



August 28, 2017

To: Members of the Board of Directors

From: Darrell Johnson, Chief Executive Officer

Subject: Approval to Release Request for Proposals for Toll Lanes System Integrator Services for the 405 Express Lanes and 91 Express Lanes

Overview

Staff has developed a request for proposals to initiate a competitive procurement process to retain contractor services to provide toll lanes system integrator services for the design, installation, operations, and maintenance of the electronic toll and traffic management system for the 405 Express Lanes and 91 Express Lanes.

Recommendations

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 7-1911 for selection of a contractor to provide toll lanes system integrator services.
- B. Approve the release of Request for Proposals 7-1911 to provide toll lanes system integrator services for the 405 Express Lanes and 91 Express Lanes.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation, is implementing the Interstate 405 (I-405) Improvement Project between State Route 73 (SR-73) and Interstate 605 (I-605) (Project). The Project will add one general purpose lane from Euclid Street to I-605, consistent with Measure M2 Project K, and will add an additional lane in each direction that would combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.

On October 12, 2015, the OCTA Board of Directors (Board) approved assumptions for the 405 Express Lanes as described in the 405 Express Lanes Toll Policy and Finance Plan Decisions Document (Decisions Document). This document identified that the facility would operate in a manner similar to the 91 Express Lanes with all-electronic tolling using transponders (or future non-cash/electronic tolling) and with the same account types and violation process. On May 23, 2016, the Board approved the 405 Express Lanes Toll Policy and preliminary finance plan using the operating assumptions outlined in the Decisions Document.

OCTA has over a decade of experience operating the 91 Express Lanes, a ten-mile, tolled express lanes facility in the median of State Route 91 between State Route 55 and the Orange County/Riverside County Line. Satisfaction surveys consistently indicate that nine out of ten customers are satisfied with the 91 Express Lanes. In addition, OCTA continues to meet its bond covenants, and the 91 Express Lanes have provided net excess revenues to invest in corridor improvements.

Systems and services required for both the 405 Express Lanes and 91 Express Lanes include the electronic toll and traffic management system (ETTM) (e.g. toll lanes system integrator), back office system, back office staffing, traffic operations center staffing, and customer assistance patrol.

On September 26, 2016, staff presented to the Board the toll systems and operations services procurement approach for the 405 Express Lanes, describing a multiple procurement approach that provides the most favorable options for encouraging state of the art technology and competition, high levels of customer service, and potential to achieve the best value for OCTA. This toll lanes system integrator procurement is the first of these multiple procurements described in the September 26, 2016 presentation. As part of this procurement, the toll lanes system integrator will be responsible for the design, installation, operations, and maintenance of the ETTM systems for both 405 and 91 toll facilities. The ETTM system will be comprised of several subsystems that identify and capture information for customer account billing or violation processing. The toll lanes system integrator requires close coordination with the I-405 design-build contractor providing the physical infrastructure supporting the equipment and technology.

OCTA is also scheduled to replace the 91 Express Lanes ETTM system in the next few years; therefore, the timing of combining the 405 Express Lanes and 91 Express Lanes procurement for toll lanes system integrator services is ideal. As outlined in the September 26, 2016 presentation to the Board, combining the

405 Express Lanes and 91 Express Lanes into a single procurement would be the most cost effective and efficient procurement approach, further encouraging competition and state of the art technology.

Procurement Approach

OCTA's Board-approved procurement policies and procedures require that the Board approve all requests for proposals (RFP) over \$1,000,000, as well as approve the evaluation criteria and weightings. Staff is submitting for Board approval the draft RFP and evaluation criteria and weightings, which will be used to evaluate proposals received in response to the RFP.

The proposed evaluation criteria and weights are as follows:

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| • Qualification of the Firm | 15 percent |
| • Staffing and Project Organization | 25 percent |
| • Work Plan | 15 percent |
| • Technical Approach | 25 percent |
| • Cost and Price | 20 percent |

Several factors were considered in developing the criteria weights. Staff assigned weights with a greater level of importance to staffing and project organization, and technical approach. The qualifications of the firm in performing similar work and providing required services is significant to the success of the Project. Qualifications of the project manager and other key personnel combined with the work plan are of most importance to the timely delivery of the Project and coordination with the I-405 design builder. Also of importance is the firm's technical approach, which includes systems to collect and process transaction information, monitor system performance, and future maintenance requirements. The cost and price criterion is also very important in that it allows firms to demonstrate competitiveness in the proposed prices to carry out the required services for both express lanes facilities.

The proposals evaluation committee will be aided by a group of subject matter experts who will review the technical proposals and prepare a supplemental report that outlines the strengths and weaknesses of each proposal. The report does not carry scores, and is intended to assist the evaluation committee members in evaluating and scoring the proposals.

The combined procurement approach for both express lanes facilities is most favorable to OCTA as outlined in the September 26, 2016 presentation to the Board.

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91 Express Lanes

The agreement resulting from this procurement will have an initial term of ten years, with two two-year option terms.

The RFP will be released upon Board approval of this recommendation.

Fiscal Impact

Funding for the 91 Express Lanes portion is included in OCTA's Fiscal Year 2017-18 Budget, Account 0036-9028-B0001-GXM, and will be funded through 91 Express Lanes funds. Funding for the 405 Express Lanes portion will be requested with the contract award in Account 0037-9028-A9510-GXM and will be funded through federal, state, and 405 Express Lanes funds.

Summary

Board of Directors' approval is requested to release Request for Proposals 7-1911 to provide toll lanes system integrator services for the 405 Express Lanes and 91 Express Lanes, as well as approve the proposed evaluation criteria and weightings.

Attachment

- A. Draft Request for Proposals (RFP) 7-1911, Toll Lanes System Integrator Services for the 405 Express Lanes and 91 Express Lanes

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