To: Chairman Skinner and the VRE Operations Board  
From: Rich Dalton  
Date: March 20, 2020  
Re: Authorization to Issue a Request for Proposals for Mobile Ticketing

**Recommendation:**

The VRE Operations Board is asked to authorize the Acting Chief Executive Officer to issue a Request for Proposals (RFP) for Mobile Ticketing. The intended period of performance will be a base year and four option years, unless proposed solutions dictate otherwise.

**Summary:**

The ticketing component of VRE Mobile is currently provided by moovel of Portland, Oregon. The parent company of moovel has announced their intention to leave the mobile ticketing market in North America in the next 18-24 months. Starting the procurement process now should give VRE enough time to procure and implement a new ticketing solution for VRE Mobile prior to the discontinuation of moovel’s services, allowing the transition to a new ticketing solution with minimal disruption for riders.

**Background:**

VRE Mobile was launched in May 2015 and currently accounts for 35% of fare revenue and more than 20,000 tickets per month. The current ticketing service within VRE Mobile is provided by moovel of Portland, Oregon, which has informed VRE of a phased plan to exit the North American market in the next 18-24 months.

The mobile ticketing technology market has undergone multiple changes since the inception of VRE Mobile. The upcoming transition from moovel represents an opportunity to improve VRE Mobile by enabling additional customizations to enhance the user experience.
experience. This includes integrating with other technology-based initiatives like VRE’s Train Talk system, Automatic Parking Counters, Automatic Passenger Counters, VRE’s Variable Messaging System and more. It may also provide the ability to make VRE fare media available on third party trip planning platforms, which will not only increase VRE rider options but also presents an opportunity to partner with other regional transportation agencies for single point of purchase for trips across multiple modes. The ability to allow for reduced-fare eligibility, Amtrak Step-Up tickets, and the use of SmartBenefits transit subsidy funds will continue to be part of VRE Mobile. The technology advancements may also allow VRE to move toward future interoperability with WMATA’s and other regional providers’ fare payment systems, though this would likely come in a later phase.

As determined in accordance with VRE Public Procurement Policies and Procedures, an Invitation for Bids is neither practicable nor fiscally advantageous to VRE, and an RFP is the preferred method of procurement for this solicitation since there are different approaches to the desired service and an evaluation of technical merit is required.

Upon completion of evaluation of proposals, negotiations are conducted with the two highest ranked firms deemed to be fully qualified and best suited among those submitting Proposals, based on the factors specified in the evaluation criteria. Price will be considered in context of technical performance for this service to achieve a best value determination. After receipt of the best and final offer from the top-ranked firm, a cost analysis is performed to compare the proposed cost with the independent cost estimate to determine the proposed cost is fair and reasonable.

The scope of work for the RFP includes mandatory core VRE Mobile ticketing functionality to replace the current moovel provided services as well as optional tasks for the integrations and enhancements mentioned above.

Upon receipt and evaluation of the proposals, staff will return to the Operations Board for authorization to execute the contract.

**Fiscal Impact:**

VRE executed a new agreement with moovel for maintenance and hosting support of the VRE Mobile ticketing application in July 2019, and funding is provided in the FY 2020 and FY 2021 operating budgets in accordance with that agreement. If the new ticketing solution that is selected through this RFP has materially different operating costs, staff will return to the Operations Board in December 2020 for an amendment to the FY 2021 budget. Funding for future years will be included in each subsequent proposed annual operating budget.

In addition, implementation of the new ticketing solution may require one-time development costs. Staff are exploring external funding options to support these efforts, including potential off-cycle grant applications with the Virginia Department of Rail and
Public Transportation (DRPT). If such external funding is not available, VRE has sufficient funding in its Capital Reserve to support expected development costs.
Virginia Railway Express
Operations Board
Resolution
8C-03-2020

Authorization to Issue a Request for Proposals for Mobile Ticketing

WHEREAS, the current ticketing service within VRE Mobile is provided by moovel of Portland, Oregon, which has informed VRE of a phased plan to exit the North American market; and,

WHEREAS, starting the procurement process now should give VRE enough time to procure and implement a new ticketing solution for VRE Mobile prior to the discontinuation of moovel’s services, allowing a transition with minimal disruption for riders; and,

WHEREAS, the upcoming transition from moovel represents an opportunity to improve VRE Mobile by enabling additional customizations to enhance the user experience; and,

WHEREAS, technology advancements may also allow VRE to move toward future interoperability with WMATA’s and other regional providers’ fare payment systems;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby acknowledge the determination made by the VRE Contract Administrator in accordance with the VRE Public Procurement Policies and Procedures that competitive bidding is not practicable, nor fiscally advantageous to VRE, and that competitive negotiation is the appropriate method to procure these services; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Acting Chief Executive Officer to issue a Request for Proposals for Mobile Ticketing.

Approved this 20th day of March 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary