To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: July 17, 2020

Re: Authorization to Execute a Sole Source Contract with Scheidt & Bachmann for Fare Media Validators

____________________________________

Recommendation:

The VRE Operations Board is asked to authorize the Acting Chief Executive Officer to execute a Sole Source Contract with Scheidt & Bachmann for Fare Media Validators in the amount of $391,000, plus a 20 percent contingency of $78,200, for a total amount not to exceed $469,200.

Summary:

VRE currently owns 69 Ticket Vending Machines (TVMs) manufactured by Scheidt & Bachmann as part of our Automated Fare Collection System. The TVMs are deployed at all 19 stations and are used to validate tickets as well as to sell fare media. The addition of stand-alone Fare Media Validators will accommodate planned platform extensions and second platform projects by providing passengers the ability to validate tickets at each platform entrance without adding additional TVMs. The Fare Media Validators are proprietary technology built for use specifically with the Scheidt & Bachmann fare collection system.

Background:

The Scheidt & Bachmann Automated Fare Collection System was first implemented by VRE in 2002 following a competitive solicitation process. Since the initial launch, the system has been upgraded several times to utilize current technology and to comply with increasing requirements related to data protection.
Paper ticket sales have declined since the addition of VRE Mobile to our Fare Collection System in 2015 but still account for a majority of the fare media sold. The addition of Fare Media Validators to accommodate the expansion of station platforms is an effective way of maintaining the existing paper ticket capabilities without the expense of adding full functioning TVMs.

Scheidt & Bachmann’s proposal for the validators is consistent with the pricing negotiated for prior system upgrades, such as the Europay, MasterCard and Visa (EMV) Upgrade.

The software and technology utilized by the validators, which are compatible with VRE’s Automated Fare Collection System, are proprietary to the original equipment manufacturer, Scheidt & Bachmann. As such, Scheidt & Bachmann is uniquely qualified to refurbish, test and install the validators.

This non-competitive procurement is in accordance with the following section of the VRE Public Procurement Policy and Procedures Manual:

6.8.2.1 The item is available only from one responsible source because: (a) It involves a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to the recipient only from one source and has not in the past been available to the recipient from another source.

**Fiscal Impact:**

Funding is provided through VRE’s Capital Reserve.
Authorization to Execute a Sole Source Contract with Scheidt & Bachmann for Fare Media Validators

WHEREAS, VRE currently owns 69 Ticket Vending Machines manufactured by Scheidt & Bachmann as part of our Automated Fare Collection System; and,

WHEREAS, the Ticket Vending Machines are deployed at all 19 stations; and,

WHEREAS, the addition of Fare Media Validators will accommodate planned platform extensions and second platform projects by providing passengers the ability to validate tickets at each platform entrance; and,

WHEREAS, in accordance with state and federal requirements, and VRE Procurement Policies, a determination has been made, and public notice thereof will be provided, that because Scheidt & Bachmann is the only supplier able to provide the proprietary Fare Media Validators, this qualifies as a sole source procurement;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with amendments adopted on April 22, 2020 to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on July 17, 2020, and that meeting by electronic means is authorized because the items on the July 17, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board’s lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the July 17, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Acting Chief Executive Officer to execute a Sole Source Contract with Scheidt & Bachmann for Fare Media Validators, in the amount of $391,000, plus a 20 percent contingency of $78,200, for a total amount not to exceed $469,200.
Approved this 17th day of July 2020

______________________________
Gary Skinner
Chairman

______________________________
Jeanine Lawson
Secretary