



**Report to the
Dulles Corridor Committee**

**Recommendation to Award
a Sole Source Contract for the
Routine and On-Call Hardware and Software
Maintenance of the Dulles Toll Road
Revenue Collection System**

September 2013

Recommendation

Staff requests the Dulles Corridor Committee approve and recommend to the Board of Directors the award of a Sole Source Procurement to TransCore, LP, of Ashburn, VA, for the routine and on-call hardware and software maintenance of the toll collection system, and the conversion and enhancement of various operational equipment needed to support the Dulles Toll Road. The requested contract will consist of a two-year base with one single-year option.

Background

- The Virginia Department of Transportation (VDOT) acquired the existing Dulles Toll Road Toll Collection System as part of a competitive bid in 1996.
- VDOT entered into a contract with TransCore, LP, to install and maintain the current system using technology and software specifications that were designed exclusively for the Dulles Toll Road.
- TransCore, LP, has proprietary rights to the system software and hardware configuration, and has been maintaining it since its acquisition in 1996.
- Requirements for a new non-proprietary toll collection system are currently under development, and will be competitively bid later this year with an estimated installation schedule of 24-36 months from contract award.

Contract Requirement

- The Dulles Toll Road Revenue Collection System requires technical support 24 hours per day, 365 days per year.
- This contract shall provide all labor, materials and equipment required to maintain the system's functionality.
- This contract provides for the integration of a new "Host" computer.
- This contract further provides for the one-time conversion of numerous "Exact Change Only" lanes along the Dulles Toll Road, to "E-ZPass Only" lanes.

Rationale for Sole Source Procurement

- The existing Revenue Control System's proprietary software and hardware configuration prohibits the ability of others to perform system maintenance or to make operational changes to the lanes and supporting equipment.
- Absent this procurement, the reliability and operational effectiveness of the Dulles Toll Road Revenue Control System will be at risk.

Additional Information

- Specifications are currently being developed for the procurement of a new non-proprietary Toll Road Revenue Control System.
- The two-year base term of this proposed contract is timed to coincide with the replacement of the current Revenue Control System.
- A single-year option is provided in the event additional time is needed to integrate and install the new system.
- As required by the Airports Authority Contracting Manual, Paragraph 2.9.3, notice of this intended sole source award was published on the Airports Authority's website for the required time period.



Additional Information

- The maintenance requirements specified in this contract total \$3,496,534 per year (\$6,993,068 for a two-year base contract and \$3,496,534 for the one-year option. Total contract value for three years \$10,489,602).
- The one-time cost for the 19 E-ZPass lane conversions and Host Computer upgrade total \$5,988,200, and is provided for in the DTR's Capital Improvement Program (CIP) budget. The conversions and upgrade will serve as permanent enhancements to the DTR.
- Total Value of this contract award is \$16,478,000 for a two year base with one option year.

Recommendation

Staff requests the Dulles Corridor Committee approve and recommend to the Board of Directors the award of a Sole Source Procurement to TransCore, LP, of Ashburn, VA, for the routine and on-call hardware and software maintenance of the toll collection system, and the conversion and enhancement of various operational equipment needed to support the Dulles Toll Road. The requested contract will consist of a two-year base with one single-year option.

Proposed Resolution

Approving Award of a Sole Source Contract for the Routine and On-Call Hardware and Software Maintenance of the Dulles Toll Road Revenue Collection Systems

WHEREAS, The current contract for the routine and on-call hardware and software maintenance of the toll collection system, including the conversion and enhancement of various operational equipment needed to support the Dulles Toll Road (DTR) is held by Transcore, LP, of Ashburn, VA;

WHEREAS, The Virginia Department of Transportation entered into the contract with Transcore, LP, through a competitive bid process undertaken in 1996, using technology and software specifications that were designed and customized specifically to meet the requirement of the DTR facility;

WHEREAS, The current contract also includes the one-time conversion of 19 existing exact change lanes to E-ZPass only lanes at the main plaza and ramps, and software migration of the existing Host computer to a new hardware system;

WHEREAS, Transcore, LP has proprietary rights to the system component installation and software development coding for the existing system that presently operates with antiquated hardware equipment that can no longer be purchased;

WHEREAS, New equipment cannot be integrated into the current system without extensive upgrades to the existing software and hardware configuration, as Transcore, LP retains all software source code rights and owns the hardware configuration;

WHEREAS, Efforts are currently underway to develop specifications for the competitive bid process and industry best price for a new toll collection system, and procurement and installation of this new system is anticipated to occur within the next two to three years;

WHEREAS, As required by the Contracting Manual, notice of this intended sole source award was published on the Authority's website for the required time period; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized and directed to enter into a two-year contract, with one single-year option, with Transcore, LP, consistent with the terms presented to the Dulles Corridor Committee at its September 18, 2013 meeting.

NOTE: Recorded vote is required.

*For Consideration by the Dulles Corridor Committee on
September 18, 2013*