

RESOLUTION NO. R2014-05

**Budget Amendment for the Ticket Vending Machine Project**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	04/10/2014	Recommend to Board	Brian McCartan, Executive Director of Finance and Information Technology
Board	04/28/2014	Final Action	<b>Chris Ampongan, Manager, Information Technology-Project Management Office</b>

PROPOSED ACTION

Amends the Adopted 2014 Lifetime Budget for the Ticket Vending Machine project from \$9,218,384 to \$12,678,584 and (2) amends the Adopted 2014 Annual Budget for the project from \$545,000 to \$1,005,000 to provide funding to purchase ticket vending machine equipment and services.

KEY FEATURES SUMMARY

- This action provides funding for the purchase of 20 ticket vending machines (TVMs) for regional partners and future needs, and replacements; hardware and software associated upgrades to replace system-wide TVM software no longer supported; and anticipated task order work to improve functionality, provide better customer integration and to support the development of new initiatives as required. Eight TVMs will be purchased for regional partners in 2014 and the remaining 12 TVMs will be purchased for Sound Transit needs in future years.
- The TVMs will be procured as part of a larger purchase of 44 TVMs in Motion No. M2014-24 to meet Sound Transit and regional partner needs for expansion of the system when Link expands in 2016. Motion No. M2014-24 would also execute a five year sole-source contract with the TVM manufacturer, Scheidt & Bachmann USA, Inc., for hardware and software maintenance services, and software upgrades.
- A budget amendment is needed because Sound Transit is responsible for all procurement and maintenance of Scheidt & Bachmann TVMs through an agreement between the regional partners. Under the agreement, Sound Transit is reimbursed for any TVM purchases and maintenance made on behalf of the regional partners. In addition, the funding for hardware and software upgrades and future task orders was not anticipated when the 2014 budget was developed.

BACKGROUND

Sound Transit currently owns and maintains 96 TVMs provided by Scheidt & Bachmann USA, Inc. at existing stations and regional locations.

The budget amendment will provide funding for the purchase of 20 TVMs for regional partners and for replacement TVMs for Sound Transit's aging TVM system, as required. The full purchase of 44 TVMs under Motion No. M2014-24 anticipates Sound Transit needs for the University Link Extension and South 200<sup>th</sup> Link Extension in addition to near term Sound Transit and regional partner needs. There is sufficient budget existing for the TVM's related to University Link and the South 200<sup>th</sup> Link Extensions.

Sound Transit is not pursuing the purchase of TVMs for East Link or North Link at this time because of possible changes with fare collection technology in the future. New strategies will be evaluated and developed before any other long term commitment is made on Ticket Vending Machines.

A portion of the budget amendment will cover hardware and software associated upgrades to replace software no longer supported, and anticipated task order work to improve functionality, provide better customer integration and to support the development of new initiatives as required. The hardware and software upgrades will cover the 44 new TVMs and the entire ST and regional TVM network for 5 years. These services will be procured through the Scheidt & Bachmann contract being requested under Motion No. M2014-24.

**FISCAL INFORMATION**

This amendment to the Ticket Vending Machine project covers (1) the purchase of 20 ticket vending machines (eight in 2014) for regional partners, and for monies to be set aside for replacements for Sound Transit’s currently deployed TVMs; (2) hardware and software associated upgrades to replace system-wide TVM software no longer supported; (3) additional anticipated task order work to improve functionality, provide better customer integration and to support the development of new initiatives as required. The increase to the Ticket Vending Machine Project is a lifetime increase of \$3,460,200 and a 2014 annual expenditure increase of \$460,000.

The funding for this project will be out of existing subarea financial capacity. Purchases made for regional partners will be reimbursed in accordance with existing regional partner agreements.

**BUDGET AMENDMENT**

Ticket Vending Machines Phase	2014 Annual Budget			Lifetime Budget		
	Adopted 2014 Project Budget	Budget Transfer	Revised Project Budget	Adopted 2014 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 60	\$ -	\$ 60	\$ 784	\$ -	\$ 784
Preliminary Engineering	\$ -	\$ -	\$ -	\$ 150	\$ -	\$ 150
Final Design	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Right of Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 485	\$ 460	\$ 945	\$ 8,284	\$ 3,460	\$ 11,745
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 545</b>	<b>\$ 460</b>	<b>\$ 1,005</b>	<b>\$ 9,218</b>	<b>\$ 3,460</b>	<b>\$ 12,679</b>

Notes:  
 Amounts are expressed in Year of Expenditure \$000.  
 The Ticket Vending machine project budget is located on page 95 of 198 of the 2014 Transit Improvement Plan (TIP).

**SMALL BUSINESS/DBE PARTICIPATION, APPRENTICESHIP UTILIZATION, AND TITLE VI COMPLIANCE**

Not applicable to this action.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**TIME CONSTRAINTS**

A one month delay would affect Sound Transit’s ability to execute a sole-source contract with Scheidt & Bachmann being sought under Motion No. M2014-24. This would impact the purchase, manufacturing, delivery and installation cycle needed for the 22 TVMs that are being purchased for the University Link and South 200th Link Extensions. Sound Transit’s TVMs are unique to the

whole country and are custom built. This customization requires long lead times necessary to procure, manufacture, test and install TVMs. A one month delay will necessitate extreme compression of the schedule to meet the University Link Extension and the South 200th Link Extension opening.

#### PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2013-33: Adopted an annual budget for the period from January 1 through December 31, 2014.

#### ENVIRONMENTAL REVIEW

JI 4/7/2014

#### LEGAL REVIEW

BN 4-8-14

**RESOLUTION NO. R2014-05**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Adopted 2014 Lifetime Budget for the Ticket Vending Machine project from \$9,218,384 to \$12,678,584 and (2) amending the Adopted 2014 Annual Budget for the project from \$545,000 to \$1,005,000 to provide funding to purchase Ticket Vending Machine equipment and services.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under RCW Chapters 81.104 and 81.112 for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Central Puget Sound Regional Transit Authority district on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, by Resolution No. R2013-33, the Sound Transit Board adopted the 2014 Budget on December 19, 2013; and

WHEREAS, this action amends the annual and lifetime budget of the of the Ticket Vending Machine project to provide funding for the purchase of 20 Ticket Vending Machines (TVMs) for regional partners and future needs, and replacements; hardware and software associated upgrades to replace system-wide TVM software no longer supported; and anticipated task order work to improve functionality, provide better customer integration and to support the development of new initiatives as required; and

WHEREAS, through an agreement between the regional partners, Sound Transit is responsible for procurement and maintenance of all Scheidt & Bachmann TVMs, and will receive

reimbursement for any TVM purchases and maintenance made on behalf of the regional partners; and

WHEREAS, funding for the budget amendment will be out of existing subarea financial capacity, and purchases made for regional partners will be reimbursed by the transit partners in accordance with existing regional partner agreements; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to amend the Adopted 2014 Budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

1. The Adopted 2014 Lifetime Budget for the Ticket Vending Machine project is amended from \$9,218,384 to \$12,678,584; and
2. The Adopted 2014 Annual Budget for the project is amended from \$545,000 to \$1,005,000 to provide funding to purchase Ticket Vending Machine equipment and services.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on April 24, 2014.



Dow Constantine  
Board Chair

ATTEST:



Marcia Walker  
Board Administrator