

# Memorandum



CITY OF DALLAS

DATE September 6, 2019

TO Honorable Mayor and Members of the City Council

SUBJECT **Streetcar Fare Collection Update**

During the budget review process, a question was raised on the implementation of a fare to ride the Dallas Streetcar. On April 25, 2018, City Council directed staff to work with Dallas Area Rapid Transit (DART) to implement a \$1 fare on the Dallas Streetcar and to purchase the fare collection equipment to do so. At that time, DART outlined a six-month process to implement the fare and had estimated the cost to be between \$20,000 and \$40,000.

On January 11, 2019 DART sent a letter to Transportation staff indicating that they were having problems with the fare collection equipment, which is also used on DART buses (a copy of the letter is attached). Consequently, the date to implement the fare was delayed to August 2019.

The letter from DART also indicated that the estimated cost to implement the fare had increased to \$325,000. As this cost is substantially higher than the original estimate, Transportation staff sought to work with DART staff to reduce the cost and bring it down to the original estimate. Through successful value engineering, DART is now able to commit to the original cost estimate, not to exceed \$40,000.

Next steps to implement the fare include:

- Fare Equity Analysis (Required by FTA regulations)
- Public Hearing (Required by FTA regulations)
- Install and test the fare collection equipment

Transportation staff anticipates the above tasks will be completed in time to implement the fare in early February 2020. Transportation staff also anticipates returning to City Council this November with an update on progress.

Please contact myself or Michael Rogers, Director of the Department of Transportation, at [michael.rogers@dallascityhall.com](mailto:michael.rogers@dallascityhall.com) if you have any questions or concerns.

A handwritten signature in blue ink, appearing to read 'Majed A. Al-Ghafry'.

Majed A. Al-Ghafry, P.E.  
Assistant City Manager

c: T.C. Broadnax, City Manager  
Chris Caso, City Attorney (Interim)  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager  
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager  
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer  
Michael Mendoza, Chief of Economic Development and Neighborhood Services  
M. Elizabeth Reich, Chief Financial Officer  
Laila Alequresh, Chief Innovation Officer  
Liz Cedillo-Pereira, Chief of Equity and Inclusion  
Directors and Assistant Directors



Dallas Area Rapid Transit  
P.O. Box 660163  
Dallas, TX 75266-0163  
214-749-3278

January 11, 2019

Mr. Michael Rogers  
Director, Department of Transportation  
Dallas City Hall  
1500 Marilla Street  
Room 4DN  
Dallas, TX 75201

Re: Master Streetcar ILA and Implementing a Fare on the Dallas Streetcar

Dear Mr. Rogers:

As directed by the City of Dallas to establish a \$1 fare on the Dallas Streetcar, Dallas Area Rapid Transit (DART) has reviewed the requirements for accomplishing this request. Unfortunately, the fare cannot be implemented on the timeline requested by the City due to the following reasons:

1. DART Board of Directors has requested a Master Streetcar Interlocal Agreement (ILA).
2. Streetcar integration into DART's smart card system.
3. Technology will require hardware procurement and software development.

A list of activities and anticipated schedule for the development of the ILA is shown below:

**MASTER STREETCAR ILA**

ILA Development	August 2018
DART and City Staff Agreement	September 28, 2018
DART Executive Review	October 15, 2018
DART Public Affairs Committee Briefing	November 13, 2018
DART Public Affairs Committee Consideration	February 26, 2019
DART Board Consideration	March 12, 2019

Please note that DART is presently waiting for City of Dallas comments on the DRAFT ILA. Final comments and agreement must be received by February 12, 2019 to be able to proceed to the DART Public Affairs Committee on February 26, 2019 as shown above. If final comments are not received by February 12, 2019 then the February 26, 2019 presentation for consideration will be delayed to the March 26, 2019 committee meeting.

Other activities and anticipated schedule required for implementing of a fare on streetcar:

**PUBLIC HEARING**

DART Committee Request to Call for Public Hearing	March 12, 2019
DART Board Consideration to call Public Hearing	April 9, 2019
DART Board Conducts Public Hearing	May 14, 2019

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**FARE EQUITY ANALYSIS**

Perform Fare Equity Analysis (Technical)	October 2018
DART Committee Considers Fare Equity Analysis	June 11, 2019
DART Board Considers Fare Equity Analysis	June 25, 2019

**FARE IMPLEMENTATION**

DART Committee Considers Fare Increase	June 11, 2019
DART Board Considers Fare Increase	June 25, 2019

**FARE TECHNOLOGY**

Implementation of Smart Card	January 2019
Procurement of Technology	March 2019
Installation of Streetcar Fare Collection Equipment	April 2019
Testing of Fare Equipment and Account System	May 2019
Implementation of Streetcar Fare	August 2019

The fare technology will require integration into DART's smart card system that is presently being implemented on light rail and buses. The equipment installation is anticipated to occur May 2019, followed by extensive configuration and testing for approximately 90 days. The earliest that the smart card can become active is anticipated to be August 2019.

Based on the technology required, the following costs are estimated for this project:

Dedicated secured router and antenna	\$25,000.00
Validator installation and associated equipment	\$50,000.00
Software interface to Back Office Server	\$250,000.00
<b>Total estimated cost for 4 vehicles</b>	<b>\$325,000.00</b>

DART is developing the processes for the procurement and installation of the fare equipment. However, DART will not award any contracts until the City of Dallas agrees to cover the estimated costs outlined above.

Thank you for the partnership in providing mobility solutions together. If you need further information, please contact me at 214-749-5303 or by email at [jrhone@dart.org](mailto:jrhone@dart.org).

Sincerely,



John M. Rhone  
Vice President  
Capital Design & Construction

c: Timothy H. McKay, P.E., Executive Vice President Growth/Regional Development  
Evelio Hernandez, Assistant Vice President Streetcar-Systems Engineering  
Tanya Brooks, Assistant Director, Mobility and Streets  
Frank Honeycutt, Sr. Program Manager, Department of Transportation