

TAP Plus

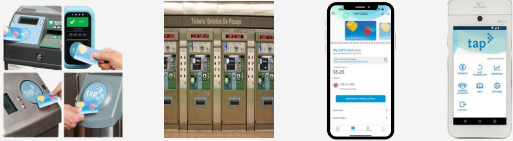
Board of Directors Meeting
May 23, 2024



TAP

THE CURRENT SYSTEM

For Metro and 26 TAP partner transit agencies



- Taptogo.net Website
- TAP Customer Service
- Multi-Modal Mobility
- Integrated Ticketing System

TAP fare is accepted at
4,000 fareboxes, 1,330 bus mobile validators, and 931 rail gate and stand-alone validators.

TAP fare is sold at
Web (taptogo), the mobile app (TAP LA), 550 ticket vending machines, and 1,540 retail point of sale (RPOS) devices.




New and improved equipment

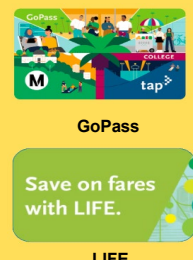


New BMVs Station Validator Rail Gate

Open payment
supports new payment options



Account-based




- Increased capacity to handle orders for GoPass, GO TAP, B-TAP, E-TAP, U-Pass, and I-TAP
- LIFE customers can easily load 20-Ride or monthly pass without calling Customer Service or going to a vendor

Interoperability



Increased integration with third-party partners



Decision Factors

Areas	Objective	Proposed Vendor	Other Vendor
Complexity	<p>Robust system to support/integrate with open payment and account-based for:</p> <ul style="list-style-type: none"> • Metro and 26 transit operators • 700+ fare products • GoPass • LIFE • Various Reduced Fares • Metro Micro and other micro services • Bike Share • Integrated Ticketing 	<p>Large/peer systems are currently supported by the same vendor and successfully launched open payment:</p> <ul style="list-style-type: none"> • London (2012) • Chicago (2013) • Vancouver (2018) • Miami (2019) • Sydney (2021) • New York (2022) • Brisbane (2022) • San Francisco Bay Area (pilot) • Boston 	<p>There are seven major vendors providing fare collection services, but there are none other than Cubic serving transit agencies as large and complex as Metro and 26 other agencies.</p> <p>Cal-ITP offers only a partial solution. (Not a vendor)</p>
Timing	2028 Olympic readiness	<p>Implementation: 2 years</p> <p>Open payment delivered by World Cup 2026</p> <p>Account-based delivered by end of 2026</p>	<p>RFP: 12 months</p> <p>Implementation: 3-4 years</p> <p>Total: 5 years</p>
Risks	Minimize delays; penalties and withhold payment for delays	Delays result in penalties and withholding payments	Requires complete cooperation between competitive vendors because equipment is proprietary; delays from coordination and Metro and muni integration with onboard software and hardware
Equipment	Utilize current equipment; modify and add where necessary	Maximizes current hardware	May integrate with existing hardware or may require new hardware
Performance	Over 98%	97.96% over past five years	Unknown at this time
Cost	Lowest cost possible while maximizing existing assets and investments	\$66.4 million for 27 operators	\$750 million to \$2 billion for 27 operators

Penalties for Delays and Performance

Penalties for Capital Upgrades

- The vendor will face penalties of \$10,000 per day for each milestone, with a maximum of \$700,000. This is an enhancement to the current agreement.
- Metro may also withhold 10% retention from each invoice until a total of 50% of the contract modification value has been billed. The retention withheld will not be released until Metro is satisfied with the delivery of the project. This amount could be as much as \$33.5 million.
- Metro can also assess liquidated damages for missing milestones and completion dates subject to an 8% maximum monetary penalty. This could amount to as much as \$5.36 million in fines.
- Payments made only at completion of milestones

Contract Termination

- Contract can be terminated for convenience or for cause at any time

Maintenance Support Performance

- Vendor delivered fare capping on time and within budget
- Maintenance service: TAP equipment has operated at a 97.96% level for past five years

User Experience Testing

- TAP Plus upgrades are based on direct feedback from riders and TAP Partner agencies
- TAP will work with a robust customer group to perform user experience testing.
 - Core group to include riders from Metro and Muni agencies, LIFE and GoPass participants, Seniors and Persons with Disabilities, community members, and employees from various internal Metro departments.
- In Summer 2024, TAP will disseminate a customer survey to assist staff in the customer interface of open payment and the account-based system.
 - Followed by focus groups comprised of members of the public to gather supplemental feedback to aid in TAP Plus development.
- In Spring 2025, TAP will begin with outreach efforts to organize and recruit core group testers.
- Testing will begin on open payment in the Summer of 2025 and will continue through implementation in the Spring of 2026.
- In Fall 2026, account-based testing will begin and continue through implementation in Winter 2026/2027.