SUMMARY STATEMENT

ITEM NO.               SUBJECT:   E-ZPass Tag Swap Administrator

COMMITTEE:             Operations & Maintenance

COMMITTEE MEETING DATE: March 19, 2008

BOARD ACTION DATE:     April 16, 2008

PROPOSAL: That the Board authorize staff to contract with ACS State & Local Solutions to administer the DRPA tag (transponder) swap program.

PURPOSE: To bring the DRPA into full compliance with the E-ZPass Interagency Group’s (IAG) Agreement with Mark IV IVHS, executed by the DRPA on September 20, 2002, to replace outstanding Mark IV G2 tags, which tags were determined to have a deficient battery life.

BACKGROUND: The original E-ZPass tags (G2 tags) purchased by IAG member agencies were tested and found to have a deficient battery life. Member agencies executed agreements negotiated by the IAG with Mark IV, the manufacturer, for the replacement of these G2 tags, and a warranty agreement related to these and the replacement G3 tags. The DRPA Board authorized the purchase of G3 tags to satisfy its commitments under these agreements in January 2008.

Defective E-ZPass tags cause apparent violations resulting in additional cost to identify the customer through the violation enforcement system, and possibly inconvenience to customers if their account is not current.

The New Jersey Turnpike Authority (NJTA), lead agency of the NJ ETC Group, of which DRPA is a member, advertised and distributed an RFP for a Tag Swap Administrator on August 2, 2006. As a result of the evaluation of proposals received from three firms, ACS State & Local Solutions (ACS), operator of the NJ ETC Group’s customer service centers, was selected to administer the tag swap program for New Jersey’s G2 tags. When DRPA merged its back office customer service center operations with the NJ ETC Group in 2004, the responsibility for the G2 tag swap for tags previously issued by DRPA remained with the DRPA.

While not a party to the NJTA RFP for a Tag Swap Administrator, ACS has offered their services to administer DRPA’s tag swap program on the same terms and conditions offered to the other members of the NJ ETC Group.

Services to be provided by ACS as tag swap administrator include the identification of customers having G2 tags, mailing instructions, replacement G3 tags, and all follow up necessary to retrieve and dispose of the replaced...
G2 tags. The cost per tag for these services is $4.96 and there are an estimated 69,000 tags in the hands of customers. Tags returned by customers prior to being recalled will be disposed at a cost of $0.20 per tag. Total cost of the project is estimated to be $300,000.

SUMMARY:

Amount: $300,000
Source of Funds: Revenue Fund
Capital Project #: N/A
Operating Budget: Revenue/Customer Service Center
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: One year
Other Parties Involved: N/A
RESOLUTION

RESOLVED: That the Board authorize staff to contract with ACS State & Local Solutions to administer the DRPA tag (transponder) swap program

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

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