



**June 14, 2018**

**To:** Transit Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Amendment to Agreement for the Development, Hosting, License, and Maintenance of a Mobile Ticketing Application

### **Overview**

On July 13, 2015, the Board of Directors approved Agreement No. C-5-3244 with moovel North America, LLC, to develop a mobile ticketing application that provides the ability to purchase and display fare products from smart phone devices. An amendment to the existing contract is needed to add functionality to the current mobile ticketing application to administer and distribute bus passes for employer and university programs.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-5-3244 between the Orange County Transportation Authority and moovel North America, LLC, in the amount of \$160,000, to add functionality to the current mobile ticketing platform to administer and distribute employer and university program bus passes. This will increase the maximum obligation of the agreement to a total contract value of \$783,209.

### **Discussion**

On July 13, 2015, the Orange County Transportation Authority (OCTA) approved Agreement No. C-5-3244 with moovel North America, LLC (moovel), to develop, host, license, and maintain a mobile ticketing application that is used to purchase and display fare products. Since the launch of the OC Bus mobile ticketing application, there have been over 52,000 registered users with over 700,000 fares purchased.

To support OCTA's efforts to improve the customer experience, increase ridership, and reduce capital costs, staff recommends implementing additional functionality to the current OC Bus mobile ticketing platform that will allow OCTA

to administer and distribute mobile ticketing bus passes to the various employer and university pass programs managed by OCTA.

OCTA currently manages a number of employer and university pass programs in which agreements are in place with various organizations to provide access to OCTA's fixed-route system to its respective employees or students. An OCTA branded card is provided to each individual to be swiped through the farebox while boarding. Most recently, Santa Ana College students have had their student identification cards encoded so that they can be validated on OCTA's fareboxes. With the added functionality on the OC Bus mobile ticketing platform, OCTA will be able to provide a choice to these individuals who would rather use their mobile phone to receive the OCTA pass benefit instead of an OCTA branded card or student identification card. The new features would also allow OCTA to provide promotional passes through the OC Bus mobile ticketing application that can be used for marketing purposes.

Staff is requesting \$80,000 in configuration costs and \$80,000 in licensing fees to integrate the new functionality that will allow OCTA to administer and distribute employer and student passes to OC Bus mobile ticketing users. The licensing fees will cover 24 months of software use for the new features. These additional services will increase the current agreement's maximum contract obligation by \$160,000. Additionally, there will be a one percent transaction fee for every pass distributed within the system. The transaction fee will be based on the dollar amount that OCTA receives for each pass that is sold or distributed to each employer or university.

### ***Procurement Approach***

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for professional and technical services. The original agreement, awarded on July 13, 2015, was issued in the fixed-price amount of \$579,209, plus a one percent transaction fee. This agreement was previously amended as described in Attachment A. The initial term of the agreement is through December 31, 2020, with two, one-year option terms.

Amendment No. 5 is intended to allow moovel to provide new features to OCTA's current OC Bus mobile ticketing platform to administer and distribute employer and university passes. The additional cost of purchasing the configuration and licensing of the new components will increase the maximum obligation by \$160,000.

Staff conducted a review of moovel's proposed pricing. The results indicate that the rates are standard rates and consistent with pricing offered to other agencies.

The rates are also comparable to other OCTA consulting services contracts for similar projects; therefore, deemed fair and reasonable. Based on their technical ability and financial status, moovel is also deemed responsible.

**Fiscal Impact**

This project was approved in OCTA's Fiscal Year 2017-18 Budget, Finance and Administration Division, Information Systems Department, Account 1288-D3131-THK-7519, 1288-D3131-OAZ-7518, and 1288-D3131-336-7519.

**Summary**

Staff requests Board approval for the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement C-5-3244 with moovel North America, LLC, in the amount of \$160,000, to provide OCTA the ability to administer and distribute employer and university passes through the OC Bus mobile ticketing application, bringing the total contract amount to \$783,209.

**Attachment**

- A. moovel North America, LLC, Agreement No. C-5-3244 Fact Sheet

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