

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	12/12/16	Open	Action	12/02/16

Subject: Approving the Second Amendment to the Contract for Pilot Program for Mobile Fare Application for Fare Purchases with Passport

ISSUE

Whether to approve the Second Amendment to the Contract for Pilot Program for Mobile Fare Application for fare purchases.

RECOMMENDED ACTION

Adopt Resolution No. 16-12___, Approving the Second Amendment to the Contract for Pilot Program for Mobile Fare Application for Fare Purchases with Passport.

FISCAL IMPACT

The fee for services will be 7% of mobile ticketing revenues. However, the Amendment will include a minimum fee guarantee of \$37,500 for 6-month period beginning January 1, 2017.

DISCUSSION

On June 13, 2016, the Board approved a Resolution allowing staff to extend the 6-month pilot mobile fare application program with Passport, ending on December 31, 2016. Over the past few months, staff released a Request for Proposals (RFP) for a permanent mobile application and went through an extensive interviewing process to find the most desirable permanent application. The committee is now in negotiations with the selected vendor and plans on completing negotiations within the next few months. The completion of negotiations and development of a final agreement will take some time, and staff will need time to implement the new mobile fare product. Since this process could take a few months to complete and RT customers now depend on the current pilot mobile application to purchase and use their fare products, Staff feels that RT should continue to work with Passport until an acceptable transition to a permanent mobile application can be implemented.

Therefore, staff is requesting an amendment to the Contract with Passport to extend the term for 6 months, with a month-to-month clause thereafter if additional time is deemed necessary. The salient difference in this extension is that Passport has requested to be paid for the cost of their services. Understanding that it is important to provide continuity to the public and execute a well-planned transition to the permanent mobile application, the financial terms within the temporary arrangement are reasonable and the agreement is beneficial to both parties and members of the public.

Therefore, staff is requesting that the Board approve an Amendment with Passport for the extension of Mobile Fare Application services.

Approved:

Presented:

Final 12/7/16

General Manager/CEO

Acting, VP, Finance/Chief Financial Officer

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RESOLUTION NO. 16-12-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 12, 2016

APPROVING THE SECOND AMENDMENT TO THE CONTRACT FOR PILOT PROGRAM FOR MOBILE FARE APPLICATION FOR FARE PURCHASES WITH PASSPORT

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Second Amendment to the Contract for Pilot Program for Mobile Fare Application for fare purchases by and between the Sacramento Regional Transit District (therein "RT) and Passport (therein "Contractor"), whereby the term is extended and RT agrees to compensate Contractor for continuing to provide the mobile fare application, is hereby approved.

THAT, the Board hereby authorizes and directs the General Manager/CEO to execute the foregoing Amendment.

JAY SCHENIRER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary