



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Resolutions Dispensing with Competitive Bidding to Purchase a Fare Collection System and a Contactless Open Payment System for the Beeline Transit Service.

1. Resolution to dispense with competitive bidding and authorize the City Manager, or his designee, to purchase a fare collection system, including fareboxes, related equipment, software and installation, through a federalized sole source procurement with Genfare, LLC for a not to exceed amount of \$1,214,073.
2. Resolution to dispense with competitive bidding and authorize the City Manager, or his designee, to purchase a contactless open payment system, including hardware, payment processing services, and data plan using the California Integrated Travel Project (Cal-ITP) Mobility Marketplace contracts with KUBA, Inc, and Enghouse Transportation, LLC for a not to exceed amount of \$278,141
3. Resolution of appropriation of \$278,141 in State Grant and Proposition A Local Return funds for the contactless open payment fare collection system

COUNCIL ACTION

Item Type: Action Calendar

Approved for May 21, 2024 **calendar**

EXECUTIVE SUMMARY

City of Glendale has received grant funding to purchase fare collection systems for the Beeline transit service. The new farebox system for cash collections will replace antiquated equipment while the contactless open payment system will provide added passenger convenience for credit/debit card fare collection.

The two resolutions to dispense with competitive bidding allow the city to use federal and state compliant procurements and meet granting agencies' requirements. The fare collection system costs \$1,214,073 and contactless open system costs \$278,141 and both are 100 percent grant funded. A resolution of appropriation of \$278,141 is needed to cover the costs of the contactless open payment fare collection system.

RECOMMENDATION

Approve the two resolutions to dispense with competitive bidding to purchase a fare collection system and a contactless open payment system for the Beeline transit service and a resolution of appropriation for \$278,141 to provide funding for the contactless open payment fare collection system.

ANALYSIS

The Beeline fixed-route bus service provides a cleaner travel option for community members to get around Glendale. The buses have equipment to collect fares from passengers. Our current fare collection system has surpassed its useful life. New fare collections systems will ensure our passengers can easily pay the fare using cash, passes, or credit/debit cards. In addition, the systems will help the Beeline gear up to offer easy fare payment options to visitors and tourists expected for the 2026 FIFA World Cup event and the 2028 Olympics.

Fare Collection System

Our current fare collection system is about 20 years old and maintaining the equipment has become problematic. In addition, at the end of 2023, its manufacturer announced end of life for our farebox model, which would make replacement parts more difficult to acquire.

City of Glendale is a subrecipient of a federal grant to replace its fare collection system. A condition of the grant is that the fareboxes are compatible with the LA Metro's regional Transit Access Pass (TAP) program and can integrate with the TAP system. TAP is the regional fare payment program in Los Angeles county with 27 participating transit agencies. The new fare collection system includes new bus fareboxes, additional related hardware and software, and installation. Since LA Metro administers the federal grant, its staff reviewed the solicitation to ensure it met federal grant requirements including a Disadvantaged Business Enterprise (DBE) goal and Buy America.

Genfare, LLC will be the contract awardee for the new fare collection system. Genfare has a 40-year history of supplying American-made fareboxes to transit agencies. Its fare collection systems are widely used by over 400 transit agencies in North America.

The total cost to procure the new fare collection system is \$1,214,073. The grant provides about \$871,704 (71.8%) in federal funding with a required \$342,369 (28.2%) local match.

Contactless Open Payment Fare Collection System

Glendale received grant funding from the state's Transit and Intercity Rail Capital Program (TIRCP) for among other things, a contactless open payment fare collection system through the Cal-ITP Mobility Marketplace. This will allow passengers to make fare payments onboard the buses using a credit/debit card or a smart device. The open payment system will be beneficial for the expected influx of visitors first for the 2026 FIFA World Cup event and later for the 2028 Olympics. While there are plans for the regional TAP system to eventually accept credit/debit card payments, that option is currently not

available. Transit staff sought other options through grant funding to bridge the gap and be prepared for the upcoming events in the next few years.

The state's Mobility Marketplace has master agreements with vendors to provide goods and services at agreed upon prices from which transit agencies benefit. The master agreements also known as state purchasing schedules meet federal purchasing requirements.

The contactless open payment fare collection system has three components requiring contracts:

1. Fare Collection Software – A transit processor service that recognizes a rider category and charges the best fare for each trip considering applicable discounts. The fare collection software will integrate with Fiserv, the City's preferred processor.
2. Fare Validators – Payment acceptance devices equipped to read and validate a credit/debit card or smart device and bar codes, and maintenance and support.
3. Connectivity – Data plan to allow for real-time payment processing.

Proposals were received from the approved vendors for each category. With technical assistance from the Cal-ITP staff, the proposals were reviewed. Contracts will be awarded to Enghouse Transportation, LLC for the fare collection software and processing fees for three years with two one-year extensions for \$43,050, and KUBA, Inc. for the purchase of fare validators and maintenance support services for three years with two one-year extensions for \$194,591. The data plan is estimated at \$40,500 for the five years.

The total cost to procure the contactless fare payment system is \$278,141. Funding includes a TIRCP grant award of \$219,250 with the city local match of \$58,891.

STAKEHOLDERS/OUTREACH

The City of Glendale's Beeline transit service provides residents with mobility. The new fare collection systems will provide ease and convenience for passengers. Fare payments can be made in cash or using credit/debit cards. For the new contactless open payment fare collection system, information on the new payment system will be available on the bus and on the Glendale Beeline webpage in multiple languages

FISCAL IMPACT

The Fare Collection System and a Contactless Open Payment System for the Beeline Transit Service will cost \$1,492,214, a portion of which funding the Fare Collection System was approved as a part of the FY 2023-24 budget. Therefore, staff is requesting for an appropriation of \$278,141 from a TIRCP Grant and Proposition A Local Return. The appropriation request is outlined below:

Existing Appropriation			
Amount	Account String	Funding Source	
\$871,704	GL: 51000-2160-PWD-0020-P0000 PL: G51997	Misc. Grant Fund (Federal Grant)	
\$342,369	GL: 51000-2560-PWD-0020-P0000 PL: 51997	Prop A Local Return Fund	
Requesting Appropriation			
Amount	From (Account String)	To (Account String)	Funding Source
\$219,250	GL: 32610-2160-PWD-0020-P0000 PL: PWD01166AG	GL: 43110-2160-PWD-0020-P0000 PL: PWD01166AG	State Grant - TIRCP
\$58,891	GL: 24212-2560-PWD-0000	GL: 43110-2560-PWD-0020-P0000 PL: PWD01166BN	Prop. A Local Return Fund

ENVIRONMENTAL REVIEW (CEQA/NEPA)

This item is considered a ministerial activity and therefore not subject to CEQA/NEPA review.

CAMPAIGN DISCLOSURE

The campaign disclosure forms are included in Exhibit A.

ALTERNATIVES TO STAFF RECOMMENDATION

Alternative 1: The City Council may consider any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

Submitted by:

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Prepared by:

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Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS/ATTACHMENTS

None.