

SOUND TRANSIT

MOTION NO. M98-92

**Fare Vending Equipment
BACKGROUND AND COMMENTS**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	12/17/98	Recommend Board Approval	Betty Laurs, Program Manager, Product Development	206-689-7440

ACTION:

Sound Transit Board approval of Motion No. M98-92, authorizing the Executive Director to award an initial contract to Scheidt & Bachmann U.S.A. Inc. for automatic fare vending equipment for the Sounder service in an amount not to exceed \$8,800,000.

BACKGROUND INFORMATION:

Sounder Commuter Rail Service will begin operation in December 1999 using a barrier-free, proof-of-payment type fare system. This system requires that passengers have a valid pass or ticket with them at all times during their trip, subject to verification by the conductor. These passes and tickets will be vended from fare machines located at the stations.

Consultant services were procured earlier this year to develop the technical specifications for the machines through a competitive proposal process. The firm of Booz-Allen & Hamilton, Inc. was selected to perform that work.

On June 11, 1998, Sound Transit advertised a Request for Proposal for Fare Collection Equipment in Seattle's Daily Journal of Commerce and in Commerce Business Daily, a national publication. Approximately 16 advance notices were sent out prior to the advertisement to firms known to perform this type of work.

A pre-proposal conference was held on June 24, 1998. At the time of the pre-proposal conference, six firms had requested and received the documents at \$100/set. All six firms were represented at that conference, as well as one subcontractor who was not on the planholders list. Subsequently, four more firms requested and received the documents.

The original due date for proposals was July 14, 1998. Upon request from the proposers and with assurances from proposers that the Revenue Operating Date would not change, the due date was extended through August 31, 1998.

Two proposals were received on August 31, 1998, one from Scheidt & Backmann U.S.A., Inc. and one from a joint venture among Motorola, AES ProData and Schlumberger with Motorola

serving as the prime contractor. Following evaluation of the proposals, both proposers were determined to be in the competitive range and two days of meetings were held with each of the proposers to clarify the scope of work, the schedule and the terms and conditions of the contract. Best and Final Offers were then solicited from both firms. The Best and Final Offers were received for evaluation on November 3, 1998.

The Evaluation Committee included representatives from the commuter rail, light rail and regional express departments, contracts division, and Pierce County transit with technical assistance from the consulting firms of Booz-Allen & Hamilton and LTK Engineering. The evaluations to determine the "competitive range" used the criteria listed in the Request for Proposals:

TECHNICAL PROPOSAL EVALUATION weight = 40 points
 System Design
 Services Provided
 Service Proven Modules and Assemblies
 System Integration
 Reliability, Servicing and Maintainability

QUALIFICATIONS EVALUATION weight = 20 points
 Previous Experience
 Project Management
 Commitment and Quality of Resources
 Project References

PRICE PROPOSAL EVALUATION weight = 40 points
 Price scores were based on the Total Contract
 Price, as presented and calculated as follows:

$$\text{Proposer's Price Score} = \text{Maximum Points} \times \frac{\text{Lowest Total}}{\text{Proposer's Total Price}}$$

Scoring: Scoring of Technical and Price Proposals were combined by adding the Technical, Qualification and Price Scores to determine which Proposal was the most competitive.

Proposal Evaluation Summary:

Proposer	Tech Score	Price Score	Qual Score		Total Score
			Tech	References	
Motorola	21.81	36.58	7.71	2.85	68.94
Scheidt & Bachmann USA	24.01	40.00	8.15	3.00	75.16

The Evaluation Committee determined that Schedit and Bachmann U.S.A. Inc. was the most competitive proposer according to the stated evaluation criteria.

The initial contract award is for 34 automatic fare vending machines and 3 ticket office machines for commuter rail and 6 machines for Link's Tacoma service. The contract also includes both maintenance and a financial data clearinghouse function. The base price of the machines is \$5,367,416 which is a capital cost and a maintenance contract for \$2,059,816 and a financial data clearinghouse contract for \$488,311. The last two contracts, which will be operating expenses, are performed by subcontractors: SPS Payment Systems, Inc. will perform the data clearinghouse work and Tangent Electric, Inc., a local DBE firm, will provide the electrical, installation and maintenance through the warranty period.

The proposal includes options to provide additional equipment for Link light rail in the amount of \$9,149,969 for a total contract price of \$17,065,517. At this time, however, staff is recommending only the initial contract award for Sounder service and Link's Tacoma service for an amount not to exceed \$8,800,000. The Finance Committee would be asked to authorize the Executive Director to exercise the additional options for Link if the performance of Scheidt and Bachmann USA and the quality of the equipment provided warrants that action.

Staff recommends an initial contract award to Scheidt and Bachmann USA, Inc. for automatic fare vending equipment for Sounder service in the amount not to exceed \$8,800,000. The base price of \$5,367,416 is included in the construction costs for the stations and the maintenance and financial data clearinghouse subcontracts for \$2,548,127 will be reflected in the operating budget. The contract price includes a 10% contingency.

RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:

- *Sound Move, The-Year Regional Transit System Plan* (calls up for start-up of commuter rail service by year-end 1999)
- Approval to secure the services of Booz-Allen & Hamilton, Inc. to develop specifications for automatic fare vending machines
- Approval to release the Request for Proposals for Fare Collection Equipment (June 1998)

KEY FEATURES:

- Machines will have ability to dispense monthly passes and single ride tickets
- Machines are ADA accessible and can be voice activated
- Machines will dispense passes and tickets that will be compatible with the other transit operators in the region
- Machines have the capability of being upgraded to the region's chosen Smart card technology

ALTERNATIVES:

There are very few practical alternatives to the purchase and installation of automatic fare vending equipment for Sound Transit Service. One alternative would be to pre-sell tickets and passes through other transit operators' customer service programs; another would be to have each station staffed with ticket booths; and yet another alternative would be to sell passes and tickets only in a pass by mail program. None of the alternatives are recommended from a passenger convenience perspective nor as being a cost effective solution.

CONSEQUENCES OF DELAY:

The consequences of delay in purchasing the fare machines would mean starting service without fare vending machines in place. The lack of fare machines would necessitate developing and implementing another mechanism to collect fares and dispense passes and tickets.

SOUND TRANSIT

MOTION NO. M98-92

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to award a contract between Sound Transit and Scheidt & Bachmann U.S.A. for the automatic fare vending equipment for the *Sounder* service in an amount not to exceed \$8,800,000, with options to provide additional equipment for Link light rail service. The contract price includes a 10% contingency.

Background:

The Evaluation Committee determined that Scheidt and Bachmann U.S.A. Inc. was the most competitive proposer according to the stated evaluation criteria.

The initial contract award is for 34 automatic fare vending machines and 3 ticket office machines for commuter rail and 6 machines for Link's Tacoma service. It also includes both maintenance and a financial data clearinghouse function. The base price of the machines is \$5,367,416 which is a capital cost and a maintenance contract for \$2,059,816 and a financial data clearinghouse contract for \$488,311. The last two contracts, which will be operating expenses, are performed by subcontractors: SPS Payment Systems, Inc. will perform the data clearinghouse work and Tangent Electric, Inc., a local DBE firm, will provide the electrical, installation and maintenance through the warranty period.

The proposal includes options to provide additional equipment for Link light rail in the amount of \$9,149,969 for a total contract price of \$17,065,517. At this time, however, the initial contract award is for an amount not to exceed \$8,800,000 for Sounder service and Link's Tacoma service. Exercise of the additional options for Link will be based upon the performance of Scheidt and Bachmann USA, Inc. and the equipment provided and will return to the Finance Committee for award at a future date compatible with Link's scheduled implementation.

Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that a contract be awarded to Scheidt & Bachman U.S.A. in amount not to exceed \$8,800,000 for the purpose of automatic fare vending equipment for the Sounder service, with options to provide additional equipment for Link light rail service. The base price of \$5,367,416 is included in the construction costs for the stations and the maintenance and financial data clearinghouse subcontracts for \$2,548,127 will be reflected in the operating budget. The contract price includes a 10% contingency.

Approved by the Executive Committee on January 15, 1999 and ratified by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the 28th day of January 1999.

ATTEST:

Marcia Walker
Marcia Walker
Board Administrator

Paul E. Miller
Paul E. Miller
Board Chair