

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2006-26**

**Link Light Rail Fare Collection Equipment**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	3/16/06	Discussion/Possible Action to Recommend	Ahmad Fazel, Link Director	(206) 398-5387
Board	3/23/06	Board Approval Discussion/Possible Action	<b>Steve Procter, Link Systems Engineering Manager</b> Don Fowler, Senior Systems Engineer	(206) 370-5509 (206) 398-5125

<b>Contract/Agreement Type:</b>	<input checked="" type="checkbox"/>	<b>Requested Action:</b>	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	<input type="checkbox"/>
Sole Source	<input type="checkbox"/>	Amend Existing Contract/Agreement	<input checked="" type="checkbox"/>
Agreement with Other Jurisdiction(s)	<input type="checkbox"/>	Budget Amendment	<input type="checkbox"/>
Real Estate	<input type="checkbox"/>	Property Acquisition	<input type="checkbox"/>

**PROJECT NAME**

Central Link Light Rail Initial Segment and Airport Link

**PROPOSED ACTION**

Authorizes the Chief Executive Officer to execute a contract amendment with Scheidt and Bachmann USA, Inc. to implement Phase II of the fare vending and validation equipment contract to deliver, install and test fare collection equipment for the Central Link Light Rail Initial Segment and Airport Link in the amount of \$4,550,211, with a contingency of \$315,000, for a new total authorized contract amount not to exceed \$13,665,211.

**KEY FEATURES of PROPOSED ACTION**

- This proposed amendment would authorize the contractor to deliver, install, test and place into service Ticket Vending Machines (TVMs) in Central Link Light Rail Initial Segment and Airport Link light rail stations for the purpose of selling tickets and Smart Cards to Sound Transit customers. Additionally, the contractor would deliver spare parts, special tools, diagnostic test equipment training and service manuals to support the maintenance and repair of the TVMs.
- The TVMs would be ADA compliant and have the ability to accept credit and debit cards, to issue paper tickets, receipts, monthly passes, Smart Cards and added products to Smart Cards.
- Scheidt & Bachmann USA, Inc. initially provided the fare collection equipment for Sounder Commuter Rail under this contract. Significant contract cost savings can be realized by utilizing the "Phase II" Notice to Proceed (NTP) provisions in the contract to procure TVMs for Link light rail stations.

## **BUDGET IMPACT SUMMARY**

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

## **BUDGET and FINANCIAL PLAN DISCUSSION**

The proposed action would authorize execution of a contract amendment with Scheidt and Bachmann USA, Inc. in the amount of \$4,865,211 to implement "Phase II" of the contract to deliver, install and test fare collection equipment for the Initial Segment and Airport Link LLR stations. The amendment would authorize the expenditure of \$4,525,060 (\$4,232,080 contract amount plus a 7% contingency of \$292,980) for the Initial Segment plus \$340,151 (\$318,131 contract amount plus a 7% contingency of \$22,020) for Airport Link, for a new total authorized expenditure amount not to exceed \$13,665,211.

The total adopted capital budget for the Initial Segment is \$2.07 billion, which includes \$6,729,000 for Fare Collection (C809) within the construction phase. Approval of this action would result in a remaining balance of \$2,203,940 for this budget line item.

The total adopted capital budget for the Airport Link is \$243.6 million. Within this amount, \$36.68 million has been set aside for negotiated procurements within the construction phase for fare collection and other system wide procurement contracts. Should the proposed action be approved, a balance of \$36.34 million would remain for these procurements.

The proposed action is consistent with the current board-adopted budget, and is affordable given the agency's current long-term financial plan and sub area financial capacity. The action will have no new revenue impact on Sound Transit.

## BUDGET TABLE

**Action Item:** Scheidt and Bachmann USA, Inc. (Deliver, install and test fare collection equipment for the Link Initial Segment and Airport Link stations, and provide ticket vending for the Link Light Rail system)

(Year of Expenditure \$000)

<b>Initial Segment</b>		Adopted 2006 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1	Agency Administration	216,780	114,238		114,238	102,542
2	Preliminary Engineering	34,000	33,357		33,357	643
3	Final Design	145,523	140,754		140,754	4,769
4	Right of Way	223,516	190,459		190,459	33,057
5	Construction	1,170,439	1,045,004	4,525	1,049,529	120,910
6	Construction Services	86,875	84,093		84,093	2,782
7	Third Party Agreements	59,560	56,769		56,769	2,791
8	Vehicles	133,307	131,799		131,799	1,508
9	<b>Total Current Budget</b>	<b>2,070,000</b>	<b>1,796,473</b>	<b>4,525</b>	<b>1,800,998</b>	<b>269,002</b>
<b>Construction Phase Detail</b>						
10	Fare Collection C809	6,729	-	4,525	4,525	2,204
11	Other Systemwide	117,012	105,901		105,901	11,111
12	Other Construction	1,046,698	939,104		939,104	107,594
13	<b>Total Phase</b>	<b>1,170,439</b>	<b>1,045,004</b>	<b>4,525</b>	<b>1,049,529</b>	<b>120,910</b>
<b>Airport Link</b>						
		Adopted 2006 Budget (F)	Committed To Date (G)	This Action (H)	Total Committed & Action (I)	Uncommitted (Shortfall) (J)
14	Agency Administration	5,000	1,997		1,997	3,003
15	Preliminary Engineering	6,095	6,268		6,268	(173)
16	Final Design	15,405	9,602		9,602	5,802
17	Right of Way	23,000	3,005		3,005	19,995
18	Construction	158,000	459	340	799	157,201
19	Construction Services	10,500	2		2	10,498
20	Third Party Agreements	2,600	1,367		1,367	1,233
21	Vehicles	17,000	14,587		14,587	2,413
22	Contingency	6,000	-		-	6,000
23	<b>Total Current Budget</b>	<b>243,600</b>	<b>37,287</b>	<b>340</b>	<b>37,627</b>	<b>205,973</b>
<b>Construction Phase Detail</b>						
24	Negotiated Procurements	36,680	-	340	340	36,340
25	Other Construction	121,320	459		459	120,861
27	<b>Total Phase</b>	<b>158,000</b>	<b>459</b>	<b>340</b>	<b>799</b>	<b>157,201</b>
<b>Contract Amount</b>						
		Board Approvals to Date (K)	Current Approved Contract Value (L)	Proposed Action (M)	Proposed Total for Board Approval (N)	Proposed Contract Value (O)
31	Contract Amount - Initial Segment			4,232	4,232	4,232
32	Contract Amount - Airport Link			318	318	318
33	Contract Amount - NON Link	8,000	7,909	-	8,000	7,909
34	Contract Amount - Total	8,000	7,909	4,550	12,550	12,459
35	Contingency - Initial Segment			293	293	293
36	Contingency - Airport Link			22	22	22
37	Contract Amount - NON Link	800	891	-	800	891
38	Contingency - Total	800	891	315	1,115	1,206
39	<b>Total</b>	<b>8,800</b>	<b>8,800</b>	<b>4,865</b>	<b>13,665</b>	<b>13,665</b>
40	Percent Contingency	10%	11%	7%	9%	10%

## M/W/DBE – SMALL BUSINESS PARTICIPATION

### Prime Consultant/Contractor

On the original Phase I portion of this contract, Scheidt & Bachman involved M/W/DBE and other small businesses on 5.7% of the contract, amounting to \$256,227. The subcontracted tasks included installation of the TVM's, freight forwarding services, sheet metal manufacturing, and supply of the electronic components and sub assembly.

For Phase II, Scheidt & Bachman has committed to utilize M/W/DBE and other small businesses for 5.22% amounting to \$237,511 of this portion of the contract. The firms will perform the tasks of installation of the TVM's, freight forwarding services, and sheet metal manufacturing.

Utilization Breakdown Table

<b>Subconsultant</b>	<b>Business Type</b>	<b>% of Work</b>	<b>Dollar Value</b>
S H J Electric Co.	WBE	1.37%	\$62,408
Davis Freight Management	Woman-Owned Small Business	0.41%	\$18,456
MJM Manufacturing	Minority-Owned Small Business	3.44%	\$156,647
<b>Total</b>		<b>5.22%</b>	<b>\$237,511</b>

EEO Commitment

Scheidt & Bachmann USA, Inc. employs 37% people of color and 14% women.

Apprentice Utilization Commitment

Not applicable to this action.

**PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

In 1998, Scheidt & Bachmann USA, Inc. was the successful bidder to provide the fare vending and validation equipment for both Sounder commuter rail and Link light rail. The Fare Vending and Validation Equipment contract RTA/CR 20-98 provided for a separate Notice to Proceed to procure fare collection equipment for Link light rail stations based on anticipated Link light rail revenue service dates.

Significant contract cost savings can be realized by utilizing this existing contract to procure the Link light rail TVMs from Scheidt & Bachmann USA, Inc. Overall operating costs would be reduced because Link and Sounder would share a common TVM, spare parts inventory, special tools and diagnostic test equipment suite. The Link light rail procurement and design review costs would be reduced because of the product availability and reduced engineering costs. Scheidt & Bachmann USA, Inc. has agreed to waive the contract's Economic Price Adjustment clause.

Reporting capabilities would be greatly improved by having Link light rail and Sounder commuter rail share one common Central Data Collection System (CDCS). Link light rail would benefit from the reduced CDCS upgrade costs of the existing Sounder commuter rail CDCS. A separate CDCS system of equipment for Link light rail would no longer be required. Operating capabilities would be greatly improved because common technical and financial reports could be generated without purchasing additional equipment and technology to integrate the data. Customers would benefit from standardized customer interface and appearance.

The Link light rail equipment can be installed and tested in approximately nine to twelve months from Notice to Proceed (NTP). This process typically takes 18 to 24 months. The cost for installation, implementation, integration and testing for Link would be significantly reduced because a known, proven product would be installed.

Environmental Review under the State Environmental Policy Act (SEPA) and National Environmental Policy Act (NEPA) for the Initial Segment and Airport Link has been completed.

Ticket Vending Machine Operational Roadmap:

2006

- ❖ Relocate the Central Data Collection System (CDCS) into Sound Transit (ST) facilities and upgrade to the latest operating system with the capability to support Smart Card technology. The Back Office duties will become the responsibility of the ST Information Technology division.
- ❖ Renegotiate the current Fare Vending Maintenance contract with Scheidt & Bachmann USA, Inc. Significant savings will be realized by relocating the CDCS to ST's facilities and assuming the Back Office duties. Further savings will be realized by the closure of the S&B SeaTac maintenance facility and relocating it into ST's facility and ST providing storage space for all spare parts, special tools and diagnostic test equipment.

2006

- ❖ Evaluate the feasibility of transferring the TVM field and shop maintenance duties from S&B to ST or remain with an outside source. The timing of the transfer would be phased in to be fully functional when Link light rail revenue service begins. When Link light rail revenue service begins, the TVM maintenance coverage will increase significantly to support the service hours. Savings and benefits could be realized because ST personnel will be in a position to perform field maintenance, shop maintenance and certain revenue duties.

2007

- ❖ Upgrade Sounder TVMs to the latest operating system with the capability to support Smart Card technology. The upgraded Sounder TVMs would then be the same TVMs being procured for Link light rail. Link light rail and Sounder Commuter Rail will now share a common TVM, spare parts inventory and special tools and diagnostic test equipment suite. Issues and/or problems can be more easily addressed and solved because the Agency's Light Rail and Commuter Rail lines will share a common technical support team. By using a single product and single customer interface/appearance, customers will benefit.

**Prior Board/Committee Actions on this Project and Relevant Board Policies**

Motion or Resolution Number	Summary of Action	Date of Action
M98-92	Authorized the Executive Director to award a contract between Sound Transit and Scheidt & Bachmann U.S.A. for the automatic fare vending equipment for the <i>Sounder</i> service in an amount not to exceed \$8,800,000, with options to provide additional equipment for LLR service. The contract price includes a 10% contingency.	12/17/98

**CONSEQUENCES of DELAY**

A delay beyond June 2006 in executing the contract amendment could impact the agency's ability to sell fare media at Link light rail revenue service start-up in 2009.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**ENVIRONMENTAL COMPLIANCE**

JDI 2/8/06

**LEGAL REVIEW**

JW 2/8/06

## **SOUND TRANSIT**

### **MOTION NO. M2006-26**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract amendment with Scheidt and Bachmann USA, Inc. to implement Phase II of the fare vending and validation equipment contract to deliver, install and test fare collection equipment for the Central Link Light Rail Initial Segment and Airport Link in the amount of \$4,550,211, with a contingency of \$315,000, for a new total authorized contract amount not to exceed \$13,665,211.

#### **Background:**

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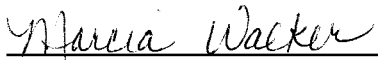
**Motion:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract amendment with Scheidt and Bachmann USA, Inc. to implement Phase II of the fare vending and validation equipment contract to deliver, install and test fare collection equipment for the Central Link Light Rail Initial Segment and Airport Link in the amount of \$4,550,211, with a contingency of \$315,000, for a new total authorized contract amount not to exceed \$13,665,211.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 23, 2006.

  
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Connie Marshall  
Board Vice Chair

ATTEST:

  
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Marcia Walker  
Board Administrator