MINUTES
Statewide Transit Pass Exploratory Committee - Meeting #2
Feb 26, 2025
12:00 - 1:00 pm
Virtual via Google Meet

Time	Agenda Item and Description	Presenter
12:00-12:05	Welcome	Kay Kelly, CDOT
12:05 - 12:30	Cal-ITP & Open Payments	Gillian Gillett, Cal Trans
12:30 - 12:55	Michigan Statewide Mobility as a Service (MaaS) App	Sherry Vandevender & Janet Geissler, MDOT
12:55 - 1:00	Wrap Up and Next Steps	Kay Kelly, CDOT

Attendees:

X	Kay Kelly - CDOT	X	Adam Krom - Amtrak
E	Andy Cotton - Town of Breckenridge	X	Ben Gellman - CDOT
X	Charity Markus - SETran	X	Charlie Stanfield - RTD
E	Ean Tafoya - Green Latinos	X	Heather Pickering-Hilgers - CDOT
X	Jonathan Flint - Steamboat Springs	X	Karen Stewart - Transportation Commissioner for District 4
	Ken Mooney - NECALG	X	Lan Rao - Colorado Springs
X	Suzanne Carulo - CDOT	X	Will Jones - City of Greeley
	Michael Koch - Winter Park		Tim Hoover - CDOT
X	Ben Valdez - Pueblo		Emily Haddaway - CDOT

	Charles McCarthy - Winter Park		Jason White - RFTA
X	Andrew Gingerich - Mesa County	X	Kaley Zeisel - Transfort
X	Thomas Joyce - CDOT	X	Gillian Gillett - Cal Trans
X	Sherry Vandevender - MDOT	X	Janet Geissler - MDOT
	Andrew Quinn - Cal Trans	X	Will Jones
X	Charlie Stanfield		

Notes
- Welcome - Kay Kelly
  - Recap of the committee's first meeting in November - committee member introductions, overview of SB32 authorizing the committee, tasks for the committee to accomplish to deliver a final report to the legislature by July 1, 2026, presentations on fare collection methods from RTD, Winter Park and CDOT and open discussion
  - Today's meeting will include presenters from other states who have also been working on statewide transit passes.
- Open Payments- Gillian Gillett, CalTrans
  - Predominance of mobile and digital payments and the US is behind. Most people have phones, more so than home internet or a digital way to pay.
  - Risk to carrying cash, especially for low-income individuals
  - California wanted to create a statewide network to help people get everywhere across the state
    - Problems- where is transit and how to connect to it
      - Helped people get on to Google and Apple maps and learned about smaller agencies in this process.
      - No products for smaller agencies- only 4K transit agencies total
      - 928 large providers and the rest are rural and small providers.
      - NYC is a majority of transit purchases, and keeps most things afloat.
      - Most R&D goes to the big agencies, but they don't work together to create standards. This means everything is custom.
      - No standards except 1- to express schedules and stops for Google/Apple Maps
      - The remaining smaller agencies have nothing because things are built custom for the 928 large agencies.
      - No way to accept payment except for a cash fare box
      - No real time GTFS with having to purchase special hardware and extras
      - No standardized way to do passenger counting.
  - CalTrans has a customer success team, like private businesses, each transit agency gets an account manager and helps each agency do all the things. GTFS real time and passenger counting also areas of focus for Cal Trans
  - CalTrans opened a state purchasing contract for real time GTFS Real Tine to separate out from other things. This is necessary for debit/credit card acceptance.

- Believe cash customers don't want to pay cash but are forced to. Helping underbanked customers get banked to help deliver benefits (including transit discounts)
- Went out and purchased POS terminals for transit on one contract and bought payment transaction processors, and negotiated lowest price in the country for payment processing
  - Need a payment processor to move money- volume business, want to be in as large a volume as possible for the best price.
    - 3 contract you need for each payment
- Transit processor- if you have a simple fare structure could get away with a hardware vendor, but with multiple fares payment processor helps inventory control
  - They hold all the risk of debit and credit cards
  - They are the ones integrated into the bank.
- Work closely with Visa and Mastercard to make their systems work with transit.
- In addition to those three things, you can be set up as a merchant. Then you need two more things
  - 1) customers can now tap credit cards, but some are entitled to a discount. Create a world where transit discounts are portable from agency to agency. To solve that problem, we used 2 pieces of software. Cal built a gateway and acts as transit operators to get the information they need. Must be approved by CalTrans. That gateway allows a simple URL to a binary question: over 65, veteran, disability. That question is based on login.gov the Feds SSO.
  - 2) Not everyone has a debit or credit card- Why don't people have them? Most people would like to have but haven't gotten one. Banks are not regulated to offer basic accounts. Every bank gets to decide what its own minimum balance is and how long it will take to process payroll, etc. Underbanked people will be close to minimum balance. Google, Apple, PayPal, and many of the banks themselves want underbanked customers. Products like CashApp function like banks. An underbanked customer could get something like CashApp for free, and open payment will make it so those types of accounts will work for transit.
    - Next product Cal will RFP for is a suite to issue debit card programs. If transit agencies can't get their customers to get debit cards, they will now be able to have a debit issuer.
    - Most have had pretty good success
    - Produces network effects that will make them comfortable trying something new and often won't go back.
  - CAmobilitymarketplace.org for resources. Technical questions Hello@calitp.org
- Statewide MaaS App- Sherry Vandevender & Janet Geissler, MDOT
  - MaaS- the goal is to make mobility as a service easy and seamless as much as possible
  - At a minimum we will provide users with public transit providers in desired travel areas and how to contact them. Then add additional providers/types
  - Motivations
    - Many people aren't aware of the services that exist, especially in rural areas
      - Smaller, rural areas may not have marketing budgets, so MDOT wanted all transit providers to be available.
    - During the pandemic, MDOT realized there was no easy way for people to get up-to-date information.

- Booking a trip for someone else, even out of state, so they help people get to transportation.
- What was possible?
  - Wanting a full-scale statewide solution that integrates with existing technologies providers already have.
  - Issued RFI for dozens of tech providers- 19 responses
    - Hired consultant HNTB to review response and create specs for MaaS procurement.
- Procurement
  - Working with state procurement and issued RFP March 2024, joint evaluation committee with department of technology and outside support.
  - Evaluation was more involved than anticipated- confusion on what was wanted and difficult comparing the way pricing models were.
  - The price range varied dramatically.
  - Did not make an award
- Where is MDOT Now
  - Revising RFP
    - Make it easier to compare pricing and specs.
  - Plan to reissue RFP in August/Sept
  - MDOT hopes to make an award recommendation in 2026 and execute by Sept.
- Lessons Learned
  - Confusion about terminology
    - Internal: mandatory minimums vs. required
    - External: on-demand vs. demand response.
  - Some vendors didn't understand what we wanted
    - We were not looking for a single dispatch/scheduling platform
    - Call Center- Confusion about tech support for MDOT vs. call center to help riders with mobility management
  - Make RFP easy to compare apples to apples
    - Clear breakdown of pricing
  - Evaluation
    - Ensure have right mix of people on the evaluation team- people who understand transit, technology, contracting
    - Will take longer than you expect- proposals 100s of pages long
    - Be wary of bias in the process- some had working relationships already with vendors and knew what their capabilities are, but that wasn't always clear in the RFP.
    - Scoring: Setting firm numerical scores vs. using competitive range to advance to the next stage
      - They gave everyone a technical score first and then they moved on and looked at the pricing.
    - Redlining of contract terms- hard to work with if they have too many and if there are none will they tty to change them later
  - Technology contracts are different from equipment and service
    - Include provisions for data security and ownership

- The risk of vendors or subcontractors going out of business, merging, or being sold.
  - Funding
    - It is difficult to get a cost estimate.
    - What's the cost of interdepartmental support?
    - How much will ongoing service cost? What happens after initial funding goes? A big range for ongoing service would be funded and what those costs would look like.
    - Can you get funding from other state departments? Transportation supports so many other things. For example, HHS or Department of Labor, the MaaS platform will help their clients, so maybe they will provide funding.
    - Can you generate revenue? Does your state have restrictions on Ads in the platform and is that impacted by the use of Federal Funds. Michigan has a policy that any state app requires a Single Sign On. Wanted the SSO with the MaaS platform, but that would kill the app- tourist will not create a MyLogin Account. Creates additional hoops to jump through.
    - Question- Was there any conversation with intercity buses?
      - The office works with inner city providers. Initially, they won't have them on the platform. Launch with public transit agencies but definitely want to integrate intercity service as well.
        - Same for Amtrak, bike share, TNC, parking, airports- the possibilities are endless, they would have them if they want to join.
    - GTFS works with urban systems that have routes and bus stops, and received a Federal Smart grant to work with GTFS Flex that allows rural systems to create feeds that can tap into the MaaS platform or trip planning tool (Google Maps, etc.). Creating GTFS Flex feeds for all rural routes in the state.
- Closing/Next Steps
  - Open the floor for thought and feedback questions about future meetings
    - None
  - Intention to send out scheduling poll for a meeting in April
  - Have a website for the project- check for additional information
    - https://www.codot.gov/programs/innovativemobility/mobility-technology/statewide-transit-pass-exploratory-committee