

**Board Report**

File #: 2023-0275, **File Type:** Contract**Agenda Number:** 7.

**FINANCE, BUDGET AND AUDIT COMMITTEE
JULY 19, 2023****SUBJECT: STATE-OF-THE-ART BUS MOBILE VALIDATORS FOR TAP MUNICIPAL OPERATORS****ACTION: APPROVE CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Modification No. 165.01 to Contract No. OP02461010 with Cubic Transportation Systems, Inc. ("Cubic"), for the purchase and installation of 1,118 new state-of-the-art Bus Mobile Validators (BMVs) for the 21 Regional municipal operators and muni transit stores and special events, in the amount of \$4,032,850, increasing the total contract value from \$401,615,864 to \$405,648,714.

ISSUE

The Bus Mobile Validator, or BMV, is a low-cost solution that was developed to make it possible for all agencies in LA County that collect fares to join TAP. In October 2012, the Board approved the purchase of 1,000 BMVs for installation on 750 buses for 15 municipal operators so that they could accept TAP fare payment. The BMVs have proven to be a low-cost solution that has allowed both small and large agencies to participate in a seamless fare payment system for LA County. Now over 10 years old, the aging BMVs have exceeded their life expectancy and are no longer manufactured. In addition, the new state-of-the-art BMVs will accommodate open payment technology (use of credit/debit and other ID cards) and will read barcodes for events or Metrolink ticketing.

BACKGROUND

Initial BMV installations were on 15 municipal operators. The number of agencies using BMVs has now increased to 21, this includes Antelope Valley Transit Authority (Microtransit), Baldwin Park Transit, Burbank Bus, Carson Circuit, Compton Renaissance Transit, Glendale Beeline, Glendora Transit, Huntington Park Transit Unlimited, LA County Department of Public Works, Long Beach Transit, Los Angeles World Airports (FlyAway), Monterey Park Spirit Bus, Palos Verdes Peninsula Transit Authority, Pasadena Transit, Redondo Beach Cities Transit, Santa Clarita Transit (Microtransit), Santa Monica Big Blue Bus, Foothill Transit's transit store, UCLA Transportation Office, and even Angel's Flight. The BMVs have allowed both small and large operators the ability to accept TAP fare payment and ensure the Region's customers can travel seamlessly throughout LA County on 26 different transit agencies with a plastic or virtual TAP card.

In June 2016, Metro successfully piloted All-Door Boarding (ADB) with BMVs on the front and rear doors of J Line (Silver) 910/950 buses. In 2018, Metro expanded the ADB pilot to Metro Rapid Lines 720 and 754. With ADB, customers can now board the front and rear doors simultaneously reducing dwell times.

In February 2022, the Board approved the purchase of 2,900 state-of-the-art BMVs to expand rear-door boarding to all Metro buses. This contract modification allows the Region to continue on the same TAP system, to provide customers with seamless travel on all 26 TAP partner agencies, including Metro, across Los Angeles County. With Board approval, installations on municipal operator's buses can begin as early as August 2024.

DISCUSSION

This contract modification calls for the purchase and installation of 1,118 new state-of-the-art BMVs for the 21 Regional municipal operators and muni transit stores and for special events. Refer to Attachment D for a detailed listing of BMV quantities for each agency. The new state-of-the-art BMVs utilize 4G LTE cellular communications and are ready to operate in an open payment, account-based system. Open payment and account-based systems can be programmed to accept credit/debit and other ID cards as payment. The new devices offer enhanced transaction security and are certified by the Payment Card Industry Data Security Standard (PCI DSS) and Europay, MasterCard, and Visa (EMV) global standard. Attachment E provides additional specifications on the new BMVs.

The new BMVs have expanded capacity to deliver 100,000 autoloads every 10 minutes compared to the existing BMVs which can only deliver 30,000 autoloads every 30 minutes. In addition, the new state-of-the-art BMVs will operate faster and accommodate open payment technology (use of credit/debit and other ID cards) and will read barcodes for events or Metrolink ticketing. The new BMVs will continue to serve Metro's and the Region's current programs such as GoPass, Low Income Fare is Easy (LIFE), and fare capping. BMVs also accept Stored Value (cash) and the Regional EZ transit pass which provides customers with seamless travel on all 26 TAP partner agencies across Los Angeles County. The BMVs are also necessary for TAP customers to benefit from fare capping and regional fare capping in the future.

FINANCIAL IMPACT

The \$500,000 required for this contract modification is included in the FY2024 Adopted budget. This is a multi-year activity, and the Senior Executive Officer and Executive Officer of TAP are responsible for budgeting all future year budget requirements.

Impact to Budget

In May 2023, the Board approved the total Life-of-Project budget of \$4,912,000 for the Muni BMV Replacement project through the annual budget adoption. The funds are comprised of \$2,456,000 from Local Partnership Program Formulaic grant funds and matching \$2,456,000 from Proposition C40% Discretionary funds. The local match is eligible for Metro's bus and rail capital and operations activities.

EQUITY PLATFORM

BMVs on municipal operator buses allow customers to take advantage of fare programs such as FSI/GoPass, LIFE, and other fare programs available to customers with virtual or plastic TAP cards. BMVs also accept Stored Value (cash) and the Regional EZ transit pass which provides customers with seamless travel on all 26 TAP partner agencies across Los Angeles County. The BMVs are also necessary for TAP customers to benefit from fare capping and regional fare capping in the future.

The new state-of-the-art BMV ensures continued seamless fare payment throughout Los Angeles County on 26 transit agencies and is ready to accommodate open payment and an account-based system to accept credit/debit and other ID cards as valid fare.

Customers can purchase and reload TAP cards at about 1,900 TAP vendor locations, including locations for non-English speaking customers, throughout LA County and at nearby TAP Vending Machines (TVMs) along the Metro Rail system, J Line, and select G Line stations. Customers can also use virtual TAP cards on their mobile phones via the TAP app, or they purchase a TAP card and reload it on Metro buses.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports:

- Strategic Plan Goal 1: Provide high quality mobility options that enable people to spend less time traveling
- Strategic Plan Goal 2: Deliver outstanding trip experience for all users of the transportation system. This project will improve the speed and reliability of TAP Card users across agency riders through the heart of some of the most congested areas in Los Angeles County with some of the most equity focused communities.

ALTERNATIVES CONSIDERED

The alternative to the proposed staff recommendation is to not procure the new BMVs. This alternative is not recommended because these units are no longer manufactured, and Metro will not be able to add additional transit services or allow for the expansion of buses for existing TAP partner agencies.

NEXT STEPS

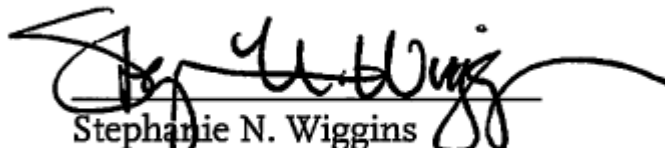
Upon Board approval, staff will execute Modification No. 165.01 to Contract No. OP02461010 with Cubic Transportation Systems, Inc., for the purchase and installation of the new state-of-the-art BMVs and extend a limited notice-to-proceed to the vendor to order the new state of the art BMVs. Delivery of the BMVs will occur in July 2024. Installation of Muni BMVs will begin in August 2024 and conclude by November 2024.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary
Attachment D - Detailed Listing of BMV Quantities for Agencies
Attachment E - Cubic Bus Mobile Validator 3.0 Specifications

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