



February 11, 2021

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement for Mobile Ticketing Validators
Extended Warranty Coverage Period

Overview

The Orange County Transportation Authority implemented the use of mobile ticketing validators to validate mobile fare media. This was done through the use of consultant resources for the initial installation of the validators, completed in 2018 and on-going technical and warranty support since that time. Staff is requesting Board of Directors' approval to exercise the first option term to extend warranty coverage for the validators for a one-year period.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-6-0942 between the Orange County Transportation Authority and Init Innovations in Transportation, Inc., to exercise the first option term in the amount of \$136,608, for extended warranty coverage for mobile ticketing validators effective May 1, 2021 through April 30, 2022.

Background

On October 24, 2016, the Orange County Transportation Authority (OCTA) Board of Directors (Board) awarded a contract to Init Innovations in Transportation, Inc., (Init Innovations) to equip OCTA's fixed-route fleet with mobile ticket validators in order to validate mobile fare media. Installation of the mobile ticketing validators began in early fall 2017 and the entire fixed-route fleet was equipped with validators by February 2018. Since inception, more than 6.1 million mobile application tickets have been validated through the mobile ticketing validators. Init Innovations has provided warranty service since the completion of installation.

Discussion

Warranty coverage for the validators expires April 30, 2021. OCTA currently has 547 validators installed on existing fleet with an additional 34 spares in inventory. The warranty coverage includes maintenance of software, hardware, and central hosting services. The software warranty coverage includes version updates, feature upgrades, enhanced fare table management, system error correction through remote virtual private network, and the Init Innovations support line, which also includes 24-hour services for errors. The hardware warranty coverage includes parts repair for defective hardware or provides a direct unit replacement. These warranty services have been critical for the operation of the mobile ticketing solution. In order to maintain this comprehensive coverage, staff recommends the warranty period extension from May 1, 2021 through April 30, 2022, in the amount of \$136,608.

Procurement Approach

The original procurement was handled in accordance with OCTA's Board-approved policies and procedures for professional services. On October 24, 2016, the Board approved the award of the agreement with Init Innovations. The original agreement was awarded on a competitive basis and includes a four-year initial term with four, one-year option terms for extended warranty in the amount of \$2,525,632. The initial term expires April 30, 2021. Amendments to the agreement are described in Attachment A.

The proposed Amendment No. 4 is to exercise the first option-term for extended warranty of the agreement effective May 1, 2021 through April 30, 2022. Amending this agreement will increase the maximum obligation by \$136,608, bringing the total contract value to \$2,899,087. The warranty pricing will remain as originally negotiated. Exercising the first option term will allow Init Innovations to continue providing warranty coverage for the existing fare collection mobile ticketing validators for an additional 12 months.

Fiscal Impact

This project was approved in OCTA's Fiscal Year 2020-21 Budget, Information System Department Account No. 1288-D3131-336-7612.

Summary

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-6-0942 between the Orange County

Transportation Authority and Init Innovations in Transportation, Inc., to exercise the first option-term in the amount of \$136,608, for extended warranty coverage of the fare collection mobile ticketing validators effective May 1, 2021 through April 30, 2022.

Attachment

- A. Init Innovations in Transportation, Inc., Agreement No. C-6-0942 Fact Sheet

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