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City of Alexandria, Virginia

MEMORANDUM

DATE: JANUARY 22, 2014

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER /s/

DOCKET TITLE:
Consideration of Authorization for City Manager to Sign a Memorandum of Agreement with NVTC to Support the Washington Metropolitan Area Transit Authority's New Electronic Payments Program.

ISSUE: Consideration of a memorandum of agreement (MOA) with the Northern Virginia Transportation Commission (NVTC) for coordination of technical analysis, testing, funding, and administration for Washington Metropolitan Area Transit Authority's (WMATA) New Electronic Payments Program (NEPP).

RECOMMENDATION: That City Council authorizes the City Manager to sign the MOA with NVTC for coordination of technical analysis, testing, funding, and administration for WMATA's NEPP system.

BACKGROUND: WMATA is seeking to modernize and eventually replace the existing SmarTrip fare collection system. By December 2020, the NEPP system is expected to be completely in place on all modes in WMATA's system. NEPP uses non-proprietary technology and is based on a centralized data system. The implementation of NEPP will allow riders to pay transit fares using smartphones with near-field communication capability, as well as chip-enabled contactless cards, such as debit, credit, and federal government ID cards. WMATA is expected to begin a pilot program by the summer of 2014 on the NEPP system. The pilot program will feature the installation of NEPP equipment in 10 Metrorail stations, aboard 50 branded-route Metrobuses, and in two parking lots. Two thousand Metro riders will be selected to participate in the pilot program to test the performance and reliability of the new system.

Participating transit agencies and jurisdictions in Northern Virginia, the District of Columbia, and Maryland are being asked to jointly design and test the NEPP system with the eventual goal of achieving a uniform regional approach to fare collection. Each participating agency and jurisdiction will be allowed to customize and implement the NEPP system to suit their needs. NEPP will ultimately be employed along the Crystal City Potomac Yard Transitway and throughout the DASH system. The City and DASH will work together to develop a timeline for implementation and identify potential funding sources for what is estimated to be a $0.5

million to $1.0 million up front capital cost. Operating costs are to be determined.
The following goals for the NEPP system have been identified by NVTC and participating jurisdictions and agencies:

- Maximize passenger convenience in purchasing and using fare media;
- Continue to maximize transit integration by allowing passengers to travel seamlessly between and among different transit service providers and transportation modes;
- Support broad access to transit through NEPP system policies and programs;
- Ensure commonality of passenger fare collection practices leveraging existing, accessible technology and the ability for customers to still use cash on board buses if desired; and
- Maintain local decision making authority and coordinate policies and procedures regionally to support continued seamless operation of the NEPP system.

DISCUSSION: To achieve the program goals identified by NVTC and participating jurisdictions and agencies, a coordinated approach to the regional administration of NEPP is critical. NVTC, working with WMATA, VRE, and PRTC, has taken the lead for Northern Virginia on the coordination of the NEPP system development, testing, and implementation. NVTC played a similar role during the implementation of WMATA's SmarTrip system, and their leadership proved invaluable in the successful roll out of SmarTrip throughout Northern Virginia.

NVTC will provide support in the following areas: fare policy coordination, fare technology, and operating/administrative procedures. There may also be procedural issues that will require a coordinated response, which can best be addressed by a standing committee of jurisdictional and agency partners. The MOA sets forth the principles that will be used in establishing a centralized administrative/coordinating function and principles for jurisdiction or agency participation. After establishing MOAs with participating jurisdictions and agencies, NVTC will issue an RFP for technical services.

FISCAL IMPACT: In December 2013, NVTC applied for and was awarded a FY2014 mid-cycle grant for $200,000 from the Virginia Department of Rail and Public Transportation to provide technical analysis, testing, funding, and administration for the roll out of the NEPP system. The mid-cycle grant requires a combined $100,000 match from NVTC's participating jurisdictions and agencies. The City's share of the FY2014 match is $11,062.03. NVTC plans to apply for additional grant funding which would increase the City's match share in FY2015. For FY2015, the City's expected match will be $22,124.06. Both the FY2014 and FY2015 expenses can be paid for from the NVTC Trust Fund and will have no impact on the City's General Fund.

The City will seek non-General Fund sources to pay for the $0.5 million to $1.0 million capital costs of acquiring this new electronic fare technology.

ATTACHMENTS:
Attachment 1 - Memorandum of Agreement Regarding Coordination of Technical Analysis, Testing, Funding, and Administration for New Electronic Payments Program System (NEPP)

STAFF:
Mark B. Jinks, Deputy City Manager, CMO
Nelsie Smith, Director, OMB
Richard J. Baier, P.E., LEED AP, Director, T&ES
Sandra Marks, Acting Deputy Director, T&ES
Marti Reinfeld, Transit Division Chief, T&ES
Antonio Baxter, Strategic Management Services Division Chief, T&ES
Christopher Bever, Budget Analyst, OMB
Morgan Routt, Assistant Director, OMB
Pierre Holloman, Transit Planner, T&ES