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

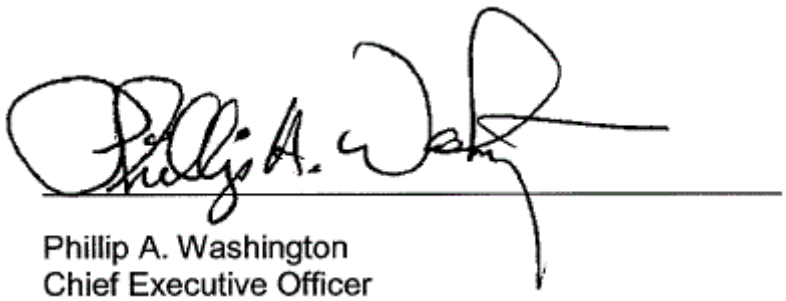
implementation and maintenance of the new ExpressLanes back office system and will update the project implementation schedule for transition to a new back office system.

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**

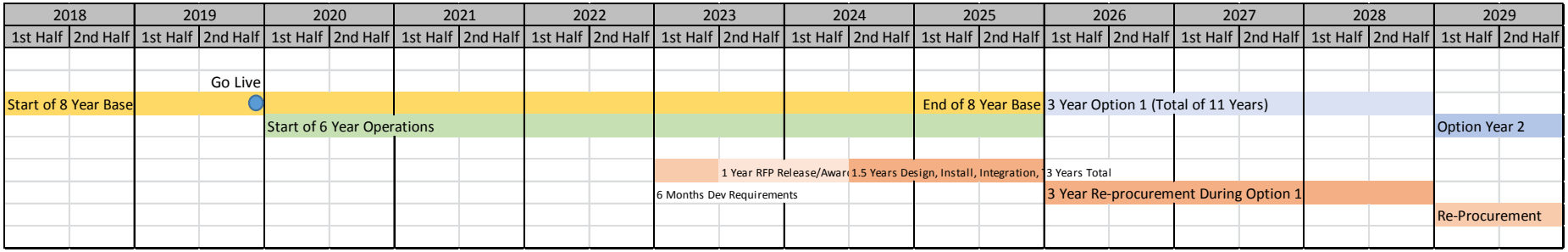
- **Based on Best Practices**
  - **Seeking a Longer Contract Term**
    - **SB 1298 Removed Sunset Date for ExpressLanes I-10 & I-110**
    - **Demonstration Period is Over**
  - **Three Separate Contracts**
    - **Back Office System**
      - **Transaction Processing**
      - **Customer Account Management**
      - **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

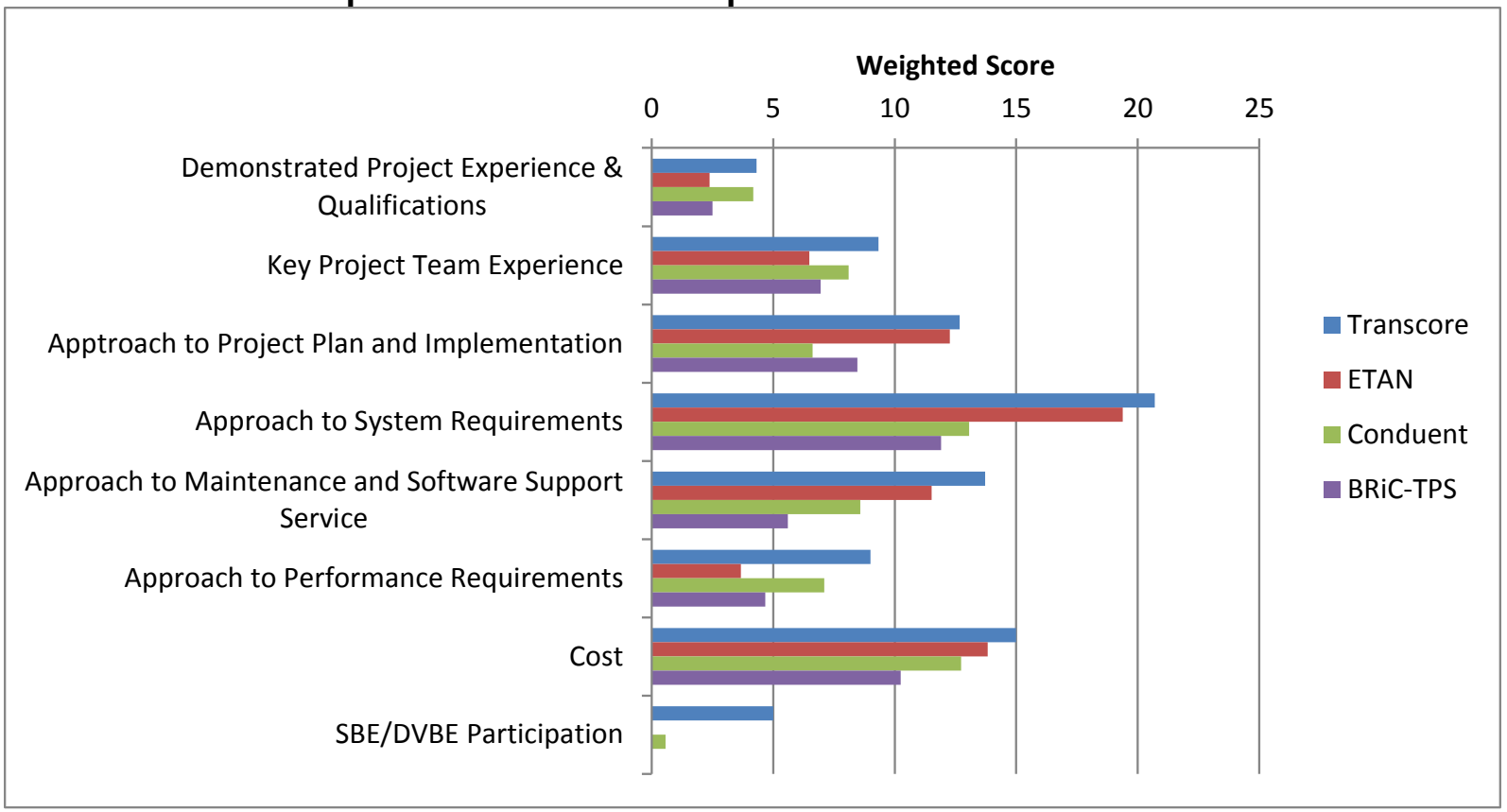
The proposals were evaluated based on the following evaluation criteria and weights:

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**



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