Ⓜ **Metro**

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OPERATIONS COMMITTEE
MAY 18, 2006

SUBJECT: TRANSIT OPERATOR ACTIVITY SCHEDULING AND TRACKING PROJECT

ACTION: ESTABLISH LIFE OF PROJECT BUDGET

RECOMMENDATION

Establish a life-of-project (LOP) budget of $7,681,230 for the Transit Operator Activity Scheduling and Tracking Project.

RATIONALE

In January 2005 the Board adopted the financial standards which require that all capital projects with expenditures greater than 5 million dollars be approved by the Board. The Transit Operator Activity Scheduling and Tracking project will be a four-year project, beginning in FY07.

The requested funding would procure new client/server hardware, procure off-the-shelf software to track daily Transit Operator activities, and fund integration of the new software with numerous other Metro software systems such as Scheduling, Human Resources, Payroll, Training, and ATMS. It also includes funds for all Metro labor required to perform a comprehensive testing, training, and migration plan.

Metro Operations employs over 4,500 people as Transit Operators to drive buses and trains. The FY06 wage budget for this activity was nearly 230 million dollars. Currently the daily management of Transit Operator activities is performed with about 50 different hand written forms. These forms are then used as source documents for manual entry of data into the Transit Operator Trends System (TOTS). TOTS compiles this information for Payroll processing and Human Resource tracking. The TOTS software was originally developed over 20 years ago by RTD staff. The original software was upgraded as part of Metro's Y2K effort. This upgrade modernized the software to work in a client/server environment with Microsoft Windows operating system and Oracle database.

The California State Auditor performed an audit of Metro's compliance with driving and on-duty restrictions in 2001. The report, issued on August 14, 2001, indicated that the Metro lacks an adequate system to prevent all violations of Federal and State driving and on-time duty restrictions. Management Audit Services reiterated this concern in its March 2004 report entitled "Audit of MTA

Operator's Work Time Requirements". A conclusion of this audit was "the items reported in the State Audit regarding driving and on-duty times and secondary employment continue to exist virtually unchanged even though the State audit report was issued in August 2001 and in response to the audit, Metro indicated that it would budget $8.2 million to upgrade the timekeeping and scheduling system."

Rather than modifying the TOTS system to obtain the required functionality, the Transit Operator Activity Scheduling and Tracking project will replace TOTS with a commercial off-the-shelf software solution. Switching from an "in-house" solution to a commercial solution affords Metro with low risk access to state-of-the-art Information Technology solutions. The commercial solution also facilitates Metro's adaptation to Transit Industry best practices.

The software vendor will be required to complete comprehensive testing to prove the software meets all of Metro's functional requirements and that that software properly calculates Transit Operator pay hours. During this testing process, designated Metro staff will become proficient in the proper utilization of the software in the Metro environment. These designated staff will then lead the migration process at all bus and rail Transportation Divisions. During the migration, Divisional staff will become thoroughly trained and certified in the correct use of the new system.

FINANCIAL IMPACT

Funds for this project are included in the FY07 budget under Project 207061, Transit Operator Activity Scheduling and Tracking. This project will be funded with local funds. Since this is a multi-year contract, the cost center manager and Deputy Chief Executive Officer will be accountable to budget the cost in future years. A detailed financial plan is included in Attachment A.
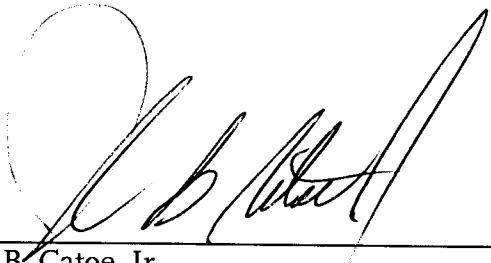
ALTERNATIVE CONSIDERED

An alternative is not to proceed with this project and continue with current business practices. This alternative is not recommended for two reasons. First, the current software application and business practice does not effectively support real time modifications to a Transit Operator's status. As such, staff must continue to use unreliable methods to assure compliance with Federal and State statutes regarding Transit Operator rest periods and driving limits. Second, the current software application does not provide state of the art algorithms to calculate the minimum Transit Operator pay hours on a daily basis.
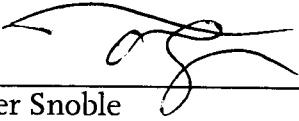
ATTACHMENT(S)

A. Financial Plan

Prepared by: Ed Muncy, Director, Service Performance Analysis

John B. Catoe, Jr
Deputy Chief Executive Officer

Roger Snoble
Chief Executive Officer

ATTACHMENT A

FINANCIAL PLAN

Project Number: 207061 – Transit Operator Activity Scheduling and Tracking

Sources of funds ($millions)	FY06	FY07	FY08	FY09	FY10	FY11	Total
TDA Article 4 Local	0	1,755,361	2,611,155	1,060,749	233,125	69,680	5,730,070
STA - Local	0	597,722	889,130	361,198	79,382	23,727	1,951,159
Total	0	2,353,083	3,500,286	1,421,948	312,507	93,407	7,681,230

Uses of funds ($millions)	FY06	FY07	FY08	FY09	FY10	FY11	Total
Acquisition	0	1,413,922	2,578,848	259,550	229,685	36,760	4,518,765
Labor	0	939,161	921,438	1,162,398	82,822	56,647	3,162,465
	0						
Total	0	2,353,083	3,500,286	1,421,948	312,507	93,407	7,681,230