



TOWN OF JACKSON TOWN COUNCIL AGENDA DOCUMENTATION

PREPARATION DATE: May 29, 2018 (revised: 6/12)

MEETING DATE: June 18, 2018 (continued from June 4th)

SUBMITTING DEPARTMENT: START

DEPARTMENT DIRECTOR: Darren R Brugmann

PRESENTER: Darren Brugmann, START Director

SUBJECT: RFP 18-18: Award for Mobile Ticketing/Electronic Fare System

STATEMENT/PURPOSE

The purpose of this item is for Town Council to consider awarding contract negotiations with RouteMarch, Inc. for START's Mobile Ticketing/Electronic Fare System – The Request For Proposal (RFP) process winner for RFP 18-18. The Council initially reviewed this request on June 4th but deferred in order to obtain further information which is included with this report.

BACKGROUND/ALTERNATIVES

Currently, fares for utilizing the START Bus system are collected manually. The advancement in transit technology in recent years has pushed Mobile Ticketing to the forefront. A number of major transit systems in the country have recently adopted new fare payment technologies. The Town of Jackson believes that the benefits of Mobile Ticketing technology are significant and critical to each system's ability to attract new riders and grow ridership in the future. As a means to increase ridership, the Town of Jackson envisions providing greater fare payment options, convenience and flexibility for its transit riders. Also, the importance of accountability and the ability to track fare purchases is critical to START's future.

RFP 18-18 was initiated on April 16, 2018 to solicit potential vendors. The intent of RFP 18-18 was to obtain services from a single vendor to implement new fare collection technologies for START. The new fare collection system will complement and eventually eliminate the existing fare box system by adding a comprehensive and secured Mobile Ticketing and/or Electronic Fare solution. The purpose of RFP 18-18 was to solicit proposals from various vendors; conduct a fair and extensive evaluation based on criteria listed and then to select the vendor who can help START best reach its goals.

The intent of the project is as follows:

- Institute a robust and flexible platform to support single fare transactions (ticket types, prices, validity and expiration).
- Ensure convenience and ease of use for all customers.
- Make the boarding process easier for bus operators and customers.
- Reduce onboard fare processing time to improve on-time performance.
- Address the issue of fare validation and verification of single and multi-pass tickets in an effective approach that does not compromise the rider's experience.
- Use centralized server/account-based fare payment processing (Must be integrated with existing fare recording software)
- Seamless integration with existing RFID technology in use with existing local existing businesses.

- Provide accurate revenue management and accountability of all fare transactions.
- Provide accurate and timely ridership and revenue data that can support detailed analysis and reporting of transit trends among riders.
- Integrated reporting of fare collected through existing fare box technology and the new Mobile Ticketing device.
- Ensure optimized functionality in a challenging environment for network connectivity onboard the buses.
- Comply with existing payment industry standards (if any).
- Protect customer privacy and transaction security by complying with the security standards of the financial payments industry, ensuring the security and confidentiality of customer information and protecting it against threats or hazards.
- Achieve cost efficiencies through the reduction of cash handling, number of forms of fare media and operating cost.
- Future integration of credit card payments with our present Point of Sale (POS) system at ticket locations.
- Reduce the use of cash for fare payment onboard buses to minimize dwell time and to reduce business expenses in handling cash.
- Maximize the reach to customers while minimizing the reliance on retail distribution network.
- Support and be extensible to new technologies as they mature in the industry.
- Pricing per unit plus any associated hardware/software, in our case it would be Thirty (30) units.

The solution shall be a cloud based system designed to provide a secure, robust 24/7/365 service to both the agency and its riders. The system is accessed through secure web portals for both the agency as well as the riders. The system will integrate directly with an appointed Payment Service Provider (PSP) partner, for all credit card processing.

Follow-up from June 4th Council Meeting:

At the June 4th Council meeting, the following questions were posed for further information gathering before the Council will consider action:

- a. How other resort communities and other bus systems address credit card payments on the bus. Specifically a listing of which communities have bus systems, do they accept credit card payments on the bus, etc.

Response: I asked for information from the following resort communities – Vail, Aspen (including Roaring Fork Transit Authority RFTA which services the entire Aspen area), Steamboat Springs, Telluride, Sun Valley Idaho (Mountain Rides). I also inquired with Community Transit and King County Washington systems (my previous employers). While I did not hear back from all, all that responded stated they do not have any system in place that allows the buses to be “point of sale” that is, accept personal credit cards or other payment than cash. None of the respondents had ever heard of a public transit system accepting personal credit cards on the bus. The main reason would be technology limitations of processing payment on each bus, time. None of the systems allow drivers to exchange cash or otherwise for payment of service on the bus. Drivers are specifically shielded from monetary exchanges of any sort mainly for the safety of the Driver and liability reasons.

- b. Which other bus systems have kiosks either on the buses or in a central location for patrons to purchase tickets/passes, etc.

Response: Only the larger, urban area transit systems have any type of ticket selling “kiosk” ticket purchasing machines – RFTA, Community Transit, King County WA. These kiosks are placed mainly in heavily used transit centers and along Bus Rapid Transit (BRT) stations. All

transit systems do sell some type of pass or tickets and only designate certain locations as to where those can be purchased (similar to us at the Town Hall, START Facility and Albertsons).

- c. How much a kiosk would cost and (based on comments today) whether one kiosk could address downtown paid parking passes and/or ebike payments.

Response: Yes, kiosks could be purchased to handle ticket purchasing for all modes mentioned – START Bus, START Bike and parking. Just a purchase of the machine itself can range from \$20K-45K per unit. The information given to me regarding the cost of kiosks is very high. Accepting cash payments at the machine inflates the upfront purchase cost of the machine considerably. However, the START Board did not consider including kiosks in this RFP process mainly due to cost factors and uncertainty of paid parking at this time.

- d. How much the in bus kiosk system would cost.

Response: In addition to the upfront purchase cost mentioned above (\$20-45K/unit) other factors to consider would be placement of the machines, and the ongoing servicing of each machine for ticket/pass loading and removal of cash collected at the machine. The transit systems utilizing kiosks have paid personnel responsible for these functions. The amount of additional staffing is dependent on the number of kiosks in operation.

With regards to Question A. above, START is certainly not precluded from moving toward open payments (tapping credit card on bus) in the future by selecting Routematch as our preferred vendor. In fact, Routematch can deliver open payment technology through its system. However, that type of solution is considerably much more expensive than typical systems for several reasons: it requires additional hardware, additional software and significantly more compliance costs (PCI and EMV). It can always be added at a later date. As an important FYI (and stressed above), few if any transit systems have deployed open payment systems despite them being available for years. The real time authentication/processing can often lead to problems/delays with boarding, extending into OTP impact. As stated above, this option was not part of this RFP. We can get you more information and should be something that is discussed with the results of the Parking Management Study and where the Town may go with parking, etc.

It is also important to reiterate the importance of having the information/data that we would get from electronic fares so that we can accurately assess a fee to the mountain resort or other areas served to have an educated and informed conversation about services provided and how they being paid for by the START ridership. This was a main reason for pursuing the mobile ticketing and electronic fare system we have in front of you at this time.

STAKEHOLDER ANALYSIS

RFP 18-18 generated nearly 25 interested vendors. Six (6) Vendors submitted a response by the amended May 11, 2018 deadline. Those vendors were: RouteMatch (Atlanta, GA), Acumen (Oakland, CA), Passport Inc. (Charlotte, NC), Delerrok (Vista, CA), Token Transit Inc. (San Francisco, CA) and Hopthru (San Francisco, CA).

The evaluation committee was made up of the following staff members: Darren Brugmann (START Director), Kelly Thompson (Finance Director) and Michael “Zolo” (IT Director). They evaluated all proposals based on the following criteria:

- Substantiated representations regarding the vendor's capabilities and qualifications in providing the equipment, technology and services required and experience in completing similar projects (examples from other projects, references, etc).
- Clearly demonstrated understanding of the proposed project and proposed solutions and alternatives.
- Qualifications and experience

- Initial costs for the proposed solution, implementation, training and on-going support.
- Ability to meet specified schedule
- References
- Demonstrated success of the proposed solution, quality of equipment and availability of ongoing support. Warranties or other assurance of quality, service, customer satisfaction.
- Ability to adhere to the attached federal clauses.

The Evaluation Committee recommends:

RouteMatch

- The clear winner in terms of platform and benefits as well as value to our riders and taxpayers.
- Committed to provide full cross-compatibility with JHMR's passes (and others) with no extra cost
- Committed to a discount when bundling existing RouteMatch maintenance with RMPay maintenance
- Committed to implementation budget within grant award
- Committed to provide full integration with Xpress BillPay at no extra cost

Should contract negotiations not be successful with RouteMatch, the next vendor in line of the committee's recommendation would then be considered.

ATTACHMENTS

None

FISCAL IMPACT

The following is as budgeted in FY19 budget and Grant Award:

\$228,750	Total
\$183,000	Federal (80%)
\$45,750	Local (20%)

STAFF IMPACT

Review and completion of Contractual requirements (Legal Staff). DRAFT Contract will be presented to Town Council at June 18, 2018 meeting.

LEGAL REVIEW

None at this time.

RECOMMENDATION

Staff recommends Council to proceed with contract negotiations with RouteMatch, Inc.

SUGGESTED MOTION

If Town Council is ready to move forward, a suggested motion:

I move to approve RouteMatch as the RFP#18-18 process winner and direct staff to enter into contract negotiations and bring back the Mobile Ticketing/Electronic Fare System contract for Council approval.