



# Maryland Transportation Authority

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Boyd K. Rutherford, Lt. Governor  
James F. Ports, Jr., Chairman

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W. Lee Gaines, Jr.                John F. von Paris

William Pines, PE, Acting Executive Director

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## MEMORANDUM

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**TO:** ACTING EXECUTIVE DIRECTOR, WILLIAM PINES, PE  
**FROM:** PROCUREMENT OFFICER, JAMAAL TURNER JT  
**THROUGH:** DIRECTOR OF PROCUREMENT, DONNA DICERBO, CPPO, CPPB DS  
**SUBJECT:** RENEWAL - CONTRACT NO. 20110031  
EZ PASS TECHNOLOGY  
**DATE:** FEBRUARY 2, 2022

### PURPOSE OF MEMORANDUM

To request your review and approval of the attached Procurement Officer's Determination (POD) seeking Secretary James F. Ports, Jr.'s approval to renew Contract No. 20110031, EZ Pass Technology, for the Maryland Transportation Authority (MDTA).

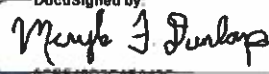
### SUMMARY

In accordance with COMAR 21.05.09.05, the MDTA is seeking approval to exercise the three-year renewal option in the amount of \$30,000,000.00 on the subject Contract. This Contract was procured as an Intergovernmental Cooperative Purchasing Agreement utilizing the contract awarded by the EZ Pass Interagency Group (IAG). The purpose of this Contract is for the provision of Operator Electronic Toll Collection Technology and Associated Subsystem Components and Services for the operation of the EZPass Toll Collection Systems. Technology and services including but not limited to EZ Pass Transponders, Readers, and Antennas used to collect toll revenue from MDTA-maintained bridges and tunnels.

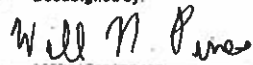
### ANALYSIS

A full analysis and explanation for this determination is contained in the attached POD.

### REVIEWED AS TO FORM AND LEGAL SUFFICIENCY:

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 2/3/2022  
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Assistant Attorney General

### APPROVED:

DocuSigned by:  
 2/3/2022  
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William Pines, PE, Acting Executive Director

### ATTACHMENT

- One (1) Procurement Officer's Determination

**MARYLAND TRANSPORTATION AUTHORITY  
DIVISION OF PROCUREMENT**

**Procurement Officer's Written Determination  
COMAR 21.05.09**

**Contract Title:** 20110031 - EZPass Technology  
**Type of Contract:** Information Technology (IT)  
**Subject:** Intergovernmental Cooperative Purchasing Agreement Renewal

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In accordance with State Procurement Regulations, COMAR 21.05.09.05, the Maryland Transportation Authority (MDTA) is seeking approval to exercise the Renewal option of Contract No. 20110031, EZPass Technology. If exercised, the Renewal Option will allow the MDTA continue to utilize this contract until April 4, 2025. The base term of this contract expires on April 4, 2022.

This indefinite quantity contract was procured through an Intergovernmental Cooperative Purchase Agreement utilizing the contract awarded by the EZ Pass Interagency Group (IAG). The purpose of this Contract is for the provision of Operator Electronic Toll Collection Technology and Associated Subsystem Components and Services for the operation of the EZPass Toll Collection Systems. Technology and services including but not limited to EZ Pass Transponders, Readers, and Antennas used to collect toll revenue from MDTA-maintained bridges and tunnels.

This Contract was awarded with the approval of the Board of Public Works (BPW) to Kapsch TrafficCom USA, Inc. in April 2012 for a ten-year base term and a Not-To-Exceed value of \$19,500,000. In May 2016, BPW approved Modification No. 1 of the Contract to reflect the price reduction proposed to IAG by Kapsch to extend exclusive rights for transponder purchases for an additional two years - from 2016 to 2018. As a result, the base amount of the Contract was reduced from \$19,500,000.00 to \$17,430,000.00.

In June 2019, Modification No. 2 adding \$30,600,000.00 was approved by BPW in response to additional funding required by MDTA initiatives that accelerated normal transponder purchase volumes and its timing process. Modification No. 2 increased the base term value of the Contract to \$48,030,000.00 and designated \$30,000,000.00 for potential future use for transponder and equipment purchases for the three-year Renewal Option Term between April 5, 2022 and April 4, 2025.

**Analysis:**

The MDTA has received cost efficiencies for its Transponders and associated equipment during the base term of this contract; however, competition is of value moving forward. As members of the IAG, the MDTA has and will continue to award contracts via Intergovernmental Cooperative Purchasing to maximize the effectiveness of the discounted bulk pricing the IAG receives. In October 2020, the EZPass IAG awarded a new contract for EZ Pass Technology with Transcore, Inc. to promote competitive pricing and options for all states that utilize Electronic Toll Collection as members of the IAG. Simultaneous to this Renewal, the MDTA intends to seek approval to utilize the Transcore Contract to provide the same benefits to the MDTA. Further, a "Next Generation" Toll Collection contract will be procured by the IAG and forecasted to be awarded by the end of the 2022 as another contract vehicle to further promote competition for competitive pricing. As these contracts will not be awarded by the expiration of the current Kapsch contract, it is necessary to exercise the three-year Renewal to guarantee adequate provision of Toll Collection Technology equipment.

For the foregoing reasons, and in accordance with COMAR 21.05.09.04, I determine it is in the State's best interest to exercise this Contract Renewal and extend the expiration date of Contract No. 20110031, EZPass Technology, for a term of three years to April 4, 2025, as it will provide cost benefits to the State and promote

20110031 – EZ Pass Technology Renewal  
Procurement Officer's Determination  
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administrative efficiencies and is not intended as a means to evade the purposes set forth under COMAR 21.01.01.03.

Also in accordance with COMAR 21.05.09.04 D., this ICPA Renewal Determination shall be posted on MDOT's website.

Determination by:

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 2/2/2022  
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\_\_\_\_\_  
Jamaal Turner Date  
Procurement Officer, Division of Procurement

Reviewed by:

DocuSigned by:  
 2/3/2022  
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Donna DiCerbo, CPPO, CPPB Date  
Director, Division of Procurement

Approval for processing under the authority of COMAR 21.05.09, Intergovernmental Cooperative Purchasing.

 2/8/22  
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James F. Ports, Jr., Secretary Date  
Office of the Secretary, MDOT