



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

51

**OPERATIONS COMMITTEE
JULY 16, 2009**

SUBJECT: TRANSIT ACCESS PASS (TAP) & RAIL FARE GATE STATUS

ACTION: RECEIVE AND FILE

RECOMMENDATION:

Receive and file report on the Transit Access Pass (TAP) and Rail Fare Gate Status and Responses to motion by Directors Najarian-Katz-Yaroslavsky-Dubois-Fasana (March 26, 2009).

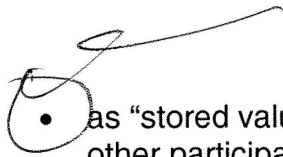
ISSUE

TAP staff was directed to provide a monthly status update of project milestones and deployment activities on the Transit Access Pass (TAP[®]) regional smart card and Metro Rail Fare Gate project. In addition, this report responds to the Board motion referenced above.

DISCUSSION

The following responds to Directors Najarian-Katz-Yaroslavsky-Dubois-Fasana motion:

- 1. CEO to provide technical assistance – including Metro consultant services – to interested municipal operators to determine if lower cost TAP card validators might integrate with their respective fare box systems**
- Metro staff has continued its meetings with Municipal Operators (“Munis”) and Local Transit Service Systems (LTSS) operators over the last several months regarding their interest in procurement of TAP compatible equipment, including lower cost validators. The most recent meetings include the following:
 - Metro staff and consultants have been meeting regularly with Pasadena transit staff to discuss the purchase of the “stand beside” driver control unit and light validator (DCU/LV). A pricing from the contractor has been completed. In meetings with their staff, discussions on their fare structures, fare products and tariff rules have progressed to include TAP features such



- as “stored value” so that Pasadena riders can use a single card when riding other participating TAP agencies.
 - Glendale staff also met with our consultants and staff. A pricing proposal has been provided for their consideration. We will continue to meet to develop a technical specification to accommodate their fare structures and tariff rules. This will also include TAP features such as “stored value” so that Glendale customers can use it when riding other participating TAP agencies.
 - LADOT staff has met regularly with MTA staff and consultants and a demonstration of the DCU/LV was provided to LADOT. A change notice for additional equipment has been submitted to the contractor and LADOT is on schedule for installation in January 2010.
 - Municipal Operator General Managers met with MTA staff in June at a specially called meeting to continue dialogue relating to options for additional alternatives for TAP devices. Regular GM meeting updates and additional monthly meetings will help define solutions and next steps, using consultant resources approved for the development of appropriate specification and schedule. Staff will continue to update the Board through the monthly TAP update process.
- 2. *CEO to work with the Municipal Operators to reach consensus with regional partners, including Metrolink, on the integration of the EZ transit pass into the tap system:***
- EZ Transit Pass can be incorporated into the TAP system. As discussed above, options are being discussed with Muni General Managers and with MTA’s EZ Transit Pass program director who will assist with regional EZ coordination. Monthly updates and meetings through the Muni GMs agenda process will identify next steps to incorporate EZ Transit pass transition with participation and input from all regional stakeholders. The first of such meetings occurred in June. The next meeting is scheduled on July 1. These first meetings are intended to provide a framework to address all regional participants’ issues and concerns. These will be provided on a regular basis to the Board through the monthly TAP update process.
 - Regular monthly meetings with Metrolink have been ongoing for over one year. Staffs of both organizations have developed a strategy to enable Metrolink riders access to Metro Rail and bus systems using the TAP card. This concept was presented and approved by the Metrolink Board. At its April meeting, the Metrolink Board proposed that MTA cover the costs of transfers as part of their proposed fare restructuring changes. The payment of Metrolink transfers was subsequently presented and approved by the MTA Board. Metrolink and Metro TAP staffs continue to meet regularly to ensure that transfers are available on the TAP card in accordance to the policy direction of both Boards.

- In addition, meetings have been on-going with Access Services, Inc. (ASI) and CityRide so that their subscribers will carry TAP bearing identification cards for use when riding fixed route service. Through regular meetings with their respective organizations, staff and consultants support how the TAP card design and card management process will be handled. Regular status through the monthly TAP update process will continue as staffs work towards an October-November 2009 implementation schedule.

3. Report back to the Metro Board with recommendations on how to proceed, a status report on which municipal operators are participating in the TAP program and any remaining issues:

- The following Municipal Operators have executed contracts with Cubic Transportation Systems, Inc., and have installed TAP compatible fare boxes or have been working on an installation schedule as noted below:
 - Culver CityBus: Installation completed February 2008. TAP stored value accepted by Metro and other participating TAP Munis.
 - Foothill Transit: Installation completed May 2009. TAP Monthly 31 day rolling pass, TAP stored value, and TAP Interagency transfers in revenue service. Metro and participating TAP Munis accept Foothill stored value and TAP Interagency Transfers.
 - Gardena: Installation completed June 2009. Operating in cash revenue service.
 - Long Beach Transit: TAP enabled fare box installed in 2006. Currently operating on an independent magnetic system until regional system completed.
 - Norwalk: Installation completed March 2009. TAP stored value accepted by Metro and participating TAP Munis.
 - Santa Clarita: Installation completed 2007. Recently deployed TAP stored value, accepted by Metro and participating TAP Munis.
 - In addition, AVTA and Montebello will follow in the next several months.
 - LADOT is scheduled to install in January 2010. Sufficient schedule to ensure for the advance site work that is required to accommodate 10 independent bus depots requires a lead time that is uniquely different from other Municipal Operators who maximally have 2 bus garages.
 - Torrance Transit is also in the process of identifying an installation schedule that meets their operational and business objectives.

At the June Operation Committee meeting, Director Dubois asked when the regional system would be completed with TAP fare box installations. By the end of 2009 Municipal Operators on contract for TAP compatible fare boxes will all be installed as noted above, with the exception of LADOT due to the need to first complete advance site work required at their 10 bus depots. Also as noted, we are working with Torrance Transit to determine an installation schedule to meet their operational and business objectives. What remains are discussions with regional operators who have not yet

executed contracts with Cubic, and are interested in compatible equipment as discussed in item #1 above. Through regular meetings with the regional General Managers, a “path forward” for interested transit operators will be developed and presented to the Board on a monthly basis as part of the TAP update.

It is important to note that in addition to meetings that occur with respective regional General Managers, the staffs of Municipal Operators have met regularly with MTA TAP staff and consultants through weekly teleconferences and on-site meetings as Muni scheduled their TAP fare box installations. All advance planning, meeting coordination between the Municipal Operators, Cubic contractors and consultants are collaborated and arranged with the respective Municipal Operator’s assigned project manager.

Many Muni require local, agency-specific site preparations that are outside of the fare box installation process. For example, IT modifications and other infrastructure issues that arise from Muni to Muni are addressed, with support and assistance from MTA TAP staff and consultants. To date, we have coordinated each Muni installation in detail, including training support and installation oversight including on-site testing to ensure that a smooth transition with the Cubic contractor occurs. After each Municipal Operator has installed their equipment, TAP staff and consultants continue to provide technical support to trouble shoot “bugs” and issues that arise in any new operating system and to serve as the interface with Cubic so that a Muni is always operationally supported. Weekly, and in some cases, daily communication is required until technical issues have been addressed. Familiarization to the system, and working on local issues that affect TAP performance such as Muni telecommunications systems are all part of the coordination and support that MTA TAP and consultant staff provide on a regular, daily basis.

4. The Sheriff be consulted and participate in establishing any security protocol, policy or technology associated with TAP implementation (Director Dubois amendment)

As the new Sheriff’s contract has now been negotiated we are working with Transit Security personnel to help coordinate a phased deployment plan with LASD as new TAP products and features including fare gates are installed. A focus group is being created that will address key areas of TAP interface – these are a work in progress and will be updated to the Board on a regular basis through the monthly TAP update. The following are examples of areas for coordination with the LASD:

- Blended implementation schedule and plan for paper and TAP during transition period
- Fare enforcement policy for MTA prepaid patrons with valid passes who do not “tap” at the rail validators or gates
- Hand held validation devices – develop a schedule and cost proposal for increased quantities, and new versions in smaller physical sizes as requested by LASD and Rail Operations

- MTA, Metrolink and Municipal Operator TAP interfaces at gated, and ungated light rail stations
- Coordination of manpower and resources as gates are phased in – Interim processes during construction and installation phases and development of a fare inspection schedule and processes.

Each of these issues plus details of our collaborated efforts will be reported to the Board each month as part of the TAP update.

Status of the TAP Regional Center

- **TAP Regional Center** – The higher number of calls to the TAP Regional Center in May due to patrons becoming familiar with the day pass transition has returned to normal call response times in June. Card production delays that affected the turn around of college/vocational, senior and LACTOA riders as the Regional Center addressed their own staffing and training schedule have also improved. Santa Clarita and Foothill patrons with new TAP cards are also becoming more familiar with the system and with using the website developed for regional customers. Improvements to the customer messaging system have also occurred. The ACS provided customer response management and financial system is being completed to support regional TAP operations and will undergo full systems integration testing over the next several months.

Status of Fare Products Converting to TAP

- **Reduced Fare TAP** – Over 106,800 Senior, Disabled, and College/Vocational TAP cards have been produced and mailed to applicants by late June 2009. The TAP Service Center has caught up on the surge of applications received in the April/May timeframe, so that card turn-around time is now within the published 21 business day cycle. The number of complaints about card status has dropped dramatically, with most current card issues related to patrons not being eligible for a reduced fare card or cases where the card was returned due to an incorrect mailing address.

Students K-12 are the next set of Reduced Fare pass holders to migrate to TAP, with applications becoming available in late June 2009. Staff has held several meetings with the Los Angeles Unified School District to plan for installation of Compact Sales Devices for sale of student passes on TAP. Understanding the sensitivities for seamless transition of students, this campaign set to begin in July will also be extended. It is important to note that any extension of paper passes in the system delays locking gates.

- **Day Pass** – With the distribution of more than 400,000 TAP cards for the day pass conversion from March 15 through April 11, the conversion of the day pass to TAP is complete on the bus system. Sales of day passes decreased slightly in May as some patrons forgot to keep and reuse their TAP card, but the number of day passes sold is expected to return to the former levels as patrons purchase day passes from the Metro pass sales network. New marketing materials have been provided on board buses and a video to educate riders and bus operators has been produced and is now being used at all bus divisions and on the website. In addition, marketing has been placed on all buses informing patrons that the Temporary Senior/Disabled TAP cards are set to expire on June 30 and informing them about obtaining a regular Reduced Fare TAP card.
- **MTA Pass Sales Outlets** – The conversion of MTA Pass Sales Outlets to TAP is complete with 414 third party vendor locations currently selling TAP monthly, weekly, and day pass products. Additional vendors have been contacting MTA about becoming vendors, so the number of MTA Pass Sales Outlets is expected to continue to grow. During April/May, the Compact Point of Sale devices for these vendors were upgraded to regional operations including the loading of multiple day passes, loading of stored value and loading Municipal operator products such as Foothill passes.
- **TAP Senior Center Program** – Approximately 49 City and Senior Center locations have been installed with sales devices to augment the 414-plus retail vendor network. An additional 20 - 30 locations have also begun the TAP conversion process which will increase the TAP sales locations to about 500 outlets for seniors. Community outreach and presentations in collaboration with the MTA Speakers Bureau and the ADA Compliance Officer responsible for the “Seniors on the Move” program have been on-going. MTA staff has gone to multiple senior centers issuing cards on the spot with portable devices so that seniors are not inconvenienced with travel, or turn around cycles.
- **Fare Inspections** - the number of inspections has continued to increase significantly over the last few months, with 68,972 inspections recorded in May, as compared to only 4,513 inspections in January of this year. The increased number of inspections has resulted in an increase in valid reads on the validators. Staff continues to work with Rail Operations and Transit Security management over the use of hand-held validators. Rail Operations has indicated a need for additional equipment. Whereas issuance of hand held devices are currently limited primarily to civilian fare inspectors, TAP Operation staff have been instructed to get a cost and schedule proposal from the equipment supplier for up to 200 more devices, so that uniformed officers can also carry TAP validation equipment. This is in process.

As fare gates are installed, additional coordination with fare inspectors and Transit Security is forthcoming.

Specific schedules related to regional TAP implementation are detailed in Attachment A, with a summary of additional TAP status as follows:

TAP Usage Data

A critical performance indicator of TAP reliability is monitoring the use of TAP cards in Metro's bus and rail system. From June 2008 through May 2009, over 62 million TAPs have been recorded systemwide on Metro's bus and rail system.

The most significant milestones for the month of May are noted below:

- Over 11.4 million "taps" were recorded in May.
- Metro Monthly pass "taps" increased significantly during May with over 3.8 million transactions recorded (up from 3.1 million in April).
- Metro Weekly pass "taps" increased slightly during May with over 4.1 million transactions recorded (up from 4.0 million in April).
- Metro Day Pass transactions declined slightly to 2.3 million taps during May (down from 2.6 million in April).

As other pass types are converted from paper to TAP sales in the coming months, there will continue to be an increase in the total "taps" captured on the Metro bus and rail systems.

TAP Sales Activity

Eight Metro pass products are now sold on TAP cards. TAP versions of the monthly, weekly, and day pass are available at Metro's four Customers Centers; Foothill Transit Stores; the LADOT Transit Store; TVMs; taptogo.net; autoload; and over 414 third party vendor locations. At these locations, the paper versions of the regular fare monthly and weekly passes are no longer available. Senior/Disabled Monthly, College/Vocational Monthly, regular Day Pass, and Senior/Disabled Day Pass were added to the product menus at TAP sales locations in March.

The most significant issues regarding TAP sales activity are noted below:

- TAP Full Fare monthly pass sales declined slightly from 35,794 in April to 35,577 in May. Reduced fare monthly passes increased from 7,167 in April to 17,601 in May.
- Weekly pass sales leveled off in May as most weekly passes are now on TAP. The highest weekly sales occurred in the 4th week of April 2009 with more than 45,000 weekly passes sold. Weekly pass sales declined slightly at the end of May due to the Memorial Day holiday.
- Sales of Metro Monthly TAP Passes increased at Rail TVMs from 1,060 passes in May 2008 to 4,742 in May 2009. Sales from April to May increased by an additional 7 percent.

Metro Rail Gating Status

The Mariachi and Soto stations of the Metro Gold Line Eastside Extension were originally planned as the first stations to install new fare gates. As construction continues at these stations, we have directed the contractor to begin installations starting with the Metro Red Line. Mobilization efforts are under way. Civil engineering work has also commenced on the Metro Green Line. Installations of the first gates are expected to start with Metro Red Line Normandie station, followed by each station until all Red Line stations are completed. Each station is expected to take approximately one week, commencing in mid-July pending ATU labor negotiations.

NEXT STEPS

- Continue meeting monthly with Municipal Operator and LTSS General Managers on TAP implementation status
- Continue to work with Metrolink on transfer implementation to TAP
- Continue processing reduced fare TAP cards and rollout of reduced fare products.
- Install Montebello TAP fare boxes in July; continue to work with all Muni and LTSS stakeholders for TAP transition through the Municipal Operator GM process
- Begin the installation of fare gates starting with Metro Red Line.
- Perform Systems Integration Test (SIT) for Customer Response Management system (Regional TAP Service Center)

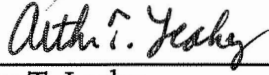
ATTACHMENT(S)

Attachment A – Monthly TAP Operation Report

Prepared by: Jane Matsumoto, Deputy Executive Officer, TAP Operations
Roger Moliere, Chief, Real Property Management & Development



Roger S. Moliere
Chief, Real Property Management & Development



Arthur T. Leahy
Chief Executive Officer

TAP Operation

Monthly Report

May 2009

TAP Operation



Table of Contents

Major Accomplishments & Challenges.....	1
Cubic's Proposed Regional Central & Municipal Operator Installation Schedule	3
Metro TAP Products Rollout Schedule	4
Metro Rail Gating Schedule.....	5
TAP Usage Summary	6
TAPs by Type.....	7
Metro Monthly TAP Pass Sales Trends.....	8
Metro Weekly TAP Pass Sales.....	9
Municipal Operator Updates	10
Metrolink Update	13
866.TAPTOGO Calls	14
Gating Project Status.....	15

Major Accomplishments & Challenges

May 2009

- A total of 414 Metro Sales outlets and 49 City/Senior Center locations are now selling TAP monthly and weekly passes. Migration planning for the conversion of the remaining City and government sales locations for TAP sales in 2009 is underway.
- Foothill Transit's fareboxes were replaced and they were converted to full TAP functionality in May. Weekly teleconferences were held with Gardena Transit (June installation), Montebello Bus Lines (July installation), Antelope Valley Transit Authority (Aug/Sept installation), and Access Services and LA CityRide (Oct/Nov implementation).
- As of late June, over 106,800 senior, LACTOA, and college/vocational TAP cards had been printed and mailed. Due to the volume of cards being produced, the campaign to convert reduced fare patrons to TAP was extended to the end of 2009.
- TAP Operation began the conversion of Metro Mail customers with the initiation of two pilot agencies being converted in May 2009. Letters and instructional guides were sent to approximately 150 Metro Mail customers with detailed information on their conversion to TAP.
- Final preparations were put into place for rolling out student TAP pass applications in late June 2009.
- Final preparation on the installation of gates was under way. Meetings were held with the contractor on installation and with Metro Marketing to provide information for the marketing campaign.

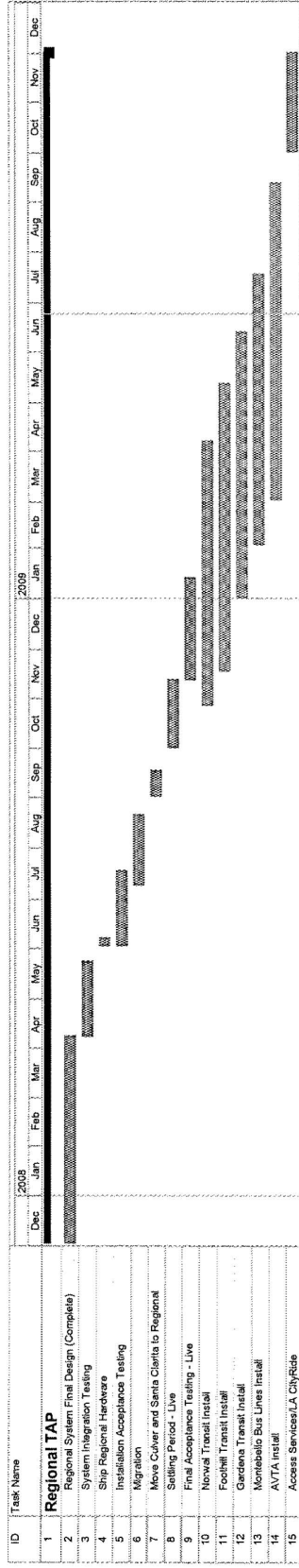
Challenges

- Metrolink continues to develop the processes for pass purchases that interface with TAP. Technical assistance and expertise from Metro's oversight consultant will continue to be required for their development efforts. Metrolink's fare increase and proposed solution for the integration with TAP was approved by their Board in May for the up coming fiscal year.
- TAP Operation and Communications staff continue to work with City and Senior Centers to have analog phone lines installed for the CPOS sales device. City and Senior Center locations have been slow to respond to requirements for a new signed vendor agreement and installation of an analog phone line. Approximately 49 City and Senior Center locations have been installed.
- TAP Operation staff continues to seek opportunities to reach out to Metro's reduced fare patrons to notify them of their TAP conversion:

- ✓ Working with LADOT's CityRide program to send outreach material to the 120,000+ seniors and disabled in the CityRide database.
 - ✓ Letters are being mailed directly to customers who received LACTOA Disabled reduced fare cards from other municipal operators.
 - ✓ Letters with information on TAP conversion will be mailed to school districts to begin efforts on transitioning their large rider base.
- A regional solution for converting EZ transit passes and Interagency Transfers (IATs) to TAP is needed.

Cubic's Proposed Regional Computer & Municipal Operator Installation

Metro TAP Operation and Regional TAP Service Center staff have completed system integration testing and training for the regional central computer. Metro, Culver CityBus, Santa Clarita, Norwalk Transit, and Foothill Transit have been successfully migrated to the regional central computer. Installation preparation has begun for the next municipal operators – Gardena Municipal Bus Lines, Montebello Bus Lines, Antelope Valley Transit Authority for installation in June, July, and Aug/Sept 2009. In addition, work has begun with Access Services and LA CityRide for their conversion to TAP in Oct/Nov 2009.



Metro TAP Fare Products Rollout Schedule

Metro has successfully implemented regular Metro Monthly and Weekly passes on TAP cards. Rollout of other Metro TAP products including the County Buydown Monthly pass, as well as reduced fare passes for students, college/vocational students, seniors, and the disabled is continuing. The schedule shown below identifies the products as follows:

- Conversion of Senior and Disabled/LACTOA customers to TAP officially began in late December with the release of the new TAP reduced fare applications.
- The Buydown program was converted to TAP in January 2009.
- The Los Angeles Community College District I-Pass program rolled out to all nine LACCD campuses with sales for the Spring 2009 semester beginning in December. TAP conversion at Foothill Transit, Montebello Bus Lines, and Norwalk Transit in 2009 is a critical component of the Rio Hondo I-Pass program conversion to I-TAP (Fall 2009).
- Day Pass on TAP was converted from March 15 to April 11, 2009 with over 400,000 TAP cards distributed.

ID	Task Name	2009											
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1	Metro TAP Products												
2	Regular Buydown												
3	Equipment Update & Training												
4	TAP sales begin												
5	College TAP												
6	Planning, Document Development, Training												
7	TAP sales begin												
8	Senior TAP												
9	Planning, Document Development, Training												
10	New Applicants on TAP												
11	Conversion of Existing Senior ID holders to TAP												
12	Disabled/LACTOA TAP												
13	Planning, Document Development, Training												
14	New Applicants on TAP												
15	Conversion of Existing LACTOA cardholders to TAP												
16	I-Pass to I-TAP												
17	UCLA I-TAP on Regular Blue TAP cards												
18	UCLA I-TAP Sales Begin												
19	Planning, Document Development, Training for I-Pass Locations												
20	I-TAP Sales Begin at LACCD Campuses												
21	Day Pass to TAP												
22	Operator Training												
23	TAP Cards Available on Bus												
24	Student TAP												
25	Planning, Document Development, Training												
26	TAP sales begin												

Metro Rail Gating Schedule

The Gating project is scheduled for pilot operation at the Soto and Mariachi Plaza Stations of the new Eastside Extension in July 2009. Due to construction delays, the station at Soto & Mariachi Plaza may not be ready for the installation of gates which could result in the pilot location being moved to a Red Line station.

ID	Task Name	Start	Finish	2009	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Metro Gating	Sat 3/1/08	Thu 12/31/09											
2	Cubic Limited Notice To Proceed	Sat 3/1/08	Mon 5/5/08											
3	Prop 1B Pending	Wed 3/5/08	Thu 7/31/08											
4	Technical Integration	Fri 5/2/08	Tue 9/29/09											
5	Cubic Technical Spec Review	Fri 5/2/08	Sun 8/31/08											
6	Cubic Design/Build/Test	Mon 9/1/08	Fri 6/26/09											
7	Pilot Test of Fare Gates	Wed 7/1/09	Tue 9/29/09											
8	Civil Work	Thu 5/1/08	Thu 12/31/09											
9	CCTV	Thu 5/1/08	Thu 12/31/09											
10	Metro CCTV Concept Phase	Thu 5/1/08	Sun 8/31/08											
11	CCTV & Help Phone Spec Development & Procurem	Mon 9/1/08	Fri 7/31/08											
12	CCTV Infrastructure Installation	Mon 8/3/08	Fri 11/27/08											
13	CCTV & Help Phone Installations	Fri 9/25/08	Thu 12/31/08											
14	Equipment & Fencing Installation	Mon 6/15/09	Thu 12/31/09											
15	Demo Gold Line (Mariachi & Soto Stations)	Mon 6/15/08	Tue 6/30/08											
16	Red Line	Wed 7/1/08	Mon 8/31/08											
17	Green Line	Mon 8/3/08	Sat 10/31/08											
18	Blue Line	Thu 10/1/08	Mon 11/30/08											
19	Gold Line	Mon 11/2/08	Thu 12/31/08											
20	Maintenance	Tue 5/6/08	Wed 9/30/09											
21	Base Contract Mods for Eastside Extension & Expo	Tue 5/6/08	Fri 7/31/08											
22	Launch New Service Agreement	Sat 8/1/08	Wed 9/30/08											
23	Lease	Mon 5/5/08	Mon 8/31/09											
24	Lease Agreement Development	Mon 5/5/08	Wed 12/31/08											
25	Complete Lease Terms & Conditions	Mon 1/5/08	Mon 8/31/08											

TAP USAGE SUMMARY Prior 12 Months

The number of taps increased from April to May, reaching a new one-month high of over 11 million taps due largely to the conversion of reduced fare monthly passes to TAP.

Month	ITAP	Emp Pass	ATAP & BTAP	Monthly	Weekly	Ret/Dep	Day Pass	TOTAL
Jun-08	33,429	27,726	278,490	275,889	132,456	38,685		786,675
Jul-08	44,066	30,372	316,426	464,541	378,174	43,746		1,277,325
Aug-08	39,066	29,306	328,691	947,174	1,321,715	40,127		2,706,079
Sep-08	138,714	29,720	351,215	1,223,740	1,770,856	47,865		3,562,110
Oct-08	192,441	30,467	396,335	1,639,144	2,294,327	52,942		4,605,656
Nov-08	153,170	24,981	360,542	1,600,382	2,268,831	43,608		4,451,514
Dec-08	124,622	24,918	350,624	1,679,548	2,322,392	41,356		4,543,460
Jan-09	168,835	25,551	249,358	1,741,966	2,520,361	44,435		4,750,506
Feb-09	402,436	23,625	318,238	1,651,750	2,566,492	43,348		5,005,889
Mar-09	605,451	27,344	381,516	2,131,205	3,234,675	52,015	1,682,662	8,114,868
Apr-09	592,278	31,275	397,689	3,112,294	4,034,747	50,489	2,692,986	10,911,758
May-09	616,706	35,266	416,058	3,813,181	4,145,564	52,122	2,325,620	11,404,517
TOTAL	3,111,214	340,551	4,145,182	20,280,814	26,990,590	550,738	6,701,268	62,120,357

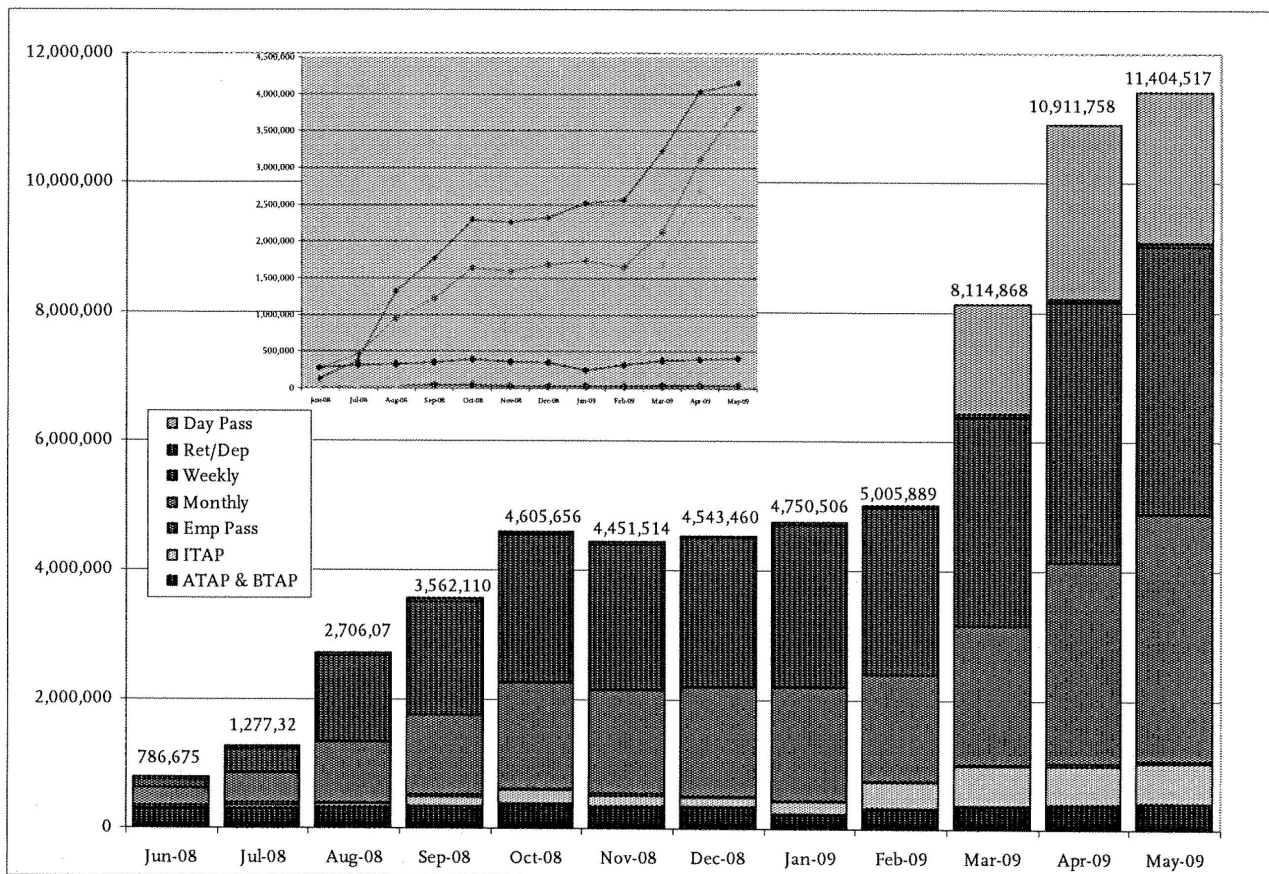
Calendar Year-To-Date Comparison

	Weekly	Monthly	Retiree/ Dependent	Employee
2008 YTD (5 months)	361,460	1,029,965	160,616	107,649
2009 YTD (5 months)	16,501,839	12,450,396	242,409	143,061

The number of taps of Weekly TAP passes continues to outpace all other pass types with more than 16 million taps year-to-date (Jan-May 2009).

TAPs by Type Prior 12 Months

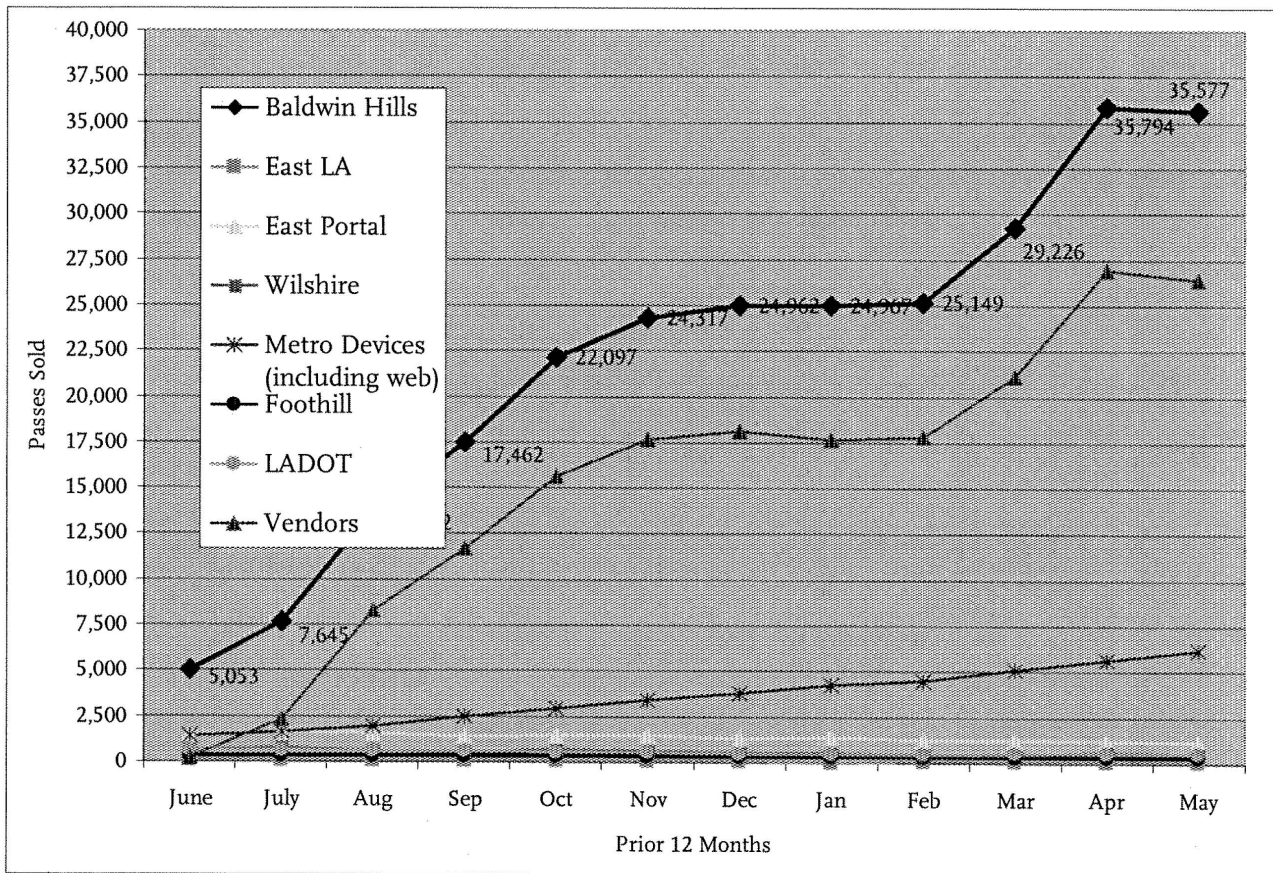
A total of ten different pass types are now available on TAP cards. Four of these – I-TAP, A/B-TAP, Employee badges, and Retiree/Dependent passes – are available exclusively on TAP. The Monthly (full fare, senior/disabled, and college/vocational), Weekly passes, and Day Passes (full fare and senior/disabled) are available on TAP at Metro Customer Centers, LADOT Transit Store, five Foothill Transit Stores, more than 400 third party vendor locations, and over 300 Metro Rail TVMs.



As of May, TAP Monthly and Weekly taps exceed all other pass types with 3,813,181 and 4,145,564, respectively. Monthly and Weekly taps will continue to grow as these products are expanded to Corporate TAP accounts.

Metro Monthly TAP Pass Sales Trends Prior 12 Months

Growth in monthly pass sales is occurring largely at third party vendor locations, along with loading at Metro TAP devices through TVM sales, web sales, and autoloads. There were 4,742 full fare monthly passes purchased at Metro Rail TVMs in May, up from 4,405 In April, and 4,026 in March.

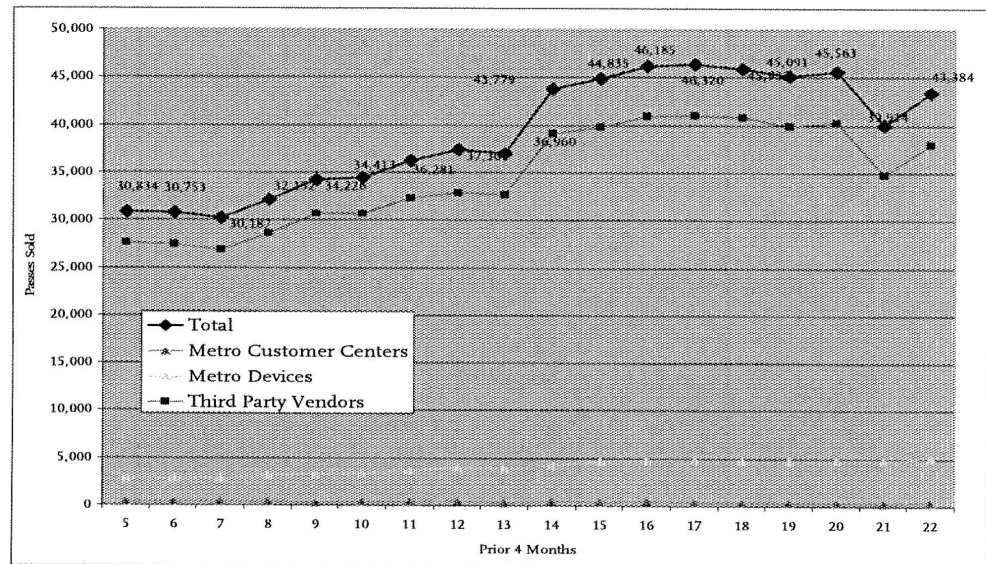


Metro Weekly TAP Pass Sales

Weekly pass sales have steadily increased as additional regions of third party vendors have been converted to TAP sales. The highest weekly sales occurred in the 1st week of May 2009 with more than 45,900 weekly passes sold.

	Validity Period	Week #	Metro Customer Centers	Metro Devices	Third Party Vendors	Total
February	2/1-2/7	5	346	2,892	27,596	30,834
	2/8-2/14	6	410	2,905	27,438	30,753
	2/15-2/21	7	404	2,902	26,881	30,187
	2/22-2/28	8	396	3,188	28,568	32,152
March	3/1-3/7	9	302	3,232	30,692	34,226
	3/8-3/14	10	352	3,341	30,720	34,413
	3/15-3/21	11	364	3,621	32,296	36,281
	3/22-3/28	12	436	4,042	32,886	37,364
	3/29-4/4	13	325	3,949	32,686	36,960
April	4/5-4/11	14	441	4,209	39,129	43,779
	4/12-4/18	15	420	4,657	39,758	44,835
	4/19-4/25	16	445	4,787	40,953	46,185
	4/26-5/2	17	404	4,881	41,035	46,320
May	5/3-5/9	18	368	4,783	40,781	45,932
	5/10-5/16	19	405	4,792	39,894	45,091
	5/17-5/23	20	427	4,909	40,227	45,563
	5/24-5/30	21	307	4,775	34,832	39,914
	5/31-6/7	22	359	5,084	37,941	43,384

Third party vendors continue to be the largest sellers of weekly TAP passes.



Municipal Operator Updates

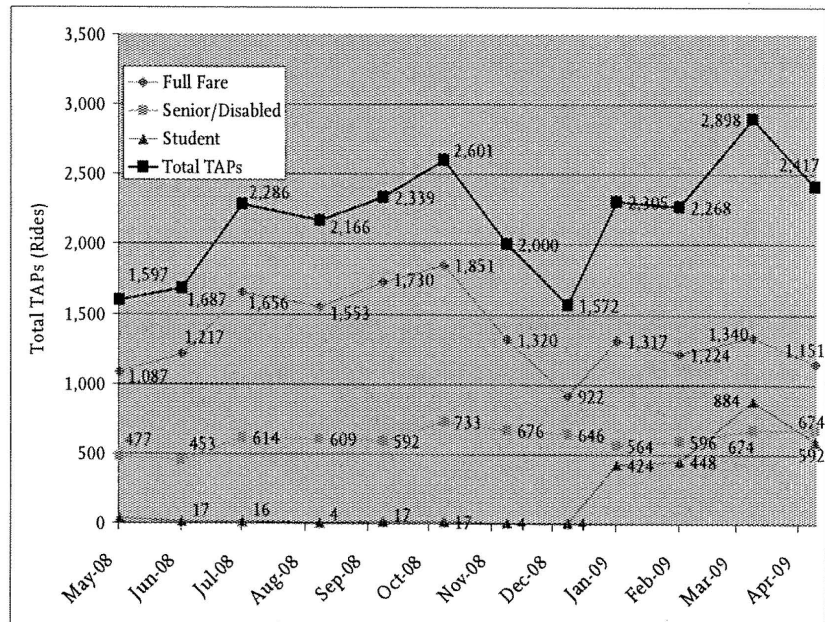
See Cubic's proposed Regional TAP Implementation Schedule on page 3. The regional central computer (RCDCS) completed final Systems Integration Testing in San Diego and was moved to its permanent location in Orange County. With Norwalk Transit's installation in early April, there are four operators utilizing the regional central computer. These four will be joined by Foothill Transit, Gardena Municipal Bus Lines, Montebello Bus Lines, and Antelope Valley Transit from May to September.

Culver CityBus

Culver CityBus is currently utilizing the stored value purse of the TAP card as a replacement for the stored value MetroCard which it jointly accepted with Foothill Transit, Montebello Bus Lines, and Big Blue Bus. (Norwalk no longer offers MetroCard with conversion to TAP). Over the last twelve months, Culver CityBus has loaded more than \$33,000 onto 1,923 TAP cards. The average load per card is \$17.37.

	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	Prior 12 Mo. Total	Prior 12 Mo. Avg.
Value Loaded	\$2,164	\$2,555	\$2,315	\$3,567	\$3,318	\$2,271	\$3,401	\$2,920	\$2,227	\$2,448	\$3,794	\$2,437	\$2,008	\$2,704	\$33,410	\$2,784
Number of Cards	145	170	153	209	228	112	188	175	117	143	169	130	121	178	\$1,923	160
Value per Card	\$14.92	\$15.03	\$15.13	\$17.07	\$14.55	\$20.28	\$18.09	\$16.69	\$19.03	\$17.12	\$22.45	\$18.75	\$16.60	\$15.19	--	\$17.37

TAP ridership is trending up in 2009. Ridership reporting has improved since Culver CityBus migrated to the regional central computer in January, providing more accurate counts of Student ridership. There were 2,417 taps made on Culver CityBus in April.



Foothill Transit

Foothill Transit is preparing for TAP installation beginning mid-May. Foothill will be converting MetroCard and their 31-day passes to TAP. Metro TAP Operation staff are assisting Foothill with farebox testing, third party vendor conversion, and preparation for TAP sales.

Foothill Transit continues to partner with Metro in supporting TAP sales of Metro's monthly passes at its five Transit Stores. Foothill Transit's El Monte Transit Store was one of three locations that sold the TAP monthly pass as part of the TAP customer pilot program in the Fall of 2008.

Santa Clarita Transit

Santa Clarita Transit completed installation of its TAP/UFS equipment in the Fall of 2007, but is not yet utilizing the TAP capability of the new fareboxes. Together with Metro and Culver City, Santa Clarita Transit will be part of the test group during the implementation testing phase of the RCDCS installation. Santa Clarita Transit successfully migrated to the regional central computer on December 1 and is now testing TAP cards on their system for a target launch date of June 2009 for TAP stored value.

Long Beach Transit

Long Beach Transit has been utilizing TAP/UFS fareboxes since 2006. Long Beach Transit accelerated their installation in order to replace failing fareboxes. Like Santa Clarita Transit, Long Beach Transit is not using the TAP functionality of their fareboxes. However, Long Beach Transit is not yet scheduled for migration to the Regional Central computer and conversion to TAP operation. They have implemented independent, non-TAP alternatives for issuance of Long Beach Day Passes and transfers on magnetic technology. Long Beach has confirmed that they will become TAP-enabled after the region has completed their implementation.

Montebello Bus Lines

TAP Operation staff held an initial business rules and fare table meeting with Montebello Bus Lines in March to prepare for TAP cutover this Summer. With the imminent movement of Metro Day Passes to TAP, Montebello is now confident that a TAP solution for their own day passes is now available. Their TAP installation is tentatively scheduled for the July 2009 timeframe. Prior to installation, Montebello Bus Lines will be provided with a training farebox to assess farebox functionality with respect to fare policies and business rules, and to allow adequate time for operator and mechanic training before revenue operations begin.

Norwalk Transit

Norwalk Transit fareboxes were installed in April. Norwalk began the conversion of MetroCards to TAP stored value in March and has begun to collect TAP Reduced Fare applications on behalf of their customers. Like Santa Clarita and Culver City, Norwalk is now fully converted to TAP functionality on the Regional Central computer.

Gardena Bus Lines

Gardena Bus Lines is tentatively scheduled for TAP migration in June 2009, and has indicated a need for additional fareboxes due to fleet expansion. The TAP cutover date will be timed to the extent possible to coincide with the delivery of the new expansion vehicles. A kick-off meeting with Cubic was held in January. Bi-weekly conference calls between TAP Operation, Cubic, and Gardena Bus Lines staff are now being held to plan the Gardena Bus Lines transition to TAP.

Torrance Transit

Torrance Transit is not yet scheduled for TAP migration but is considering a late Summer 2009 installation date. Like Gardena Bus Lines, Torrance Transit has indicated a need for additional fareboxes. TAP Operation has been in contact with Torrance Transit to assess their readiness to convert to TAP. Filling key staff vacancies will be a critical driver to setting Torrance's TAP conversion date.

LADOT

LADOT is not yet scheduled for TAP migration due to the complexity of their installation with ten separate contractor owned operations facilities. Additionally, LADOT is a likely candidate for new TAP equipment, the DCU/Lite Validator, not yet deployed in the region, combined with TAP fareboxes on Commuter Express vehicles. TAP Operation staff has initiated TAP migration discussions with LADOT.

Antelope Valley Transit Authority

Antelope Valley Transit has expressed a desire to move forward with the cutover process and met with TAP Operation staff. A formal kick-off meeting was held in April, with installation tentatively scheduled for the August/September time frame. Bi-weekly meetings are currently underway along with evaluation of business rules on development of the Operator Control Unit (OCU) layout.

Metrolink Update

Metrolink has been working on business concepts to achieve regional connectivity between their riders and regional TAP participants. Of particular issue is completing their physical conversion from paper to TAP timed with the Metro Gating project so that their patrons transferring to Metro Rail are enabled with access into and out of the gated fare gates.

Over the last few months, staff from Metrolink and TAP Operation has met regularly on general technology concepts. In June 2008, Metrolink identified \$200,000 for use in FY09 to engage technical consultants required to help complete their concepts into a basis of design, and to write the specifications required to rehabilitate their equipment for TAP compatibility. Metrolink also committed an additional \$300,000 for use in FY10 to complete this process.

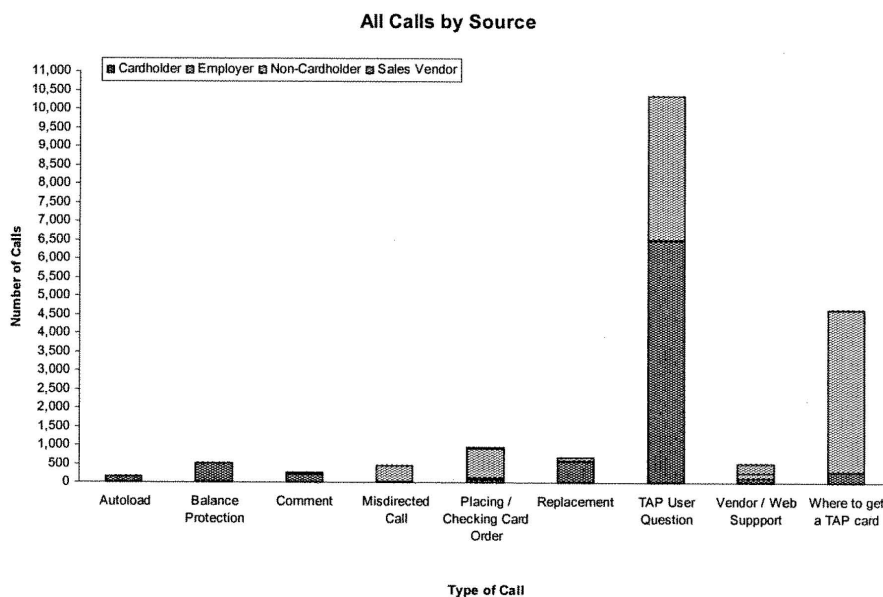
Monthly progress on the business rules they envision will be presented to Metro staff. Currently, Metrolink has presented the concept of associating a defined number of transfers for each ticket type issued to be used as "credits" for linked trips that are loaded onto TAP cards.

866.TAPTOGO Calls May 2009

The data shown below is generated from card and patron activity resulting from general public sales at 414 sales outlets, TVMs, website sales plus other Metro pass programs (A/B/I-TAP) including the Day Pass transition to TAP. As corporate accounts and municipal operators are installed with TAP equipment, the number of calls received by the Regional TAP Service Center is expected to increase. Additionally, expansion of the number of products available on TAP will also impact the call volume and type of calls received by the TAP Service Center. See pages 6, 7, 8 for the latest TAP implementation schedules.

	Cardholder	Employer	Non-Cardholder	Sales Vendor	Grand Total
Autoload	157	1	3		161
Balance Protection	520		3		523
Comment	208	1	40	13	262
Misdirected Call	36		413		449
Placing / Checking Card O	94	34	799	17	945
Replacement	576	13	88	3	680
TAP User Question	6,491	23	3,826	20	10,360
Vendor / Web Support	148		114	244	506
Where to get a TAP card	306	1	4,326	3	4,637
Grand Total	8,536	74	9,613	299	18,523

There were 18,523 calls to the TAP Service Center in May, up from the 18,462 calls in April. The largest number of May calls was generated by non-cardholders, accounting for 52% of calls to the TAP Service Center. Of these, 39% (3,826) were calls general questions asking how to use a TAP card.; how to apply for a TAP card, etc.



Gating Project Status

See page 5 for the Gating Project schedule. Implementation of the gating project has been divided into four functional elements, overseen by four oversight teams whose May status is as follows:

Team 1: Technical Integration

- System Testing of the Regional Central is continuing.
- Developing use-cases for various media and ticketing options.
- Conceptual design for Metrolink integration with TAP continue to be developed .
- Continuing discussions with Metrolink's fare system supplier.
- Software design discussions continue with the contractor.
- Configuration review meetings are continuing and submittals are under review.
- Migration plan for phasing-in of gate operations is being developed.

Team 2a: Civil Work – Cubic

- Held meetings with Metro to review impacts of expected costs and budget limitations.
- Completed review and provided comments of Equipment layout drawings for the Blue and Gold Line.
- Provided final comments to layout drawings for the Red and Green Lines.
- Reviewed passenger flow modeling based on Fire/Life Safety changes.
- Revised Exit Calculations based on results of Fire Life Safety's review.
- Assisted in preparing Waiver requests for Fire/Life Safety.
- Reviewed contractor's gate installation plan.

Team 3: Maintenance

- Continued negotiations with the Contractor on their proposed services agreement to Metro.
- Review contractor's proposed Service Level Agreement s (SLA) to determine best options for Metro.
- Revised Service Agreement requirements to better align with base contract.
- Develop contract language to define Metro requirements for additional services.

Team 4: Lease

- The lease agreement was signed in December.
- Continue working with the County Counsel and 3rd party support to assist in structuring the master agreement and finalizing all attachments.