T Transportation Committee

Meeting date: September 22, 2008

For Metropolitan Council: September 24, 2008

ADVISORY INFORMATION

Date:	September 8, 2008
Subject:	Regional Fare Collection System Contract with Cubic Transportation Services, Inc.
District(s), Member(s):	All
Policy/Legal Reference:	Council Procurement Policy 3-4-3
Staff Prepared/Presented:	Brian J. Lamb, General Manager, Metro Transit (612) 349-7510
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Division/Department:	Metro Transit

Proposed Action/Motion

The Metropolitan Council authorize the Regional Administrator to:

- Negotiate and execute a sole source Agreement with Cubic Transportation Systems in an amount not to exceed $2.1M to upgrade the Cubic Nextfare Fare Collection System software, purchase equipment, and develop a distance based fare system for Northstar Commuter Rail which will be integrated with the Regional Fare Collection System.

- Execute a Subordinate Funding Agreement with the Minnesota Department of Transportation for reimbursement in the full amount of $881,371 for the Northstar Commuter Rail Software Development and Implementation from federal and local funds currently available within the Northstar Full Funding Grant Agreement.

- Execute a Subordinate Funding Agreement with the Minnesota Department of Transportation for reimbursement in an amount not to exceed $250,000 for additional Cubic Fare Collection Equipment and/or Other Fare Collection System Modifications from federal and local funds currently available within the Northstar Full Funding Grant Agreement.

Background

- The Regional Fare Collection System (Nextfare) contract with Cubic Transportation Systems ("Cubic") began in 2002. The original contract with Cubic for a time based fare collection system was completed and closed-out in November 2006. The Cubic Nextfare Fare Collection System provides a dependable seamless fare payment environment between bus and rail.

- The Nextfare system also supplies Metro Transit and Suburban providers with detailed reporting information of ridership and service levels which improves monitoring of the service efficiency for our customers.

- As of August 2008, there are approximately 114,000 active GoTo Cards representing about 13,600,000 rides, or 25% of the total rides, thus far in 2008.

- This recommendation is to upgrade the Cubic Nextfare Fare Collection System from its original 2002 version (v4.14) to the latest operational platform (v4.25). This new v4.25 platform is currently operating in Atlanta, New Jersey Port Authority, Edmonton, Chicago (POS only), PATH (Port Authority of New York), Brisbane, WMATA (Washington Metropolitan Area Transit Authority) and San Diego. Our current v4.14 platform is outdated and will receive only minimal support from Cubic, and no enhancements in the next few years.

- System upgrade benefits include:
  - Security, performance, and reliability improvements
  - Upgraded Database and "middleware" for more efficient administration and maintenance
  - New and improved device communication interfaces and user interfaces
  - Security improvements in the areas of credit card processing which are necessary to meet the required 2010 Payment Industry Standards
  - Platform to support future implementation of "Limited Use" Smartcard (paper based card)
  - Future Equipment enhancement capabilities including improved Station Validators, Light (bus) Validator and Express Vendor (unattended device for Go-To Card replenishment)
  - Implementation of Smart-Phones for use by Officers in fare collection compliance activities to replace current devices as a Go-To Card reader and hand-held fare payment validator
  - Provide device compatibility with our current equipment including: TVM's, Rail Station Validators, Bus Validators (footballs), MPOS and CPOS machines, and HP Open View system and equipment monitoring software
- The system software upgrade will also integrate the development of the Northstar Commuter Rail distance based fare collection requirements. The distance based fare scenario requested for Northstar Commuter Rail requires significant software programming to develop and ensure compatibility with our existing time based fare collection system on bus and light rail. The current Nextfare Collection System is a time based system with a peak and off-peak period. The Northstar fare collection system will include a distance based fare system with abilities to have different fares at each destination point.

Rationale

The recommended upgrade of the Cubic Nextfare System software along with the development and implementation of the Northstar Commuter Rail requirements will provide the Council with an up-to-date, secure, efficient and supportable Regional Fare Collection System. The upgrade will integrate the Northstar Fare Collection distance based system to provide seamless fare collection for transit customers using bus, light rail and commuter rail.

Funding

The cost components of this project are currently projected as follows:

Regional Fare Collection System Upgrade to Version 4.25:	$767,868
Northstar Commuter Rail Software Development and Implementation:	$881,371
Test Lab Hardware:	$105,434
Cubic Fare Collection Equipment/Other Fare Collection System Modifications:	$345,327
Total Cost:	$2,100,000

Funding for this project is included in the Metropolitan Council Project #65815 Fare Collection System Upgrades, and with a Subordinate Funding Agreement with the Minnesota Department of Transportation with the Northstar Project.

The Metropolitan Council received a separate quotation from Cubic Transportation Systems for only the Northstar Commuter Rail Software Development and implementation. The price quote for this singular piece of work was $1,279,460. Combining this singular request with the overall Regional Fare Collection System Upgrade to version v4.25 resulted in an overall savings to the Northstar Project of $398,089. The savings is attributed to Cubic programming on a newer upgraded software platform (v4.25) which will more readily support the Northstar Commuter Rail distance based fares as well as leveraging project management, engineering, testing and other project efforts. By leveraging these resources with the Nextfare version upgrade effort both projects gain efficiency benefits. The Metropolitan Council had already planned to upgrade the Cubic Nextfare System in 2009 to ensure ongoing support and meet Credit Card Processing requirements combined with the Northstar Fare Collection Distance Based system.

Known Support / Opposition

Metro Transit Staff support as well as Information Systems and Treasury with no known opposition.