Business Item No. 2018-335 SW

### **Transportation Committee**

For the Metropolitan Council meeting of December 12, 2018

Subject: Bus Go-to Card Reader Procurement

### **Proposed Action**

That the Metropolitan Council authorize the Regional Administration to negotiate and execute a sole-source contract with Cubic Transportation Systems for the purchase of additional Go-To card readers and associated parts in an amount not to exceed \$700,000.

#### **Summary of Committee Discussion/Questions**

Nick Eull presented this item. Elkins asked why we don't have a Metro Mobility system like Uber/Lyft, where you book your ride in advance and payment is charged to your card. Nick Thompson replied that we are starting to explore that option as it would also decrease infrastructure costs but while ensuring the needs of the Metro Mobility system would be met.

Motion by Elkins, seconded by Letofsky. Motion carried



### **Transportation Committee**

Meeting date: December 10, 2018

For the Metropolitan Council meeting of December 12, 2018

**Subject**: Bus Go-To Card Reader Procurement

**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)

Edwin D. Petrie, Director of Finance (612-349-7624)

Nick Eull, Senior Manager of Revenue Operations (612-349-7364)

Dennis Dworshak, Manager of Revenue Operations (612-349-7035)

Paul Calkan, Manager of MTC Flood Commission (651-600-4668)

Paul Colton, Manager of MTS Fleet Services (651-602-1668)

**Division/Department:** Metro Transit and Metropolitan Transportation Services

#### **Proposed Action**

That the Metropolitan Council authorize the Regional Administration to negotiate and execute a sole-source contract with Cubic Transportation Systems for the purchase of additional Go-To card readers and associated parts in an amount not to exceed \$700,000.

#### **Background**

Metro Transit and MTS upgraded all bus Go-To card readers in 2016, moving to the latest generation devices known as the bus mobile validator (BMV). These units replaced the original Go-To card readers that had reached end-of-life after 13 years.

Recently, Metro Mobility installed nearly 100 additional BMVs on vehicles that had not previously required Go-To card readers, significantly depleting spare devices. In addition, while the new units are more reliable than the previous generation of Go-To card readers, current manufacturing processes and rapidly advancing technology have minimized opportunities for repairing and replacing parts. As a result, Metro Transit and MTS request an additional 213 total units to provide sufficient spares for meeting ongoing operating needs.

This order will provide 113 spares for MTS and 100 spares for Metro Transit. At a cost of about \$3,000 each, this price is fair and reasonable compared to what Metro Transit paid for these units as part of our initial order in 2016.

#### Rationale

Metro Transit and MTS will continue to collect fares using Go-To cards well into the future, as well continue to support regional provider fare collection and equipment needs. Go-To card payments account for nearly 60% of all Metro Transit rides, and an even higher overall percentage for suburban transit providers. This order will allow MTS and Metro Transit to collect Go-To card payments on regional buses and dial-a-ride service with no interruption due to lack of spare equipment.

#### **Thrive Lens Analysis**

The Go-To card system allows for reduced fare payments from youth, seniors and low-income customers. By continuing to support the Go-To card system,



Metro Transit and MTS will continue to allow qualified customers access to reduced fares as a part of the fare payment system.

## **Funding**

Funding is including in the 2018 capital and operating budgets.

# **Known Support / Opposition**

There is no know opposition.