



March 16, 2017

To: Legislative and Communications Committee
From: Darrell Johnson, Chief Executive Officer
Subject: Amendment to Agreement to Exercise Option Term for Customer Information Center

Overview

On January 27, 2014, the Orange County Transportation Authority Board of Directors approved an agreement with Alta Resources to operate the Customer Information Center for a three-year initial term and two, two-year option terms. Staff is requesting approval to exercise the first option term effective July 1, 2017 through June 30, 2019.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-3-1895 between the Orange County Transportation Authority and Alta Resources to exercise the first option term of the agreement, in the amount of \$2,113,600 to provide call center services. This will increase the maximum obligation of the agreement to a total contract value of \$6,148,600.

Discussion

The Orange County Transportation Authority's (OCTA) Customer Information Center (CIC) provides information to more than 480,000 callers per year who call the (714) 636-RIDE or 1-800-636-RIDE telephone numbers. CIC services include assisting customers with bus route itineraries; bus scheduling information; next bus arrival times; receiving and recording customer comments, complaints, and compliments; processing pass sales orders; and answering questions regarding the OCTA Reduced Fare Identification Program. In addition, the CIC answers basic questions relative to customer relations, ACCESS paratransit service, freeway services, rideshare, and Metrolink, and transfers more advanced questions to the appropriate OCTA departments. The CIC operates seven days a week, 365 days per year. Hours of operation are weekdays

from 7 a.m. to 7 p.m., weekends from 8 a.m. to 6 p.m. and holidays from 8 a.m. to 5 p.m.

Alta Resources (Alta) has provided call center services to OCTA since 2001. Alta is headquartered in Neenah, Wisconsin and operates the CIC locally from its location in the City of Brea. The firm currently employs more than 2,137 employees across its various business units with 242 employees located in the City of Brea. The CIC is staffed with four full-time operators and 21 part-time operators.

In addition to the CIC, OCTA offers other methods to answer customer questions. Over the years, advances in technology have allowed OCTA to provide different and more advanced solutions. In 2008, OCTA began providing mobile and web-based information that allows customers to access information according to their preferences. Customers are encouraged to use digital bus information tools such as the online trip planner, Text4Next, and eBusBooks.

The use of these new information delivery methods, along with the recent decline in bus ridership, has contributed to lower call center volumes (Attachment A). In response to the fewer number of calls, the current CIC contract, effective July 2014, no longer uses the traditional cost-per-call pricing that was used for previous call center contracts. Instead, the pricing structure assigns a fixed rate to pre-determined call volume ranges.

Because call volumes have continued to demonstrate a declining trend, and as part of the continuing strategies to manage costs, staff recently negotiated with Alta to amend the contract to add two additional lower-priced tiers, which has saved \$10,000 in costs in the first six months of FY 2016-17.

Furthermore, in its ongoing effort to manage call volumes and costs while providing quality customer service for bus-related calls, staff is developing an Interactive Voice Response (IVR) system to complement the CIC. The goal of the IVR is to provide enhanced customer service and reduce costs by lowering the number of calls that are routed to Alta Resources. An IVR system will benefit customers by providing service 24 hours a day, 7 days a week, and multicultural language recognition and response.

Procurement Approach

This procurement was originally handled in accordance with OCTA's Board of Directors (Board)-approved policies and procedures for professional services. On January 27, 2014, the OCTA Board approved the award of the agreement with Alta. The original agreement was awarded on a competitive

basis and includes a three-year initial term and two, two-year option terms, in the amount of \$4,035,000. The initial term of the agreement will expire on June 30, 2017, requiring the first option term to be exercised, extending the term through June 30, 2019, in the amount of \$2,113,600, and bringing the total contract value to \$6,148,600. OCTA has been satisfied with the services and support provided by Alta throughout the initial term of the agreement. Extending the term of the agreement will allow OCTA continued assistance with its CIC.

Fiscal Impact

Funds to exercise the first option term will be included in the OCTA Fiscal Year 2017-18 Budget, Account 1837-7519-D4601-1E4, and is funded through the Orange County Transit District Fund.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-3-1895 with Alta Resources to exercise the first option term, in the amount of \$2,113,600, for call center services effective July 1, 2017 through June 30, 2019.

Attachment

- A. Customer Information Center Call Volume Trends
- B. Alta Resources Agreement No. C-6-0461 Fact Sheet

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