

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
9	05/23/16	Open	Action	05/16/16

Subject: Authorizing Release of a Request for Proposals for Mobile/Online Ticketing

ISSUE

Whether to Authorize Release of a Request for Proposals for Mobile/Online Ticketing.

RECOMMENDED ACTION

Adopt Resolution No. 16-05-___, Authorizing Release of a Request for Proposals for Mobile/Online Ticketing.

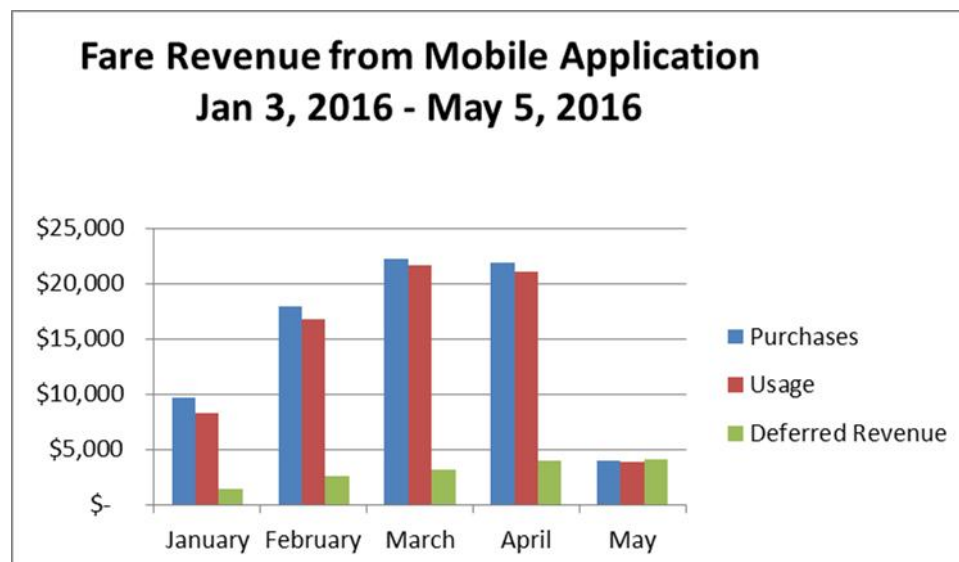
FISCAL IMPACT

No fiscal impact as a result of releasing a Request for Proposals. Fiscal impact will be determined when a vendor is selected.

DISCUSSION

On September 14, 2015, Staff received approval from the Board to sell new electronic fare types via a Mobile Application. The vendor selected for the Pilot Program (“Pilot”) was Passport. Passport’s contract with RT was a no fee solution for the six month trial period.

The results from the Pilot are still coming in, however as of the first week of May, total sales from the application from January 3, 2016 through the first week of May were \$75,739. Below is a chart showing purchases and usage of tickets and passes from the program.



Approved:

Presented:

Final 05/18/16

General Manager/CEO

Director, Finance and Treasury

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In the chart above, “purchases” represent what was sold, whereas “usage” represents the actual revenue earned from the customer activating the ticket. Based these results, the majority of passengers are using their purchases and not leaving a significant balance on their phone. Additionally, staff found that 83% of the users purchased single ride tickets on the mobile application and the remaining 17% purchased daily passes. This percentage mix is higher than what we see with prepaid media, but we believe this shift in buying pattern is the result of offering a single ride 90 minute mobile fare option, allowing passengers to transfer on a single ride ticket within the 90 minute validity period.

Without providing a significant amount of outreach for the mobile ticketing solution, staff believes that the results are showing some good success. RT’s customers have been requesting the single ride 90 minute option, so seeing the quick adoption of this option is encouraging. We believe that when RT is able to offer more fare types and fare subsidy options to riders’ employers, there should be even greater success.

RT staff engaged in the Pilot to determine the viability of a Mobile Application to sell RT fare media. RT staff wanted to know how this technology would work, whether customers would find it helpful and use it, and what back end adjustments RT needs to make to integrate this technology in its fare media sale process. Thus far, the Pilot has demonstrated to RT staff that a Mobile Application can greatly enhance the passenger experience making it easy and convenient to use this technology to purchase fare media. Staff has also learned what works and what doesn’t work for RT and where staff would like to make changes to improve the experience for RT’s riders and RT staff. Based on what staff has learned to date, RT staff has been able to develop a scope for the procurement of a permanent Mobile Application solution that will work best for RT and its customers. RT staff has compiled the information and has developed a scope of work that staff is ready to include in the Request for Proposals that RT desires to put out on the street to solicit proposals from the various companies that have developed fare media Mobile Applications. Because the procurement process will take a few months, RT staff is working with the Pilot host to extend the agreement for an additional 6 months. Through the RFP process, RT staff hopes to identify a vendor that will provide a permanent Mobile Application solution that will allow RT to sell all of its fare media types while also offering RT additional fare options with the goal of improving the customer experience and increasing RT’s fare recovery.

Therefore, staff recommends that the Board authorize the release of a Request for Proposals for Mobile/Online Ticketing.

RESOLUTION NO. 16-05-_____

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

May 23, 2016

**AUTHORIZING RELEASE OF A REQUEST FOR PROPOSALS FOR
MOBILE/ONLINE TICKETING**

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

THAT, Request for Proposals for Mobile/Online Ticketing is hereby approved and
authorized for release.

THAT, the Request for Proposals be advertised pursuant to the provisions of the
Sacramento Regional Transit District Procurement Ordinance.

JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary