



November 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement with moovel North America, LLC, for Mobile Ticketing Services

Overview

On July 13, 2015, the Board of Directors approved an agreement with moovel North America, LLC, to develop a mobile ticketing application that provides the ability to purchase and display fare products for OC Bus from certain smartphone devices. The initial contract term will expire on December 31, 2020, and an amendment is needed to exercise the option-term for service continuity.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3244 between the Orange County Transportation Authority and moovel North America, LLC, in the amount of \$290,372, to exercise the option-term of the agreement for up to 12 months from the initial term, for licensing, maintenance, and commission fees. The amendment will increase the maximum obligation of the agreement to a total contract value of \$1,240,462.

Background

On July 13, 2015, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved an agreement 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 on OC Bus. The agreement included an initial term of five years, which expires on December 31, 2020, and a single 24-month option-term. At the end of January 2020, moovel notified OCTA of their plans to exit the mobile ticketing market in the United States. As a result, moovel requested OCTA reduce the option-term from 24 months to 12 months, which still provided OCTA sufficient time to transition to another mobile ticketing vendor as moovel exited the market.

In order to facilitate the transition to a new mobile provider, the OCTA Board authorized the release of a request for proposals on February 10, 2020, to secure a new mobile ticketing provider. On May 11, 2020, the Board approved an agreement with Bytemark, Inc. (Bytemark), to develop a replacement mobile ticketing application that provides the ability to purchase and display fare OC Bus products from smartphone devices.

Discussion

OCTA is working diligently with Bytemark to develop the replacement mobile ticketing application, however the initial term of the moovel agreement will expire on December 31, 2020, and OCTA will need to continue to use the existing mobile application provided by moovel until the new application is implemented. Implementation of the new mobile ticketing application is anticipated in spring 2021. As a result, staff is recommending exercising a modified month-to-month option-term of up to 12 months to provide service continuity until the replacement application is implemented. The costs included in the option-term are consistent with the terms of the existing agreement and will provide OCTA the ability to fund license and maintenance fees, in the amount of \$12,063 per month, for an amount up to \$144,756, as well as an amount up to \$145,616 for commission fees associated with the sale of fare media using the mobile application, which include one-way fares, day passes, multiple day passes, and college student passes.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved procedures for professional and technical services. On July 13, 2015, the OCTA Board approved the award of an agreement with moovel to develop and implement a mobile ticketing application for OC Bus. The original agreement was awarded on a competitive basis and included a five-year initial term and a single, two-year option-term in the amount of \$579,209. The initial term of the agreement will expire on December 31, 2020, requiring the option-term to be exercised. This agreement was previously amended as described in Attachment A.

Amending this agreement will increase the maximum obligation by \$290,372, bringing the total contract value to \$1,240,462. Exercising the option-term for up to 12 months, compensated on a month-to-month basis, provides software, license, and maintenance fees commencing January 1, 2021 through December 31, 2021, and additional funding to allow moovel to continue services on OCTA's current OC Bus Mobile Ticketing platform. This total includes

additional funds to the current term to pay for commission fees for the current term.

Fiscal Impact

This project was approved in OCTA's Fiscal Year 2019-20 Budget, Finance and Administration Division, Information Systems Department, accounts 1288-D3131-THK-7519, 1288-D3131-OAZ-7518, and 1261-D3131-OAZ-7518.

Summary

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Amendment No. 11 to Agreement No. C-5-3244 with moovel North America, LLC., to exercise the option-term for up to 12 months. The option-term provides mobile ticketing service continuity until the replacement mobile ticketing application is implemented in spring 2021. The option-term includes additional funding in the amount of \$290,372, which brings the total contract amount to \$1,240,462.

Attachment

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

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