



City Council Report

City Council Meeting: June 12, 2012

Agenda Item: 3N

To: Mayor and City Council
From: Edward F. King, Director of Transit Services
Subject: Purchase and Installation of Automatic Fare Collection System

Recommended Action

Staff recommends that the City Council authorize the City Manager to negotiate and execute a contract with LECIP Inc., a Japan-based company with headquarters in Des Plaines, Illinois, in the amount of \$7,223,512 to purchase and install all hardware, software, and training for an integrated Automatic Fare Collection System.

Executive Summary

The fareboxes installed on the Big Blue Bus (BBB) vehicles are 15 years old and have exceeded the manufacturer's recommended useful life. The BBB has developed a capital improvement program to replace the fareboxes. By purchasing new, state of the art automatic fareboxes, BBB would be able to offer advanced technologies to its customers that are not currently available including the introduction of smart cards, a mobile ticketing application, and colorized farebox display screens.

The total order for the complete fare collection system, including all hardware, software, installation, spare parts, system integration with other ITS vehicle components, two-year warranty and training is \$7,223,512.

Background

The current fare collection system has served the City well over time; however because of the age of the system, components are unreliable. Farebox failures are having a negative impact on bus pull-outs and on-time performance of the service. The existing fareboxes process coin, bill and other fare media slowly and the system is not compatible with new fare media. Currently, the reliability of the fare collection system is poor, difficult to maintain and cumbersome for passengers to use.

Discussion

Staff recommends the Big Blue Bus upgrade its automatic fare collection system to current technology to enable passengers to use the latest fare media, provide a more reliable, easy to use system for passengers and operators, and also provide BBB with the latest in report writing and accountability for the City.

Vendor Selection

On September 21, 2011, the City issued a Request for Proposal (RFP) No. 92611 for the purchase of an Automatic Fare Collection System including hardware, software, installation and training. The RFP was posted on the City's on-line bidding site Planet Bids and notices were advertised in the Santa Monica Daily Press in accordance with City Charter and Municipal Code provisions. Three bids were received and publically opened in November 29, 2011, per Attachment A.

Bids were evaluated based on the criteria of technical approach, system architecture, cost and compliance with City specifications including a review by a team of Big Blue Bus staff representing each division of the department. The evaluation process included an interview with each vendor, demonstration of the fare collection system, system configuration, ease of use for passengers, ease of component removal and maintenance, and system reporting capabilities. Although the LECIP fare collection system is the highest priced, the technical and operating systems on LECIP are far superior to General Farebox (GFI) and Fare Logistics. The LECIP pricing also includes the full price for integration with the TAP regional fare system, whereas GFI and Fare Logistics stated they could provide another quote aside from the original proposal for the AVL interface and that it would be the City's responsibility for any and all licensing fees as well as some hardware, cabling, etc. . Based on these criteria, the selection committee recommends LECIP Inc. as the Best Bidder.

The LECIP fare collection system has features that provide ease of use to passengers and BBB operators. It processes coins at a rate of ten coins per second, has the ability to accept fare media such as the regional Transit Access Pass (TAP) cards, swipe cards and mobile phones carrying barcode displays. It has a dollar bill by-pass feature

and has the capability of audible voice messages to passengers. The LECIP fare collection system would allow acceptance of various methods of payment, faster processing of coins and bills, increased reliability and ease of use for operators and passengers as well as improved reporting capabilities.

The fare collection system also includes the purchase of six ticket vending machines (TVM). TVM's will allow passengers to purchase fare media before they board the bus, saving time and improving service delivery. TVM's will be placed at high volume bus stops in the system.

Once the contract is executed, design, development and installation will occur over one year and eight months, with an additional two months for project closeout. The total cost of \$7,223,512 will be funded using Federal grants, as well as State and County Transit sales tax capital funds.

Financial Impacts & Budget Actions

The contract to be awarded to LECIP Inc. is \$7,223,512. Funds for this purchase are included in the FY 2011/13 Capital Improvement Program budget at the following accounts:

C410825.589000	\$2,983,322
C410099.589000	\$5,939,950
TOTAL	\$8,923,272

Prepared by: Patrick Campbell, Chief Operations Officer

Approved:

Forwarded to Council:

Patrick Campbell (for Ed King)

Edward F. King
Director of Transit Services



Rod Gould
City Manager

Attachment A: Farebox Procurement Costs

Farebox Procurement 2012

Attachment A

	LECIP	FARE LOGISTICS	GFI
	<u>Cost</u>	<u>Cost</u>	<u>Cost</u>
*Fareboxes	\$3,065,017	\$1,796,410	\$2,559,180
Farebox Spares	\$140,468	\$132,000	\$171,000
Sub-Total	\$3,205,485	\$1,928,410	\$2,730,180
TVM	\$189,612	\$234,540	\$266,100
Central System Computer	\$382,385	\$479,210	\$110,500
Garage Computer	\$90,770	\$21,400	
Vault with Probe	\$288,270	\$90,750	\$48,000
Project Implementation	\$235,359	\$505,627	\$94,200
System Intergration	\$1,314,240		
Engineering	\$200,000	\$478,155	
Installation	\$123,726	\$50,797	
Training	\$29,849	\$50,000	
Spare parts	\$531,090		\$249,120
Sub-Total	\$2,854,211	\$1,910,479	\$518,800
Total Project Cost	\$6,059,696	\$3,838,889	\$3,248,980