

## Transportation Committee

For the Metropolitan Council meeting of April 28, 2021

**Subject:** Purchase Farebox Transfer Tickets

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to award and execute contract 20P305 with Electronic Data Magnetics, Inc., to supply transfer tickets for use by Metro Transit customers in an amount not to exceed \$568,620.

### Summary of Committee Discussion/Questions

Metro Transit Revenue Operations Manager Dennis Dworshak and Revenue Collection Supervisor Abdul Ahmed presented this item. Cummings asked about the discrepancies between the two bids. Dworshak said the number of contracts per vendor, profit margin, and material cost varies widely these days. Chamblis mentioned that there would be more costs for an organization who had not done this before. Contracts and Procurement Director Jody Jacoby said that bid security is part of a responsiveness check.

Motion by Sterner, seconded by Cummings. Motion carried, **consent** to Council.

## Transportation Committee

Meeting date: April 12, 2021

For the Metropolitan Council meeting of April 28, 2021

<b>Subject:</b>	Purchase Farebox Transfer Tickets
<b>District(s), Member(s):</b>	All Council Members
<b>Policy/Legal Reference:</b>	Council Expenditure Policy FM 14-2, Procurement of Goods and Services
<b>Staff Prepared/Presented:</b>	Wes Kooistra, General Manager (612-349-7510) Edwin D. Petrie, Director of Finance (612-349-7624) Nick Eull, Senior Manager of Revenue Collections (612-349-7364) Dennis Dworshak, Manager of Revenue Processing 612-349-7035 Abdul Ahmed, Supervisor of Revenue Collections (612-349-7351)
<b>Division/Department:</b>	Metro Transit / Finance

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to award and execute contract 20P305 with Electronic Data Magnetics, Inc., to supply transfer tickets for use by Metro Transit customers in an amount not to exceed \$568,620.

### Background

The Council uses an average of 320,000 transfer tickets per week (pre-covid numbers) in general service and for special events. Tickets are used as transfers issued from and read by fareboxes on all regional buses.

Drivers issue transfers upon request after a valid fare is paid in the farebox. A transfer allows a passenger an unlimited number of rides if taken within 2 ½ hours of issue. Transfers are non-transferable and non-reusable.

The Invitation for Bid was advertised on January 14, 2021. There were nine plan holders and two identified as woman, minority, veteran or disadvantaged business enterprises. Procurement facilitated a public bid opening on February 16, 2021 and two bids were received.

The Office of Equal Opportunity reviewed the project and did not assign a Metropolitan Council underutilized business goal for this project based on subcontracting opportunities in this market.

### Rationale

The two bids received ranged from \$568,620 to \$1,458,000. Electronic Data Magnetics, Inc., was the low, responsive, responsible bidder and is recommended for award. The evaluation of bids was based on the approximate total quantity of 97,200,000 tickets over the contract term. The other bid received

was rejected as non-responsive as the required bid security was not included with the submittal. The price submitted in the second bid was \$1,458,000.

The award and execution of a contract for goods or services for more than \$500,000 requires Council approval.

### **Thrive Lens Analysis**

Acceptance of cash fare payments and issuing transfer tickets from bus fareboxes ensures all customers will continue to have flexibility in how they pay their fares. Low-income and underbanked customers are more likely to use cash, and the continued issuance and acceptance of transfers ensures these and other cash customers can get the most value out of their paid fare by allowing transfers for up to 2.5 hours.

### **Funding**

Funding is included in the 2021-2026 Metro Transit operating budgets.

### **Known Support / Opposition**

There is no known opposition.