

STAFF REPORT

DATE: June 10, 2024
TO: Sacramento Regional Transit Board of Directors
FROM: Jason Johnson, VP, Finance/CFO
SUBJ: APPROVING (1) A SOLE SOURCE PROCUREMENT AND (2) THE NINTH AMENDMENT TO CONTRACT FOR MOBILE AND ONLINE FARE APPLICATION WITH SIEMENS MOBILITY, INC. AS SUCCESSOR IN INTEREST TO BYTEMARK, INC.

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of the attached Resolution will extend the Contract for Mobile and Online Fare Application with Siemens Mobility, Inc. through Monday, June 30, 2025, to continue providing SacRT riders with mobile purchase options.

FISCAL IMPACT

All fees associated with extending the Contract with Siemens Mobility, Inc. are included in the proposed FY 2025 Operating Budget. If the proposed Resolution does not pass and the mobile ticketing services provided by Siemens Mobility, Inc. end on June 30, 2024, then SacRT will incur additional costs in FY 2025 above what was budgeted for. The Mobile Ticketing Services agreement provides SacRT with a lower cost of fare collection compared to all other forms of payment currently available.

DISCUSSION

In June 2016, SacRT released a Request for Proposals (RFP) for a mobile and online ticketing application. Six firms, including Bytemark, submitted proposals. On March 9, 2017, SacRT executed a Contract with Bytemark for a three-year term with two optional years. In April 2021, the Board approved the Sixth Amendment to the Contract, which included a sole source extension that expired on June 30, 2023.

On June 12, 2023, the Board approved the Eighth Amendment to the Contract for Mobile and Online Fare Application with Bytemark, Inc. extending terms of the contract on a sole source basis through Sunday, June 30, 2024.

On August 28, 2023, the Board approved an assignment of the Contract from Bytemark, Inc. to Siemens Mobility, Inc. when the two entities merged so that SacRT could continue receiving services.

The approved Eighth Amendment included an option year for SacRT to extend the Contract through Monday, June 30, 2025. Staff is recommending that the Board exercise that option year to continue services without interruption for passengers while SacRT continues the procurement process for a consolidated mobile application.

On April 15, 2024, SacRT released a Request for Proposal (RFP) for a new Account-Based Transit Payment Platform that is intended to replace the existing ZipPass application. Staff anticipates the new transit payment platform to consolidate many services currently offered by SacRT and introduce new features and enhancements that will improve the overall customer experience. Proposals in response to the current RFP are due on Friday, June 28, 2024. After evaluations are completed, Staff will make a recommendation to the Board for award, after which there will be an implementation period before fares can be purchased through the new application.

Staff anticipates rolling out the new mobile fare application by January 2025.

Staff has budgeted approximately \$95,000 in FY 2025 for Mobile Ticketing Services and at this time does not anticipate a need to increase the not to exceed amount of \$570,460 for the fixed-price services. Those services will cost \$63,000 for one year and \$73,147 remains unspent from the existing Total Consideration amount. Extending the current contract with Siemens Mobility, Inc. will ensure a seamless transition for SacRT passengers after the RFP process is completed later in FY 2025.

RESOLUTION NO. 2024-06-058

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

June 10, 2024

APPROVING (1) A SOLE SOURCE PROCUREMENT AND (2) THE NINTH AMENDMENT TO CONTRACT FOR MOBILE AND ONLINE FARE APPLICATION WITH SIEMENS MOBILITY, INC. AS SUCCESSOR IN INTEREST TO BYTEMARK, INC.

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

THAT, pursuant to Section 1.405.B.2 of the Procurement Ordinance, it is in the best interest of SacRT to extend the Contract on a sole source basis for an additional year through June 30, 2025, to allow time for a transition to a consolidated electronic fare system; and

THAT, the Ninth Amendment to the Contract between Sacramento Regional Transit District, therein referred to as "RT," and Siemens Mobility, Inc. as successor in interest to Bytemark, Inc., therein referred to as "CONTRACTOR or CONSULTANT," wherein the term is extended to June 30, 2025, and all other terms remain unchanged is hereby approved.

THAT the Board Chair and General Manager/CEO are hereby authorized and directed to execute the foregoing amendment.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary