



BAY AREA TOLL AUTHORITY
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Memorandum

TO: BATA Oversight Committee

DATE: January 2, 2019

FR: Deputy Executive Director, Operations

W. I. 1253

RE: FasTrak® Toll Tags - Toll Tag Vendor Bench: Kapsch TrafficCom USA, Inc., Neology, Inc., Star Systems International, Ltd., and TransCore, LP.

- i. Purchase Order – Internal FasTrak® Toll Tags: Kapsch TrafficCom USA Inc. (\$12,740,000); and
- ii. Purchase Order – External FasTrak® Toll Tags: Neology, Inc. (\$171,000)

This memorandum requests approval of a pre-qualified bench of vendors to provide FasTrak® toll tags for toll bridges and express lanes customers. This bench will be utilized for a period ending June 30, 2021, with an option to extend to December 31, 2021.

This memorandum also authorizes the Executive Director or his designee to issue purchase orders for the initial FasTrak® toll tags purchases for the remainder of FY 2018-19 and FY 2019-20, subject to the approval of the FY 2019-20 BATA budget:

- A purchase order in an amount not to exceed \$12,740,000 to Kapsch TrafficCom USA, Inc. (Kapsch) to purchase 1,225,000 internal FasTrak® toll tags;
- A purchase order in an amount not to exceed \$171,000 to Neology, Inc. (Neology) to purchase 15,000 external FasTrak® toll tags.

Background

In a recently approved state regulation (California Code of Regulations, Division 2, Title 21, Chapter 16), all tolling agencies in California are required to transition from the current Title 21 toll tag protocol to the new 6C toll tag protocol. To comply with the new regulation, BATA issued a Request for Qualifications (RFQ) in October 2018 to establish a bench of pre-qualified vendors to provide up to 2,340,000 6C toll tags through June 30, 2021, consisting of:

- 1,875,000 internal mounted self-declaration (Flex) toll tags;
- 435,000 internal mounted Flex tags packaged for retail sales; and
- 30,000 external license plate-mounted toll tags.

The tags will be purchased in approximately annual increments from February 2019 through June 30, 2021, allowing BATA to solicit new pricing from the pre-qualified bench vendors for each subsequent purchase as needed. The RFQ also allows an option to extend the tag purchases to December 31, 2021 and to purchase an additional option quantity of 880,000 non-retail Flex tags, 730,000 retail Flex tags, and 30,000 external tags.

Vendor Bench Evaluation

In response to the RFQ, BATA received Statements of Qualifications (SOQs) and bids from a total of four (4) vendors. To qualify for placement on the vendor bench, the tags that vendors are proposing must be certified by the Omni Air Consortium or be in the process of obtaining certification. However, vendors in the process of obtaining certification cannot be awarded a purchase order until proof of certification is received. All four vendors were found to have been responsive and met the required minimum qualifications for placement on the vendor bench. Based on the findings, staff recommends that the vendors shown in Table 1 below be approved as pre-qualified vendors for providing BATA with 6C FasTrak® toll tags.

Table 1: On-Call 6C FasTrak Toll Tag Vendor Bench Selections

SELECTED FIRMS
Kapsch TrafficCom USA, Inc., McLean VA
Neology, Inc., San Diego, CA
Star Systems International, Ltd., Allen, TX
TransCore, LP., Nashville, TN

Contract Evaluation

To determine the contract award for the initial tag quantities for FY 2018-19 and FY 2019-20, an evaluation panel consisting of BATA staff subsequently evaluated the qualifying SOQs that included pricing for the first tag purchase. The evaluation was based on three evaluation factors that were ranked according to points: (1) price (35%), (2) effectiveness of toll tag features (35%), and (3) quality of inventory management and control procedures (30%). The evaluation results for internal and external tags is shown in Tables 2 and 3 below.

Table 2: Internal Tag Bid Details

Vendor	Total Points /100 Points	Certified	Per Unit Bid Price without tax
Kapsch TrafficCom USA, Inc.	97	Y	\$ 8.26 Non-Retail \$11.18 Retail
TransCore, LP	93.67	N	\$ 9.97 Non-Retail \$11.47 Retail
Neology, Inc.	92.67	Y	\$ 9.20 Non-Retail \$10.71 Retail

Table 3: External Tag Bid Details

Vendor	Total Points /100 Points	Certified	Per Unit Bid Price without tax
Kapsch TrafficCom USA, Inc.	95	N	\$6.50
Neology, Inc.	84.33	Y	\$10.50
TransCore, LP	70.33	N	\$19.95

The evaluation panel found that Kapsch had the highest scored SOQ for internal tags and is recommended for the award of the initial internal tag purchase order. Kapsch also had the highest scored SOQ for external tags, however as Kapsch is still in the process of obtaining certification of its external tag, staff is recommending Neology, which holds the second highest scored SOQ, for award of the initial external tag purchase order. Star System International, Ltd. qualified for bench placement, but did not submit a price bid for this initial purchase. Award of subsequent annual purchase orders with the pre-qualified vendors will be based on subsequent price solicitation and evaluation. Attachment A includes a summary of Kapsch and its project team's small business and disadvantaged business enterprise status. Neology is neither a small business nor a disadvantaged business enterprise and currently has no subcontractors.

Prior to the December Committee meeting, staff received a request from Assembly Member Kevin Mullin that the procurement of 6C tags take into consideration the impact on job and business creation/elimination within California. In consideration of this request, staff will explore the adoption of a program that allows preference for California vendors. However, due to our limited current inventory, BATA requires delivery of additional tags starting in March 2019 to meet forecasted tag needs.

Recommendation

Staff recommends that the Committee approve the pre-qualified vendor bench identified in Table 1 of this memo to provide 6C toll tags. This bench will be utilized for a period ending in June 30, 2021, with an option to extend to December 31, 2021.

Staff also recommends that the Committee authorize the Executive Director or his designee to issue a purchase order to Kapsch in an amount not to exceed \$12,740,000 to purchase 1,225,000 internal 6C FasTrak® toll tags for FY 2018-19 and FY2019-20 and a purchase order to Neology in an amount not to exceed \$171,000 to purchase 15,000 external 6C FasTrak® toll tags for FY 2018-19 and FY 2019-20, subject to the approval of the FY 2019-20 BATA budget.



Andrew B. Premier

SH:mp
Attachments

Attachment A
Small Business and Disadvantaged Business Enterprise Status

		DBE* Firm			SBE** Firm		
Firm Name		Yes	DBE #	No	Yes	SBE #	No
Prime Contractor	Kapsch TrafficCom, USA, Inc.			X			X
Subcontractor	Star Systems International, Ltd.			X			X

*Denotes certification by the California Unified Certification Program (CUCP).

**Denotes certification by the State of California.

REQUEST FOR COMMITTEE APPROVAL
Summary of Proposed Vendor Bench

Work Item No.: 1253

Contractors: Kapsch TrafficCom USA, McLean, VA
Neology, Inc., San Diego, CA
Star Systems International, Ltd., Allen, TX
TransCore, LP., Nashville, TN

Work Project Title: FasTrak® Toll Tags Vendor Bench

Purpose of Project: To establish a vendor bench to provide FasTrak® Toll Tags

Brief Scope of Work: Establish a vendor bench to provide FasTrak® toll tags to toll bridges and express lanes customers.

Project Cost Not to Exceed: Individual purchase orders to be determined; the estimated total budget for the purchase orders has not been determined at this time.

Funding Source: Toll Bridge Rehabilitation Program Funds

Fiscal Impact: No immediate fiscal impact until purchase orders are awarded.

Motion by Committee: That the vendors listed in the Deputy Executive Director's Memorandum dated January 2, 2019 be pre-qualified to be issued purchase orders to provide 6C FasTrak® toll tags on an as-needed basis through June 30, 2021, subject to applicable contract approval procedures and necessary budget approvals, with an option on the part of BATA to extend the bench to December 31, 2021.

BATA Oversight Committee:

Amy Worth, Chair

Approved: Date: January 9, 2019

REQUEST FOR COMMITTEE APPROVAL
Summary of Proposed Purchase Order

Work Item No.:	1253
Vendor:	Kapsch TrafficCom USA, Inc., McLean, VA
Work Project Title:	Internal FasTrak® Toll Tags
Purpose of Project:	To provide internal FasTrak® toll tags.
Brief Scope of Work:	Provide internal FasTrak® toll tags to support the regional toll bridges and express lanes operations.
Project Cost Not to Exceed:	\$12,740,000
Funding Source:	Toll Bridge Rehabilitation Program Funds
Fiscal Impact:	\$4,489,000 in funds are included in the FY2018-19 Toll Bridge Rehabilitation Program Budget; the balance of \$8,251,000 is subject to the approval of the FY 2019-20 Toll Bridge Rehabilitation Program Budget.
Motion by Committee:	That the Executive Director or his designee is authorized to issue a purchase order to Kapsch TrafficCom USA, Inc. to provide internal 6C FasTrak® toll tags as described above and in the Deputy Executive Director's Memorandum dated January 2, 2019, and the Chief Financial Officer is directed to set aside funds in the amount of \$12,740,000 for such purchase order subject to the approval of the FY2019-20 BATA Budget.
BATA Oversight Committee:	<hr/> Amy Worth, Chair
Approved:	January 9, 2019

REQUEST FOR COMMITTEE APPROVAL
Summary of Proposed Purchase Order

Work Item No.:	1253
Vendor:	Neology, Inc., San Diego, CA
Work Project Title:	External FasTrak® Toll Tags
Purpose of Project:	To provide external FasTrak® toll tags.
Brief Scope of Work:	Provide external FasTrak® toll tags to support the regional toll bridges and express lanes operations.
Project Cost Not to Exceed:	\$171,000
Funding Source:	Toll Bridge Rehabilitation Program Funds
Fiscal Impact:	\$114,000 in funds are included in the FY2018-19 Toll Bridge Rehabilitation Program Budget; the balance of \$57,000 is subject to the approval of the FY 2019-20 Toll Bridge Rehabilitation Program Budget.
Motion by Committee:	That the Executive Director or his designee is authorized to issue a purchase order to Neology, Inc. to provide external 6C FasTrak® toll tags as described above and in the Deputy Executive Director's Memorandum dated January 2, 2019, and the Chief Financial Officer is directed to set aside funds in the amount of \$171,000 for such purchase order subject to the approval of the FY 2019-20 BATA Budget.
BATA Oversight Committee:	<hr/> Amy Worth, Chair
Approved:	January 9, 2019