

OC Streetcar Operations and Maintenance Organization Plan

Organization Options

- In-House Operations
- Operations and Maintenance Contractor (O&M)
- Management by Private Contractor
- In-House Operations/Maintenance Contractor

Key Considerations

| Consideration | Description |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------|
| Cost | Annual operating cost. |
| Operational Flexibility | Flexibility in job responsibilities and work assignments. Inflexible work rules will lead to higher costs to operate. |
| Quality of Service | Safe, reliable, and courteous service. Good on-time performance and minimum of missed trips/service interruptions. |
| Organizational Impacts | Ability to incorporate operation into the Orange County Transportation Authority (OCTA). |
| Qualifications of Personnel | Ability to attract and retain experienced personnel. |
| Proven Success/Performance | Demonstrated successful experience in streetcar and similar rail operations for start-up and continuing operations. |

Comparative Evaluation of O&M Options

| QUALITATIVE ANALYSIS OF OPERATIONS OPTIONS | IN-HOUSE | O&M CONTRACTOR | MANAGEMENT BY PRIVATE CONTRACTOR | IN-HOUSE OPERATIONS/ MAINTENANCE CONTRACTOR |
|-------------------------------------------------------------------------------------|----------|----------------|----------------------------------|---------------------------------------------|
| Cost | | ✓ | | |
| Operations Flexibility | | ✓ | ✓ | |
| Quality of Service- Short Term | | ✓ | ✓ | |
| Quality of Service- Long Term | ✓ | | | ✓ |
| Organization Impact | | ✓ | ✓ | |
| Qualified Personnel - Short Term | | ✓ | ✓ | |
| Qualified Personnel - Long Term | ✓ | | | ✓ |
| Proven Success/ Performance (For agencies with no prior rail operations experience) | | ✓ | ✓ | |

Recommendation: O&M Contractor

- OCTA can rely on experienced operating firms to organize its initial rail operations more effectively.
- The initial operation service quality is best supported by experienced private contractors.
- The O&M Contractor option is projected to have the least cost.
- The O&M Contractor option will provide a stronger base of experience in developing and training the employees for the service.

Next Steps

- Pending Board of Directors' approval, a request for proposal will be released fall 2017 with an anticipated notice-to-proceed by September 2018.
- Key personnel retained and on board within 24 months of starting operations (December 2018).
- At least six months in advance of operations (June 2020), the core group of supervisors and foremen for the O&M on board and prepared to train the operators and mechanics.