



**OPERATIONS COMMITTEE
SEPTEMBER 21, 2006**

SUBJECT: UNIVERSAL FARE SYSTEM (UFS) FAREBOX (CASHBOX) PREVENTIVE MAINTENANCE PROGRAM

ACTION: AMEND THE FY07 BUDGET TO ADD 3 FULL-TIME EQUIVALENT POSITIONS

RECOMMENDATION

Amend the FY07 Revenue Collection Equipment Maintenance budget for cost center 5430 to add 3 full-time equivalent positions (FTEs) to support the Cashbox Preventive Maintenance Program (PMP) to be funded within the existing budget, effective immediately and to continue for the life cycle of the Universal Fare System (UFS).

BACKGROUND

The cashbox maintenance program is necessary to provide for the continued maintenance of Metro's GFI Genfare farebox units during the Universal Fare System (UFS) warranty and post-warranty period. Since 1992, Metro has retained the services of an outside firm to inspect, repair, and/or perform necessary maintenance on the cashbox subassembly of the legacy Farebox System installed in the fleet buses operated by Metro.

As a result of the agreement negotiated with the Amalgamated Transit Union, Executive staff made a decision to bring this work in-house and be provided by Revenue Equipment Maintenance personnel. Maintenance and repair of the UFS equipment is essential to maintain the efficiency of bus revenue collection by reducing the number and severity of jams and other equipment failures. The manufacturer-suggested PMP for this equipment requires that Metro inspect, repair and lubricate 5,948 cashboxes annually in order to maintain warranty coverage. This recommendation requires an increase of 3.0 FTE positions to the existing Fare Collection Equipment Maintenance personnel. Additionally, a minimum area of 200 square feet, workbenches, tools, and one additional vehicle will be necessary to support these additional personnel. The additional equipment required will be approximately \$25,000 and funded under existing operations budget.

FINANCIAL IMPACT

The cost for first year services is estimated to be \$200,000. Adequate funds are budgeted in the FY07 budget in Cost Center 5430, Revenue Collection Equipment Maintenance, project number 300011, account 50308, Service Contract Maintenance to cover these additional costs. The budgeted funds are for Contracted Services to perform the same work by an outside vendor. Future year costs for the additional FTE's are estimated to be \$275,000 per year and will be budgeted by the cost center manager in future years.

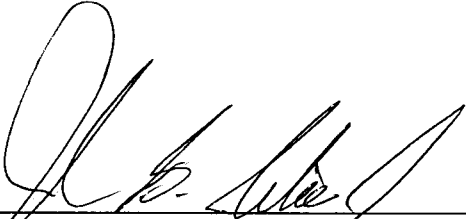
ALTERNATIVES CONSIDERED

One alternative to this recommendation is to contract out for the cashbox repair and maintenance services. This is not recommended. Another alternative would be to return the cashbox units to the manufacturer for repair. This would not be cost effective due to shipping and handling charges that exceed the per-unit cost under the current maintenance contract.

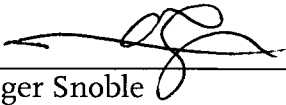
ATTACHMENTS

A. PMP Summary

Prepared by: Jesus Godinez, Asst. Equipment Maintenance Manager
Michael Stange, Superintendent of Quality Assurance



John B. Catoe, Jr.
Deputy Chief Executive Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PREVENTIVE MAINTENANCE PROGRAM
SUMMARY**

WORK PERFORMED IN-HOUSE

- 25 cashboxes are required to be maintained daily to meet goal of Farebox PMP of 500 per month
- Each cashbox takes 30 min for factory specified PMP = 12.5 hours daily workload
- Additionally, approximately 25 cashboxes need to be transported to each division (approx 2-3 each) daily or bi-weekly, based on the float of spares available = 18 hours travel time or 27 hours weekly
- Additional administrative support for record keeping, M3 update, ordering parts, etc. (15 min per unit) = 6.25 hours daily
- Bench space and work space requirements = minimum of 200 sq feet
- Additional vehicle required for transport and deliveries
- Additional sheet metal repair support could be absorbed through the RRC shops and may require an additional 300 - 500 hours of production work per year, an increase of budget \$50,000 to support cashbox repairs
- Total FTE hours required = 543 per month
- 3.0 Total FTE