Metro

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Agenda - Final

Wednesday, January 17, 2018

11:00 AM

One Gateway Plaza, Los Angeles, CA 90012,
3rd Floor, Metro Board Room

Ad Hoc Congestion, Highway and Roads Committee

Janice Hahn, Chair
John Fasana, Vice Chair
Kathryn Barger
Jacquelyn Dupont-Walker
Ara Najarian
Carrie Bowen, non-voting member

Phillip A. Washington, Chief Executive Officer

METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES
(ALSO APPLIES TO BOARD COMMITTEES)

PUBLIC INPUT

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board should be submitted in person at the meeting to the Board Secretary. Individuals requesting to speak on more than three (3) agenda items will be allowed to speak up to a maximum of three (3) minutes per meeting. For individuals requiring translation service, time allowed will be doubled.

Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

The public may also address the Board on non-agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for up to three (3) minutes per meeting and may speak no more than once during the Public Comment period. Speakers will be called according to the order in which the speaker request forms are received. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

CONDUCT IN THE BOARD ROOM - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

REMOVAL FROM THE BOARD ROOM The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
d. Any other unlawful interference with the due and orderly course of said meeting.

INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary and are available

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NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA

CALL TO ORDER

ROLL CALL

APPROVE Consent Calendar Item(s): 5.

Consent calendar items are approved by one motion unless held by a Director for discussion and/or separate action.

CONSENT CALENDAR

5. SUBJECT: I-5 NORTH CAPACITY ENHANCEMENTS FROM SR-134 TO SR-118 2017-0801

RECOMMENDATION

AUTHORIZE Contract Modification No. 221 (CCO 221) by the California Department of Transportation (Caltrans) for construction contract of Segment 3 of the I-5 North Capacity Enhancements Project between SR-134 and SR-118 (Project) under Funding Agreement No. MOU.P0008355/8501A/A6, in the amount of $1,589,186.01 within the LOP budget.

NON-CONSENT

6. SUBJECT: CALTRANS UPDATE 2017-0874

RECOMMENDATION

RECEIVE report by the Caltrans District Director on Delivery of Projects on I-5.

7. SUBJECT: METRO EXPRESSLANES CALIFORNIA HIGHWAY PATROL CITATION DISTRIBUTION 2017-0820

RECOMMENDATION

RECEIVE AND FILE report on the distribution of Metro ExpressLanes California Highway Patrol (CHP) issued citations.

Attachments: Attachment A - Motion 37.1

Attachment B – Transponder Related Fees, Penalties & Fines' Dist

Attachment C- DOJ Distribution of Criminal/Traffic Fines

Presentation

8. SUBJECT: METRO EXPRESSLANES OPERATION AND MAINTENANCE 2017-0717

RECOMMENDATION

CONSIDER:

A. AUTHORIZING the Chief Executive Officer (CEO) to exercise Option 4.5, Additional Year of Operation and Maintenance (O&M) - Year 5 (from February 24, 2018 to February 23, 2019), Modification No.76 for Contract No. PS0922102333 with Atkinson Contractors, LP (Atkinson) for Metro ExpressLanes Operation and Maintenance in the amount of $3,120,000, increasing the total contract price from $164,257,920 to $167,377,920;

B. AUTHORIZING the CEO to execute Contract Modification No.77 for additional O&M Support Costs for Option Year 5 in the amount of $15,699,569, increasing the total contract price from $167,377,920 to $183,077,489;

C. AUTHORIZING the CEO to negotiate and execute Contract Modification No. 79 for an Occupancy Detection System in the amount not-to-exceed $11,250,000 increasing the total contract price from $183,077,489 to $194,327,489; and

D. APPROVING an increase in Contract Modification Authority (CMA) for Contract No. PS0922102333, to Atkinson in the amount of $28,396,228, increasing the total CMA from $107,354,954 to $135,751,182, to cover the costs of the recommended Contract Modification above, and any pending and future changes listed in the Contract Modification/Change Order Log (Attachment B).

Attachments: Attachment A - Procurement Summary
Attachment C - DEOD Summary
Attachment B - CMA Summary.pdf
Presentation

9. SUBJECT: METRO EXPRESSLANES - BACK OFFICE SYSTEM 2017-0779

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award an eight-year firm fixed unit price Contract No. PS40164000, to TransCore for implementing and maintaining an ExpressLanes back office system in an amount not to exceed $48,327,615 for the eight-year base period, with two, three-year options, in amounts not to exceed $19,031,882 and $20,733,661, respectively, for a total not to exceed amount of $88,093,158, subject to resolution of protest(s), if any.

Attachments: Attachment A - Procurement Summary BOS final

Attachment B - DEOD Summary.pdf

Attachment C - Toll Agency Contract Terms for Back Office Systems

Presentation

Adjournment

GENERAL PUBLIC COMMENT

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

Board Report

File #: 2017-0820, **File Type:** Motion / Motion Response **Agenda Number:**

AD HOC CONGESTION, HIGHWAYS AND ROADS COMMITTEE
JANUARY 17, 2018

SUBJECT: METRO EXPRESSLANES CALIFORNIA HIGHWAY PATROL CITATION DISTRIBUTION

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE report on the distribution of Metro ExpressLanes California Highway Patrol (CHP) issued citations.

ISSUE

At the October 2017 Board meeting, Motion 37.1 by Director Hahn was approved requesting a report back in January 2018 of a breakdown of Metro ExpressLanes citations, identification of the entities that receive the collected fees, and the viability of redirecting the citation revenue to the Metro ExpressLanes Program.

BACKGROUND

The Metro ExpressLanes system identifies all vehicles without transponders through license plate images and with assistance from the DMV, issues a notice of toll evasion inclusive of the toll and a $25 fine to the vehicle's owner. All funds generated in this manner are directly provided to the Metro ExpressLanes program.

For all other enforcement activities such as placement of the transponder on the wrong setting to avoid payment, the ExpressLanes program provides funding to the CHP. The CHP may issue a citation for ExpressLanes enforcement or any other non-ExpressLanes enforcement activity. Below is a chart of the citations issued during FY17 illustrating that approximately 42% of the citations issued last year are transponder-related.

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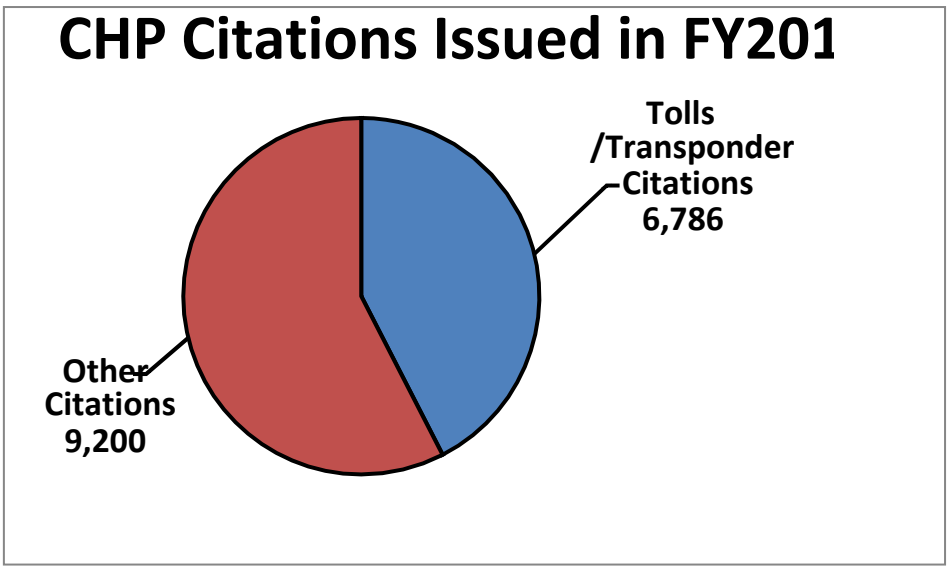


DISCUSSION

At the present time, none of the revenue generated by CHP issued citations is returned to Metro. Tolling citation revenues follow the same overall distribution as any other traffic citation revenue as originally established in 1953. Per state law, none of the tolling agencies in the State receives revenue from CHP citations issued, rather, as stated above, the tolling agencies, like Metro, receive 100% of the revenue generated by the notice of toll evasion issued by the tolling system.

Attachment B outlines the various programs and agencies that receive the funds associated with CHP citations issued due to transponder-related infractions. As the chart illustrates, the funds are distributed to the State, County and cities. The Base fine of $35 is split between Los Angeles County and the jurisdiction in which the citation was issued with the county receiving between 8 to 16 percent and the City receiving between 84 to 92 percent. As depicted in Attachment C, other fines, penalties and fees are distributed among a myriad of agencies.

Metro staff is not involved in the disposition of these citations as they are handled through the Los Angeles County Court system. Staff made contact with various Los Angeles County departments and have been unable to identify the amount of funding generated by these citations. As a result, in order to complete this assignment, staff identified the number of transponder-related tickets from the inception of the program through September 2017 from the data submitted by CHP. Based on the number of citations issued by the CHP, the base amount of revenue generated over approximately five years is $1,032,780 which is about $207,000 per year. This figure assumes that all citations issued are paid which is not the case since in some cases, the courts dismiss the citations and no revenue is recovered.

The Streets and Highways code that delineates the formula for these citations applies to all similar programs in the State. Any changes would require outreach to and the concurrence of the jurisdictions and other ExpressLanes operators within the State.

Under these circumstances and given the fact that the revenue generated with the Base portion of the citations would have to be redirected from Los Angeles County and jurisdictions in which the ExpressLanes are located, staff does not recommend pursuing legislation to change the formula.

ALTERNATIVES CONSIDERED

The Board could choose to pursue legislation to redirect the citation revenue; however, this option is not recommended given the potential cost and benefit of such action since it would re-direct funds that go toward Los Angeles County and local jurisdictions' efforts as well as support critical programs within the State from which the region also benefits.

NEXT STEPS

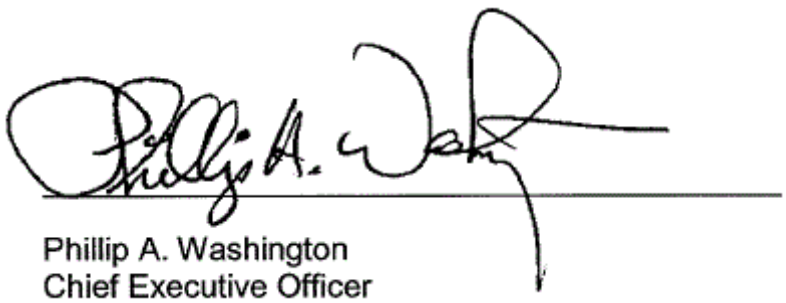
Staff will continue to explore technology enhancements to improve enforcement on the ExpressLanes.

ATTACHMENTS

Attachment A - Motion 37.1 Hahn
Attachment B - Transponder Related Fees, Penalties and Fines' Distribution
Attachment C - DOJ Distribution of Criminal/Traffic Fines, Penalties and Fees

Prepared by: Shahrzad Amiri, Executive Officer, (213) 922-3061
Michael Turner, DEO, Government Relations (213) 922-2122

Reviewed by: Stephanie Wiggins, Deputy CEO, (213) 922-1023



Phillip A. Washington
Chief Executive Officer

Attachment A

REGULAR BOARD MEETING
OCTOBER 26, 2017

Motion by:

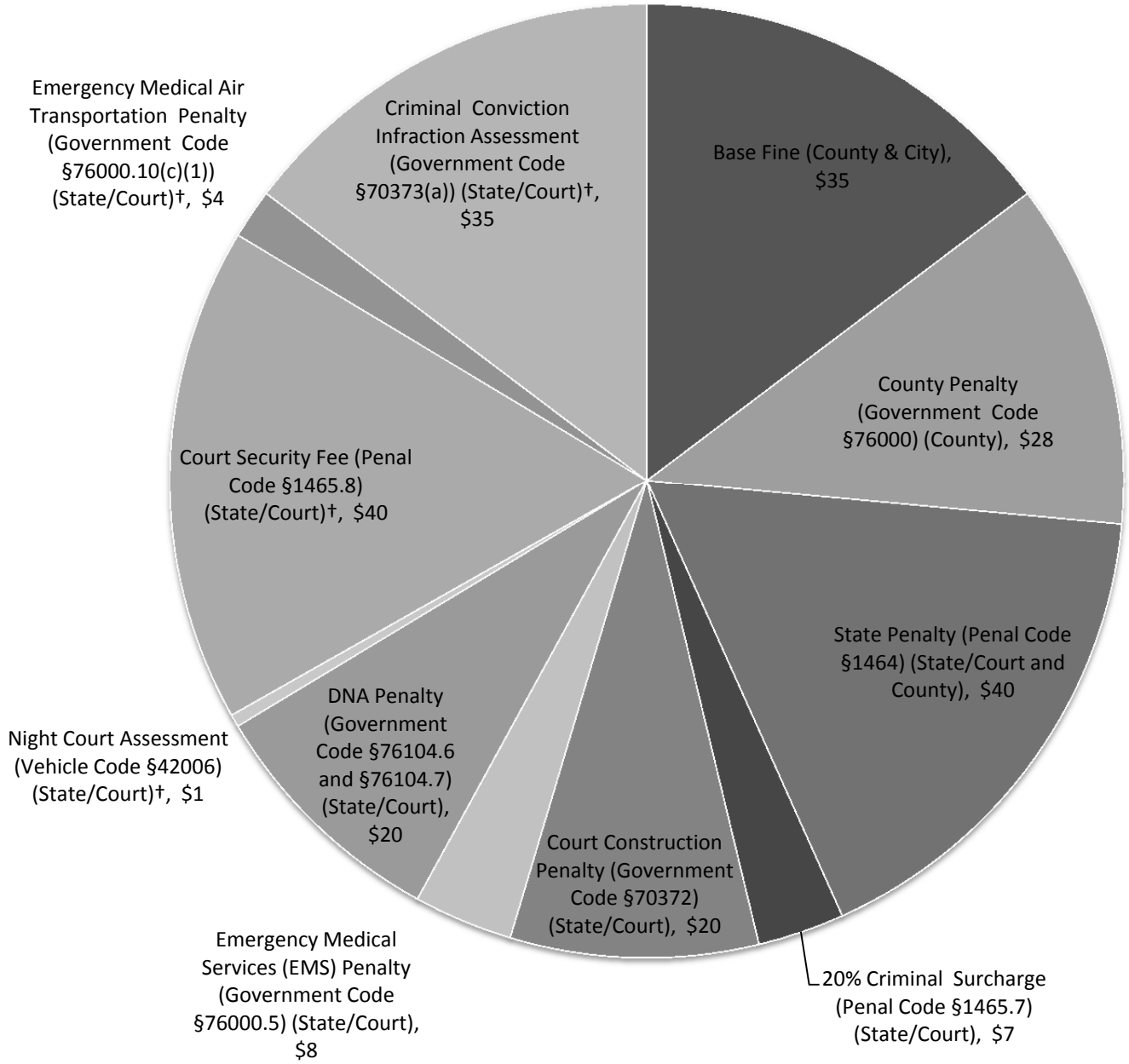
Director Hahn

Related to Item 37: Countywide Transportation Demand Management Motion

APPROVED **Motion by Hahn** requesting a breakdown of all Metro ExpressLanes citations demonstrating who and what jurisdictions receive the collected fees, and report back during the January 2018 Board cycle on the viability of redirecting citation revenue to the Metro ExpressLanes program.

Attachment B

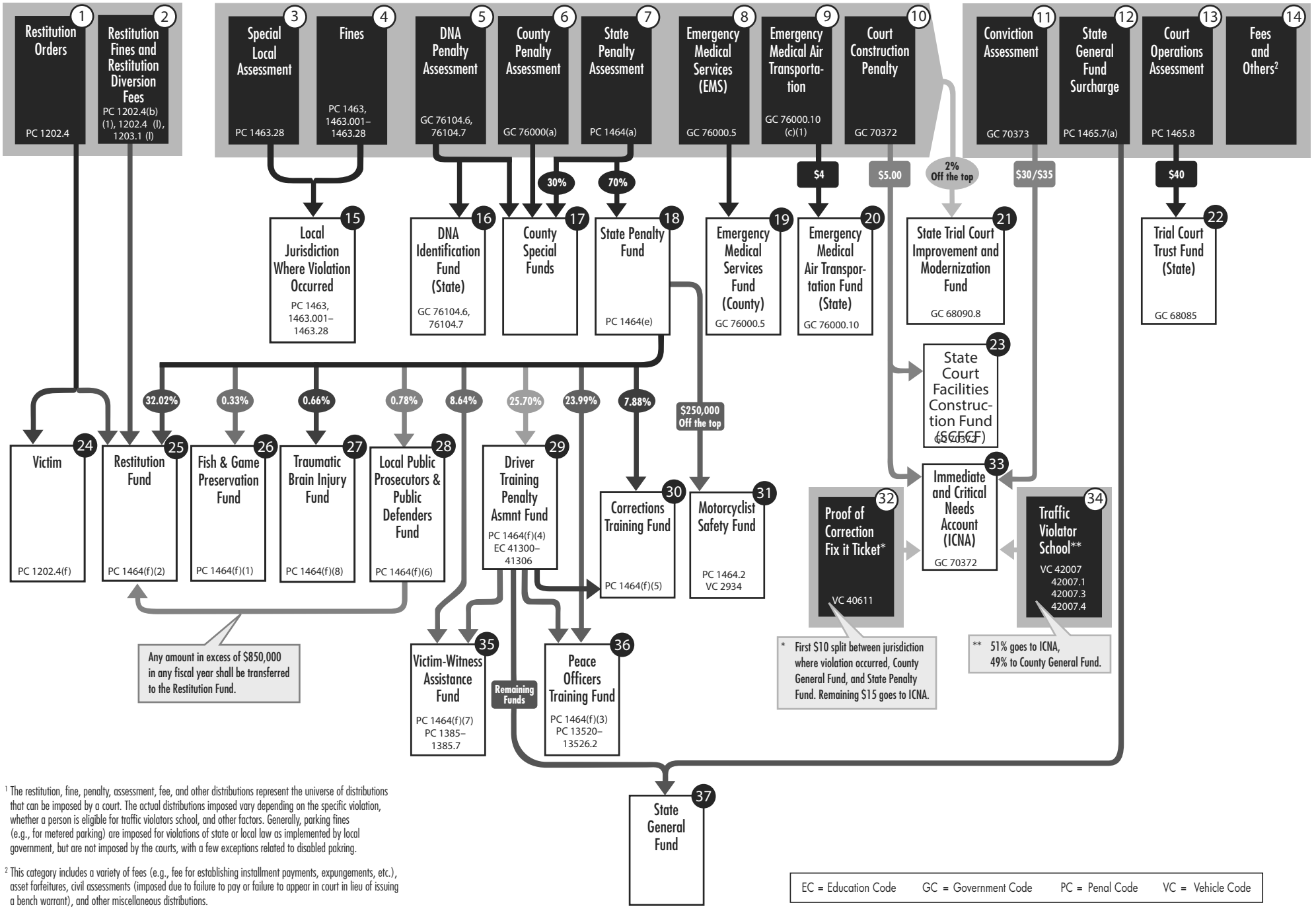
Transponder Related Fees, Penalties, and Fines' Distribution*



*$238 ticket for transponder infractions: 23302(a)(1) VC and 23302(a)(2)

†Fixed amount penalty or fee

Distribution of Criminal/Traffic Fines, Penalties, and Fees[1]



[1] The restitution, fine, penalty, assessment, fee, and other distributions represent the universe of distributions that can be imposed by a court. The actual distributions imposed vary depending on the specific violation, whether a person is eligible for traffic violators school, and other factors. Generally, parking fines (e.g., for metered parking) are imposed for violations of state or local law as implemented by local government, but are not imposed by the courts, with a few exceptions related to disabled pakring.

[2] This category includes a variety of fees (e.g., fee for establishing installment payments, expungements, etc.), asset forfeitures, civil assessments (imposed due to failure to pay or failure to appear in court in lieu of issuing a bench warrant), and other miscellaneous distributions.

(New 01/2016)

Source: Judicial Council of California based on earlier chart prepared by the California Department of Finance

Los Angeles County
Metropolitan Transportation Authority

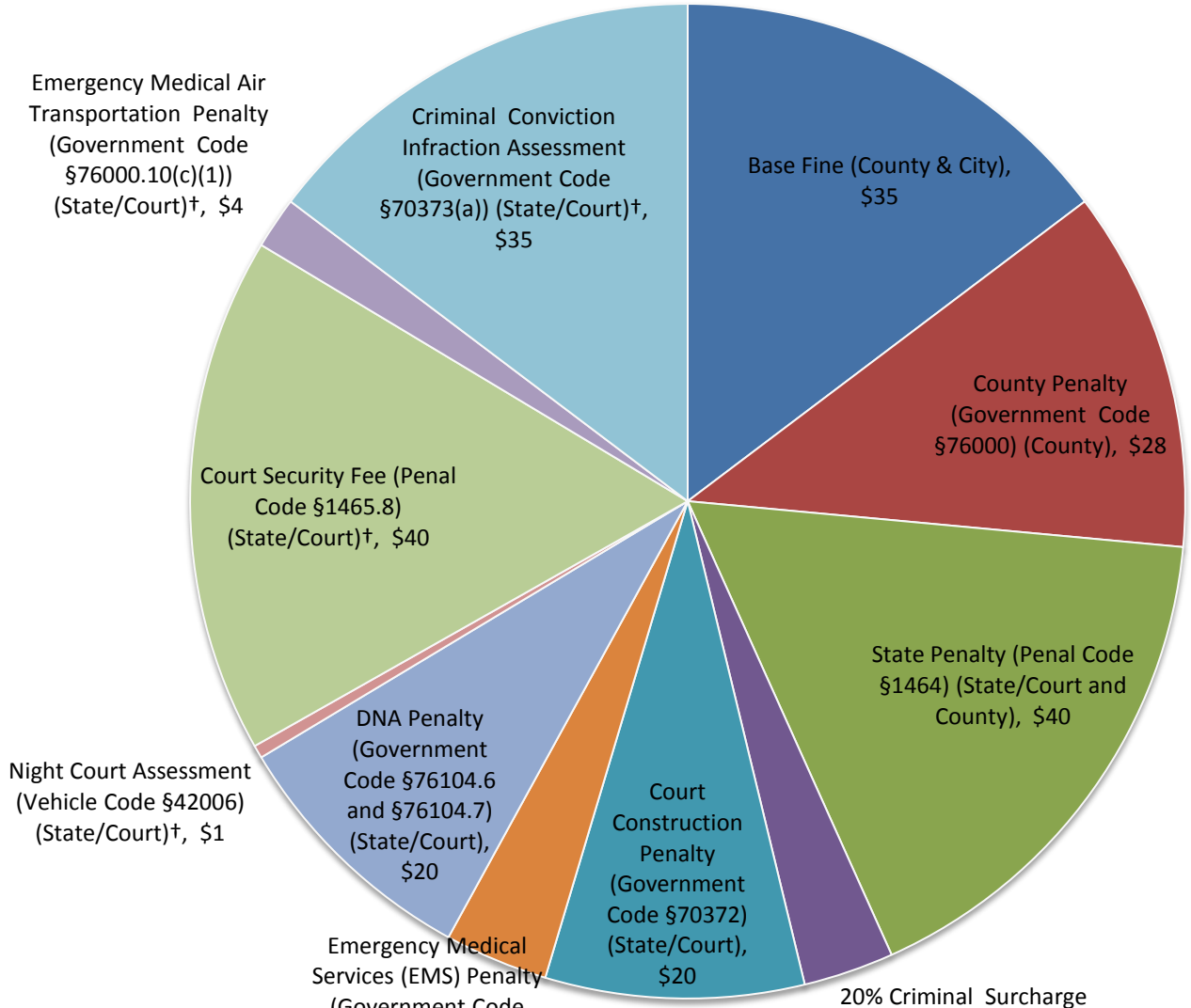
ITEM 7

METRO EXPRESSLANES CALIFORNIA HIGHWAY PATROL CITATION DISTRIBUTION

Ad Hoc Congestion, Highways and Roads Committee
JANUARY 17, 2018

Metro

Transponder Related Fees, Penalties, and Fines' Distribution*



Metro

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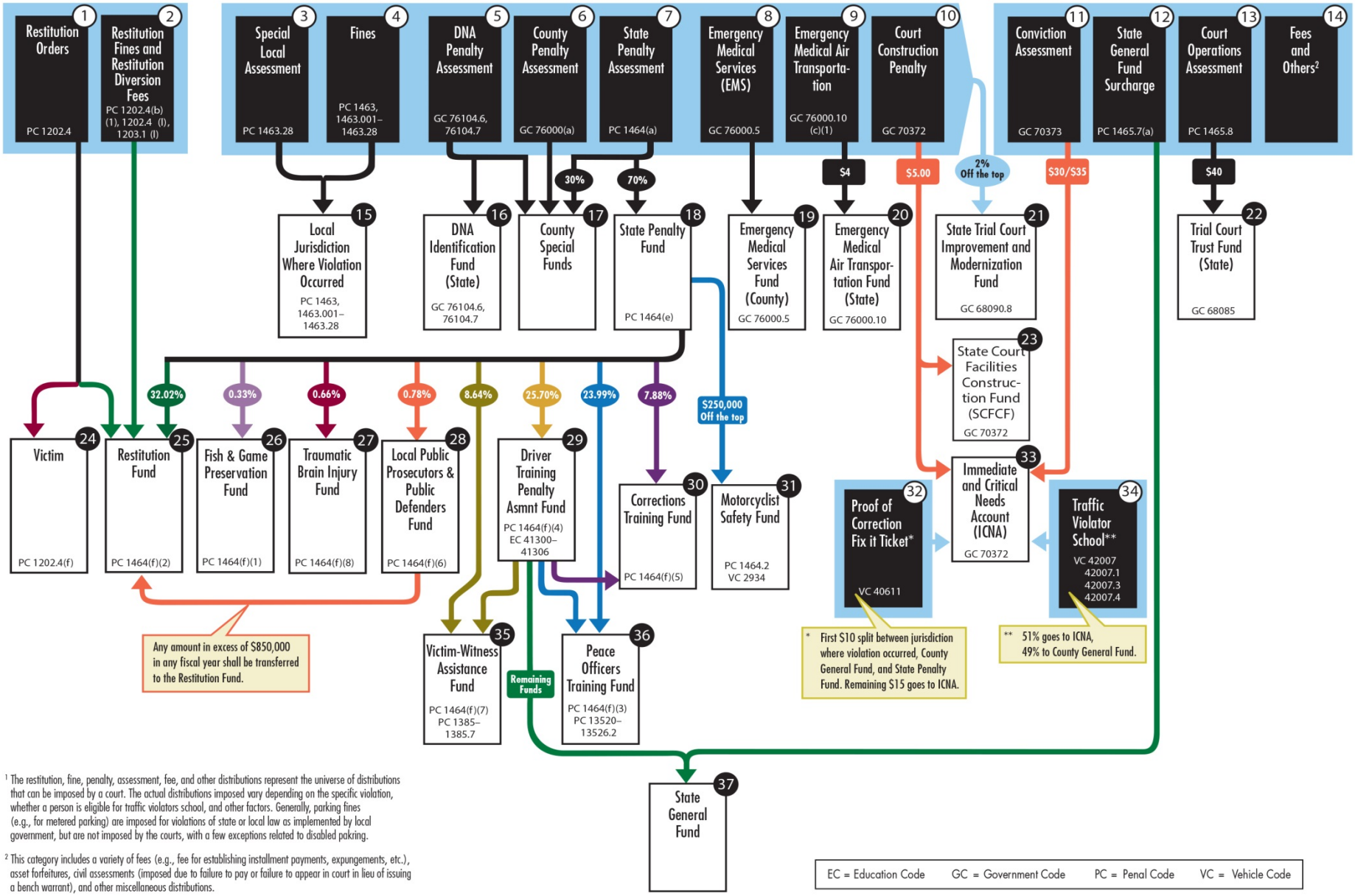
†Fixed amount penalty or fee

Distribution of Criminal/Traffic Fines, Penalties, and Fees[1]



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[2] This category includes a variety of fees (e.g., fee for establishing installment payments, expungements, etc.), asset forfeitures, civil assessments (imposed due to failure to pay or failure to appear in court in lieu of issuing a bench warrant), and other miscellaneous distributions.

EC = Education Code GC = Government Code PC = Penal Code VC = Vehicle Code

(New 01/2016)

Source: Judicial Council of California based on earlier chart prepared by the California Department of Finance

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2017-0717, **File Type:** Contract **Agenda Number:** 8.

AD HOC CONGESTION, HIGHWAY AND ROADS COMMITTEE
JANUARY 17, 2018

SUBJECT: METRO EXPRESSLANES OPERATION AND MAINTENANCE

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

A. AUTHORIZING the Chief Executive Officer (CEO) to exercise Option 4.5, Additional Year of Operation and Maintenance (O&M) - Year 5 (from February 24, 2018 to February 23, 2019), Modification No.76 for Contract No. PS0922102333 with Atkinson Contractors, LP (Atkinson) for Metro ExpressLanes Operation and Maintenance in the amount of $3,120,000, increasing the total contract price from $164,257,920 to $167,377,920;

B. AUTHORIZING the CEO to execute Contract Modification No.77 for additional O&M Support Costs for Option Year 5 in the amount of $15,699,569, increasing the total contract price from $167,377,920 to $183,077,489;

C. AUTHORIZING the CEO to negotiate and execute Contract Modification No. 79 for an Occupancy Detection System in the amount not-to-exceed $11,250,000 increasing the total contract price from $183,077,489 to $194,327,489; and

D. APPROVING an increase in Contract Modification Authority (CMA) for Contract No. PS0922102333, to Atkinson in the amount of $28,396,228, increasing the total CMA from $107,354,954 to $135,751,182, to cover the costs of the recommended Contract Modification above, and any pending and future changes listed in the Contract Modification/Change Order Log (Attachment B).

ISSUE

In December 2010, Atkinson was awarded a Design, Build, Operate and Maintain (DBOM) contract for the Metro ExpressLanes project that included activities needed to implement and operate the ExpressLanes through the demonstration period, and if successful, up to five option years could be considered at the appropriate time. The demonstration period was deemed a success and legislation was passed authorizing Metro to operate the I-10 and I-110 ExpressLanes without a sunset date.

The fourth of the five, one-year options was approved by the Board on October 27, 2016. Staff is requesting authorization to proceed with Option Year Five to allow for continued operations of the current system. In addition, staff is recommending amending the current contract to incorporate an occupancy detection system which will improve enforcement of the ExpressLanes.

DISCUSSION

Recommendation A: Additional Year of O&M

As Option Year Four expires in February 2018, staff is requesting Board authorization to exercise the fifth of the five, one-year options to continue to operate and maintain the Metro ExpressLanes under the existing contract until February 23, 2019.

Recommendation B: Additional O&M Support

The recommended funding action is required due to the successful launch of the ExpressLanes and includes many activities driven mainly by customer and non-customer demand: additional account support for new accounts; costs for mailing of customer correspondence and violations; and fees related to the processing of payments.

The base O&M contract for the ExpressLanes includes customer service related activities for up to 100,000 transponders, which was the target for the demonstration period. However, there are currently over 790,000 transponders in circulation exceeding all expectations for the program and requiring more effort related to customer service than originally included in the base contract. The distribution of additional transponders results in establishment of new accounts that require order fulfillment and additional contractor staffing support to service these accounts. Servicing activities include answering calls, handling correspondence, responding to customer inquiries, postage, and processing transactions.

Correspondingly, the success of the Metro ExpressLanes has increased violation processing beyond the original contract numbers, generating additional costs associated with license plate image processing, postage and mailing, phone services, and responding to online inquiries.

In addition, resources will continue to be needed for the maintenance of the tolling equipment and real-time traffic monitoring utilizing “EarthCam” cameras and staffing of the Traffic Management Center for incident management and monitoring of all toll-related systems. The Contract Modification in Recommendation B addresses these additional operational support services required to operate and maintain the ExpressLanes through the balance of O&M Option Year 5.

Recommendation C: Occupancy Detection System (ODS) Proof of Concept

As part of an effort to identify and deter scofflaws in the ExpressLanes, a not-to-exceed amount of $11,250,000 is recommended to expedite the implementation of an Occupancy Detection System

proof of concept at two separate locations - one on each corridor in the most congested direction - that would install the necessary roadside equipment and provide essential integration with the existing back office system.

A demonstration of the ODS was previously provided on the I-110 North, utilizing cameras and an infrared flash to take a photo of the inside of the vehicle to identify the number of occupants. ODS determined the vehicle passenger count and submitted images for manual validation. The images were subsequently manually matched against the transactions posted in the toll system to determine if the declared occupancies by the customers was the same, or different, than the occupancies detected by the ODS.

In addition to providing the equipment and civil work necessary for the roadside equipment installation, this Modification would provide for the software development, deployment and back office system integration required for automated transaction matching between the ODS and the toll system for account posting. This would allow the toll system to appropriately charge or credit customers' accounts based on the ODS's observed occupancy. Essentially, the ODS in combination with the back office improvements would credit or debit customer accounts for those who set their transponder switches incorrectly, to significantly increase the accuracy of all tolls assessed to customers.

Two locations have been selected based on physical installation requirements as well as congestion levels: a single lane location on the I-10 and a dual lane location on I-110. The 30% engineering design has been completed along with the Concept of Operations and Scope of Work. Once negotiated and executed, this Modification will enable the 100% design to be completed, new permanent gantries to be built for the cameras, toll system upgrades to be developed and deployed, and ongoing ODS maintenance to be performed.

Recommendation D: Additional CMA
The additional CMA request of $28,396,228, when combined with previous Board Approved CMA remaining, will be used to authorize Recommendations A, B and C-(O&M) Option Year Five, Additional O&M Support Costs, an Occupancy Detection System-as well as additional pending Modifications.

The request for authorization to increase the CMA will serve as a management tool for staff to issue contract modifications to compensate the contractor for additional costs that may be incurred for the completion of the ODS, or any pending modifications.

To ensure there is no interruption in O&M services and implement the ODS as expeditiously as possible, staff requests authority be granted to the CEO to execute a Contract Modification for Option Year 5, the additional O&M support costs for Option Year 5, and the Occupancy Detection System.

DETERMINATION OF SAFETY IMPACT

Approval of these recommendations will improve safety for Metro ExpressLanes patrons.

FINANCIAL IMPACT

Funding for this Modification is included in the FY18 budget for cost center 2220.
Because this is a multi-year program, the cost center manager and Executive Officer, Congestion Reduction will be responsible for budgeting the remaining CMA in future years.

Impact to Budget

The funding for this action will come from toll revenues generated from the Metro ExpressLanes operations. No other funds were considered for this activity.

ALTERNATIVES CONSIDERED

The Board may decline to approve the recommended actions. This is not recommended as staff cannot immediately re-procure and transition to a new contractor to operate and maintain the ExpressLanes and ensure uninterrupted operations. In terms of ODS, Staff has pursued the most advanced and system-compatible technology to assist in detecting vehicle occupancy levels to improve ExpressLanes performance and the customer experience.

NEXT STEPS

Staff is currently working on the re-procurement of ExpressLanes O&M services since the current contract will expire in 2019. Upon Board approval of the Recommendations, staff will take the necessary steps to notify the Contractor that Metro will exercise Option Year Five for O&M, and execute required Contract Modifications for O&M Years 5 and for ODS deployment.

ATTACHMENTS

A. Procurement Summary
B. Contract Modification Authority Summary
C. DEOD Summary

Prepared by: Joe O'Donnell, Director, Contract Administration, (213) 922-7231
Tim Lew, Sr. Mgr, Transportation Planning, (213) 418-3134
Kathy McCune, DEO (213) 418-3138
Shahrzad Amiri, Executive Officer, (213) 922-3061

Reviewed by: Debra Avila, Chief V/CM Officer, (213) 418-3051
Stephanie Wiggins, Deputy CEO, (213) 922-1023

Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

METRO EXPRESSLANES OPERATIONS AND MAINTENANCE

1.	**Contract Number**: PS092210233			
2.	**Contractor**: Atkinson Contractors, LP			
3.	**Mod. Work Description**: Exercise Option 4.5: Additional Year of O&M - Year 5; Additional O&M Support Costs for Option Year 5; Occupancy Detection System			
4.	**Contract Work Description**: Design, Build, Operate and Maintain the Metro ExpressLanes			
5.	**The following data is current as of**: December 6, 2017			
6.	**Contract Completion Status**:			
	Bids/Proposals Due:	8/31/10	**% Completion $s**:	85.7%
	Contract Awarded:	12/16/10	**% Completion time**:	98%
	NTP:	01/11/11	**Original Contract Days**:	990
	Original Complete Date:	09/28/13	**Change Order Days**:	1,609
	Current Est. Complete Date:	02/23/18	**Suspended Days:**	0
			Total Revised Days:	2,599
7.	**Financial Status**:			
	Contract Award:			$72,363,702
	Total Contract Modifications Approved:			$91,894,218
	Current Contract Value:			$164,257,920
	Contract Administrator: Joe O'Donnell		**Telephone Number**: 213-922-7231	
8.	**Project Manager**: Shahrzad Amiri		**Telephone Number**: 213-922-3061	

A. Contract Action Summary

This Board Action is to approve:

- Contract Modification No. 76 issued in support of Option 4.5: Operations and Maintenance of the ExpressLanes - Year 5;
- Contract Modification No. 77, issued in support of Additional O&M Support Costs for Option Year 5; and
- Contract Modification No. 79 for an Occupancy Detection System.

These Contract Modifications will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed priced price.

On December 16, 2010, Contract No. PS0922102333 was awarded to Atkinson Contractors, LP in the amount of $72,363,702, to Design, Build, Operate and Maintain the Metro ExpressLanes Project.

Attachment B shows that 72 Contract Modifications/change orders have been issued to date to add and/or delete work, and 9 Contract Modifications are currently pending or in negotiations.

The proposed Contract Modifications are for $30,069,569, and will be used to Exercise Option 4.5 – Option Year 5; additional O&M Support Costs for Option Year 5; and an Occupancy Detection System.

B. Cost/Price Analysis

The recommended price for Contract Modification No. 76 was a bid rate for Option Year 5. A market survey was performed that confirmed the Option price is fair and reasonable.

The recommended price for Contract Modification No. 77 has been determined to be fair and reasonable based upon an independent cost estimate, cost analysis, technical evaluation, fact finding, and negotiations. An audit of Option Year 3 rates was conducted and found no issues. Contractor has agreed to maintain all Option Year 3 rates for Option Year 5, except those that were increased due to collective bargaining agreements, therefore it was determined that an audit of this year's costs was not necessary.

The amount shown for Contract Modification No. 79, is a not-to-exceed amount for an Occupancy Detection System. The final value for this Modification will be evaluated based upon an independent cost estimate, audit, cost analysis, technical evaluation, fact finding, and negotiations to determine that it is fair and reasonable.

Mod No.	Changes	Proposal amount	Metro ICE	Negotiated or NTE amount
76	O&M – Option Year 5	$3,120,000	N/A*	$3,120,000
77	Additional O&M Support Costs for Option Year 5	$15,699,569	$15,586,542	$15,699,569
79	Occupancy Detection System	$11,250,000	$TBD	$TBD

* Mod. No. 76 price was a bid rate. Mod. No. 77 pricing is based OY3 rates with affected rates escalated per 2017 collective bargaining agreements. Pricing for Mod No. 79 is an estimated NTE amount.

ATTACHMENT B

CONTRACT MODIFICATION AUTHORITY (CMA) SUMMARY

METRO EXPRESSLANES OPERATIONS AND MAINTENANCE

Mod. No.	Description	Status (Approved or Pending)	Contract Value (A)	Mods	Board Approved CMA (C)
N/A	**Initial Award**	**Approved**	**$72,363,702**		**$7,236,370**
1	Exercise Options 1 and 2	Approved		$4,250,000	
2	Admin Modification of Audit Requirements	Approved		$0	
3	Install Fiber Cables & Splice Vaults on I-110	Approved		$470,487	
4	Toll System Digital Visual Aids	Approved		$65,100	
5	Modification to Field Office	Approved		$3,228	
6	Drainage Improvements on I-110 (Const.)	Approved		$1,867,000	$1,867,000
7	Exercise Option 3	Approved		$2,475,000	
N/A	Board Approved CMA Increase (1/12)	Approved			$11,592,445
8	Construction of Divider Wall	Approved		$821	
9	Drainage Improvement on I-110 (Design)	Approved		$234,440	
10	Harbor Gateway Transit Center	Approved		$0	
11	Retail Transponder Sales	Approved		$347,854	
12	Differing Site Condition – CIDH Pile Install.	Approved		$384,768	
13	Modified Striping for Toll Lanes	Approved		$607,964	
14	Audible and Visible Warning System	Approved		$316,334	
15	Adams Blvd/Flower St. OCS (Construction)	Approved		$80,061	
16	DSC – CIDH Piles Along I-10 Fwy	Approved		$78,448	
17	Retail Packaging for Add'l Transponders	Approved		$337,500	
18	Additional Design Support	Approved		$137,879	
19	Rehabilitation of I-10 Shoulder	Approved		$633,414	
20	Perforated Steel Pipe	Approved		$160,276	
21	Temporary Customer Service Center	Approved		$193,383	
22	Closure of Patsaouras Plaza Ramps	Approved		$69,524	
23	Modify Conflicting Expo Signs	Approved		$25,508	
24	Metro's TAP Interface Program	Approved		$25,734	
25	I-10 Traffic Loops	Approved		$126,598	
26	Additional Traffic Monitoring Support	Approved		$957,186	
27	Additional Video Cameras	Approved		$726,288	
28	Adams Blvd/Flower St. OCS (Design)	Approved		$59,331	
29	Mobile Van Retail Unit/Extended Hours	Approved		$50,000	
30	Additional Barrier Markers	Approved		$39,128	
31	Toll System Software Modifications for Grace Period	Approved		$9,724	
32	Release of Additional Transponders	Approved		$450,000	
33	Mailing Costs	Approved		$450,000	
34	Additional Account Support	Approved		$1,000,000	$1,000,000
35	Contract Milestone Revision	Approved		$2,749,778	$2,749,778
N/A	Board Approved CMA Increase (9/13)	Approved			$2,335,035
36	Reduction of Provisional Sum Line Items	Approved		($2,147,709)	
38	Add'l Transponders Option 3 and Retail Packaging	Approved		$459,375	
39	Additional Contaminated Material	Approved		$150,000	
40	Additional Mailing Costs	Approved		$1,000,000	$1,000,000

41	Additional Static and Digital Messaging Signs	Approved		$432,463	
42	Permanent. Redundant Fiber Comm Network	Approved		$341,738	
43	Digital Messaging Sign at Santa Anita	Approved		$481,827	
CO12	Additional Computer Programming	Approved		$250,000	
CO13	Credit Card Transaction Costs	Approved		$270,000	
N/A	Board Approved CMA Increase (2/14)	Approved			$10,228,862.00
44	Exercise Option 4.1, Add'l Year of O&M – Year 1	Approved		$3,024,000	
45	Additional Account Support for Option Year 1	Approved		$2,900,000	
46	Add'l Transponders Option 3 and Retail Packaging	Approved		$1,350,000	
47	Additional Mailing Costs - Option Year 1	Approved		$1,700,000	
48	Interface Configuration Document	Approved		$35,924	
49	Additional TMO Labor - Option Year 1	Approved		$445,000	
50	Additional Marketing Support – Option Year 1	Approved		$304,399	
52	Additional Credit Card Transaction Fees – Option Year 1	Approved		$300,000	
53	Additional Violations Processing Beyond Base Contract	Approved		$750,000	
54	Additional Transponders – Option Year 1	Approved		$432,000	
N/A	Board Approved CMA Increase (10/14)	Approved			$22,925,488.00
55	Exercise Option 4.2, Add'l Year of O&M – Year 2	Approved		$3,048,000	
56	Additional O&M Support Costs for Option Year 2	Approved		$6,717,874	
57	Additional Transponders and Retail Packaging	Approved		$4,999,986	
60	Replacement of Pavement Stencils and Striping and New Delineators on I-10/I-110	Approved		$1,708,334	
62	Add Funds for Additional Violation Processing and Violation Credit Card Fees	Approved		$605,000	
N/A	Board Approved CMA Increase (12/15)	Approved			$17,203,063.00
63	Exercise Option 4.3, Add'l Year of O&M – Year 3	Approved		$3,072,000	
64	Additional O&M Support Costs for Option Year 3	Approved		$10,383,408	
66	Preliminary Design for Additional Toll Sites, Signage, Improvements	Approved		$157,043	
67	Additional Funding for Operations Support Costs	Approved		$900,000	
68	Marketing Data Analysis	Approved		$90,470	
69	Earthcam Permanent Locations	Approved		$250,622	
70	New CHP Beacon Light System - Design	Approved		$78,444	
N/A	Board Approved CMA Increase (10/16)	Approved			$29,216,913
71	Exercise Option 4.4, Add'l Year of O&M – Year 4	Approved		$3,096,000	
CO15	Additional Transponders	Approved		$3,240,000	
CO16.3	Additional Transponders	Approved		$12,199,824	
CO17	Additional O&M Support Costs for Option Year 4	Approved		$12,636,000	
CO18	DMS 290 Pull Box Mitigation and Replace Sensys Repeaters	Approved		$74,440	
CO19	Occupancy Detection System (ODS) 30% Design	Approved		$15,000	

			Subtotal (Approved)	**$95,134,218**	**$107,354,954**
58	Replacement and Additional Static Message and Dynamic Message Signs for I-10/I-110 and I-105	In-Process		$2,650,000	
59	New Toll Gantries - Construction	In-Process		$2,500,000	
74	Replace UPS Batteries - Furnish Only	In-Process		$251,395	
			Subtotal (In-Process)	**$5,401,395**	
76	Exercise Option 4.5, Add'l Year of O&M – Year 5	Recommended		$3,120,000	
77	Additional O&M Support Costs for Option Year 5	Recommended		$15,699,569	
79	Occupancy Detection System - Final Design and Construction	Recommended		$11,250,000	
			Subtotal (Recommended)	**$30,069,569**	
TBD	New CHP Beacon Light System - Construction	Pending		$986,000	
TBD	Maintenance of Additional Tolling Equipment and DMS	Pending		$260,000	
TBD	Potential Changes (Contingency)	Pending		$3,900,000	
			Subtotal (Pending)	**$5,146,000**	

Subtotal - Approved Modifications			$95,134,218	
Subtotal - In-Process Modifications			$5,401,395	
Subtotal - Recommended Modifications			$30,069,569	
Subtotal - Pending Changes/Modifications			$5,146,000	
Total Modifications and Pending Changes			$135,751,182	
Total Contract Value (including Approved, In-Process, Recommended and Pending Modifications)		$208,114,884		
Board Approved CMA (C)				$107,354,954
Requested CMA – Total Modifications and Pending Changes ($135,751,182 minus Board Approved CMA, $107,354,954)				$28,396,228

DEOD SUMMARY

METRO EXPRESSLANES OPERATIONS AND MAINTENANCE

A. Small Business Participation

This Contract is funded, in whole or in part, by the Federal Highway Administration funds and falls under the Caltrans Underutilized Disadvantaged Business Enterprise (UDBE) program requirements. At the time of award, Atkinson made a 20.3% UDBE commitment for Operations and Maintenance. Atkinson is exceeding their commitment with a current total UDBE participation of 31.82%.

Small Business Commitment	UDBE 20.30%	Small Business Participation	UDBE 31.82%

	UDBE Subcontractors	% Committed	% Participation
1.	G&C Equipment	20.30%	30.07%
2.	Noble Insight	Added	1.75%
	Total Commitment	**20.30%**	**31.82%**

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.

Los Angeles County
Metropolitan Transportation Authority

ITEM 8

METRO EXPRESSLANES OPERATIONS AND MAINTENANCE CONTRACT MODIFICATIONS – OPTION YEAR 5

Ad Hoc Congestion, Highways and Roads Committee

JANUARY 17, 2018

Metro

Recommendation

- **Authorize:**
  - Option Year 5 of 5 one-year options for $3,120,000
  - O & M Support Costs of $15,699,569
  - Contract Modification Authority for pending and future recommendations totaling $28,396,228

- **Authorize additional modifications:**
  - Negotiate an Occupancy Detection System for a not-to-exceed amount of $11,250,000

Metro

System Operations & Maintenance

- **Atkinson is the prime contractor with Conduent responsible for operations and maintenance of the ExpressLanes**
  - **Current Option Year 4 contract expires Feb 2018**
  - **Requesting approval for Option Year 5 to extend contract to Feb 2019**

- **Operations and Maintenance Account Support Includes**
  - **Customer Service**
  - **Account Management**
  - **Transponder Distribution**
  - **Violation Processing**
  - **Roadside Equipment Maintenance**

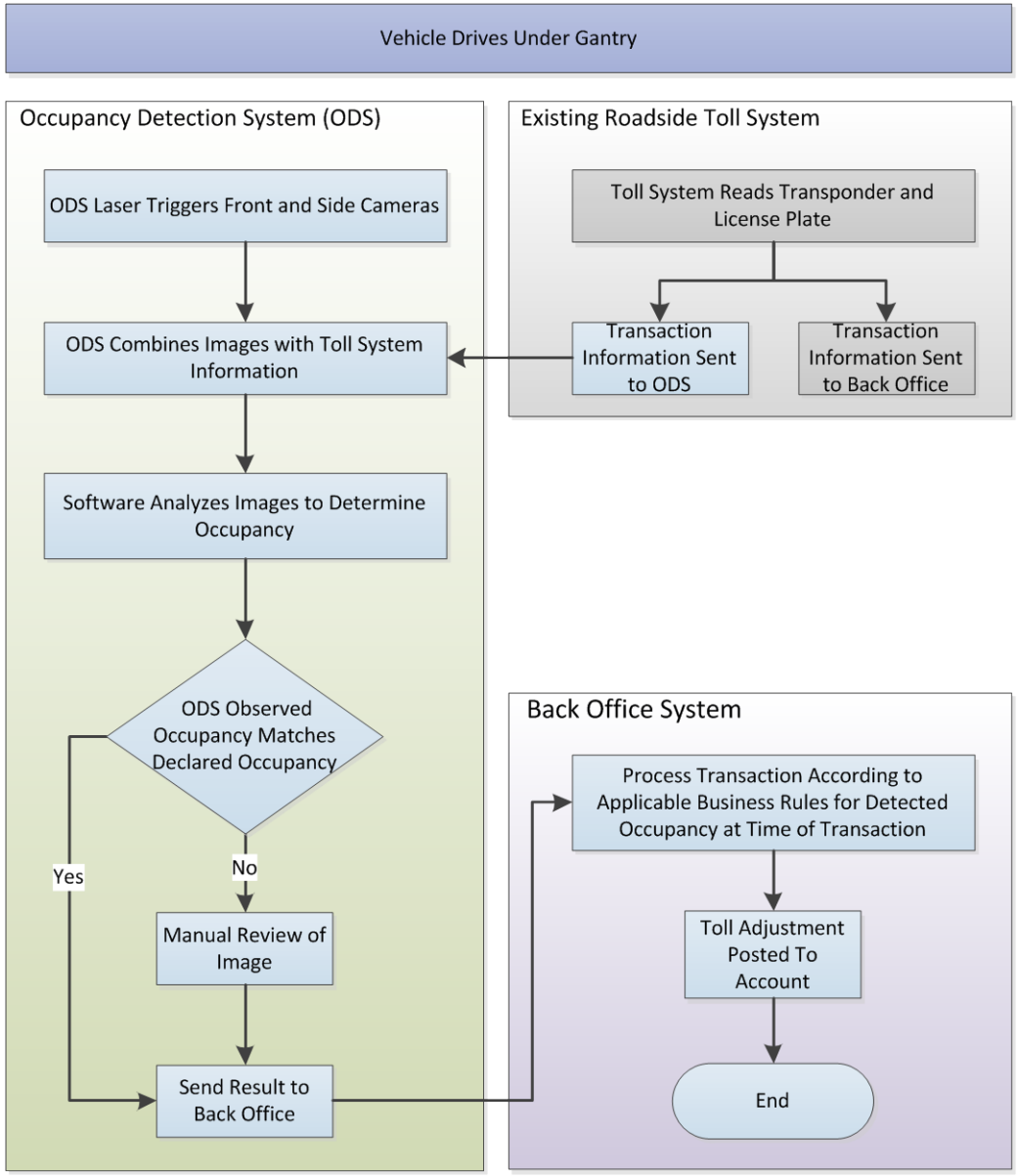
Metro

Occupancy Detection System

- **Implementation of a Proof of Concept**
  - System of cameras which count humans in vehicles via automated and manual review.
  - Design, Installation, Testing, Operations
    - New gantries & Roadside equipment (Atkinson, AECOM, Conduent)
    - Integration into Back Office Toll System (Conduent)
  - Efforts to Expedite Timeline
    - Approve work as part of a contract modification
    - 30% Design Complete. 100% Design in Progress

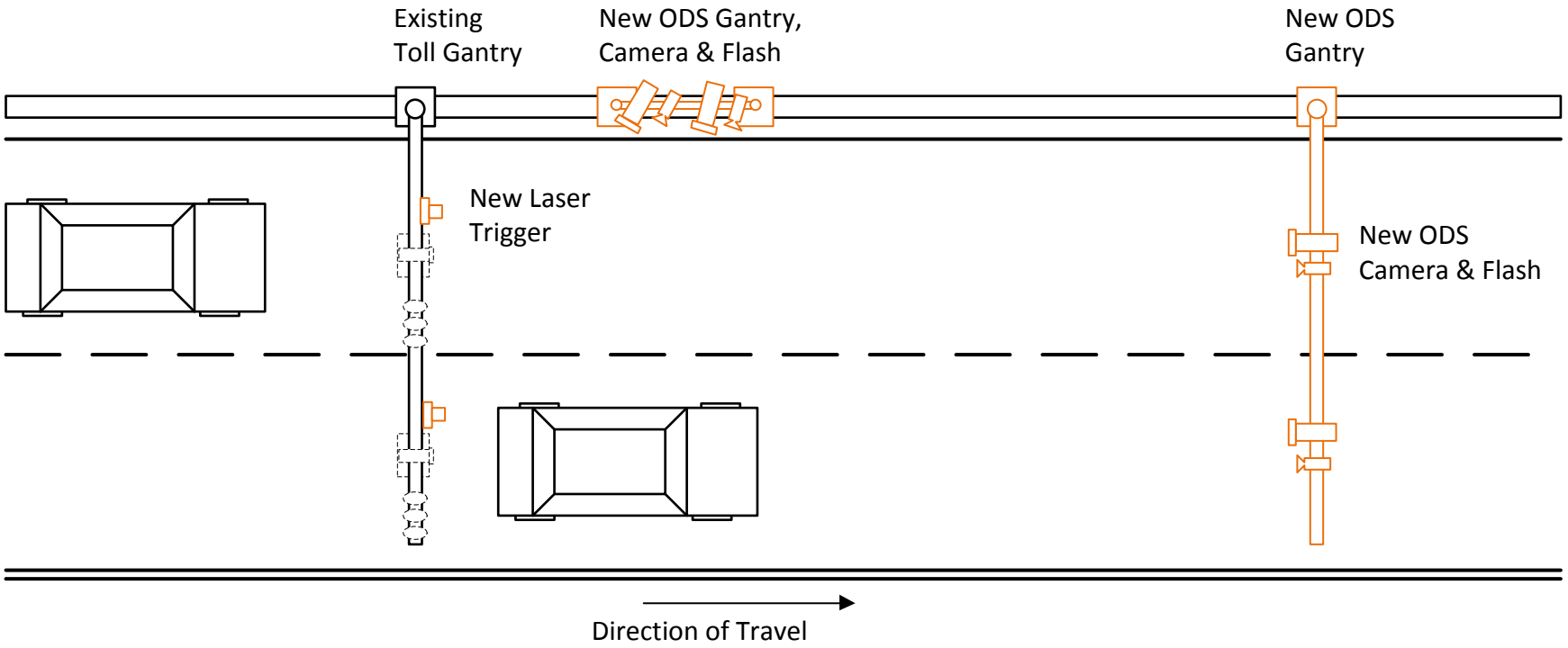
Metro

Occupancy Detection System – Process Flow



Metro

Occupancy Detection System – Layout



Metro

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2017-0779, **File Type:** Contract **Agenda Number:** 9.

AD HOC CONGESTION HIGHWAY AND ROADS COMMITTEE
JANUARY 17, 2018

SUBJECT: METRO EXPRESSLANES - BACK OFFICE SYSTEM

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award an eight-year firm fixed unit price Contract No. PS40164000, to TransCore for implementing and maintaining an ExpressLanes back office system in an amount not to exceed $48,327,615 for the eight-year base period, with two, three-year options, in amounts not to exceed $19,031,882 and $20,733,661, respectively, for a total not to exceed amount of $88,093,158, subject to resolution of protest(s), if any.

ISSUE

In 2010, Metro entered into Contract No. PS0922102333 (existing contract) with Atkinson Contractors, LP (Atkinson) to design, build, operate and maintain the I-10 and I-110 ExpressLanes. The existing contract is scheduled to expire on February 22, 2020, if all option years are exercised and an additional year of services is authorized as requested in a separate Board action.

Based on lessons learned and consistent with best practices in the tolling industry, Metro has split the services provided under the current contract into three separate procurements which are the back office system, roadside toll collection systems, customer service center operations. The back office system contract includes account management, violation processing and other support functions.

In light of the existing contract's termination date, and since the back office system requires the longest development lead time it is the first of the contracts requiring Board approval. Staff is requesting award of this Contract for the tolling back office system to enable Metro to develop and implement the new system to ensure seamless operation of the ExpressLanes.

DISCUSSION

A tolling back office solution is a software based system that provides functions such as transaction processing, customer account management, transponder management, payment and toll violations processing. Since each toll agency has very specific business rules, rate policies, customer policies and standard operating procedures dictated by the agency or statute, the back office system is highly

customized to meet specified requirements.

The existing contract and systems were integrated with the goal of deploying a successful one-year demonstration project. After over five years of operation, the existing system is reaching the end of its contract term.

The system and services under the new Contract will implement the latest best-in-class tolling technologies capable of servicing the needs of the existing facilities with growth to support future ExpressLanes corridors. The new system will also enhance customer-facing systems such as the website and phone system.

Contract Term

The back office system scope of work, which included over 2200 requirements, and the recommended contract term were developed in tandem with a team of consultants with tolling expertise. Additionally, Metro conducted a Tolling Industry Forum to gather expert input regarding the optimal contract term. The recommended contract term is based on experience gained in five years of tolling and the results of the Industry Forum.

Staff is recommending an eight-year base contract with two, three-year options for a total of fourteen years.

Typical procurements have shorter contract terms to encourage competition and optimal pricing. This works best when dealing with commodities or services that do not involve significant agency investment in procurement, development, testing, implementation and operations and when the system transition does not have potential significant impacts on agency customers, costs and revenue.

Back offices are arguably the most complex component of a tolling system and often require significant customization. In order to procure, develop and implement a toll back office system, a period of three years is typically required which represents a significant investment in agency time, personnel and financial resources which would be costly and inefficient to frequently repeat.

The following is a sample of activities and timeframes for the system procurement under the three year timeline:

- 6 Months: Review the existing statement of work's requirements and update to reflect tolling best practices and lessons learned.
- 12 Months: Release RFP, review proposals (which are commonly over 600 pages each), interview, negotiate, seek Board approval and award.
- 1.5 - 2 years: Design, implementation, data migration, go-live.

The recommended contract term reflects the nature of the investment and the time period required for procuring, developing and implementing the system. With a shorter contract term, the agency would be in a perpetual cycle of system procurement, integration, and data migration.

As part of the Toll Industry Forum questions, staff asked each toll vendor their preferred contract term inclusive of option years. Eleven firms replied to a varying number of base and option years. Three of the firms recommended five to eight years and the remaining seven firms recommended nine or more years. The primary reason for the recommended longer contract term is that it would allow full utilization of the expected useful life of the system components.

A potential total contract term of fourteen years will provide Metro the full useful life of the system to obtain maximum return on investment. Also, it typically takes at least a year of operation to fully burn-in the system and operate on a steady-state basis. So, it will usually be at least three years into the contract for this steady state operation to occur. For example, with a shorter contract duration, the agency will have to start the procurement process almost immediately after the new vendor has been hired.

Minimizing the number of times the back office is changed keeps the operations costs down and avoids data and customer issues that can arise during system transition.

For comparison purposes, staff also surveyed contract terms of other tolling agencies throughout the country (Attachment C). The majority of tolling contracts have a maximum term of 10 or more years with varying numbers of option years.

Based on the results of the industry forum, a review of contract terms associated with other tolling contracts and the initial time required to develop and burn-in the system, staff is recommending an eight-year base to maximize the up-front implementation costs. The additional two, three-year options, which would be brought back to the Board to seek approval to exercise the option, will allow staff sufficient time to develop and advertise, award and implement a new system, if warranted.

Pass-Through Costs

In order to obtain the best fixed price from the proposers, staff identified various costs such as postage and communications leased lines as pass-through items which ensure that expenditures reflect actual costs without any markups. This methodology minimizes the risk for both Metro and the contractor and yields a best value proposal for the Contract.

Small Business Participation

Staff worked with the Diversity and Economic Opportunity Department (DEOD) in the determination of a zero percent goal Small Business Enterprise (SBE) requirement for the back office system while incentivizing vendors to partner with small businesses through the evaluation score. The zero percent goal is due to limited partnering opportunities, the minimum requirements of implementing a toll system back office, large pass-through costs and a survey of other tolling agency procurements goals.

The following are tolling agencies with recent back office system procurements and examples of their DBE/SBE Goals.

Agency/Project	DBE/SBE Goal	Rationale

San Diego Association of Governments (SANDAG) Back Office System	Recent procurement did not include a DBE/SBE percentage	The procurement encouraged the use of SBE with no minimum requirement and did not involve federal funding.
Transportation Corridor Agencies (TCA) Customer Service Operations	Recent procurement did not include a DBE/SBE percentage	SBE was encouraged with no minimum requirement and did not involve any federal funding.
New Jersey Turnpike Authority Back Office System	Included a request for a "good faith" effort to include DBE participation but there was no specific requirement	The procurement allowed for favorable consideration of such effort as part of a much broader scoring of the proposal.
New York agencies in various tolling related procurements	2-10% that may or may not be fixed requirements but do require good faith efforts	
Central Florida Expressway Back Office System	As part of the agency's policies, they have an overall DBE target of 9.91%	The agency generally meets the quota through agency contracts outside of toll system projects

The approach of a zero percent goal and incentivizing participation through evaluation scoring resulted in a 5.07% SBE commitment by the recommended firm for the project.

DETERMINATION OF SAFETY IMPACT

The Board action will not have an impact on safety of Metro's patrons or employees.

FINANCIAL IMPACT

Funding for this Contract will come from toll revenues. The funds required for FY18 are included in the FY18 budget in Cost Center 2220, Project Numbers 307001 and 307002, Account 50316, Task 02.01.

Since this is a multi-year project, the cost center manager and Executive Officer of Congestion Reduction will be responsible for budgeting the cost in future years.

ALTERNATIVES CONSIDERED

The Board may choose to direct staff to develop the system using in-house resources. This alternative is not recommended since Metro staff does not possess expertise in developing a tolling back office system.

The Board may choose not to award and execute the Contract. This alternative is not recommended because services under the existing contract will lapse and the ExpressLanes program will be adversely affected.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS40164000 with TransCore for the

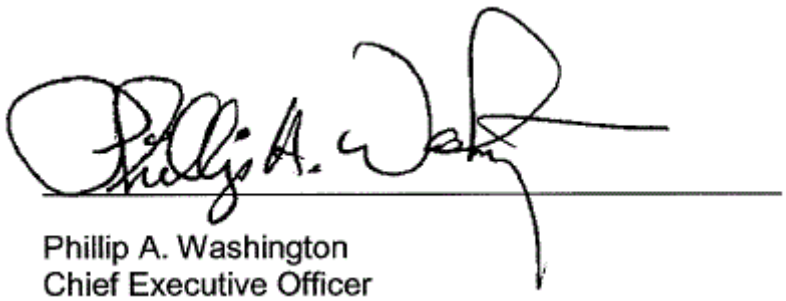
implementation and maintenance of the new ExpressLanes back office system and will update the project implementation schedule for transition to a new back office system.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary
Attachment C - Toll Agency Contract Terms for Back Office System

Prepared by: Tim Lew, Sr. Transportation Planning Manager, (213) 418-3134
Kathy McCune, Deputy Executive Officer, (213) 418-3138
Shahrzad Amiri, Executive Officer, (213) 922-3061

Reviewed by: Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051
Stephanie Wiggins, Deputy Chief Executive Officer, (213) 922-1023



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

EXPRESSLANES BACK OFFICE SYSTEMS/PS40164000

1.	**Contract Number**: **PS40164000**	
2.	**Recommended Vendor**: TransCore	
3.	**Type of Procurement (check one):** ☐ **IFB** ☒ **RFP** ☐ **RFP–A&E** ☐ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates**:	
	A. Issued: 4/21/17	
	B. Advertised/Publicized: 4/17/17	
	C. Pre-Proposal Conference: 5/2/17	
	D. Proposals Due: 7/20/17	
	E. Pre-Qualification Completed:	
	F. Conflict of Interest Form Submitted to Ethics: 9/1/17	
	G. Protest Period End Date: 01/19/18	
5.	**Solicitations Picked up/Downloaded**: 71	**Proposals Received**: 4
6.	**Contract Administrator**: Adrian Ziemer	**Telephone Number**: (213) 922-1109
7.	**Project Manager**: Tim Lew	**Telephone Number**: (213) 418-3134

A. Procurement Background

This Board Action is to approve Contract No. PS40164000 issued in support of Metro's ExpressLanes back office system (BOS). Board approval of contract awards are subject to resolution of any properly submitted protest.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price.

Six amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on 04/26/17, to update the Statement of Work;
- Amendment No. 2, issued on 05/11/17, clarified the option years of the Contract, extended the RFP due date to 06/23/17, and updated Exhibit 2 and the Statement of Work;
- Amendment No. 3, issued on 06/17/17, updated the RFP number to PS40164-2 due to an administrative issue, extended the due date to 07/07/17, and updated the Statement of Work;
- Amendment No. 4, issued on 06/21/17, added Exhibits 12 and 13, Special Provisions 25 and 26, updated Exhibit 2, updated Exhibit 3, updated Exhibit C, and updated Attachments 3 and 6;
- Amendment No. 5, issued on 06/27/17, extended the RFP due date to 07/20/17;
- Amendment No. 6, issued on 06/30/17, updated the RFP Attachment 6, Exhibit 2, and the Statement of Work.

A pre-proposal conference was held on May 2, 2017. Twelve people from nine companies attended in person and six people from four companies attended via teleconference. There were 107 questions submitted in response to this solicitation and all were answered.

While there was no Small Business Enterprise (SBE) goal established for this procurement, an Industry Forum was convened on June 1, 2017 inviting SBEs and DVBEs to meet with potential Metro Primes for two future ExpressLane projects. The purpose of the event was to help create opportunities for SBE/DVBE to partner with Primes for ExpressLanes roadway toll collection systems and customer service center (CSC) to help ensure Metro continues to meets small business goals and objectives. Nine large business Primes participated and over 50 small businesses attended the event and met with the primes to discuss future partnership opportunities.

Though no SBE goal was established for this procurement, firms could receive up to five points based on the amount of SBE commitment outlined in their proposals.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Congestion Reduction department and one member from San Francisco Metropolitan Transportation Commission was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

• Demonstrated Project Experience & Qualifications	5 percent
• Key Project Team Experience	10 percent
• Approach to Project Plan and Implementation	15 percent
• Approach to System Requirements	25 percent
• Approach to Maintenance and Software Support Service	15 percent
• Approach to Performance Requirements	10 percent
• Cost	15 percent
• SBE/DVBE Participation	5 percent

Several factors were considered when developing these weights, giving the greatest importance to Approach to Project Plan and Implementation, Approach to Maintenance and Software Support Service, and Cost.

Of the four proposals received, all were determined to be within the competitive range and are listed below in alphabetical order:

1. BRiC-TPS

2. Conduent State & Local Solutions, Inc. (Conduent)
3. ETAN
4. TransCore

During the week of August 21, 2017, the PET met and interviewed the four firms. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the PET's questions. In general, each team's presentation addressed the requirements of the RFP, experience with all aspects of the required tasks, and stressed each firm's commitment to the success of the project. Also highlighted were staffing plans, work plans, and perceived project issues. Each team was asked questions relative to each firm's proposed alternatives and previous experience. Fact finding was conducted on Sept 18, 2017. On October 12, 2017, a notice requesting Best and Final Offers (BAFO) was sent to all firms providing an update to quantities in the pricing schedule.

Qualifications Summary of Firms within the Competitive Range

TransCore

TransCore, LP is a wholly owned subsidiary of Roper Technologies, Inc., which acquired TransCore in December 2004. TransCore is one of the leading toll systems integrators in the United States, with demonstrated expertise and performance in all aspects of toll system design and integration. TransCore has successfully integrated over 38 back office systems in the United State and abroad. Many of the back office systems that they replaced were legacy systems that required careful transition planning and migration of existing data. Each of TransCore's key staff averages 15 years' experience serving the transportation industry.

TransCore is deploying its highly scalable and configurable *Integrity* BOS product, which is the system of choice for many CSC operations and tolling authorities, including the SANDAG I-15 Express Lanes, Delaware Department of Transportation, Massachusetts Department of Transportation, Pennsylvania Turnpike Commission, Ohio Turnpike and Infrastructure Commission, West Virginia Parkways Authority, and the Virginia Department of Transportation. TransCore has back office toll collection systems currently being used by 28 toll agencies, operates 10 CSC and virtual private clouds, and has successfully migrated system data for 15 back office conversions.

TransCore's proposal addressed all aspects of the statement of work.

ETAN

ETAN is a privately-held company founded in 1997 as a Limited Liability Company specializing in customer service, billing, collections, and accounting services. Their tolling catalog, offered as FASTLane (Financial Accountability Solution for Tolling), includes a comprehensive suite of services designed to address all transponder-

based and toll-by-plate back-office needs from the moment the transaction occurs until the tolls and all associated fees are paid in full.

ETAN is a technology company that provides solutions to the tolling industry. ETAN analyzed existing toll processing operations and developed optimized alternatives that both capitalized on technologic opportunities, and focused on financial accuracy and accountability. The result enabled them to manage the electronic tolling environment, packaged in a single solution called FASTLane.

ETAN's proposal did not address required system capabilities (i.e. tracking and management of outbound notifications) as it pertains to maintenance and software support. Moreover, the proposal did not address performance requirements regarding incentivizing support service(s) by group, management, and individual staff members to achieve optimal efficiency. ETAN listed no subcontractors in their proposal and received no SBE/DVBE participation points. Additionally, the proposed cost was 8.6% higher than that of the recommended firm.

Conduent

Conduent (previously Xerox State & Local Solutions) employs approximately 3,700 professionals. The firm supports more than 1,700 government agency customers in all 50 states, and has locations all over the United States. They have experience designing, installing, operating, and maintaining toll collection systems. They utilize Conduent BOS for a variety of industries including tolling, transit, financial, and health.

Conduent has expanded their interests in the transportation industry to include red light, carpool and HOT lane technologies. They are one of the largest electronic tolling collection (ETC) and BOS providers in the United States, providing services to a wide variety of tolling agencies, including the Bay Area Toll Authority, the New Jersey Turnpike Authority, New York E-ZPass® agencies, and LA Metro Express HOT Lanes. They provide transportation technology services worldwide, with employees across the U.S. and around the world, providing tolling, mass transit, parking, photo enforcement, and work zone safety. Conduent State & Local Solutions, Inc. is providing all current tolling support for Metro, as a subcontractor under Atkinson Construction.

Conduent's proposal did not address a detailed approach to maintaining support for new mobile devices, mobile browsers, desktop browsers and operating systems, mobile and desktop customer experience trends as it relates to maintenance and software support services. Procurement and ownership rights of systems including software, equipment, physical assets, and other essential components were not addressed in the proposal as part of project and implementation planning. In addition, the proposal did not address system capabilities for providing, maintaining and supporting elements of the toll system that improves operational efficiencies per

system requirements. Conduent's price was 18% higher than that of the recommended firm and they received 0.58 SBE/DVBE participation points out of a possible 5 points.

BRiC-TPS

BRiC-TPS is a California company supporting transportation clients across North America. The company formed to address client operations and maintenance needs, initially for congestion mitigation programs operated by the Ports of Long Beach and Los Angeles under the PierPASS banner. They have expanded into providing maintenance and consulting services to customers using the VTX Back Office System in the electronic tolling industry. Their major projects include modernizing software solutions, replacing existing technology infrastructure and extending system capabilities to meet changing business needs. VTX is a proven back office system currently in use and supported by BRiC-TPS at several tolling agencies across North America, including the Transportation Corridor Agencies in Orange County which has successfully utilized the system for over 16 years.

BRiC-TPS has a team experienced in software development, maintenance, call center operations and toll Agency accounting. They have supported financial audits, provided PCI certification and testing, tokenized credit card processing, integrated chip based credit card readers, replaced networks, relocated data center operations, virtualized hardware platforms and other operations required by clients.

BRiC-TPS' proposal did not address system capabilities (i.e. linking correspondence, tracking of outbound notification) as it pertains to system requirements. As part of maintenance and software support services requirements, their approach failed to adequately address planned periodic software releases, break/fix solutions, emergency patches and restoration of systems services during an outage. BRiC-TPS' price was 46% higher than the recommended firm and listed no subcontractors in their proposal thereby receiving no SBE/DVBE participation points.

Summary of Scores of Firms within the Competitive Range

Table below provides the scores in order of rank.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	**TransCore**				
3	Demonstrated Project Experience & Qualifications	86.45	5.00%	4.32	
4	Key Project Team Experience	93.34	10.00%	9.33	
5	Approach to Project Plan and Implementation	84.45	15.00%	12.67	

6	Approach To System Requirements	82.76	25.00%	20.69	
7	Approach to Maintenance and Software Support Service	91.45	15.00%	13.72	
8	Approach to Performance Requirements	90.12	10.00%	9.01	
9	Cost	100.00	15.00%	15.00	
10	SBE/DVBE Participation	100.00	5.00%	5.00	
11	**Total**		**100.00%**	**89.74**	**1**
12	**ETAN**				
13	Demonstrated Project Experience & Qualifications	47.58	5.00%	2.38	
14	Key Project Team Experience	64.91	10.00%	6.49	
15	Approach to Project Plan and Implementation	81.79	15.00%	12.27	
16	Approach To System Requirements	77.50	25.00%	19.38	
17	Approach to Maintenance and Software Support Service	76.79	15.00%	11.52	
18	Approach to Performance Requirements	36.79	10.00%	3.68	
19	Cost	92.13	15.00%	13.82	
20	SBE/DVBE Participation	0.00	5.00%	0.00	
21	**Total**		**100.00%**	**69.54**	**2**
22	**Conduent**				
23	Demonstrated Project Experience & Qualifications	83.57	5.00%	4.18	
24	Key Project Team Experience	81.02	10.00%	8.10	
25	Approach to Project Plan and Implementation	44.13	15.00%	6.62	
26	Approach To System Requirements	52.23	25.00%	13.06	
27	Approach to Maintenance and Software Support Service	57.24	15.00%	8.59	
28	Approach to Performance Requirements	71.12	10.00%	7.11	
29	Cost	84.87	15.00%	12.73	
30	SBE/DVBE Participation	11.60	5.00%	0.58	
31	**Total**		**100.00%**	**60.97**	**3**
32	**BRiC-TPS**				
33	Demonstrated Project Experience & Qualifications	50.02	5.00%	2.50	
34	Key Project Team Experience	69.57	10.00%	6.96	

35	Approach to Project Plan and Implementation	56.46	15.00%	8.47	
36	Approach To System Requirements	47.62	25.00%	11.91	
37	Approach to Maintenance and Software Support Service	37.34	15.00%	5.60	
38	Approach to Performance Requirements	46.70	10.00%	4.67	
39	Cost	68.33	15.00%	10.25	
40	SBE/DVBE Participation	0.00	5.00%	0.00	
41	**Total**		**100.00%**	**50.36**	**4**

C. Cost Analysis

The recommended price has been determined to be fair and reasonable based upon price analysis, technical evaluation, fact finding, and negotiations.

	Proposer Name	Proposal Amount	Metro ICE	BAFO amount
1.	TransCore	$84,387,688	**$96,160,681**	$88,093,158
2.	ETAN	$96,098,932	**$96,160,681**	$95,635,521
3.	Conduent	$103,841,036	**$96,160,681**	$103,841,036
4.	BRiC-TPS	$135,807,279	**$96,160,681**	$128,888,264

Price changes above reflect final responses to the BAFO and correspond with Metro requirements clarifications.

D. Background on Recommended Contractor

The recommended firm, TransCore, located in Nashville, Tennessee, is considered a leader in the back office tolling industry. Key personnel have on average 15 years' experience in the tolling industry. The project manager has 20 years' experience in tolling and back office systems. TransCore designed, built, and currently maintains the HOT lane and back office system customer service center for Houston Metro. They also designed the back office systems for Massachusetts Department of Transportation. Other projects they have completed or are currently working on include: providing violation process software for Delaware Department of Transportation, toll systems provider for Autotoll in Hong Kong, and back office systems for West Virginia Parkways Authority and Pennsylvanian Turnpike Commission.

DEOD SUMMARY

EXPRESSLANES – BACK OFFICE SYSTEMS / PS40164000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise (SBE) / Disabled Veteran Business Enterprise (DVBE) goal for this solicitation based on the lack of apparent subcontracting opportunities. Notwithstanding, DEOD worked with the Project Manager and Contract Administration who developed evaluation criteria to incentivize proposers to utilize SBE/DVBE firms. TransCore, LP, through its outreach efforts, was able to identify two SBE's to provide hardware/software support, and system analyst services. Transcore, LP made a 5.07% SBE commitment. Additionally, other solicitations that support the ExpressLanes have been reviewed for higher goal application.

Small Business Goal	**0% SBE/DVBE**	**Small Business Commitment**	**5.07% SBE**

	SBE Subcontractors	**% Committed**
1.	Kambrian Corporation	5.00%
2.	Transportation Mobility Solutions	0.07%
	Total Commitment	**5.07%**

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.

Toll Agency Contract Terms for Back Office Systems (Some contracts are combined with other operation types)			
Agency	**Base Term**	**Options**	**Total Maximum Term**
Pennsylvania Turnpike Commission	10 years	Two 5-year options	20 years
Bay Area Tolling Authority (BATA)	5 years from "go-live" date	Ten 1-year options	17 years
Transportation Corridor Agencies (TCA)	8 years from "go-live" date	Up to 7 years	15 years
LA Metro (Proposed BOS Contract)	8 years	Two 3-year options	14 years
Florida	7 years	7 years in increments of no less than one year	14 years
New York	10 years	3 years	13 years
New Jersey	10years	2 years	12 years
Riverside County Transportation Commission (RCTC)	5 years	5 years	10 years
San Diego Association of Governments (SANDAG)	5 years	5 years	10 years
Illinois	6 years	Four 1-year options	10 years
MassDOT	5 years	5 years	10 years
TxDOT	5 years	Two 2-year options and one 1-year option	10 years
DelDOT	3 years	Two 3-year options	9 years
LA Metro (Current Contract)	3 years	Five 1-year options	8 years

Los Angeles County
Metropolitan Transportation Authority

ITEM 9

METRO EXPRESSLANES – BACK OFFICE SYSTEMS

Ad Hoc Congestion, Highway and Roads Committee
JANUARY 17, 2018

Metro

New Back Office System Contract

AUTHORIZE the Chief Executive Officer to award an eight-year firm fixed unit price Contract No. PS40164000, to TransCore for implementing and maintaining an ExpressLanes back office system in an amount not to exceed $48,327,615 for the eight-year base period, with two, three-year options, in amounts not to exceed $19,031,882 and $20,733,661, respectively, for a total not to exceed amount of $88,093,158, subject to resolution of protest(s), if any.

Metro

Metro ExpressLanes Operations

- **Current Contract with Atkinson Contractors, LP to Design, Build, Operate & Maintain the I-10 and I-110 ExpressLanes**
  - **Demonstration Project**
    - **Three-Year Base**
    - **Five, One-Year Options**

- **Based on Best Practices**
  - **Seeking a Longer Contract Term**
    - **SB 1298 Removed Sunset Date for ExpressLanes I-10 & I-110**
    - **Demonstration Period is Over**
  - **Three Separate Contracts**
    - **Back Office System**
      - **Transaction Processing**
      - **Customer Account Management**
      - **Payment and Toll Violation Processing**
    - **Roadside Toll Collection System** (Blackout period)
      - **Equipment on the Corridors**
      - **Dynamic Pricing**
      - **Corridor Incident Monitoring**
    - **Customer Service Support** (To be released)

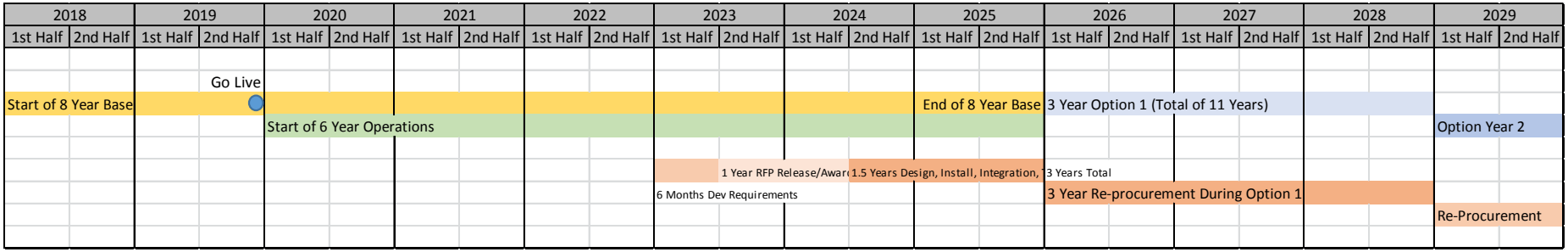
Metro

New Back Office System Contract

- **Contract Term**
  - **Eight-Year Base and Two, Three-Year Options**
    - **Option Years Will Require Board Approval at the Appropriate Time**

  - **Contract Term Recommendation reflects:**
    - **Three Years Required to Re-procure and Implement System**
    - **Obtaining the Full Useful Life of Investment**
    - **Toll Industry Forum Recommendations for Contract Length**

Contract & Procurement Timeline



Metro

New Back Office System Contract

- **Small Business Participation**
  - **Staff Worked With DEOD in Determination of Zero Percent Goal**
    - **Incentivized Participation With Five Evaluation Points**
      - **Highlighted This Evaluation Factor during the Pre-Proposal Conference**
    - **Larger SBE/DVBE Goal For Next Two Upcoming ExpressLanes Procurements**
      - **Roadside Toll Collection System – Combined Twenty Three Percent SBE/DVBE Goal**
      - **Customer Service Support – To Be Determined**
  - **Goal Determination**
    - **Based on Other Tolling Agency Procurements**
    - **Proprietary Nature of Tolling Back Office System Software**

Metro

New Back Office System Contract

- Received four proposals
  - BRiC-TPS
  - Conduent State & Local Solutions
  - ETAN
  - Transcore

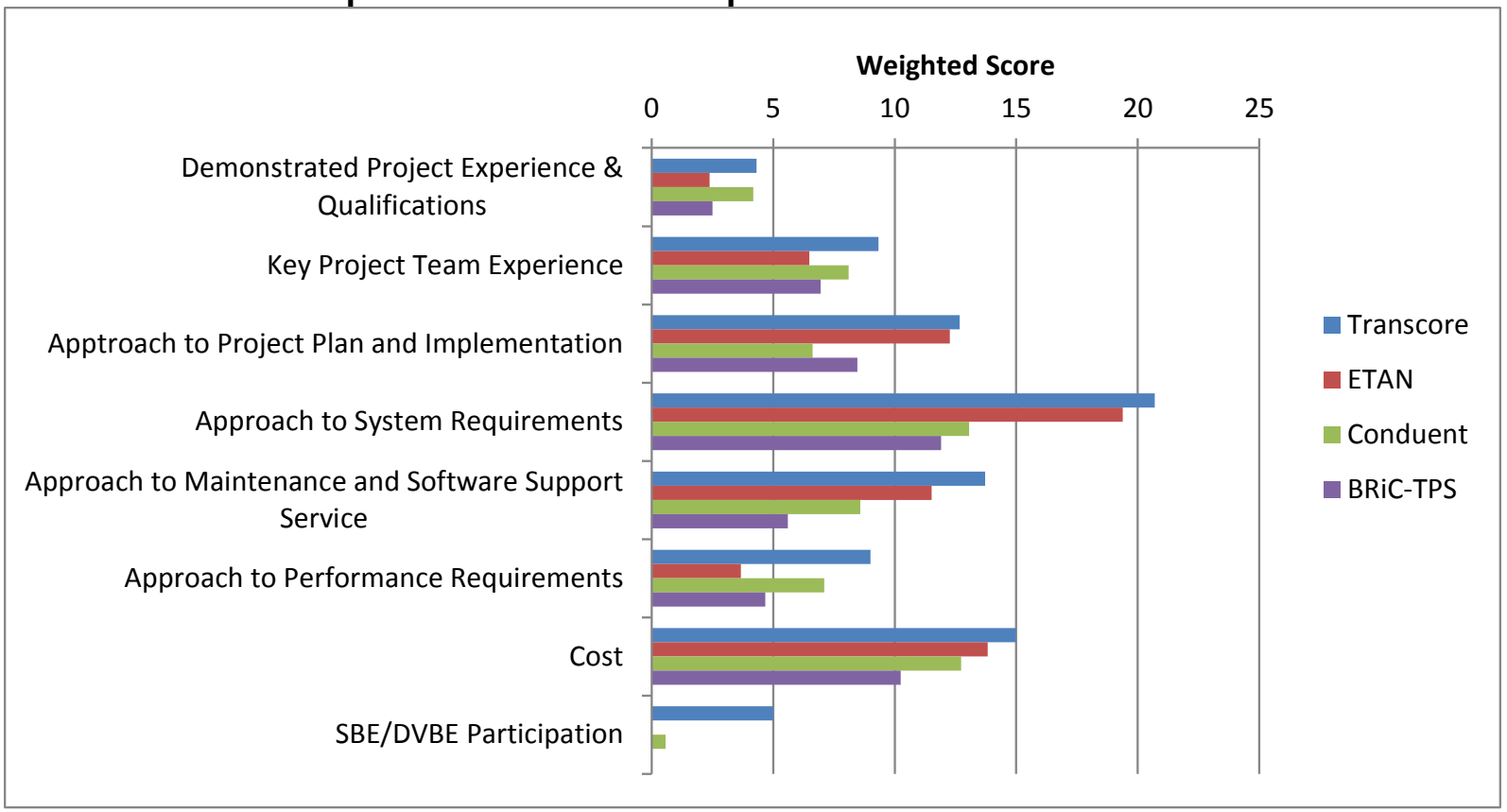
The proposals were evaluated based on the following evaluation criteria and weights:

Demonstrated Project Experience & Qualifications	5 percent
Key Project Team Experience	10 percent
Approach to Project Plan and Implementation	15 percent
Approach to System Requirements	25 percent
Approach to Maintenance and Software Support Service	15 percent
Approach to Performance Requirements	10 percent
Cost	15 percent
SBE/DVBE Participation	5 percent

Metro

New Back Office System Contract

- **Evaluation Results**
  - **TransCore is the Recommended Firm**
  - **TransCore's Proposal Addressed All Aspects of the Statement of Work**



Metro