

## **Addendum No. 5**

June 3, 2016

### **Roadside Toll Collection System (RTCS) Request for Proposals (RFP)**

#### **Monroe Expressway and US-74 Express Lanes**

**Prospective Respondents: You are hereby notified of the following information in regard to the referenced RFP:**

- Section A - Official log of Proposers' questions and NCTA's responses
- Section B - Official revisions to the RTCS RFP

All other terms, conditions and requirements of the original RFP dated April 14, 2016 remain unchanged unless modified by this addendum, or previous addenda to this RFP.

Note that all changes to requirements are reflected as redlines to Section III Scope of Work and Requirements and also apply to Exhibit D-6, Requirements Conformance Matrix. The Requirements Conformance Matrix will be updated once all questions have been received.

#### **A. QUESTIONS AND ANSWERS**

Following are the answers to questions submitted in response to the above referenced RFP between Addendum 3 (issued May 18, 2016) and June 1, 2016. *Please note that this Addendum 5 includes responses to three (3) questions from Addendum 4 (20, 22, and 23), which were previously noted to be addressed in this Addendum 5 as well as one (1) previous question from Addendum 2 (9).* All of the questions have been listed in the order received by the North Carolina Turnpike Authority (NCTA).

Proposer Questions		North Carolina Turnpike Authority (NCTA)			
#	Page	Section	Section Description	Proposer Question	NCTA Response
9.	N/A	N/A	Asked during Pre-Proposal Meeting	Is the 50 feet between gantries set or can a proposer provide a distance that is optimal for system performance?	NCTA has determined that alternatives to the 50-foot separation requirement between the gantry columns will not be allowed. This is due to the fact that design and construction activities have advanced to the point where changes to the spacing will result in significant cost and schedule impacts.
20.	Exhibit D-6, Page 21 & Attachment 9, Page 4	Exhibit/Form D-6 RCM, item 245 & Attachment 9	RCM Item 245 & Attachment 9 Item 54	Both requirements reference the term "posting dispositions." Please clarify the term.	The "posting disposition" is a term used to describe the resulting transaction record status or transaction characteristics after the transaction has been processed by the referenced system. In the two specific cases referenced in the posed question, it is expected that the RSS will capture the posting disposition status for reporting purposes and for reconciliation with the existing NCTA CSC back office. The currently known posting dispositions are defined in 'Attachment 6 – NCTA CSC Back Office System RTCS File Exchanges – ICD (DRAFT)' and will be finalized during Design.

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		#	Page	Section	Section Description
22.	Exhibit D-6, Page 32	Exhibit/Form D-6 RCM, item 350 Section IV, subsection H	RCM Item 350. Manual Enforcement	<p>Requirements: "ALPR readers to detect vehicles who are on the VEL." and "Handheld readers to verify Transponder data."</p> <p>Question: Is the expectation that these readers will be for mobile use in police vehicles? Are these readers provided by the same roadside AVI supplier (provided by others)?</p>	<p>The intent of the Requirement is for enforcement to be conducted manually by NCSHP or local law enforcement using the mobile devices described until such time that the occupancy detection and enforcement can be automated. The Contractor shall provide the Hardware and application to meet the requirements for manual enforcement.</p> <p>Reference Section B, Revisions for details.</p>
23.	Section IV, Page 16 of 20	Section IV, subsection H	RFP, Section IV – Proposal Contents and Submission, H. Proposal Section 6, Page 16 of 20	<p>RFP Requirement:</p> <p>#4. The Proposer must submit its Proposal, including the Price Proposal, on the basis of the terms and conditions set out in Section V, Draft Contract. The NCTA may reject any Proposal that is conditioned on the negotiation of Terms and Conditions set out in Section V, Terms and Conditions or to other provisions of the RFP as specifically identified above.</p> <p>#5. In Proposal Section 6, Proposers may identify and describe any key assumptions made related only to Section III, Scope of Work and Requirements. No assumptions regarding the Terms and Conditions of the Contract shall be included in the Proposal. Scope of Work and Requirements assumptions may be considered during the Proposal evaluation process at the sole discretion of NCTA.</p>	<p>Please see response to Question 10 in Addendum 3. For further clarification: Proposers may take exceptions to terms and conditions which will be considered by NCTA; however, as stated in Section 1, 2.18 Contractual Obligations and in Section IV, 1.2 Content of Technical Proposal (H. Proposal Section 6), Proposers must submit their Proposals, including the Price Proposal, on the basis of the terms and conditions set forth in the RFP. NCTA is not obligated to accept proposed exceptions to terms and conditions and therefore Proposals that are conditioned upon acceptance of terms and conditions exceptions may be rejected.</p> <p>In prohibiting terms and conditions assumptions NCTA is referring to an "assumption" as a Proposer's stated expectation or supposition</p>

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				<p>#6. The Proposer must clearly identify any proposed exceptions to the Terms and Conditions in this Proposal Section 6, which will be considered in accordance with Section I, Administrative, Section 2.18 Contractual Obligations. The Contractor waives the right to raise new exceptions and alternatives during negotiations, however, any details not yet defined in the documents by NCTA may still be negotiated.</p> <p><b>Question:</b> Item 4 above appears to indicate that taking exceptions to Terms &amp; Conditions is grounds for proposal rejection. Item 5 above prohibits Proposers from including into the Proposal any assumptions regarding the Terms and Conditions of the Contract. Item 6 above directs proposers to clearly identify any proposed exceptions to the Terms and Conditions in this Proposal Section 6. Would the Authority please clarify these instructions and direct Proposers as to how to respond to them properly?</p>	<p>that would require a change to an RFP term and condition or the addition or deletion of an RFP term and condition. Any of these cases should be identified as an exception and proposed in accordance with instructions stated in Section I, 2.18 Contractual Obligations and in Section IV, 1.2 Content of Technical Proposal (H. Proposal Section 6).</p> <p>Reference Section B, Revisions for details.</p>
36.	47 of 219	1.4.9	Express Lanes - Modeling	Modeling would require a micro simulator to represent the traffic situation. Is this the intention of NCTA?	Proposers are to submit a traffic simulation modeling tool of their choice that is able to run a parallel analysis as described in Section 1.4.9 and Requirements 342 through 346.

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37.	27 of 219	1.2.11.1	Requirement 207	The full benefit of redundancy can be achieved if zone controllers of one zone are physically placed in different housings/locations. Is such a concept intended or supported by NCTA?	The intent of Requirement 207 is to have redundant zone controllers installed at each of the Tolling Zones as stated and is not intended to imply to support remotely located redundant zone controllers; therefore, the Requirement remains unchanged.
38.	95 of 219	2.2.2	Requirement 756	Do drivers have the choice to select between HOT lane and general purpose lanes at the end of each zone?	Yes, drivers have the choice to remain in, exit, or enter the express lanes at the end of each zone.
39.	2 of 37	Section V, 1.3.1	Bonus Payments for Substantial Completion	Bonus payment is tied to a "Go-Live-Date" and will only be paid if this date is met, no matter if a delay is caused by the Contractor or not. Could NCTA please explain how the Contractor will be supported to meet this date if a delay is caused by a third party or NCTA?	Please refer to Section V, Terms and Conditions, 1.3 Bonus and Damages, final paragraph "... If the Contractor does not Go-Live by the Go-Live Date, the Contractor shall not be entitled to any portion of the bonus, regardless of the cause or responsible party." It is in the interest of all parties to meet the planned Go-Live date. The Monroe Design Build Constructor will have similar incentives and NCTA will partner with the Contractor and provide support to facilitate timely completion; however, NCTA will not be obligated to adjust the date upon which the bonus is calculated, nor will it be responsible for the performance of third parties in this regard.

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40.	2 of 37	Section V, 1.3.2 and 1.3.3	Liquidated and Actual Damages	<p>In 1.3.2. Liquidated Damages (1) is stated: The amounts reflect an estimate of impacts due to delays in open of toll traffic based on official traffic and revenue estimates. The liquidated damages per Calendar day for each Project are as follows:</p> <ul style="list-style-type: none"> <li>a. Monroe Expressway: \$5,000</li> <li>b. US-74 Express Lanes: \$2,000.</li> </ul> <p>It is our understanding NCTA would be reasonably compensated with the amounts above in case of a contractor's delay which would prevent the facilities to go operational on the agreed date.</p> <p>In 1.3.3. Actual Damages (2) is stated: The Contractor shall reimburse NCTA for any revenue, which NCTA identifies as having been lost due to the fault of the Contractor. It is not clear which further costs NCTA would seek to recover by this clause other than those under 1.3.2. Could NCTA please list exactly which things could possibly fall under "any revenue" and provide a worst case scenario in order to have a basis for the risk calculation? What would be the consequences either to limit or to reject clause 1.3.3 in the offer?</p>	<p>As stated in Section V, Terms and Conditions, 1.3.3. Actual Damages, paragraph 2, "Lost revenue includes, but is not limited to, such events as lost transactions; lost images; lost data; transactions that are not able to be collected upon due to delays in Contractor processing; Contractor-caused delays in escalation or customer notifications that exceed statutory requirements". While NCTA believes that this is a comprehensive list of examples, NCTA cannot at this time identify every potential occurrence of lost revenue due to the fault of the Contractor that could take place.</p> <p>Please note that Section 1.3.2 Liquidated Damages (1) applies to delays in the Implementation Phase related to Commissioning while Section 1.3.3 Actual Damages relates to lost revenue due to the fault of the Contractor after Go-Live. So there is no overlap there with respect to these risks.</p> <p>Please refer to the response to Question 23 as far as the second part of the question on the consequences of either limiting or rejecting this clause.</p> <p>Reference Section B, Revisions for details.</p>

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41.	30 of 37	Section V, 3.7.14	Limitation of Contractor's Liability (3)	<p>We understand that claims covered by other specific provisions calling for liquidated damages or specifying a different limit of liability shall not apply to Limitation of Contractor's Liability.</p> <p>To prevent any misunderstanding, could NCTA please list exactly those things which fall under "other provisions...specifying a different limit of liability"?</p> <p>What would be the consequences if the offer put all damages, where legally possible, under a certain Limitation of Contractor's Liability?</p>	<p>NCTA will not provide a specific list of provisions beyond what is currently provided within the Section V Terms and Conditions.</p> <p>Please see the response to Question 23 for the response to the question on the consequences of revising the Limitation of Contractor Liability provision.</p>
42.	7 of 37	Section V, 1.6.1	System Warranty during Maintenance Phase	<p>Could NCTA please explain how system warranty shall be determined if system is altered by a third party, i.e. by a new maintenance supplier in case of expiration, cancellation or termination of the Agreement?</p>	<p>The System warranty would not apply to actions caused by a third party after expiration, cancellation or termination of the Agreement.</p> <p>The System warranty would also not apply to any alterations made by a third party (other than a Contractor Subcontractor) that have not been approved by the Contractor during the Contract term.</p>

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43.	10 of 37	Section V, 1.6.5	Data Accuracy	<p>Could NCTA please explain whether it is an obligation to always place any applicable insurance carrier a notice of a claim?</p> <p>Could NCTA please explain how this provision shall survive a termination of the Agreement? It is not clear how such an obligation should be handled outside of an Agreement.</p>	<p>The Contractor is obligated to place notice to the carrier of a potential claim which would be covered by any applicable insurance.</p> <p>The intention is that any loss of revenue that occurs during the Contract term is covered by the Contractor insurance even if it is discovered after the end of the Contract or if the claim is in process at end of Contract. Contractor's insurance agreements should cover that potentiality.</p>
44.	N/A	Forms	Forms	<p>We are in the process of preparing questions for the Roadside Toll Collection System RFP.</p> <p>I am unable to find the Proposer Questions Form Exhibit D-8 as a paperclip in the RTCS_Exhibits pdf. Please send me a copy in Excel format.</p>	<p>Please see Addendum 3 for the MS Word version of Form D-8, as posted to the NCTA website: <a href="http://www.ncdot.gov/turnpike/business/">http://www.ncdot.gov/turnpike/business/</a></p>



**B. REVISIONS (Deletions are shown in red text strikeout mode and additions are in red text and underlined)**

- I. Section III, Section 1.4.11 Express Lanes – Enforcement, Requirement 350 on page 49 of 219 (98 of 331 in original RFP PDF file) - Edit as follows:

350	<p><b>Manual Enforcement.</b> Until occupancy detection and its enforcement can be automated, vehicle occupancy violations will be enforced manually by NCSHP or local law enforcement. The Contractor shall provide the Hardware and application to meet the Requirements for manual enforcement, including:</p> <ul style="list-style-type: none"> <li>• Smartphone applications to assist in the validation of transactions and Account status.</li> <li>• Handheld readers to verify Transponder data.</li> <li>• <del>ALPR readers to detect vehicles who are on the VEL.</del></li> <li>• Transaction status indicators (TSI) which are beacons that display the status of the vehicle transaction.</li> <li>• Smartphone application that provides the capability for the officer to update the results of the citation and this data will be uploaded to the RSS.</li> </ul>
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2. Section III, Section 2.2.3 Mobile Enforcement Application, Requirement 772 and Requirement 773 on page 97 of 219 (146 of 331 in original RFP PDF file) - Edit as follows:

772	<p>The Contractor shall provide a mobile enforcement application that interfaces to the RTCS. The mobile application shall allow the enforcement personnel to perform the following: (2<sup>nd</sup> bullet requires a mobile tag reader.)</p> <ul style="list-style-type: none"> <li>• view real-time transaction events regarding any vehicle passing through a Tolling Location;</li> <li>• interrogate Transponders in vehicles to obtain their toll status and occupancy status including status history at Configurable number of prior Tolling Locations; <u>and</u></li> <li>• <del>take a picture of the license plate which will result in extraction of the license plate data and display the transaction details for Configurable number of prior Tolling Locations;</del></li> <li>• <del>ability to obtain and store the Repeat Violator List, and</del></li> <li>• ability to record the status of the transaction event including the issuance of a citation.</li> </ul>
773	<p><del>The data recorded through the mobile enforcement application shall be Updated in the RTCS and included in the data transmitted to the existing NCTA CSC Back Office. (REQUIREMENT DELETED)</del></p>

3. Section IV, Section 1.2 Content of Technical Proposal, H. Proposal Section 6: Adherence to the Scope of Work and Requirements, Terms and Conditions and Requirements Conformance Matrix, paragraph 5 on page 16 of 20 (Page 286 of 331 in original RFP PDF file) - Edit as follows:
  5. In Proposal Section 6, Proposers may identify and describe any key assumptions made related only to **Section III, Scope of Work and Requirements**. ~~No assumptions regarding the Terms and Conditions of the Contract shall be included in the Proposal.~~ Scope of Work and Requirements assumptions may be considered during the Proposal evaluation process at the sole discretion of NCTA. No assumptions regarding the terms and conditions of the Contract shall be included in the Proposal. An “assumption” is a Proposer’s stated expectation or supposition that would require a change to an RFP term and condition or the addition or deletion of an RFP term and condition.
4. Section V, Section 1.3.3 Actual Damages, paragraph 1 on page 13 of 37 (297 of 331 in original RFP PDF file) - Edit as follows:
  1. The Contractor acknowledges that its performance after Go-Live is critical to the operation of NCTA in so much as the Services to be provided pursuant to this Agreement directly involve NCTA’s revenue and customer service. The Contractor agrees that the actual damages set forth below are fair and reasonable and shall be incurred by the Contractor in the event of unsatisfactory performance.;