ITEM NO.  SUBJECT:  PATCO Transit Ambassadors

COMMITTEE:  Operations & Maintenance

COMMITTEE MEETING DATE:  August 18, 2010

PATCO BOARD ACTION DATE:  September 15, 2010

PROPOSAL:  That the Board authorizes staff to negotiate an Agreement with Service Group Incorporated (SGI) whereby SGI will provide Transit Ambassadors for the PATCO system.

Amount:  $611,806

Firm:  Service Group Incorporated
        40 Lloyd Avenue, Suite 101
        PO Box 70
        Malvern, PA 19355

Other Proposers:  None

PURPOSE:  To retain uniformed Transit Ambassadors to provide a presence in PATCO stations, parking lots, concourses, and on trains primarily in the evening hours. The Ambassadors will assist customers and enhance their travel experience on PATCO.

BACKGROUND:  When the PATCO system was designed in the mid 1960’s, one of the primary goals was that the system be a model of operational efficiency. This goal was achieved through the use of automated systems on the trains and in the stations. As a result, trains, regardless of the number of cars, are operated by one train operator in the lead car. Fare collection is accomplished through an automated fare collection system that allows customers to load value to their smart cards or purchase tickets at the automated vending machines and fares are automatically deducted at the gates. As such, station attendants are normally only present in the New Jersey stations during the morning peak periods to assist customers as needed. The efficiency of an automated system has resulted in PATCO’s ratio of fare collection to operating expense as being among the highest in the transit industry.
Because PATCO is so automated, there are times of the day when there is a very limited official PATCO presence throughout the system. This is not particularly an issue during the morning and afternoon commuting periods and during the normal business day because there is a fairly high level of activity throughout the system as a result of repair and maintenance activities, revenue collection operations, custodial effort, and Public Safety presence. Customers using the system feel safe because of the PATCO presence and because of the general high level of customer activity in the stations, parking lots, and on the trains. However, after the afternoon peak commuting period, most of PATCO’s maintenance activities are concentrated in the maintenance shop, along the right-of-way, and generally in non-public areas. As a result, customers using PATCO to return home from work and to attend dining, entertainment, sporting, and other leisure venues (a market PATCO is trying to develop) encounter a very limited PATCO presence throughout the system. If customers are going to use PATCO during these late evening and nighttime hours, they must feel comfortable in doing so; because of the limited official presence, this is not always the case.

Issues of customer comfort are not unique to PATCO and many transit agencies, downtown areas, and business districts have recognized that increasing an official presence is essential to their success. Locally, the City of Camden, the Center City District area in Philadelphia, the University area in Philadelphia, and Atlantic City have enhanced customers’ feeling of safety and security through the use of programs that provide service personnel to create an official presence, meet and greet customers, answer questions, and generally create a more customer friendly environment. In the City of Camden, the Greater Camden Partnership created a Special Services District (CSSD) that employs Clean and Safe Teams to improve the environment in the Central Business District.

In July 2007 the Board approved the award of a contract to Service Group Inc. (SGI) to provide Transit Ambassadors in PATCO stations. The effective date of the contract was October 23, 2007. For the past three years, the Transit Ambassadors have provided a uniform presence in the stations, parking lots, concourses, and on the trains primarily in the evening hours. They are equipped to assist customers with information, ticket, card and gate issues, or simply alert appropriate PATCO personnel if a situation should arise. Over
this time period, the Transit Ambassador program has been a favorite of the public who travel on PATCO in the evening and late night hours. Based on an on-line survey, 81% of the respondents indicated that they found the presence of an Ambassador in the station helpful or somewhat helpful. Oftentimes, PATCO's Customer Service receives comments of appreciation for the assistance that the Transit Ambassadors provide customers while traveling on PATCO. The presence of Ambassadors in the stations provides a sense of security for passengers, especially females traveling alone in the evening on transit. This program by no means replaces the presence of police in the PATCO stations, it simply compliments the mission of providing the public a safe and secure travel experience on PATCO; Public Safety fully supports the program. In fact, PATCO and Public Safety coordinate on the assignment of Transit Ambassadors to stations, especially, during special events such as concerts and sporting events.

The 2007 contract was for one year plus two one-year options. DRPA/PATCO exercised both of the two one-year options with a 3% increase for each year on November 24, 2008 in the amount of $577,015.27 and October 20, 2009 in the amount of $594,325.73 and the contract is due to expire on October 15, 2010. DRPA/PATCO developed a Request for Proposals (RFP) that included a Scope of Work and a Staffing Plan. The RFP was publicly advertised via the DRPA website with a mandatory Pre-proposal Meeting requirement. Two companies attended the meeting (SGI and Quic) and only one company, Service Group Inc. (SGI), submitted a proposal.

The SGI proposal was very responsive to the RFP and demonstrated significant experience in providing the services prescribed in the RFP. SGI has experience in providing similar services around the country in areas including Camden, NJ; Philadelphia, PA; Denver, Colorado; Jacksonville, FL; Lancaster, PA; and several cities in California including Los Angeles and San Diego to name a few. The SGI Proposal is for one year and DRPA/PATCO at its discretion may extend the Agreement for two successive one-year periods. Any extension of the Agreement will be limited to a 3% increase in cost. The cost quoted includes labor, benefits, training and uniforms. SGI’s price proposal for the services is $611,806 which includes one Supervisor, one Manager, 9 fulltime Transit Ambassadors and 9 part-time Transit Ambassadors.
It is recommended that the Board authorize staff to negotiate a contract with Service Group Incorporated in the amount of $611,806 to provide Transit Ambassador services to PATCO for a period of one year with an option to renew the contract for two, one-year terms for the option years. SGI has committed to a price in subsequent years that is limited to a three percent increase over the previous year. If the options years are exercised, the cost will be from the PATCO Operating Budget.

**SUMMARY:**

| Amount:       | $611,806 (Year 1) |
| Source of Funding: | NJ Swap: $127,460 |
| General Fund:    | $484,346 (operating budget) |
| Capital Project #: | N/A |
| Master Plan Status: | N/A |
| Other Fund Sources: | N/A |
| Duration of Contract: | Up to 3 years |
| Other Parties Involved: | N/A |
RESOLUTION

RESOLVED: That the Board authorizes the proper officers of the Authority to negotiate an Agreement with the Service Group Incorporated whereby SGI will provide Transit Ambassadors for the PATCO system for one year in an amount not to exceed $611,806 the first year and for two, one-year options at DRPA/PATCO’s sole discretion at an amount not to exceed a 3% increase over the previous year, as per the attached Summary Statement; and be it further

RESOLVED: The Chair, Vice Chair and the President must approve and are here by authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and President and if thereafter, either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of PATCO, along with the President. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s), while they are absent or unavailable, then the President shall execute such document(s) on behalf of PATCO.

SUMMARY: Amount: $611,806 (Year 1)
Source of Funding: NJ Swap: $127,460
General Fund: $484,346 (operating budget)
Capital Project #: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: Up to 3 years
Other Parties Involved: N/A