

**Board Report**

File #: 2018-0266, **File Type:** Contract**Agenda Number:** 54.

**AD HOC CONGESTION, HIGHWAY AND ROADS COMMITTEE
JUNE 21, 2018****SUBJECT: CONSULTANT SUPPORT FOR EXPRESSLANES
OPERATIONS****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to award a six-year, cost reimbursable plus fixed fee Contract No. PS48720000 to Cambria Solutions, Inc. (Cambria) in an amount not to exceed \$8,969,941.94 for Consultant Support services for ExpressLanes Operations, subject to resolution of protest(s), if any.

ISSUE

The ongoing operation and maintenance of the ExpressLanes is a complex task requiring technical skills across a range of disciplines/areas. The need for additional resources to supplement existing Metro staff is due in part to the upcoming migration to a next-generation suite of ExpressLanes systems and facilities including a new back office system (BOS), roadside toll collection system (RTCS), and ExpressLanes customer service center (CSC), with the peak of transition and migration activities expected to occur in 2019 and 2020. The additional support from experienced subject area experts spanning a wide range of specializations coupled with Metro staff expertise will enable sufficient levels of monitoring and oversight for the new BOS, RTCS, and CSC contractors during this critical period, and will ensure that any ExpressLanes issues or concerns that could otherwise impact performance and operations are expeditiously addressed and resolved.

While Metro staff possesses tolling expertise in many areas, the current capacity of staff would be significantly strained to perform the full set of oversight and monitoring functions required to support the transition, operation, and ongoing enhancement of ExpressLanes, with respect to both availability and areas of expertise. Among the specific functions and tasks that are particularly critical and require careful monitoring, oversight, and support are: compliance verification for all toll systems contractors; adoption of and transition to new transponder technologies; monitoring and analysis of the dynamic pricing algorithm; collection of toll system data to support performance monitoring; and proactive systems/equipment monitoring to minimize failures and customer impacts.

External consultants for vendor/system oversight and technical support services on managed lane and toll projects are common in the tolling industry, and fulfill an especially crucial role for agencies

with smaller staff sizes such as Metro's. Over time, additional personnel will be added to the ExpressLanes staff to reduce its dependency on support from external consultants for these functions. Since the receipt of tolling authority in the fall of 2014, ExpressLanes management has made progress toward this goal by filling a variety of crucial roles in the department that were formerly handled by consultants. Over the next few years, it is anticipated that staff expansion will continue as part of an ongoing initiative to broaden the in-house capabilities and capacity to effectively oversee, monitor, and manage the ExpressLanes, thereby reducing dependency on outside contractors to assist with technical oversight.

DISCUSSION

The existing contract for technical oversight and support for the ExpressLanes is set to expire, necessitating approval of a new Contract to prevent any interruption in services. The new Contract will provide ongoing essential Consultant Support services for ExpressLanes Operations by providing:

- Assistance with verification of all toll system data for performance monitoring and analysis
- Support with ongoing evaluation of the functionality of the dynamic pricing algorithm
- Assistance with oversight and verification for any system changes implemented by the toll vendors
- Assistance with Customer Service Center Operations, which includes:
 - Monitoring of back office activities to ensure compliance with Standard Operating Procedures (SOPs)
 - Monitoring key performance elements related to customer account maintenance and violation processing
 - Verifying contractor compliance with performance standards and regulatory requirements
- Assistance with Roadside Toll Collection System operations and maintenance, which includes:
 - Reviewing the RTCS vendor's maintenance activities and processes
 - Monitoring lane system equipment availability and reliability
- Assistance with logistical support for vendor contracts
- Assistance with the set-up and monitoring of performance of an automated occupancy detection system
- Expert advice and oversight support for the transition from the existing Toll Operations and Maintenance contractor to three new contractors.
- Assistance with cost analyses and support for toll vendor activities, materials, deliverables, and services
- Support for verification and critical evaluation of deliverables and work products for the toll vendors
- Support for field testing, verification, and acceptance of systems, field infrastructure, and other toll system hardware

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

Funding for this Contract will come from toll revenues. The funds required for FY19 are included in the FY19 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.

Impact to Budget:

The toll revenue fund is not eligible for bus and rail operating expenses outside of the ExpressLanes corridors. This action will not impact ongoing bus and rail operating and capital costs, the Proposition A and C and TDA administration budget, or the Measure R administration budget.

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 have adequate remaining availability to fulfill all of the roles and functions necessary to provide sufficient coverage of all the necessary ExpressLanes oversight and management services.

The Board may choose to hire full-time personnel to achieve sufficient levels of staffing to provide coverage for all roles and responsibilities associated with effectively monitoring and overseeing all aspects of ExpressLanes operations and contracts. This alternative is not recommended, as many aspects of these roles and functions require highly specialized knowledge that may be provided more comprehensively and more efficiently by a contractor with a wide range of subject area experts that may be referenced on demand and engaged as needed.

The Board may choose not to award and execute the Contract. This alternative is not recommended because it would result in reduced levels of service with respect to toll systems monitoring and management, contractor/vendor oversight and accountability, and general ExpressLanes operations and performance.

NEXT STEPS

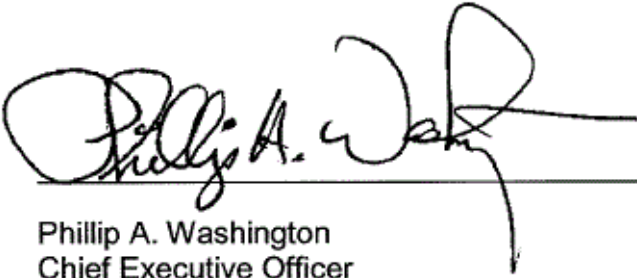
Upon Board approval, staff will execute Contract No. PS48720000 to Cambria Solutions, Inc. for consultant support services for ExpressLanes operations.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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