

**Board Report**

File #: 2015-1772, **File Type:** Contract**Agenda Number:** 29

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
MARCH 17, 2016****SUBJECT: METRO EXPRESSLANES CONSULTANT SERVICES FOR DEVELOPMENT OF
SOLICITATION PACKAGES****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to award a 16-month firm fixed price contract, Contract No. PS451860016612, to **Cambria Solutions, Inc. in the amount of \$1,149,538 for Metro ExpressLanes Consultant Services for Development of Solicitation Packages.**

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 slated to expire on February 22, 2019, if all option years are exercised.

Based on lessons learned, Metro intends to split the services provided under the current contract at the time of expiration into two separate contracts comprised of: (1) Roadside Systems which include dynamic messaging signage, tolling equipment, and vehicle sensors; and (2) Back Office/Customer Service Systems which includes dynamic pricing algorithm, violation processing, and a call center relocation to Los Angeles County.

The complexity of tolling procurements requires expertise in a myriad of areas. In accordance with best practices, Metro staff seeks to retain a professional services contractor to develop the two solicitation packages for these future contracts. The retention of a professional services contractor allows Metro to draw from highly specialized tolling and customer service experts. The professional services contractor would assist with the development of statements of work, system requirements, technical specifications, transition and phasing requirements, system diagrams, plans and cost estimates.

In light of the existing contract's termination date, the two solicitation packages for the future contracts must be finalized over the next 16 months. Staff is requesting award of this contract for professional services to enable Metro to meet this timeline and continue ExpressLanes operations.

DISCUSSION

The existing contract and systems were integrated with the goal of deploying a successful one year demonstration project. After over three years of operation, the ExpressLanes program has outgrown certain aspects of the existing system. For example, the current system does not support the addition of new ExpressLanes corridors without significant software changes and costs.

Additionally, under the existing contract, which expires on February 22, 2019, Atkinson operates and maintains both Roadside Systems and Back Office/Customer Service Systems which are two distinctly different systems. Metro has learned from the existing contract that management of both systems by one contractor hinders optimal levels of performance. By advertising separate contracts, Metro can more efficiently manage and track each system's performance, better prepare for modernization and future expansion and transition one system to a new contractor without initiating a re-procurement of the other system.

Tolling procurements require expertise in a myriad of areas. These areas include dynamic pricing algorithm development, dynamic messaging signage, payment and violation processing, financial reporting, network and communications design, customer service, and toll lane system design, integration and operation. Although Metro staff possesses expertise in many areas, staff availability is limited and it does not have the complete set of required expertise to draft solicitation packages for the procurement of the two systems. Metro staff availability is also limited. Under these circumstances, Metro seeks the services of a contractor with multi-disciplinary tolling expertise to develop the solicitation packages.

The result of this process will be two complete solicitation packages that Metro can advertise and award. Services under this contract will conclude upon award of the two new tolling contracts.

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 FY16 are included in the FY16 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 utilize current Metro staff to perform the work. This alternative is not recommended. Though Metro staff possesses expertise in many areas, staff does not possess the complete set of required expertise necessary for preparing the solicitation packages. Moreover, Metro staff does not have the availability to complete the solicitation packages within the required

timeframe while overseeing the operations and planning of the ExpressLanes.

The Board may choose to hire full-time personnel. This alternative is not recommended as a professional services contract is better suited to meet the range of required expertise and short term staffing needs.

The Board may choose not to award and execute the contract. This alternative is not recommended because solicitation packages need to be finalized over the next 16 months for development, implementation and migration to the new tolling systems. Otherwise, services under the existing contract may lapse and the ExpressLanes program will be adversely affected.

NEXT STEPS

Upon Board approval, staff will award and execute Contract No. PS451860016612 with Cambria Solutions, Inc.

ATTACHMENTS

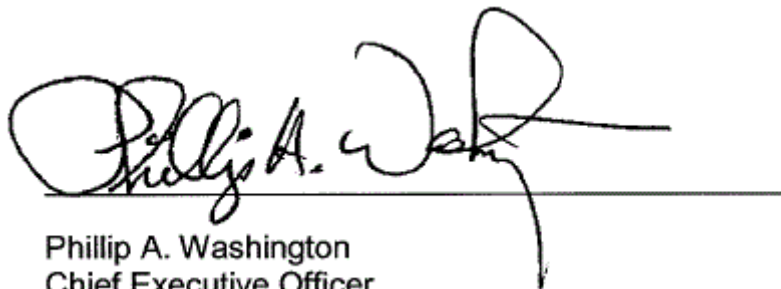
Attachment A - Procurement Summary

Attachment B - DEOD Summary

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