

- **Board of Directors**  
***Engineering and Capital Programs Committee***

January 13, 2009 Board Meeting

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**7-1**

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**Subject**

Authorize increase of \$256,000 to existing agreement with Commuter Check Services Corporation for public transit vouchers for Metropolitan's Rideshare Program

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**Description of Metropolitan's Rideshare Program**

This action authorizes an increase of \$256,000 to an existing three-year agreement with Commuter Check Services Corporation, for a new not-to-exceed total of \$1,879,000, for purchasing and processing of employee public transit vouchers under Metropolitan's Rideshare Program. This increase includes \$128,000 for each of fiscal years 2008/09 and 2009/10. Funds for the public transit vouchers will be made available within the fiscal year 2008/09 operations and maintenance budget, and are planned to be included in the upcoming 2009/10 budget.

An increase in Rideshare participation and the escalating cost of public transportation require that additional funds be made available for employee transit vouchers. Metropolitan's current agreements with the bargaining units stipulate that employees using public transportation to commute to and from work are eligible to receive reimbursement up to a maximum of \$125 per month.

**Background**

Metropolitan initiated a Rideshare program in 1989 to comply with a Southern California Air Quality Management District (SCAQMD) mandate to improve air quality in the region by reducing the number of commuter vehicle trips. The SCAQMD requires employers with more than 250 employees at a single site to reduce the number of commuter trips that their employees take to and from work during peak traffic hours. During the 19-year history of Metropolitan's Rideshare Program, employee participation has grown to over 800 participants.

A major component of Metropolitan's Rideshare Program is public transit reimbursement, which subsidizes the cost of an employee's commute to and from work using public transportation. Employees that commute by bus, train or light rail for a minimum of 12 days per month are eligible for reimbursement in the form of transit vouchers with a maximum value of \$125 per month.

**Increase to Agreement for Public Transit Vouchers (No increase in operations and maintenance funding required)**

In May 2007, Metropolitan's Board authorized a three-year agreement with Wired Commute, LLC, now doing business as Commuter Check Services Corporation, in the amount of \$1,623,000, to be paid at a maximum of \$541,000 per year for three years. Commuter Check Services Corporation receives a 2 percent processing fee as part of the contract. The agreement's current maximum annual amount is insufficient to cover the costs associated with public transit vouchers due to several factors. Employee enrollment in the transit reimbursement program has increased 8 percent since January 2008, while the cost of public transportation has increased substantially over the same period. For example, the average cost of a monthly Metrolink pass increased 7.5 percent in July 2008, and the projected monthly fare increase for fiscal year 2008/09 for bus and light rail ranges from 15 percent to 66 percent, depending on the type of pass. Over 470 Metropolitan employees are currently enrolled in the transit reimbursement program.

This action authorizes an increase of \$256,000 to the existing three-year agreement with Commuter Check Services Corporation, for a new not-to-exceed total of \$1,879,000, for purchasing and processing employee public transit vouchers. This increase includes \$128,000 for each of fiscal years 2008/09 and 2009/10. No increase is required in Metropolitan's 2008/09 operations and maintenance budget, due to planned savings in other areas. Funds for the reimbursement program are planned to be included in the upcoming fiscal year 2009/10 budget.

This action is consistent with Metropolitan's goals for sustainability by decreasing consumption of non-renewable energy and fuels, and by raising employee awareness to promote sustainable practices at work and at home.

## Policy

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Metropolitan Water District Administrative Code Section 8121(a): General Manager's Contracting Authority in Specified Circumstances

## California Environmental Quality Act (CEQA)

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CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

## Board Options

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### Option #1

Adopt the CEQA determination and authorize increase of \$256,000 to the existing agreement with Commuter Check Services Corporation, for a new not-to-exceed total of \$1,879,000, for employee public transit vouchers.

**Fiscal Impact:** \$128,000 annually for fiscal years 2008/09 and 2009/10. No increase is required in Metropolitan's 2008/09 operations and maintenance budget, due to planned savings in other areas. Funds for the reimbursement program are planned to be included in the upcoming 2009/10 budget.

**Business Analysis:** This option is consistent with stipulations for the Rideshare program currently included in the bargaining units' MOUs.

### Option #2

Do not authorize an increase to the existing agreement for employee public transit vouchers.

**Fiscal Impact:** None

**Business Analysis:** Metropolitan would have to reduce the number of participants in the public transit portion of the Rideshare program. Changes to the transit reimbursement program would require Meet and Confer consultations with Metropolitan's bargaining units.

**Staff Recommendation**

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Option #1

  
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Roy L. Wolfe  
Manager, Corporate Resources

12/18/2008  
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Date

  
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Jeffrey Kightlinger  
General Manager

12/26/2008  
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Date

BLA #6377