

# Committee Report

Transportation Committee



**Committee Meeting Date:** June 12, 2023

**For the Metropolitan Council:** June 28, 2023

## Business Item: 2023-130

Electronic Validation Token Transit Mobile Ticket on Fastfare Farebox, Contract 23P077

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute Sole Source contract 23P077 with Token Transit, to provide electronic validation for mobile app tickets, including project planning assistance in coordination with Genfare and ticket design in an amount not to exceed \$711,000.

### Summary of Transportation Committee Discussion/Questions

Dennis Dworshak presented this item. Council members discussed the mobile app feature, other places it is used, incentives, and security.

Moved by W.T. Carter, seconded by Morales. Motion carried, Consent to Council.



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<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	FM 14-2 Expenditures for Procurement of Goods, Services, and Real Estate Policy
<b>Staff Prepared/Presented:</b>	Lesley Kandaras, Interim General Manager, 612-349-7513 Edwin Petrie, Director Finance (612) 349-7624 Dennis Dworshak Sr Manager, Revenue Operations (612) 349-7364
<b>Division/Department:</b>	Metro Transit, Finance

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute Sole Source contract 23P077 with Token Transit, to provide electronic validation for mobile app tickets, including project planning assistance in coordination with Genfare and ticket design in an amount not to exceed \$711,000.

### Background

Metro Transit and the regional fixed route fleet are now able to incorporate electronic mobile app validation as the fleet is upgraded to Fastfare fareboxes. The fleetwide farebox replacement was accelerated due to the availability of additional funding through a regional solicitation grant. The fareboxes were originally going to be phased into service over a longer period of time. The upgraded fareboxes have QR Code scanners with the ability to validate mobile tickets.

Operators on fixed route buses will no longer need to visually validate each mobile app ticket. Customers will simply tap their mobile device screen on the farebox scanner window. The tickets will be instantly validated. Currently operators are required to visually inspect each cell phone screen and verify the ticket, then manually log the mobile app ticket using the farebox keypad. Many Mob App tickets are not accurately validated or logged onto the farebox providing inaccurate data. Visual validation is prone to counterfeit screen shots as operators quickly glance at the tickets while customers board. Mobile App sales have increased over 35% from 2021 to 2022 and continues to increase in 2023.

Each of the vendors provided a cost for optional electronic validation in their original RFP proposal. Based on the other proposals, the cost for Token Transit electronic validation is fair and reasonable, especially with the use of the fareboxes avoiding the purchase of additional validator equipment. Electronic validation will benefit operators, ridership data, and overall revenue.

### Rationale

The execution of a professional services contract exceeding \$500,000 requires Council approval.

### **Thrive Lens Analysis**

All customers will have the ability to purchase and validate transit fares through mobile ticket ticketing APPs. Metro Transit continues to ensure all regional customers will continue to have flexibility in how they pay their fares. This project will advance the Thrive outcome of Prosperity, by making the region more economically competitive through increased workers' access to employment, and support to employers by increasing available workforce with affordable, convenient transportation through an updated fare payment and payment validation system.

### **Funding**

The project is fully funded with federal and local funds in project 67210.

### **Small Business Inclusion**

This project is being procured through a sole source agreement. Therefore, the Office of Equity and Equal Opportunity did not assign a Disadvantaged Business Enterprise (DBE) goal.

