



MAY 19, 2000

Los Angeles County
Metropolitan
Transportation
Authority

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TO: BOARD OF DIRECTORS

FROM: TERRY MATSUMOTO
EXECUTIVE OFFICER FINANCE AND TREASURER

SUBJECT: METRO RAIL SYSTEM TICKET VENDING MACHINES
CONTRACT NO. 6230

ISSUE

Pursuant to Public Utilities Code Section 130235 pertaining to expenditures for immediate remedial measures that have previously been appropriated by the Board, staff is hereby notifying the Board of the on-going negotiations and impending execution of a contract amendment with General Farebox, Inc. (GFI) under the authority of the Chief Executive Officer.

BACKGROUND

At the January 27, 2000 Board meeting, the Board approved Item No. 16 pertaining to the negotiation and execution of a change order extending the contract with GFI to replace and install equipment and provide on-going maintenance for the Metro Rail System Ticket Vending Machines. This approval was made subject to approval by the Federal Transit Administration (FTA) to extend the contract beyond the five year term limit. Staff has now determined that this contract should be funded using local funds so FTA approval is not required. This is consistent with past practice. Therefore staff is recommending that the contract extension be funded by local funds only. The FY 00 and FY 01 Budget will be revised to reflect this change.

The MTA's rail mode fare collection system installation began in 1988 and presently is comprised of approximately 215 TVMs on the Metro Blue, Red, and Green Lines. Segment 3 of the Red line will add an additional 16 TVM's to the system when the Red Line Extension to North Hollywood begins revenue service. A contract is necessary to cover the maintenance and repair of these machines in order to prevent machine failures, loss of fare revenue, and reduction in service level.

GFI provided and installed all the TVMs and has performed maintenance on the Metro Rail System since the beginning of revenue service. GFI is performing maintenance on a month to month basis under the terms and conditions of the existing contract.

NEXT STEPS

Staff will negotiate a new three-year maintenance contract with GFI. This contract will be effective until the Universal Fare System is in place. MTA anticipates the recommendation for award to go to the July 2000 board meeting.

Attachment:

Item No. 16 from the January 27, 2000 Board Meeting