

Transportation Committee

For the Metropolitan Council meeting of July 13, 2016

Subject: Authorization to award a Sole Source Contract for Replacing Rail Station Go-To Card Readers (Contract no. 16P148)

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a sole source contract award to Cubic Transportation Systems for the purchase of approximately 101 rail smartcard validators in an amount not to exceed \$1 million.

Summary of Committee Discussion/Questions

Nick Eull presented an overview of Metro Transit's fare collection strategy. Dennis Dworshak presented the business item.

Elkins asked about the percentage of fare collections that come from Go-To cards and whether the validators will accommodate chip readers. Eull noted that current Go-To usage is about 55% of total rides and new readers would be capable of reading contactless credit cards.

Motion by Elkins, seconded by Rodriguez and carried.

Transportation Committee

Meeting date: June 27, 2016

For the Metropolitan Council meeting of July 13, 2016

Subject: Authorization to award a Sole Source Contract for Replacing Rail Station Go-To Card Readers (Contract No. 16P148)

District(s), Member(s): All Council Members

Policy/Legal Reference: Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$500,000

Staff Prepared/Presented: Brian J. Lamb, General Manager, (612-349-7510); Arlene McCarthy, Director MTS, (651-602-1754); Edwin D. Petrie, Director Finance, (612) 349-7624); Nick Eull, Senior Manager – Revenue Operations (612-349-7364); Dennis Dworshak, Manager Revenue Operations (612-349-7035)

Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a sole source contract award to Cubic Transportation Systems for the purchase of approximately 101 rail smartcard validators in an amount not to exceed \$1 million.

Background

Metro Transit purchased and installed rail smartcard validators (RSVs) for validating Go-To cards on the rail system in 2004 as part of the METRO Blue Line implementation. The technology on the legacy RSVs is obsolete with hardware and software packages no longer supported. The obsolete device hardware prevents upgrading technology to the rest of the fare collection system. New devices will also help build on the expansion of current fare payment capabilities as the rest of the system is upgraded. These new devices meet current ADA requirements.

Cubic Transportation Systems is the only company that manufactures the required validators compatible with our existing fare collection system which includes ticket vending machines, bus validators, outlet sales devices, regional providers, and back office software. Validators are required to validate all smart card fare products. An independent cost analysis based on previous purchases verifies the purchase price of these replacement devices is fair and reasonable.

Rationale

By updating Rail Station Validators, Metro Transit will be ensuring that over 570,000 Go-To card users can continue to use their Go-To cards to board and pay on regional buses and trains.

Funding

Funding is available for this contract in the 2016 Capital Budget in project 67210.

Known Support / Opposition

There is no known opposition.



Fare Collections Technology Update

Transportation
Committee

June 27th, 2016

Nick Eull
*Senior Manager of
Revenue Operations*



The Customer Experience

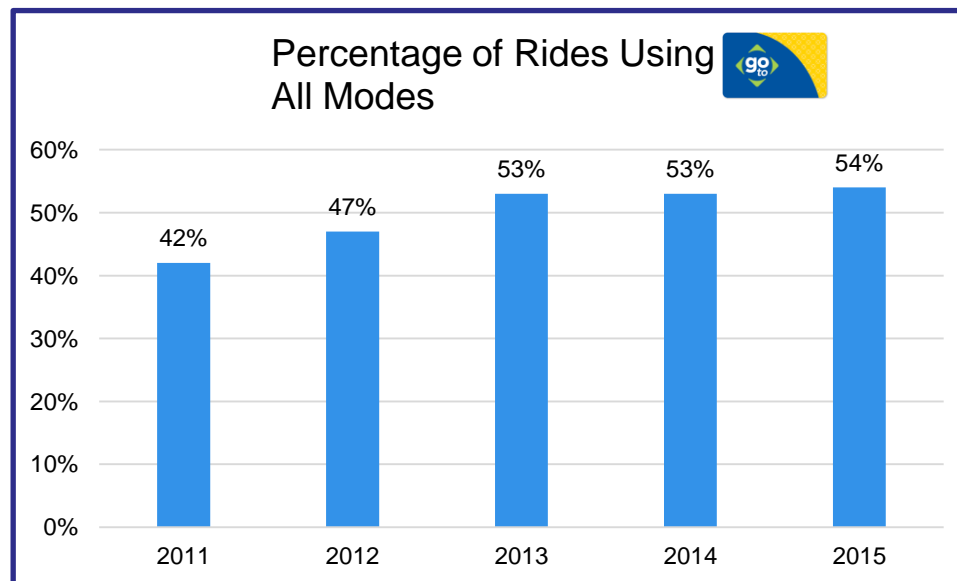
- “We make it easy for customers to pay fares and we treat those fares with respect.”



The Go-To Card



- Officially launched in 2006
- Uses near field communications (NFC) technology
- Hardware and software provided by Cubic Transportation Systems, Inc.
- 570,000 unique cards used in 2015



Go-To Card Payment/Validation

Bus Mobile Validator
(BMV) – New in 2016



Rail Smartcard Validator
(RSV) – New in 2014



Ticket Vending Machines - Rail

METRO Ticket Vending Machines

- Sales (cash/credit):
 - \$8 million in ticket purchases
 - \$5.4 million in Go-To reloads
 - 60% credit card use
- Approximately 140 TVMs in use
- Future upgrades include:
 - Windows 10
 - Europay, MasterCard and Visa compliant
 - Smartphone-based payments



Ticket Vending Machines – A Line



- Parkeon ticket vending machines
- Lower cost alternative to METRO ticket vending machines
- Accept cash, credit, coupons and tokens
- Issue flash passes for visual inspection
- Does not issue change
- Go-To Card validation accomplished using station validators
- Allow for cellular connections and solar power (very portable)
- Future capabilities could include recharging Go-To cards

What's Next for Fare Collection

- Approach focuses on four strategies:
 - **Preservation:** Ensure we can continue to collect fares similar to what we can today
 - **Enhancement:** Making incremental improvements along the way to improve the customer experience
 - **Expansion:** Looking at bringing on new technologies at the right time, for the right reasons
 - **Simplification:** Finding ways to make it easier for customers to pay, both through technology and policy

Equity: Ensuring that with each decision we make regarding fare collection technology and policy, we're considering each and everyone of our customers and the impact these decisions will have on him/her.

Thank you!

