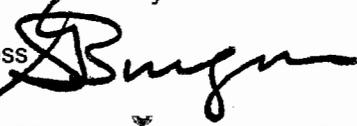


Memorandum



Date: December 2, 2008

To: Honorable Chairman Bruno A. Barreiro
and Members Board of County Commissioners

From: George M. Burgess
County Manager 

Subject: Report: Vending Machine Services Pilot Project

Supplement to
Agenda Item No. 7E

This report has been prepared at the request of the Transit Committee and explores the feasibility of installing vending machines at Metrorail and Metromover stations as an additional revenue source.

Miami-Dade Transit (MDT), in coordination with the County Attorney's Office (CAO) and the Department of Procurement Management (DPM) evaluated the feasibility of installing vending machines at Metrorail and Metromover stations. MDT surveyed seven transit properties (survey attached). Four of the seven properties surveyed currently prohibit eating and drinking at their transit stations. The three transit properties that currently provide vending machines at their stations reported that while there was nominal profit obtained from the vending program, the machines were provided more as an amenity for riders than as a substantial revenue source. These transit properties were also queried on the impacts of increased debris. Each responded that there was not a noticeable increase in debris and that their existing maintenance and cleaning contracts were not modified. Currently, vending service machines and/or food are available at Tri-Rail Metrorail and Government Center stations.

If the Board of County Commission (Board) decides to provide vending machines at transit stations, staff recommends that a pilot project be implemented prior to engaging in a full scale program. The CAO has opined that amending Section 30B-4 of the Code of Miami-Dade County may not be necessary for a pilot project. Should the pilot project prove to be successful, the department will return to the Board to propose expanding the program to all rail and mover stations and recommend amending the ordinance to allow for the consumption of food and beverages at transit station platforms at that time.

If the Board recommends proceeding with the pilot program, DPM has determined that this can be best accomplished through the Invitation-To-Bid (ITB) process. An ITB will be prepared to evaluate market interest for vending service machines at six (6) Metrorail stations and one (1) Metromover station. The Metrorail locations that were considered for inclusion in the pilot program are: Dadeland South and North, Historic Overtown/Lyric Theatre, Culmer, Dr. Martin Luther King, Jr. and Palmetto stations. The Metromover location is Bayfront Park. The ITB will establish a contract for furnishing, installing, maintaining, servicing, repairing and/or replacing and stocking automatic machines for dispensing non-alcoholic beverages, food products, candy and other standard vending items for a twelve (12) month pilot period. The successful bidder will install up to two (2) automatic vending service machines at the locations detailed above, allowing the department to assess the prospect of long-term revenue and the potential impact of increased debris on the system.

There is currently a vending services contract with the County which has a provision for vendor services, but provides specific language excluding participation by MDT. The CAO advised that absent a bid waiver approved by the Board, the County would need to conduct a separate procurement to address MDT's specific needs, such as customer safety, dedicated electrical power source installation and vandalism provisions. Additionally, contract language would require the successful bidder to incur all expenses associated with the installation, maintenance and repair of the vending machines, with oversight by MDT. The ITB would also require the awarded contractor to provide a monthly product and sales report. MDT will prepare quarterly reports providing status of the pilot project that will be presented to the Transit Committee.

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All beverages would be in plastic bottles with plastic caps and no alcoholic beverages, tobacco or smokeless products would be allowed for sale in the vending machines. An example of food products would be chips, nuts, health and breakfast bars.

If the pilot project is considered successful at the end of the pilot period from both the County's and vendor's perspective, a full program, if approved by the Board, will be initiated with the successful bidder of the original ITB. The vendor will be allowed to provide up to two vending machines at Metrorail and Metromover stations, except where there may be opportunities to install more machines due to the size and configuration of the station, i.e., Civic Center, which has two separate entrances. There are a total of 22 Metrorail stations and 21 Metromover stations. The Bicentennial Metromover station is currently closed and Government Center and Tri Rail Metrorail stations currently have provisions for vending and/or food. The responsive bid will be required to provide the department at least \$85.00 per month, per machine. For revenue projection purposes, if the program was fully implemented at all available Metromover and Metrorail stations, the estimated projected annual revenue to MDT would be \$83,640 based on 82 vending machines installed at 20 Metrorail stations and 20 Metromover stations. During the pilot period, MDT is estimated to receive \$14,280 in annual revenue based on 14 machines at the seven stations identified for the pilot project.

Vending service machines will be located on the ground-level near security posts and turnstiles at the designated Metrorail stations. Specifically, the machines will be located behind the security roll-down gates to protect them when the stations are closed. The Bayfront Park Metromover station does not have a security roll-down gate; therefore, the vendor will be encouraged to install a vendor cage to protect the machine from vandalism.

MDT's extermination, cleaning, and security contracts will not be changed at this time. MDT will closely monitor the accumulation of additional debris and other potential hazards on the system during the pilot period. Any increase in debris and/or incidents attributed to the vending machines will be documented and cost estimates for cleaning, extermination and security will be developed as a part of the pilot report.

MDT currently has an extensive cleaning program for its Metrorail and Metromover stations and vehicles. All Metrorail stations are cleaned daily during morning and afternoon peak periods (6:00 a.m. – 9:00 a.m. and 3:30 – 6:30 p.m.). There is at least one cleaner assigned to each station during these periods whose responsibilities include, but are not limited to cleaning spills, litter/trash debris pick-up and removal, sweeping, mopping, removing graffiti and chewing gum and replacing trash receptacle bags at stations. To provide adequate cleaning coverage for MDT's most frequented stations, i.e., Dadeland South, Government Center and Civic Center, cleaning staff and times are enhanced. At Dadeland South, cleaning periods begin an hour earlier in the morning through the early afternoon (5:00 a.m. – 2:00 p.m.) and begin again during afternoon peak service (4:00 p.m. – 7:00 p.m.) At Government Center, eight cleaners on varying shifts are assigned to the station from 6:00 a.m. to midnight. The Civic Center station has extended cleaning hours beginning as early as 6:00 a.m. to 6:30 p.m. Additionally, the cleaning crew is on-call to respond to immediate problems within the facility during non-scheduled cleaning periods.

MDT has two additional cleaners assigned at the terminus stations (Dadeland South and Palmetto Stations) that clean and pick-up debris while the trains are in service. These cleaners responsibility include thoroughly cleaning each train before departing for revenue service. MDT has a heavy cleaning schedule which involves pressure washing each station once a week from 7:00 p.m. – 1:00 a.m. This includes pressure washing flooring, platforms, granite stairs, trash receptacles, restrooms, bus bays, waiting areas, bike lockers, etc. Additionally, the rail tracks are cleaned bi-monthly.

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Similar levels of cleaning routines are available on the Metromover system. There are four cleaners roving on the system from 7:00 a.m. – 9:00 a.m. who pick up debris, remove trash, spot clean handrails, doors and benches. There are eight cleaners between 9 a.m. to 6 p.m. that move from station to station performing routine cleaning details. One cleaner is dedicated to the Omni Metromover station. MDT also pressure washes each Metromover station once a week between 7:00 p.m. – 1:00 a.m.

MDT has 150 trash bins system wide (Metrorail and Metromover stations). For example, the Civic Center station has six bins, four on the platform level and two on the concourse level and Bayfront Metromover station has two bins on the platform level. Trash bins are changed twice a day by cleaning staff or as needed. MDT has several additional bins stocked to be deployed for special events or where there may be a noticeable increase in debris at a particular station.

All stations and rail cars are checked by MDT Property Managers and Rail Vehicle Cleaner Supervisors to ensure that rail cars and stations have been cleaned properly. Additionally, MDT's contracted security personnel are also available at each station to monitor and report debris and issues with cleanliness. If it is determined during the course of the pilot project that an inordinate amount of debris is accumulated or an extensive increase in the current extermination routine should be required, MDT will reserve the right to cancel the pilot project and have the vendor remove the machines.

If it is the Board's desire to proceed with a pilot project, staff will prepare an ITB to be considered by the Transit Committee.


Assistant County Manager

Survey of Transit Properties			
Name of Property	Vending	Product	Additional Information
Chicago Transit Authority (CTA)	Yes	Coke and Water	145 Rail Stations 500 Vending Machines Receives \$47 per machine; Annual Revenue in 2007: \$282,000 Eating and drinking policy not enforced
Greater Cleveland Regional Transit Authority (GCRTA)	Yes	Pepsi and Water	52 Rail Stations 30 Vending Machines (selected stations) Receives \$0.52 per unit sold Annual Revenue in 2007: \$100,000 Eating and drinking policy not enforced
Tri-Rail (SFRTA)	Yes	Beverage and Food	18 Rail Stations 64 Vending Machines Receives 34% commission on all products with a minimum guarantee of \$90,000 Annual Revenue in 2007: \$90,000
Washington Metropolitan Area Transportation Authority (WMATA)	No	None	No eating and drinking policy enforced
San Francisco Bay Area Rapid Transit (BART)	No	None	No eating and drinking policy enforced.
Dallas Area Rapid Transit (DART)	No	None	No eating and drinking policy enforced
Metropolitan Atlanta Rapid Transit Authority (MARTA)	No	None	No eating and drinking policy enforced