

Date: _____ December 27, 2007

Committee Meeting Date: _____ N/A

Board Meeting Date: _____ January 3, 2008

BOARD MEMORANDUM

ACTION ITEM

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: Michael T. Burns
General Manager

FROM: Bill Lopez
Chief Administrative Officer

SUBJECT: Regional Measure 2 Funds for TransLink® Ticket Vending Machine
Integration

Policy-Related Action: Yes

Government Code Section 84308 Applies: No

RECOMMENDATION:

Request an allocation of \$6,882,201 from the Metropolitan Transportation Commission (MTC) for work to be performed for the TransLink® Ticket Vending Machine Integration project, as stated in the Initial Project Report (IPR).

BACKGROUND:

On March 2, 2004, Bay Area voters passed Regional Measure 2 (RM2), raising the toll on the seven state-owned toll bridges in the San Francisco Bay Area by \$1. This extra dollar is to fund various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004). Specifically, RM2 establishes the Regional Traffic Relief Plan and identifies specific transit operating assistance and capital projects and programs eligible to receive RM2 funding.

The MTC requested that the six operators participating in the TransLink® program submit requests for funding specifically related to integration.

On September 27, 2004, the TransLink® Management Group (TMG) authorized \$7,032,201 for VTA and Caltrain to integrate the Ventek Ticket Vending Machines (TVM) that each agency currently owns with TransLink® Add-Value Machine capabilities. This project will provide customers the ability to conveniently add value to their TransLink® cards for use on VTA and Caltrain vehicles. Since VTA and Caltrain both own and operate Ventek TVMs, they desire to jointly select a contractor. VTA is managing the overall project as specified in a cooperative agreement adopted by the VTA Board of Directors on November 3, 2005.

On November 3, 2005, the VTA Board of Directors authorized VTA to submit an Initial Project Report (IPR) which identifies \$7,032,201 million in RM2 funding for the TransLink® Ticket Vending Machine Integration project; authorized VTA to request an initial allocation of \$150,000 in RM2 funds for the TransLink® Ticket Vending Machine Integration project and a subsequent allocation of \$6,882,201 as indicated in the Resolution of Project Compliance; and authorized the General Manager to execute a grant agreement with MTC for Regional Measure 2 funds for the TransLink® Ticket Vending Machine Integration program. This allocation request for \$6,882,201, together with the previous allocation of \$150,000, brings the total funding request to \$7,032,201, as authorized by the TransLink Management Group.

Since receipt of the first allocation, VTA has engaged consulting services for the TVM Integration project to assist in preparation of the following documents:

1. Stakeholder requirements analysis
2. TVM hardware requirements
3. TVM Integration procurement approach
4. Draft Basis of Design, outlining the high level software requirements of the project

Staff estimates these documents will be completed in January 2008, completing the Preliminary Engineering Phase. Funds expended on this allocation as of December 1, 2007, total \$91,977.

DISCUSSION:

The next two project phases consist of Design and Construction. During the Design phase, the contractor selected will design and modify the TVM software to enable the TVMs to add value to TransLink® cards, as well as enable VTA machines to accept debit/credit cards. This phase will also include the design and technical documentation required for the hardware installation. The Construction phase will consist of purchasing and installing the required hardware components necessary to enable customers to add value to their TransLink® card at VTA and Caltrain stations, as well as installing the redesigned software.

Staff is requesting a second allocation for \$6,882,201 from MTC for the Design and Construction phases. In order to receive this allocation, MTC requires VTA Board approval of a second funding request, as well as submission of an updated Initial Project Report providing project progress.

VTA, as the sponsoring agency, must provide the following to MTC prior to the second allocation of the RM2 funds: 1) an Initial Project Report adopted by the VTA; and 2) evidence that the other fund sources contributing toward the project phase are committed. Upon receipt of VTA certification, the MTC will consider the allocation of RM2 funds.

Staff has updated the requisite Initial Project Report as required, outlining the Estimated Budget Plan and scope of work for the TVM Integration project.

ALTERNATIVES:

There are no practical alternatives to fund the implementation of the design, procurement, and installation of the TVM Integration project, since no VTA local funds are available. If the Initial Project Request is not submitted, VTA and Caltrain will forfeit \$6,882,201 in RM2 funds.

FISCAL IMPACT:

The TVM Integration project is included in the approved FY08 VTA Transit Capital Budget. Project expenditures will be reimbursed by MTC through a combination of RM2 and Congestion Mitigation and Air Quality (CMAQ) funds. VTA overhead and administrative support costs (which are not RM2 eligible), estimated at \$620,000, are included in VTA's FY08 Transit Capital Budget.

Prepared by: Kathy Rolland, Senior Management Analyst