



May 9, 2024

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

A handwritten signature in blue ink, appearing to read "Darrell Johnson", is positioned to the right of the "From:" line.

Subject: Radio Communications Equipment Replacement for OC Bus and OC ACCESS Vehicles

Overview

Board of Directors' authorization is requested for the purchase of hardware and services to complete the radio communications equipment replacement on the OC Bus and OC ACCESS vehicle fleet.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-4-2235 between the Orange County Transportation Authority and Conduent Transport Solutions, Inc., in the amount of \$6,627,206, for the purchase of hardware and services necessary to replace 123 Integrated Vehicle Unit 2100s and 257 Integrated Vehicle Unit 3100s with the advanced Integrated Vehicle Unit 4000P/4000 for the Orange County Transportation Authority's paratransit and fixed-route fleets, respectively.

Discussion

The Orange County Transportation Authority (OCTA) is actively transitioning its transit operations technology from the obsolete Integrated Vehicle Unit (IVU) 2100s and 3100s to the more advanced IVU 4000P/4000 models, addressing the critical need for technological updates as the older models have reached end-of-life and are no longer being produced. The updated IVU 4000P/4000 models are provided by Conduent Transport Solutions, Inc. (Conduent). To date, OCTA has already upgraded to the IVU 4000P/4000 on six of the 254 paratransit buses and 223 of the 530 fixed-route buses, with an additional 125 paratransit buses currently being procured with the IVU 4000P model and 50 fixed-route buses with the IVU 4000 model. This widespread adoption is essential for ensuring compatibility and operational cohesion across the entire fleet, simplifying maintenance, and standardizing training processes for all bus operators who will now use consistent system interfaces.

Given the urgent need to replace the end-of-life IVU 2100s and 3100s, OCTA is transitioning to the IVU 4000P/4000 units to ensure continued operational efficiency and passenger satisfaction. The IVU 4000P/4000 models bring significant technological enhancements that greatly enhance service quality for OCTA riders, while also elevating operational efficiency and passenger satisfaction. These upgrades feature advanced audio systems with exceptional radio sound quality and crystal-clear announcements, ensuring that essential information is readily accessible to both coach operators and riders. Enhanced Global Positioning Systems tracking boosts route adherence, thus promoting punctuality and reliability across services. The intuitive user interfaces of these units simplify operations, providing bus operators with a more streamlined control mechanism that eases their daily tasks. Furthermore, these units are equipped with sophisticated data collection capabilities, facilitating effective real-time decision-making and prompt service adjustments, which are key elements for optimizing day-to-day transit operations. Additionally, the IVU 4000P/4000 models are designed for superior integration with other onboard systems, supporting efficient real-time data transmission and dynamic scheduling, which are vital for effective and responsive transit management.

By upgrading to the IVU 4000P/4000, OCTA is not only adhering to current operational demands but is proactively positioning itself for future technological progress. This necessary upgrade is pivotal in fostering long-term cost efficiencies through a reduction in maintenance and repair frequencies, consequently decreasing operational expenditures. This replacement is vital for maintaining an efficient and dependable fleet, which is essential for addressing the continually evolving needs of public transit. Ultimately, this replacement significantly boosts the overall quality of community service, ensuring that OCTA remains at the forefront of public transportation solutions.

Procurement Approach

The procurement was handled in accordance with OCTA's Board of Directors-approved policies and procedures for a sole source procurement. Conduent is the exclusive owner of the IVU 4000P/4000 models. The firm has proprietary rights to its technology and is the sole entity able to market and sell its proprietary technology, as it does not have agreements that allow resale through other vendors. Therefore, Conduent meets OCTA's criteria for a sole source procurement, and based on its technical ability and financial status, the firm is deemed responsible.

Conduent’s proposal was reviewed by staff from the Contracts Administration and Materials Management (CAMM) and Information Systems departments to ensure compliance with the contract terms, as well as the technical requirements.

In accordance with OCTA’s sole source procurement procedures, a sole source over \$50,000 requires OCTA’s Internal Audit Department (Internal Audit) to conduct a price review of the vendor’s proposed pricing. As is common with these types of vendors, Conduent did not provide a detailed cost breakdown in a format that would be required in order to perform a price review. Conduent also stated that OCTA is the first property in which it will be retrofitting a sizable bus fleet with the IVU4000P/4000. As a result, Internal Audit was unable to compare Conduent’s proposed pricing to comparable contracts or quotes. Therefore, CAMM performed a price analysis using the information available, such as past contracts with Conduent, to analyze the reasonableness of the quoted price. Since Conduent would not provide cost documentation to support proposed labor charges and overhead costs sufficient to allow an Internal Audit price review, CAMM staff compared the proposed pricing to previous contracts (Agreement Nos. C-9-1120 and C-2-2165) between OCTA and Conduent for similar services and found the price per vehicle for the fixed-route and paratransit pilot programs to be lower as shown below. In addition, the quoted price is lower than the OCTA project manager’s independent cost estimate. Therefore, the quoted price is deemed fair and reasonable.

Project	Quoted Pricing	Comparable Contract (C-9-1120)	Comparable Contract (C-2-2165)
Fixed-Route	\$16,099/vehicle	\$81,103/vehicle	-
Paratransit	\$21,552/vehicle	-	\$41,667/vehicle

Fiscal Impact

The project was approved in OCTA’s Fiscal Year 2023-24 Budget, Finance and Administration Division/Information Systems Department, account nos. 1288-9027-D1111-KUR and 1288-9027-D1111-2EM and is funded through local funds.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C-4-2235 between the Orange County Transportation Authority and Conduent Transport Solutions, Inc., in the amount of \$6,627,206, for a one-year term, for the purchase of hardware and services necessary to replace the Integrated Vehicle Unit 2100s and 3100s with the advanced Integrated Vehicle Unit 4000P/4000 for Orange County Transportation Authority's paratransit and fixed-route fleets, respectively.

Attachment

None.

Prepared by:



Josh Duke
Department Manager, Information
Systems
714-560-5095

Approved by:



Andrew Oftelie
Chief Financial Officer, Finance and
Administration
714-560-5649



Pia Veesapen
Director, Contracts Administration and
Materials Management
714-560-5619