



April 22, 2024

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Approval to Release Request for Proposals for the Replacement of Fareboxes and Related Fare Collection Equipment

Overview

The Orange County Transportation Authority has developed a request for proposals to initiate a competitive procurement process to select a firm for the development and implementation of replacement fareboxes and related fare collection equipment for the fixed-route bus system.

Recommendations

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 4-2110 to select a firm for the development and implementation of replacement fareboxes and related fare collection equipment for the fixed-route bus system.
- B. Approve the release of Request for Proposals 4-2110 for the development and implementation of replacement fareboxes and related fare collection equipment for the fixed-route bus system.

Discussion

The Orange County Transportation Authority (OCTA) uses fareboxes installed on its fixed-route bus fleet to collect cash and validate magnetic stripe fare media. The fareboxes currently utilized on the fixed-route fleet are 24 years old and have far exceeded their useful life. OCTA is seeking Board of Directors (Board) approval to initiate a request for proposals (RFP) for the replacement of fareboxes across the entire fixed-route bus fleet, consisting of 534 buses plus an additional 53 units to be utilized as spares and five additional units to be used for training, fare programming, and testing.

The new fareboxes will enhance reliability for cash acceptance and will include associated equipment, such as 23 fare collection vaults distributed and utilized among OCTA's four bus bases. In October 2023, the Board approved the

development and implementation of OCTA's Rider Validation system (RVS), which will leverage the prior investments in mobile ticketing and validators to provide a better customer fare payment experience, enhance rider validation, and offer flexibility in introducing new fare products. The new RVS will implement smart cards and eliminate the need for magnetic fare media. As such, the new fareboxes will no longer be required to validate magnetic fare media and will be cash only.

The goals for the simplified farebox replacement project include:

1. Simplify farebox functionality: The system aims to simplify the farebox functionality by eliminating magnetic stripe fare media and accepting cash payments only, allowing OCTA to reduce onboard cash usage and streamline the payment process.
2. Improve farebox monitoring and administrative tools: The upgraded farebox system will incorporate enhanced monitoring and administrative tools, ensuring efficient oversight of fare collection operations.
3. Reduce maintenance costs: Maintenance costs will be reduced by the elimination of magnetic fare readers on the fareboxes.
4. Provide full ownership of farebox data and access to farebox application programming interfaces (API): The system will empower OCTA with full ownership of farebox data and provide access to farebox APIs, facilitating data-driven decision-making.
5. Integrate with onboard bus systems: The new farebox system will seamlessly integrate with existing onboard bus systems.
6. Reuse infrastructure where possible to minimize costs/complexity: OCTA will explore opportunities to reuse existing infrastructure in order to minimize costs and complexity.

Procurement Approach

OCTA's Board-approved procurement policies and procedures require that the Board approve all RFPs over \$1,000,000, as well as approve the evaluation criteria and weightings. Staff is submitting for Board approval the draft RFP and evaluation criteria and weightings, which will be used to evaluate proposals received in response to the RFP.

Approval to Release Request for Proposals for the Replacement of Fareboxes and Related Fare Collection Equipment **Page 3**

The proposed evaluation criteria and weightings are as follows:

- Qualifications of the Firm 20 percent
- Staffing and Project Organization 20 percent
- Work Plan 35 percent
- Cost and Price 25 percent

Several factors were considered in developing the evaluation criteria weightings. Qualifications of the firm is weighted at 20 percent as the firm must demonstrate experience implementing replacement fareboxes and related fare collection equipment. Staffing and project organization is also weighted at 20 percent as the firm must demonstrate the level of expertise, availability, and involvement for the roles of the proposed project team. Work plan is weighted at 35 percent as the firm's proposed implementation plan and solution must be able to meet the functional and technical requirements established for the replacement fareboxes and related farebox collection equipment as specified in the scope of work. Cost and price is weighted at 25 percent to ensure that OCTA receives value for the services provided.

The contract term for this procurement will have a six-and a-half-year initial term, consisting of 18 months for implementation followed by five years for operations and maintenance services, with one, five-year option term. The total cost for the initial term is anticipated to be approximately \$12,717,713.

This RFP will be released upon Board approval of these recommendations.

Fiscal Impact

This project will be included in OCTA's Proposed Fiscal Year 2024-25 Budget, Finance and Administration Division, Account No. 1261-9028-D3131-2PE.

Approval to Release Request for Proposals for the Replacement of Fareboxes and Related Fare Collection Equipment **Page 4**

Summary

Board of Directors' approval is requested to release Request for Proposals 4-2110 to select a firm for the development and implementation of replacement fareboxes and related fare collection equipment for the fixed-route bus system, as well as approval of the proposed evaluation criteria and weightings.

Attachment

- A. Draft Request for Proposals (RFP) 4-2110, Replacement of Fareboxes and Related Fare Collection Equipment

Prepared by:



Sam Kaur
Department Manager,
Revenue and Grants Administration
714-560-5889

Approved by:



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



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