



**City of Racine, Wisconsin**  
**AGENDA BRIEFING MEMORADUM**

**AGENDA DATE:** Transit Commission, September 28<sup>th</sup>, 2023

**SUBJECT:** Communication sponsored by Alder Jones, on behalf of the Transit & Mobility Director, requesting authorization for the Mayor and City Clerk to enter into a WisGo Services Agreement with Milwaukee Transport Services, Inc. for touchless fare payment.

**PREPARED BY:** Trevor Jung, Transit & Mobility Director

**EXECUTIVE SUMMARY:** The City of Racine seeks to utilize regionally connected, smart transit technology to provide greater and more convenient access to public transportation in Racine. In this effort, it is the recommendation of city staff to enter into an intergovernmental agreement with Milwaukee Transport Services, Inc. (MTS), more broadly known as Milwaukee County Transit System, for WisGo Services. This agreement would allow RYDE Racine to join the Milwaukee County Transit System's new fare payment service, UMO, which is branded as WisGo and includes an accompanying mobile application. By joining the WisGo platform, passengers in Racine, Waukesha, and Milwaukee would have an integrated regional platform in the form of a transit mobile application and fare payment system.

The WisGo system includes mobile fare, smartcard payment, and a regional transit mobile application that would include predictive arrivals of the next bus and trip planning capabilities. The system would move RYDE Racine passengers to an account-based system, where the smartcard/mobile payment application is tied to an individual so passengers can re-load additional funds to their account.

The built-in fare cost of the WisGo system is \$0.035/transaction for each boarding using the WisGo payment system. Open payment, using a credit/debit card, for individual fares instead of a cash fare would also be available and would come with a \$0.045/transition fee and applicable credit/debit card fees. The consortium agreement would be for three years with two additional option years.

The new WisGo system has other benefits such as being less labor-intensive for transit staff than the current system and streamlines several processes. There is also an opportunity to expand the fare retail network through a national system that could include CVS, Walgreens, and other stores.

**BACKGROUND:** The City of Racine was awarded a grant through the Federal Transit Administration to modernize its fare collection system to allow for smartcard and digital touchless payment.

RYDE Racine collects fares as one of the largest Tier B transit systems in Wisconsin with dated fare box technology, which limits individuals' access to public transportation services locally. Currently, those who would like to use a RYDE Racine transit bus must have exact change or a purchased pass from satellite locations throughout the urbanized service area. It is the intention to modernize and expand access to public transit services with touchless payment technology therefore reducing barriers associated with out-of-date fare collection methods.

Transit agencies across the globe, the United States, and Southeastern Wisconsin are making investments in creating fare-collection systems that are more flexible, equitable, and accessible. These agencies have accelerated the deployment of contactless payments with account-based

ticketing (ABT) in recent years to provide a touchless and seamless travel experience in a bid to revive ridership. Recent research by *Global Mass Transit Research* on 60 cities in the US reveals that over 45 percent of the cities have unveiled firm plans to deploy bankcards and 85 percent will introduce mobile ticketing by 2026. As new and advanced technologies are being introduced to support integration and interoperability, there is also a focus on prioritizing equity and inclusivity in transit built into fare-payment software in way of fare capping. This technology has multimodal benefits as well as it can be integrated with other forms of shared transportation such as bicycle or scooter-share programs.

This system enhancement will make it easier for passengers to board a RYDE Racine bus, resulting in potentially increased ridership by reducing barriers to fare payment.

**BUDGETARY IMPACT:** Total approximate cost of the project is \$155,000. Capital cost approximate amount \$115,000. Grant amount being \$92,000, local match of \$23,000. (Grant Control #00527) Operating approximate amount \$40,000, available in 2024 Budget 60282014 54500 Software Maintenance.

**RECOMMENDED ACTION:** That the Mayor and City Clerk be authorized to enter into a WisGo Services Agreement with Milwaukee Transport Services, Inc. for touchless fare payment.