, the Party shall determine that such action is in its best interests.

Section 7: Hold Harmless

Each Party (referred to herein as the "Indemnifying Party") shall indemnify, protect, defend and hold the other Party, its officers, employees and agents harmless from all liability, claims or damages arising out of, caused by, or resulting from, the Indemnifying Party's negligence in performing its obligations pursuant to this Agreement.

Section 8: Notices or Notification

Any notice required to be given in writing under this Agreement, or other notifications, shall be given to the parties at the following address

Darren Kettle
Ventura County Transportation Commission
Executive Director
751 E. Daily Drive, Suite 420
Camarillo CA, 93010

Contact: _____

Agency: _____

Address: _____

In witness whereof, the parties hereto have executed this Agreement on the dates stated below.

By: _____
DARREN M. KETTLE, Executive Director

Date: _____

By: _____
Steven P. Brown, General Manager

Date: _____

Agency: GOLD COAST TRANSIT DISTRICT

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