



**Board Report**

**File #:** 2022-0413, **File Type:** Contract

**Agenda Number:** 16.

**FINANCE, BUDGET AND AUDIT COMMITTEE  
SEPTEMBER 14, 2022**

**SUBJECT: CRENSHAW/LAX (K LINE) AND REGIONAL CONNECTOR FARE COLLECTION EQUIPMENT MAINTENANCE SUPPORT SERVICES, CUBIC TRANSPORTATION SYSTEMS, INC.**

**ACTION: APPROVE CONTRACT MODIFICATION**

**RECOMMENDATIONS**

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 155.01 to Contract No. OP02461010-MAINT with Cubic Transportation Systems, Inc., (Cubic) for maintenance support services of fare collection equipment at Metro stations related to the Crenshaw/LAX (K Line) Transit Project and Regional Connector Project, in the amount of \$1,054,539 from \$383,998,282 to \$385,052,821; and
- B. NEGOTIATE the contract modification value based on final Revenue Operation Dates of both projects in an amount not-to-exceed \$200,000 above \$1,054,539.

**ISSUE**

The current maintenance support services agreement for all in service fare collection equipment is effective until December 31, 2024. With construction nearing conclusion for the Crenshaw/LAX (K Line) and Regional Connector projects, services need to be procured to provide support and maintenance services along the new transit lines. Fare collection equipment deployment locations are shown in Attachment D.

**BACKGROUND**

The original Contract No. OP02461010 was awarded on March 7, 2002, and the support service contract was renewed by the Board in June 2013 for an additional six (6) years, and again in April 2019 for an additional five (5) years. The current services agreement ensures the continuous performance of all TAP equipment data and software, including fare collection devices, sales units, the central computer system, operational support services, asset management, and back-office systems.

TAP has grown significantly over the years; TAP is now accepted on 26 transit agencies including,

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but not limited to, Culver CityBus, Foothill Transit, Long Beach Transit, Norwalk Transit, Santa Monica Big Blue Bus, Torrance Transit, and Angels Flight. TAP fare media can be purchased at over 1,500 vendor locations throughout Los Angeles County including Los Angeles County libraries, aboard Metro buses, on the TAP mobile app, online at *taptogo.net*, and at 101 rail stations and major bus stops.

## **DISCUSSION**

The current maintenance support services contract with Cubic is in effect until December 31, 2024.

The projected maintenance cost for Crenshaw/LAX (K Line) Transit Project and Regional Connector Project is as follows: Crenshaw/LAX (K Line) - \$244,935 in FY23, \$335,407 in FY24, and \$170,386 in mid-FY25; Regional Connector - \$42,610 in FY23, \$173,210 in FY24 and \$87,991 in mid-FY25 - for a total of \$1,054,539 as requested in the Recommendation.

## **FINANCIAL IMPACT**

The fiscal year 2023 funding requirement in the amount of \$287,545 is included in Cost Center 5440 Revenue Collection. As this is a multi-year contract, the Senior Executive Officer of TAP and the Executive Officer of TAP/Revenue Collection are responsible for budgeting all future year budget requirements.

### **Impact to Budget**

The maintenance cost will be funded by operating eligible funds, which are available to Metro bus and rail operations.

## **EQUITY PLATFORM**

The inclusion of support services for Crenshaw/LAX (K Line) and Regional Connector fare collection equipment will provide an equitable benefit for all Metro riders as they use the equipment to travel along the new transit stations. The installed equipment must be maintained daily and preventative measures will be taken to ensure a seamless transit experience that is standard to all rail lines.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Including the maintenance support services for the new equipment on the Crenshaw/ LAX (K Line) and Regional Connector stations would support:

- Strategic Plan Goal #1: Deliver outstanding trip experiences for all users of the transportation system by improving legibility, ease of use, and trip information on the transit system.
- Strategic Plan Goal #2: Make data driven decisions that reinforce a culture of safety, fiscal sustainability, adherence to schedules and timelines, maintenance of our assets, improvements to our processes, and the formulation of partnerships, while honestly evaluating our progress and clearly communicating the results.

## **ALTERNATIVES CONSIDERED**

The Board may choose not to approve the contract modification to include the maintenance support services for Crenshaw/LAX (K Line) and Regional Connector. This is not recommended as the fare collection equipment requires daily and scheduled maintenance and are necessary for a positive customer experience and to provide patrons with access to TAP cards and fare media.

## **NEXT STEPS**

Upon approval by the Board, staff will execute Modification No. 155.01 to Contract OP02461010-Maint with Cubic Transportation Systems, Inc. for the maintenance support services of fare collection equipment at the Crenshaw/LAX (K Line) and Regional Connector Metro stations.

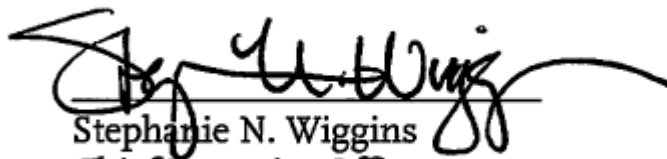
The current contract expires on December 31, 2024. Metro staff is just beginning discussions about the future of fare collection in Los Angeles County.

## **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - Contract Modification/Change Order Log  
Attachment C - DEOD Summary  
Attachment D - Fare Collection Deployment Locations

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