

The Decision Making Process- To Renew or Replace?



Israel Maldonado
MTS, Fare Systems
Administrator
San Diego, CA

Agenda

- Quick Facts
- The Trigger & Task Force
- Peer Reviews & Lessons Learned
- Path Forward
- Renew or Replace
- Next-Gen Requirements

Very Quick Facts

- Service 10 Cities, Busiest Port of Entry in the World
- Lots of Tourist (3rd highest in Nation)
- Over 600 buses, Trolley (light rail), Carried 88 million FY17
- \$100 million in fare revenue, 36.5% fare box recovery
- Cubic card-based system since 2006
- Mobile Ticketing by Moovel in early 2017

The Trigger

- Hardware at end of useful life
- Outdated software needs upgrade
- Need Increased security measures
- Card-based system requires a lot of maintenance
- Customers want greater functionality

The Task Force

- Key Stakeholders
 - Ops, Finance, Marketing, Planning, IT and Executive Leadership
- Goal: Understand needs of all stakeholders

Hosted Peer Reviews

- Invited 8 different agencies, Summer 2016
 - D.C., Toronto, Dallas, Minneapolis, Chicago, Philadelphia, Seattle and Portland
- Discussed various topics
 - Procurement of NEW versus Replacement
 - Open and Closed loop payment
 - Account Based, Hardware, Back Office, Mobile, CRM

Lessons Learned

- Account Based Sys
 - More flexible customizable environment
 - Requires Cell Routers on Bus
- Open Architecture
 - Leverage diverse business options, Mobile
- Simplified Fare Structure
- Cloud Hosted Back Office
 - Need High availability for account based
 - PCI compliance
- Integrated Mobile ticketing
 - Reduced Fraud risk
 - Easier on drivers

Path Forward

- White Paper, Dec 2016
 - Identify broader business decisions
- Concept of Operations, Fall 2017
 - Refined detail
 - Guidelines
 - Procurement approach
 - Tech Specs

Path Forward

- Request for Information
 - Issued October 2017
- Request For Qualifications
 - Issued Nov 2017
 - 7 shortlisted vendors
- Request For Proposals
 - Issued March 2018

To Renew or Replace

- Depends on Agency's circumstances
- No Magic Bullet
- Team Retrospectives, Benchmarking facilitate decision making
- MTS consensus for competitive RFP

Next Generation Requirements

- Account-Based System with Real Time Communications
- Open Architecture, Closed-Loop Foundation
- Open Payments Ready, Retail Network, gift card model
- Flexible and Expandable Fare Policy, Mobile Ticketing Integration
- Robust Back Office Hosting and Data Reporting
- Payment Card and Personally Identifiable Information Security
- Future Expandability, Legacy System Transition

Thank You

Israel Maldonado
Fare Systems Administrator
israel.maldonado@sdmts.com