



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Memorandum

TO: Operations Committee

DATE: March 6, 2009

FR: Executive Director

W.I.: 310-2700

RE: Contract Change Order: Revised TransLink[®] Card Order: Motorola, Inc.

Background

TransLink[®], the Bay Area's regional transit fare payment system, is currently operating on all AC Transit and Golden Gate Transit bus and ferry routes, and is in a soft launch phase with patrons and employees of the San Francisco Municipal Transportation Authority (SFMTA) and Caltrain. TransLink[®] is scheduled to reach Revenue Ready on BART in the next few months.

Description of Card Order Recommendation

MTC has placed a series of smart card orders to ensure that the program has sufficient card inventory to meet customer demand. In 2008, MTC placed Card Order No. 3 for 450,000 TransLink[®] cards, which will be delivered in September 2009. Ordering TransLink[®] cards has a relatively long lead time for card delivery, because the TransLink[®] card is a unique design. To date, the TransLink[®] program has distributed about 110,000 cards.

Based on the updated project schedule and current card usage, as well as anticipated spikes in card demand once SFMTA and BART fully launch TransLink[®], staff recommends that Card Order No. 3 be increased by 200,000 cards. Increasing this card order allows the program to achieve card inventory levels by September 2009 that are sufficient to meet projected demand through March 2011 while also maintaining a minimum inventory to address any unexpected spikes in demand.

The cost for the additional 200,000 cards is approximately \$1,100,000 including sales tax. Funding for this expense is available in the TransLink[®] Capital Budget. The original TransLink[®] Capital Budget included funding for 1.3 million cards. The increase in Card Order No. 3 would bring the total number of cards purchased to about 1.1 million.

MTC will bring the card order proposal to the TransLink[®] Management Group for its approval on March 23, 2009.

MTC staff is considering future card technology options that will lower the cost per card, shorten the lead time for procuring additional cards and better align the TransLink[®] program with evolving industry standards. The next card purchase will be based on the most advantageous option moving forward.

Recommendation

Staff recommends that the Operations Committee authorize the Executive Director or his designee to negotiate and enter into Change Order No. 93, Amendment No. 4, with Motorola, Inc. in an amount not to exceed \$1,100,000 to increase Card Order No. 3 by 200,000 cards.

Steve Heminger

SH: JA

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Change Order Amendment

Work Item No.: 310-2700

Consultant: Motorola, Inc.
Schaumburg, Illinois

Work Project Title: TransLink[®] Card Order Procurement

Purpose of Project: Increase TransLink[®] Card Order No. 3 to by 200,000 cards

Brief Scope of Work: The TransLink[®] Contractor will order 200,000 additional TransLink[®] cards, bringing the total cards purchased under Card Order No. 3 to 650,000 cards

Project Cost Not to Exceed: \$1,100,000 this amendment

Funding Sources: CMAQ and STA

Fiscal Impact: Funding to come from previously programmed funds for TransLink[®].

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into Change Order No. 93, Amendment No. 4, with Motorola for the services described above and the Chief Financial Officer is authorized to set aside funds up to \$1,100,000 for such Change Order Amendment.

Operations Committee:

Sue Lempert, Chair

Approved: Date: March 13 , 2009