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# New York City Taxi & Limousine Commission

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**Request for Proposal**  
**for**  
**NYC MEDALLION TAXICAB TECHNOLOGY ENHANCEMENTS**  
**PIN: 5P00198**

**\*\*ADDENDUM #1\*\***

**Issue Date: 4/13/05**

**PROPOSERS ARE REQUIRED TO ACKNOWLEDGE RECEIPT OF ALL ADDENDA TO THE RFP AS PART OF THEIR PROPOSAL SUBMISSION (THRU RFP ATTACHMENT C).**

It is illegal to engage in practices that could undermine or prevent the fair award of a contract related to this solicitation. The Comptroller of the City of New York is charged with the audit of all New York City contracts. Any contractor who believes that there has been unfairness, favoritism or impropriety in the proposal process should inform the Comptroller of the City of New York, Office of Contract Administration, One Centre Street, Room 1005, New York, New York 10007; telephone number 212-669-2323.

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## **I. Extension of Proposal Due Date**

Refer to Section II-C Page 4 of the RFP document. Section C is amended to read as follows: The due date and time for proposal submission has been extended to **June 6<sup>th</sup>, 2005 by 4:00PM Eastern Standard Time.**

## **II. Summary of the Proposed Changes to the TLC Rules**

On March 30, 2004, upon promulgation of the TLC Rules concerning Medallion Taxicab Technology Enhancements, the TLC also requested that the Chair present suggestions to facilitate development and implementation of these technologies. Accordingly, TLC staff conducted an extensive information gathering process including: the issuance of a Request for Information on June 21, 2004, an Informational Exchange Conference with potential vendors and taxicab industry leaders, passenger and driver focus groups and meetings with industry groups. On March 2, 2005, the TLC issued a Request for Proposal for NYC Medallion Taxicab Technology Enhancements to implement the promulgated rules.

The TLC recognizes the evolving nature of the technological improvements and the possibility that these improvements will offer previously unrealized revenue opportunities for medallion taxicab owners while improving the quality of service to the riding public. This revenue potential might also offset the costs of installing and maintaining the new equipment contemplated by the service enhancement rules. The TLC therefore desires to allow some flexibility in approving the best systems and devices to implement the changes contemplated by these rules and proposes to revise the implementation date to a date that is agreed upon between the TLC and the authorized contractor(s).

The TLC Board of Commissioners has authorized the consideration of commercial advertising and commercial sponsorships. The board is considering the adoption of rules allowing commercial advertising and commercial sponsorships.

## **III. Changes and/or Additions to the Language in the RFP**

### **A. Relationship of RFP Requirements to Requirements of TLC Rules**

The following language is added to the end of Section B, Page 6 of the RFP.

Vendor proposals should address the requirements that are outlined in the RFP document. The proposals should also reflect the requirements of the TLC Rules. If a proposer believes that there is a conflict between the RFP and the TLC Rules, it should explain that conflict in its proposal.

## B. Implementation (Stage II)

The following language replaces the first paragraph of the Stage 2 description on Page 7.

*In Stage 2, each contractor will compete to sell their solution directly to the medallion taxicab industry. At the time of the Stage 1 contract award, the City will have negotiated best and final offers for maximum pricing on behalf of the medallion taxicab owners, maximizing the purchasing power of the City's entire fleet of yellow cabs.*

The TLC will closely monitor the solicitation phase of this project. The TLC shall ensure that all vendors have a fair and equitable opportunity to solicit the taxicab industry, by actively managing the commencement of this phase. All vendors shall be restricted from entering into contractual agreements with the taxicab industry prior to a predetermined implementation date set forth in the contract between the City and the Winning vendors. Pre-solicitation of the taxicab industry may void the city contract.

## C. Automated Trip-Sheet Data Collection

The following language replaces the third paragraph of Section IV Part A on Page 10 of the RFP.

*All automated trip-sheet data collection solutions must adhere to the TLC Rules. Proposers may reference TLC rule §2-27 (a) (1) and § 2-28 that lists the information that is required to be captured on a trip sheet.*

*The following data elements shall be captured and stored as part of automating the driver's trip-sheet log:*

- *Date, time and location of passenger pick up and drop off*
- *Trip duration – measured in time and in mileage*
- *Trip number*
- *Itemized fare: tolls, surcharges, and tip amount (**credit/debit only**)*
- *Payment type (cash, credit including brand, or debit)*
- *Total number of passengers*
- *Car identifier (medallion number)*
- *Driver identifier (TLC license number, **a.k.a. Hack Number**)*

## D. Non-standard / Out-of-City Fares

The following language is inserted at the end of Section IV Part A on Page 11.

*Periodically, NYC taxicab passengers may negotiate a non-standard fare as allowed under the TLC Rules. Most frequently this occurs for out-of-city fares, when the passenger requests to travel to a destination outside of the five boroughs, Westchester and Nassau Counties, or Newark Airport. Under these circumstances drivers may negotiate a fare with the passenger. Proposals must offer solutions that can accommodate the following aspects of a non-metered fare:*

- *Automated Trip-sheet Data Collection must take place for all non-standard/out-of-city fares*
- *Drivers must be able to key in the negotiated non-metered fare*
- *Passengers must be able to accept/acknowledge this rate*

## **E. PIM Visual (Dim) and Audio (Mute) Requirements**

The following language is added to the RFP Document in Section IV – Part D on Page 16 between the 4<sup>th</sup> and 5<sup>th</sup> paragraphs.

*The Passenger Information Monitor must have the functionality to dim to a black screen, removing all visual stimuli, at the passenger's discretion after mandatory TLC PSAs have run. Additionally, the PIM must have the ability to mute all audio after the mandatory PSAs have run.*

*After a fare is complete, the PIM must automatically return to its default audio and brightness levels. However, when no passengers are present, i.e. no active fare, the Driver should have the ability to control the volume of the PIM.*

## **F. PIM and Financial Transactions**

In Section IV Part D of the RFP, the following language is inserted as a new paragraph after item 3.

*At the end of every fare, the PIM must display the summary of charges for that trip regardless of the passenger's method of payment. The summary of charges shall consist of an itemized list including total fare, surcharges, tolls, and tip amount. The tip shall only be displayed for credit and debit card payments. The PIM will be used to complete the electronic payment process. Credit card and Debit card transactions must be completed through the PIM. For cash transactions, the PIM must display the itemized charges, but no further action shall be required of the passenger or driver to complete cash transactions.*

## **G. Third Party Contractual Agreements**

The following language is added to the end of Section IV Part E on Page 20.

The TLC acknowledges that some taxicab owners have entered contractual agreements with regard to advertising with respect to their taxicab. Any valid agreements between taxicab owners and other entities are enforceable as required by law. TLC Rules regarding the service improvement initiative will not void any of these existing agreements. Medallion owners must comply with TLC rules regardless of these contractual obligations.

## **H. Executive Summary**

In Section VI, Page 25 of the RFP the following language replaces the first paragraph in Section A.

*Proposers are required to submit an Executive Summary. Using up to ten Pages, provide a concise corporate overview for the prime contractor and any partners that will participate on the project. The proposal should provide a description of the company, its age, organization, number of full time employees, and product specialization. Provide a high-level overview of your proposed solution. Include a general description of the equipment used and services provided. State the duration of the implementation plan. Provide the critical milestones in your implementation plan and the dates that they occur.*

## **I. Transcript of Pre-Proposal Conference**

The transcript of the pre-proposal conference has become public record. Anyone interested in obtaining copies of the transcript may do so by coming to the New York City Taxi & Limousine Commission, Office of the Agency Chief Contracting Officer at 40 Rector Street, 5<sup>th</sup> floor between the hours of 9AM and 4PM. A fee of 25 cents per Page will be charged. Payment may be made in the form of check or money order. *Note: Cash and credit cards are not accepted.*

## IV. Vendor Questions and Answers

The following questions were submitted to the TLC. The TLC has made every effort to respond to every question to the best of its ability. The TLC has attempted to identify all questions that were asked at the pre-proposal conference held on March 15<sup>th</sup> 2005 and provide answers where appropriate. Questions have been divided into eight categories:

- General
- Contract/Legal
- Automated Trip-Sheet
- Credit/Debit Card
- Text Messaging
- PIM
- Advertising & Commercial Sponsorship
- Pricing

### A. General Questions

Q1. In March 2004, the TLC Board of Commissioners passed formal rules mandating the implementation of the technology based service enhancements in medallion taxicabs, which rules led to issuance of the RFP. How should a vendor, in responding to the RFP, treat discrepancies or inconsistencies between the adopted rules and the language in the RFP? Which document controls?

For example, in reference to the Passenger Information Monitor (PIM) 3-07b (IV), the rules mandated that the PIM must be able to be turned off to a blank screen without illumination. However the RFP states that the PIM must give the passenger the option to mute the sound without reference to being turned off. Which characteristic applies? The ability to create or adopt revenue generating activity and innovative creative content for the PM might be limited by the need to provide an option to have the PIM turned off.

We request clarification of this vital statistic of the PIM.

**Answer: Proposers should provide the information requested in the RFP as issued and as modified pursuant to all written Addendum, if any. Passengers should be able to dim the screen (turn-off visual component) and turn down the audio component after mandatory TLC PSAs have been displayed.**

Q2. Page 10 of the RFP suggests that it is desirable to adopt a solution that is compatible with the currently installed taximeters, of which there are seven approved meter companies. It also states that a contractor may use a new meter, but that meter must be compliant with the TLC rules and the standards established by the NYS Department of Agriculture Bureau of Weights and Measures. All current meters not only have to comply with such rules but also be certified and approved by the TLC and Bureau of Weights and Measures – is such certification and approvals required prior to the RFP submission? Does proof of that certification need to be submitted as part of the bid in order to be deemed compliant?

**Answer: Certification and approval are not required for response to the RFP. However, all equipment must be certified and approved before it is put into use, including use in the acceptance test. Proof of such certification would be required prior to the acceptance test phase of the project.**

Q3. The RFP contemplates multiple vendors may partner to deliver a single integrated solution. Is it correct to state that a vendor can be a partner on more than one submission? Can a vendor be a lead firm on more than one bid submission?

**Answer: A proposer may be a partner on more than one proposal. However, a proposer may not be the prime for one proposal and a subcontractor for another proposal. Likewise, a proposer may not be a prime contractor on more than one proposal.**

Q4. Does the TLC have an estimate of the number of contractors it hopes to have selected? The RFP only states 1 or more.

**Answer: No.**

Q5. Reference Page 42, Section IX, Appendix A. Item F. Please explain why the continuation of this multiyear contract for each succeeding fiscal year is dependent on TLC fiscal budget allocations.

**Answer: In general, this project requires TLC staffing for project management and oversight of vendors.**

Q6. Will the TLC accept submissions of qualifying RFP responses for Stage 1 acceptance testing prior to the May 10, 2005 submission date?

**Answer: Proposals may be submitted at any time prior to the due date and time prescribed in the RFP, or in any subsequent addendum extending such due date and time. (Note: The submission date for proposals has been extended to June 6, 2005 by 4:00PM pursuant to this amendment. Proposers are required to acknowledge receipt of all addenda to the RFP as part of their proposal submission on Attachment C.)**

Q7. Does NYC or the NYCTLC currently have in place rules and regulations to implement this RFP?

**Answer: Yes, the TLC is acting within its authority as provided under the City Charter and the PPB Rules to conduct a Request for Proposal for Medallion Taxicab Technology Enhancements.**

Q8. Page 29, #13: Is the term "yellow cab" synonymous with medallion cab owner?

**Answer: "Yellow Cab" and "Medallion Cab" are synonymous.**

Q9. Page 30, #7: What is meant by the term "rent"?

**Answer: For purposes of this RFP, the term rent means "Payment, usually of an amount fixed by contract, made by a tenant at specified intervals in return for the right to use the property of another."**

Q10. Reference Page 26 Paragraph 4 requests audited financial statements for the past three years for the Prime Vendor. Will the TLC accept reviewed financial statements in lieu of the audited statements?

**Answer: The proposer should submit audited financial statements as stated in the RFP, or an explanation as to why one is not available.**

Q11. The RFP appears to be looking for a single vendor response, please clarify.

**Answer: Refer to the RFP document Section III part A on Page 5. The TLC is seeking proposals from a single entity (prime contractor) to provide a bundled service offering to the NYC Taxicab Industry. Multiple vendors may partner to deliver a single, integrated solution, but one shall be designated as the lead firm. The lead firm will be accountable for performing all the requirements prescribed in the contract and will be the sole contact for resolution of service problems and negotiation of all business issues. The TLC may select more than one integrated solution provider.**

Q12. Will the pre-proposal conference attendance list be made available? Will the pre-proposal conference attendance list be published on the TLC Web Site?

**Answer: The list may be obtained from the TLC ACCO whose contact information is listed on Page 3 of the RFP, and additionally, the list is available in Adobe PDF format at [www.nyc.gov/taxi](http://www.nyc.gov/taxi).**

Q13. If a proposer sends in a letter with questions will that proposer receive precise answers to the questions? If not please clarify what response will be. Will the TLC answer every question asked, or only those you select, you being the TLC. At what point in the process will the answers to questions be available for review? Will questions and answers asked by other entities be available for review - via the FOIL process or some other means?

**Answer: The TLC will make every effort to respond to all appropriate questions that have been submitted in accordance with the instructions listed in the RFP on Page 4, or that were asked at the Pre-Proposal Conference. The TLC will make every effort to issue a timely addendum. This addendum shall include official responses to the questions that were submitted. The TLC will make every effort to ensure that any entity that registered to receive this RFP shall receive notice of all subsequent addendum documents.**

Q14. Could you describe what remuneration the City of New York, whether directly or through any of its departments or agencies, expects to receive from this RFP, and if it's indirect, what remuneration indirectly does it expect to receive at all from this RFP?

**Answer: At present, the City does not expect to receive any monetary compensation as a result of this RFP. This project will likely lead to increased utilization of medallion taxicabs as a result of increased payment options and increased customer service initiatives such as the passenger information monitor. The City expects that additional revenues to the taxi industry may be generated as a result of better communication of fare opportunities via text messaging. The TLC is allowing vendors to propose creative pricing for the service improvements that utilize other revenue generating ideas.**

Q15. In looking at the RFP, I couldn't find mention of multiple languages in the devices. Specifically the past year information system. Is that under consideration?

**Answer: There are no specific requirements for any part of the service enhancements to address languages above and beyond English. Proposers may choose to discuss their ability to exceed the requirements set forth in the RFP in their narrative response regarding "value added services."**

Q16. Does the City or the Taxi and Limousine Commission anticipate requiring a particular wireless carrier for any of the bidders who successfully achieve an award? May we conclude from that is that the City will play no role in selecting, for example, wireless carrier A, wireless carrier B, wireless carrier C? Assuming the specifications are something you agree to, whatever that would be.

**Answer: The TLC has outlined service level requirements in the RFP with the need for reliability of wireless coverage. Proposers are asked to propose solutions that will meet or exceed those requirements. The TLC will evaluate proposals according to the criteria defined in Section VIII of the RFP. The TLC will not specify carriers, but rather grade the overall proposal on its ability to meet or exceed the requirements set forth in the RFP.**

Q17. From the credit card processing side, you envision having one sole provider come out of the RFP process that's a preferred vendor for the TLC or how do you envision it working? Do you envision just one provider coming out from the credit card processing aspect of it that's a preferred vendor?

**Answer: The TLC is seeking proposals from a single entity (prime contractor) to provide a bundled service offering to the NYC Taxicab Industry. More specifically, the TLC is seeking, on behalf of the New York City taxi industry, one or more highly qualified contractors to build, install, and maintain equipment that delivers an integrated solution for the full spectrum of services described in this RFP. Multiple vendors may partner to deliver a single, integrated solution, but one shall be designated as the lead firm. The lead firm will be accountable for performing all the requirements prescribed in the contract and will be the sole contact for resolution of service problems and negotiation of all business issues.**

Q18. Page 10 Section A: Can the TLC please define what is meant by "shift"? How long is a shift?

**Answer: The working period of a group of workers that relieve another on a regular schedule. Shifts may be from 8 to 12 hours depending on the arrangement made between drivers and owners**

Q19. What role does the TLC play in defining what any taxi company purchases and what role will it play in, for example, defining acceptance criteria, acceptance testing? In other we don't want to have 5,000 contracts, but there are other aspects of contracting with a taxi company. What do you provide? Under what circumstances is it considered installed? Under what circumstances do you start collecting money? Are vendors left on their own to deal with the taxi companies in defining requirements, defining acceptance, defining the contract terms and conditions with each taxi company and arranging our own payment terms and conditions with each of those taxi companies?

**Answer: The TLC will, as part of the contract award phase, define acceptance test criteria in more detail based on the selected solution(s). The TLC will take into consideration the proposed implementation plan, etc. With respect to facilitating Phase II the solicitation of the taxi industry, the TLC will provide oversight to ensure that all contractual obligations set forth in the City contracts are met. The TLC contract will include certain provisions that define some terms and conditions of the contract between the winning vendor(s) and the medallion taxicab owner.**

Q20. Will the Commission or the City begin the Stage 1 process for a qualifying response submitted before May 10th?

**Answer: No, the TLC will not begin the Stage 1 process prior to June 6<sup>th</sup> 2005. ( Note: The due date and time for the submission of proposals has been extended to June 6, 2005 by 4:00PM.)**

Q21. Has there been any City Council or Public Information Commission hearings regarding this RFP?

**Answer: No.**

Q22. Are there any scheduled meetings with other regulatory agencies that will address any elements of this RFP by other shareholder agencies?

**Answer: No.**

Q23. Does the TLC have a recommendation for a fair and equal marketing and a sales campaign post award to:

- Accelerate the uptake process by the constituencies you and the City must serve?
- Enhance Medallion owner understanding?
- Positive and direct impact on implementation and ROI?
- Will the Commission take a position on this?
- Will the Commission contribute to the venue?

**Answer: The TLC contracts will provide a mechanism for taxicab owners to procure the highest quality services at a fair and reasonable cost. The TLC will closely monitor the solicitation process and ensure that all contractors have a fair and impartial opportunity to solicit the taxi industry to the best of its ability as allowed by law.**

Q24. Have the TLC enabled Beta installations since the release of the RFI? If so, we respectfully request disclosure of the occurrence, and the results unless; a formal proprietary agreement was executed by the Commission or other authorized agency. We are requesting full disclosure of any Beta Testing and questions post RFP whether in verbal or written format.

**Answer: The TLC has not enabled the installations for Beta tests or Pilots on any technology enhancements associated with this RFP since the release of the RFI. The TLC has no additional information to disclose with respect to Pilots or Beta Testing.**

Q25. Has the City arrived at any recommended or suggested areas of interest for revenue generation?

**Answer: The TLC expects proposers to provide information on the cost, technology requirements, and revenue opportunities generated by various types of commercial advertising as outlined in the RFP. The TLC Board of Commissioners has authorized the consideration of commercial advertising and commercial sponsorships. The Board is considering the adoption of rules allowing commercial advertising and commercial sponsorships.**

Q26. After careful review, we request that the response to the RFP timetable be altered to insure the fullest consideration in the interests of the entirety of the New York City Taxi Commission, NYC Government, Fleet Leasing Concerns, and the single Medallion owner-drivers. This request is for 10 working days.

Q27. Will the TLC please provide a two week extension to the May 10, 2005 proposal due date?

**Answer: The due date for proposals has been extended to June 6th, 2005 by 4:00PM.**

Q28. Will the RFP documents be made public? If so, when? If the RFP documents are made public will the proposer's confidentiality for selected sections be observed?

**Answer: Following contract award, proposal submissions may be requested pursuant to the New York Freedom of Information Law (FOIL).**

**As stated on Page 23 of the RFP document, "Proposers should give specific attention to the identification of those portions of their proposals that they deem to be confidential, proprietary information or trade secrets and provide any justification why such materials, upon request, should not be disclosed by the City. Such information must be easily separable from the non-confidential sections of the proposals.**

**The New York Freedom of Information Law allows the City to protect proposers' trade secrets and materials that might impair contract negotiations. The City will do so to the maximum extent allowed by law; however, the City upon request might in the future be required to disclose non-trade secret portions."**

Q29. Will a taxi partition material quality specification be part of the Stage 1/Stage 2 contract requirement?

**Answer: Coincidentally, TLC rules were passed requiring a change in partition material on the same day as the rules commencing the Medallion Taxicab Technology Enhancement Project, however, that rule has no bearing on the Medallion Taxicab Technology Enhancement RFP. Proposers should respond to the requirements outlined in the RFP document.**

Q30. What does it mean "all applicable technology updates" in section H (Page 22)? How long should supplier provide these updates?

**Answer: "All applicable technology upgrades" refers to any upgrade or technology advancement, such as future software releases, improved versions of hardware, etc. that would be applicable to a proposer's solution. The contractor will be required to provide such upgrades for the life of the contract.**

Q31. It is our understanding that post manufacture modifications to vehicles do not necessarily fall within the Federal Motor Vehicle Safety Standards. However, as the NYC Medallion Taxicab Technology Enhancements create new mandatory requirements for vehicles used as taxicabs in New York should modifications or additions to the vehicle comply with FMVSS 201, FMVSS 205 and/or other Federal vehicle standards? If so, will verification of compliance be through self-certification or third party testing?

**Answer: The contractor shall comply with all applicable law and regulations. The TLC will verify compliance of medallion taxicab vehicle specifications as defined in §3 of the TLC Rules.**

Q32. The Society of Automotive Engineers (SAE) publishes guidelines and standards for electric and electronic systems for use in vehicles. Should proposals meet applicable SAE or other engineering guidelines and if so, should compliance be demonstrated through SAE approved testing procedures, whether through self-certification, or validation by a third party?

**Answer: SAE Guidelines /Standards are not a unique requirement of this RFP. All medallion taxicabs must adhere to the standards outlined in the TLC Rules. Refer to §3 of the TLC Rules.**

Q33. Even if full network coverage is achieved for everyday operation, there is the possibility of network outages in times of crises, such as the recent major power outage and during 9-11. During such times taxis provide an essential service, so should the NYC Medallion Taxicab Technology Enhancements system be able to function in an offline mode? If so, do you have any guidelines as to how this state should be communicated to passengers within the cab and/or to TLC (at very least the credit card payment option is likely to be disabled).

**Answer: Proposers should provide recommendations for disaster recovery as part of their proposal. The TLC is not predefining how disaster recovery is best accomplished, but is looking to proposers as industry experts to make recommendations in their proposal. Proposers should reference Page 35 Item 7 and Page 36 Item 22 of the RFP document.**

Q34. Is it a requirement that each vendor offer a solution that can be implemented across the board, or is it acceptable to offer solutions that are only suitable for certain segments of the driver/operator community? Different solutions might be appropriate for owner/drivers as opposed to fleet operators, vehicles with cameras as opposed to divisions, owner/drivers with different credit ratings.

**Answer: The TLC is very concerned with providing a consistent level of service across all medallion taxicabs. Passenger and driver experiences must be consistent. Proposals should include a plan to solve the issues that you have raised.**

Q35. Some concerns have been expressed as to whether moving images are distracting in traffic. Please can you clarify whether full motion video is allowed on taxi-top signs, or whether this is limited to just moving/scrolling text. If the later, what limitations are there on moving content, speed of movement, colors, and brightness, if any?

**Answer: There are no requirements in the RFP with respect to taxi-top signs. Proposers may address the revenue potential of such taxi-top designs in their proposals, but this is not a requirement.**

Q36. Question: The evaluation of the proposals made in response to this RFP will necessarily be a complex undertaking, involving many organizational and technical considerations. This prompts the following series of questions:

- Will the proposals be evaluated by an individual or a committee?
- Will different elements of the proposal be evaluated by different individuals or subcommittees?
- What functional backgrounds and qualifications do those involved in the evaluation hold?
- Do any internal documents on evaluation criteria exist?
- Are proposals to be judged solely against the benchmark of the RFP? (In which case all those that clear the hurdle would be eligible to supply systems), or will proposals be judged relative to each other in order to win one of a limited number of approvals?

**Answer: Page 41 of the RFP provides details on evaluation criteria and the evaluation process. No further information will be provided.**

Q37. On the one hand the advantage of fitting all taxis can be appreciated, on the other, forcing the owner of a four and a half year-old vehicle to fit a system for the last 6 months of its working life might seem harsh. Could you confirm that it is the TLC's intention to fit the Medallion Taxicab Technology Enhancements to all taxis currently in service (as opposed to excusing vehicles that are coming to the end of their mandated service life)? If grandfathering is allowed or older vehicles are to be exempt, at what age will the breakpoint be set?

**Answer: At present, the TLC rules do not exempt any vehicles from implementing the technology enhancements outlined in the RFP.**

Q38. The RFP states, "Contractors should be aware that all service enhancements must be fully operational or a taxicab is considered unserviceable. Taxicabs that are deemed unserviceable may be prohibited from accepting fares until full functionality is restored." Please clarify the conditions under which a taxicab will be prohibited from accepting fares.

We recommend that a period of 24 hours be established in which to restore all service enhancements to full operation before the taxicab is deemed unserviceable and is prohibited from accepting fares.

**Answer: The TLC Rules and Regulations specify under what conditions a taxicab is prohibited from accepting a fare. The TLC Rules may be accessed at <http://www.nyc.gov/html/tlc/html/industry/rules.shtml>. The rules are also available in paper format at the NYC Taxi and Limousine Commission Agency Chief Contracting Officer: 40 Rector Street, 5<sup>th</sup> Floor, NY, NY 10006 between the hours of 9:00AM and 4:00PM.**

Q39. Attachment G is not listed on Attachment F, the proposal checklist. Is Attachment G a required item to be submitted with each proposal?

**Answer: Attachment G should be submitted with each proposal. Please note the revised checklist included as part of this addendum.**

Q40. What do you mean by different service providers? Are these different proposers to the TLC? What do you mean by multiple providers? Are these different proposers to the TLC?

**Answer: The TLC will award contracts to one or more Service Providers. In this case a "Service Provider" is a prime contractor.**

Q41. What do you mean by the merchant? Is that the leasing agent?

**Answer: TLC anticipates that the "merchant" will be the owner of the cab (i. e., an agent, fleet operator, or an individual cab owner). Please see Pg. 15 Merchant of Record. However, we are also seeking proposer recommendations on merchant account assignment. Please refer to Page32 items 31 & 32.**

Q42. Is there a single NCC (Network Control Center) or is it distributed to multiple suppliers? If single, who will manage it?

**Answer: One or more contracts will be awarded from this RFP. Each contractor (i.e., service provider) would operate a NCC. In addition, a contractor may also operate a back up NCC**

Q43. Will there be a maximum number of contractors selected?

**Answer: The TLC will award contracts to one or more prime contractors to deliver a bundled integrated solution to the NYC taxi industry.**

Q44. Page 22 | Please define "unserviceable."

**Answer: The term unserviceable means not in working order; as in "unserviceable equipment may be replaced". It refers to equipment within the cab that is not functioning according to its defined specifications.**

Q45. Also of note, California recently passed "California Code 13082", which states:

*"13082. (A) Whenever a point-of-sale system is changed or modified to include a video touch screen or any other nontactile keypad, the point-of-sale device that would include the video touch screen or nontactile keypad shall also be equipped with a tactually discernible numerical keypad similar to a telephone keypad containing a raised dot with a dot base diameter between 1.5 millimeters and 1.6 millimeters and a height between 0.6 millimeters and 0.9 millimeters on the number 5 key that enables..".*

Since enactment, this legislation seems to be gaining traction in about a dozen other states. Must the proposed solution include a way to comply with this type of legislation?

**Answer: Proposed solutions should comply with applicable Federal, State, and City Laws.**

## **B. Contract/Legal**

Q1. How does this RFP affect the current existing contractual obligations of certain medallion taxicabs, i.e. taxi-top ad agreements, credit card meter agreements, etc? Are such approvals and related contractual obligations deemed automatically null and void by the TLC because of this RFP?

**Answer: All valid contractual agreements will remain in effect. TLC rules regarding the service improvement initiative shall not void any third party agreements. Medallion owners must comply with TLC rules regardless of these contractual agreements.**

Q2. When does the TLC envision that the contract term will begin, e.g. upon contract signing or upon the first installation into a medallion cab?

**Answer: The contract term will begin following Contract Registration with the New York City Comptroller, upon issuance by the TLC of a "notice to proceed" to the winning vendor(s).**

Q3. Upon completion of the contract term, in 3-5 years, does the TLC have a plan for the hardware and software installed in a medallion cab? Will it have to be removed from the cab pending a new RFP? Does the installed hardware become "non-approved" for use in cabs after the contract expiration?

**Answer: The hardware & software installed in a cab is the property of the vehicle owner or lessor of the equipment. Any residual value belongs to the owner or lessor. The TLC expects to provide sufficient lead-time if necessary to re-solicit the contracts and provide continuity of service. The new contracts would establish any residual value of installed equipment and software. All equipment and software must satisfy the requirements of the then existing TLC Rules.**

Q4. If the hardware is required to be removed after the expiration of the contract, who will bear that expense?

**Answer: This is a contractual issue to be determined by the vendor and cab owner.**

Q5. Reference Page 6, Section C. Anticipated Contract Term. Please reconcile the limited contract term of 36 months with the possibility of two one-year extensions with what appears to be the permanent status of the Service Enhancements Rule. Will the rule sunset at the expiration of this contract, or will a vendor system transition to “normal” approval, or will the contract process have to be repeated at the end of the contract term?

**Answer: The anticipated term for contract awards from the RFP will be a three-year term, with two one-year options to renew that may be exercised at the sole discretion of the City of New York. The TLC expects to provide sufficient lead-time if necessary to re-solicit the contracts and provide continuity of service.**

Q6. Are Vendex forms required for only prime vendors or all subcontractors as well?

**Answer: Completed Vendex questionnaires are required from all awarded vendor(s), both prime contractor(s) and subcontractor(s) that are legally required to submit them.**

Q7. Does Clear Channel Taxi Media have to participate in the RFP to maintain the current medallion taxicab roof tops advertising business?

**Answer: No, Clear Channel Taxi Media does not have to participate in the RFP to maintain the current medallion taxicab roof top advertising business.**

Q8. Does the TLC intend to override Clear Channel’s contracts with medallion taxi owners that contain an exclusivity clause? If so under what provisions of law?

**Answer: All valid contractual agreements will remain in effect. TLC rules regarding the service improvement initiative shall not void any third party agreements. Medallion owners must comply with TLC rules regardless of these contractual agreements.**

Q9. Can the Prime vendor replace subcontractors during the term of the contract?

**Answer: A prime vendor may request permission from the City to replace a subcontractor. The TLC may require further acceptance testing at the sole cost of the prime contractor to validate service levels upon the change of a subcontractor. A prime contractor would be prohibited from signing contracts with the taxi industry until successfully completing the acceptance test with the new subcontractor.**

Q10. Are audited financial statements required from all subcontractors, and part b, are Vendex questionnaires required for all contractors?

**Answer: Yes, audited financial statements, or a statement as to why one is not available, should be submitted for all subcontractors. Completed Vendex questionnaires are required from all vendors, both prime contractors and subcontractors that are legally required to submit them.**

Q11. Would you describe the form of the contract? What is TLC’s intention as to when the form of the contract that the TLC expects to issue to those who are awarded such a franchise? Will that contract have to be approved by the Franchise Concession and Review Committee, will it have to be approved by the Taxi and Limousine Commission itself after hearing.

Will the contract, either in form or the particular contracts after negotiations have to be approved A, by the Taxi and Limousine Commission itself after hearings; B, the Franchise Concession Review Committee, which is other Charter entity, FCRC... the Chairman of the TLC? Tell us the steps of the approval once there is an award, then there's a negotiation for a contract, the parties agree, then what happens, if anything?

**Answer: The TLC is not issuing a "franchise" similar to what the City does for public payphones and cable television services per se; rather the TLC is awarding contracts to vendors based on a Request for Proposal. The TLC will address general provisions and terms and conditions of this contract with winning proposers during the contract negotiation phase of this procurement prior to award. Proposers should refer to Page 41 of the RFP for information about the award process.**

Q12. After the proposal due date, if another company comes along and wants to enter into this market and meets the specs of the RFP, what is your anticipation of how the Taxi and Limousine Commission is going to handle that? Say it's two years from now or three years from now? What is the anticipated duration of the contract? So in the intervening time between award and the end of the term of the contract, new entrants are therefore barred from applying for this contract or rendering these services?

**Answer: The intent is that the City is going to enter into contracts with one or more vendors for the bundled solutions sought through this RFP process. Only the contractors selected from this RFP would have the right to provide that service for the life of the contract. The term is expected to be for an initial three year period and may be renewed, at the sole discretion of the City, for up to two additional one year periods.**

Q13. An award is made at the end of a selection process. There will be a defined set of requirements or functions that are provided to the community, this 5,000-member community. It will have a certain price for those products or services? That's the question. In other words, you're going to award one or more vendors and you're going to say you will provide this at this price

**Answer: Referring to Page 7 of the RFP Document, the TLC shall award one or more contracts to vendors to provide technology enhancements as outlined in the RFP. At the time of Stage 1 - Contract Award, the City will have negotiated best and final offers for maximum pricing on behalf of the medallion taxicab owners, maximizing the purchase power of the City's entire fleet of yellow cabs. Ultimately, each taxicab owner will enter a contractual agreement with a contractor of their choice to provide the technology enhancements and associated services.**

Q14. My follow-up to the question, the real context of the question is, this appears to be more of a backdrop contract, because if you select more than one vendor, N plus one vendor, how are we going to be successful in selling to this community? On a further RFP or price? What's the method in which we go from an award, one or more vendors to actually selling something to this community?

**Answer: Referring to Page 7 of the RFP Document, in Stage 2 each contractor will compete to sell their solution directly to the medallion taxicab industry.**

Q15. Page 24C Can we assume that a VENDEX Questionnaire is only required for the named contractor and not individual equipment providers?

**Answer: Completed Vendex questionnaires are required from all vendors, both prime contractors and subcontractors that are legally required to submit them.**

Q16. When the contract is worked out with the winning vendors we then are identified as having to go out and work with and solicit our solution to those individual owners?

**Answer: After contracts are awarded to the winning vendors and the TLC sends a "Notice to Proceed", acceptance testing shall begin. The selected contractors, who pass the acceptance test, will then market services to the medallion taxicab owners. The TLC contracts will provide a mechanism for taxicab owners to procure the highest quality services at a fair and reasonable cost. The TLC will closely monitor the solicitation process and ensure that all contractors have a fair and impartial environment to solicit the taxi industry to the best of its ability as allowed by law.**

Q17. Page 7/Stage 2: Can the TLC please provide a sample standard contract that will be employed for use with taxicab owners?

**Answer: The TLC will not provide sample contracts for use when soliciting the taxi industry. The contract between the City of New York (TLC) and the selected proposers will provide some guidelines as to what the contract between vendors and taxi industry can and cannot contain. This will be discussed in more detail with winning vendors as part of the contracting phase of this project.**

Q18. Does the TLC anticipate any type of provision to allow flexibility, depending on what the TLC decides to do at the end of the contract terms or the extensions, in terms of meeting the requirements of the rule? Do you anticipate, does the TLC anticipate contracts to those who are awarded the, whatever you want to call it, the right to get a contract, I guess, different contracts with different terms or is there going to be uniformity? The question is will there be in that negotiation, it seems to me this is a boilerplate term that should be something A, B and C hypothetically we'll all want, do you anticipate that the issue I'm proposing to you is something that is going to be subject to negotiation in the contract stage of this process.

**Answer: Phase I will provide a degree of uniformity to the industry contract. A prime contractor will have the ability to negotiate contracts with the taxi owner within the framework provided in the City (Phase I) contract. The TLC expects to negotiate new contracts with sufficient lead-time to provide continuity of service.**

Q19. In looking at the TLC's RFP, we have a great deal of trouble embracing what the scope of this opportunity truly will be, and it's not necessarily predicated on our services, but rather that of all the technology people sitting in this room, as basically a cost, and we cannot quite understand what the adoption rate will be if we're not sitting in this room discussing what a mandate, if any, would come down from this process and we can't understand if there's a significant cost to all of this, where in fact the TLC is going to step in and help underwrite it, so it actually gets implemented in the cabs. So what we're seeing here in this RFP is a bunch of information saying go chase a partner. Okay, fine, we chase down a partner. Now we look at the scope of the opportunity, saying what our investment is, what do we do to get the business here? We don't know what you're shooting at. You're not saying a mandate; you're not telling us what the price of this solution could possibly be and how affordable it would be for your individual medallion owners or fleet operators to even taking this solution on. What is the TLC going to do at the next level once they have awarded the contract?

**Answer: Proposers should note that participation in this initiative is mandatory for all medallion taxicabs in NYC. The TLC contracts will provide a mechanism for taxicab owners to procure the highest quality services at a fair and reasonable cost. The TLC will closely monitor the solicitation process and ensure that all contractors have a fair and impartial environment to solicit the taxi industry to the best of its ability as allowed by law. Proposers should assume some level of market penetration based on their product offering, and incorporate this into their specific business model.**

Q20. What is the commitment of the TLC to help underwrite or finance this project going forward, if it becomes so cost prohibitive?

**Answer: The cost for this initiative continues to be financed by passengers in the form of a rate fare increase over the past year, and shall continue to be paid for by this ongoing generation of revenue, and any additional revenue generating opportunities put forth by proposers in response to this RFP and approved by the TLC.**

Q21. If the agency submits a proposal and it is then passed on to the acceptance test phase and the system is certified by the TLC at that phase, with using a specific wireless carrier, once they are certified and the prime is then awarded a contract and a max price is set, will the prime reserve the right to shop other wireless carriers for a subsequently lower price?

**Answer: A prime vendor may request permission from the City to replace a subcontractor. The TLC will require further acceptance testing at the sole cost of the prime contractor to validate service levels upon the change of a subcontractor.**

Q22. When is the functionality discussed in the RFP going to become mandatory and how is the TLC going to enforce that? Do you have a precise date, a cutoff date already and how is it going to be enforced?

**Answer: TLC Rule changes are being proposed to address the implementation dates of this initiative. Vendors should reference Section II Page 3 of this addendum document. The TLC has multiple ways of enforcing the technology enhancement mandate. We have asked proposers to discuss how this might be best achieved based on their specific solution and capabilities. The TLC envisions enforcement that can be accomplished from a remote monitoring capability, and via the existing inspection cycle that is in place today.**

Q23. When does the TLC anticipate that all of the awarded contracts maximum price per vendor are going to be disclosed to the public?

**Answer: The contracting process requires that prior to contract registration public notice be given identifying the selected vendors. . Contracts are public record once registered.**

Q24. This is just a timing issue. In Stage 1, at the conclusion of Stage 1 a contract will be awarded, or with the right to deploy and then there's an acceptance test. I'm assuming you're going to give a contract award before anybody actually proves that this works in a vehicle, it's all going to be based on what's in writing?

**Answer: Yes. Contract award(s) will take place prior to the acceptance test. After contract registration, each contractor will conduct an acceptance test. The acceptance test will likely begin in the late summer/early fall of 2005. The acceptance test will serve as proof, among other things, that all proposed equipment will function in the current taxicab environment at the levels agreed upon by the TLC and the contractor. The selected contractors will be given additional opportunities to resolve any issues noted during the acceptance test. However, in order to move forward to the second stage of the selection process the contractor must successfully complete the acceptance test. Any contractor that does not within a reasonable time successfully complete the acceptance test will be terminated in accordance with the City's terms and conditions for this specific contract.**

Q25. Will any facet of the TLC's RFP affect, or in any manner interfere with, existing contracts between advertising companies and taxi/fleet owners?

**Answer: All valid contractual agreements will remain in effect. TLC rules regarding the service improvement initiative shall not void any third party agreements. Medallion owners must comply with TLC rules regardless of these contractual agreements.**

Q26. Assuming that no facet of the TLC's RFP will affect, or in any manner interfere with, existing contracts between advertising companies and taxi/fleet owners, how will the TLC address a situation where an advertising company has existing exclusivity arrangements with taxi/fleet owners for all advertising (rooftop and interior)? How would the TLC's answer to the foregoing question be different, if at all, if the advertising company with such exclusivity arrangements did not participate in the RFP as a prime contractor or sub-contractor?

**Answer: All valid contractual agreements will remain in effect. TLC rules regarding the service improvement initiative shall not void any third party agreements. Medallion owners must comply with TLC rules regardless of these contractual agreements.**

Q27. Will the providers of the Medallion Taxicab Technology Enhancements selected through the current process be granted exclusive rights through both the initial contract, and the two potential extensions, or will criteria be established so that additional providers who can provide suitable systems can enter the market at a later stage?

**Answer: The contractors awarded contracts pursuant to the subject RFP will have the right to provide services for the life of the contract. The contract term is anticipated to be 3 years with two, one-year options to renew that may be exercised at the sole discretion of the City. No new contracts will be awarded unless the TLC issues a new RFP.**

Q28. The RFP states, "These improvements . . . are required to be fully installed and operational in taxicabs with the inspection cycle beginning November 1, 2005 and ending February 28, 2006."

Does this mean that all enhancements must be installed in all medallion cabs by February 28, 2006? (It is important to note that the mobilization costs associated with deploying the temporary resources required to install these enhancements in all ~16,000 medallion taxicabs between the end of field trials and February 28, 2006 would add unnecessary expense to the overall project.) If not, please clarify the timeline for full deployment of the technology enhancements to all medallion taxicabs.

**Answer: The TLC Board of Commissioners is considering a rule change that would alter the implementation dates of the medallion taxicab service enhancement project. If adopted, the proposed rule change with respect to Credit card processing, Passenger Information Monitors, Automated Trip-sheet data collection, and Text Messaging would read as follows:**

***"This specification shall be implemented at a date agreed upon between the Taxi and Limousine Commission and the authorized contractor(s) on a date certain to be set by the Commission."***

***The TLC will take into consideration proposers' proposed implementation schedules.***

Q29. The TLC specifies a base contract period of three years with the possibility of two one-year options to renew. However, it is our understanding that a longer payback period could be negotiated via contracts with the medallion owners. Please confirm this assumption.

**Answer: Contracts with the taxi industry will refer to the contract between the TLC and the selected contractor. The TLC will not dictate the term of the agreement between medallion taxicab owners and winning vendors.**

Q30. The RFP states: "Contracts shall be subject to New York City's general contract provisions, in substantially the form that they appear in "Appendix A – General Provisions Governing Contracts for Consultants, Professional and Technical Services or, if the TLC utilizes other than the formal Appendix A, in substantially the form that they appear in the TLC's general contract provisions."

To which set of provisions, the New York City's general contract provisions, or the TLC's general contract provisions, will these contracts be subject?

The selected vendor(s) are expected to enter into separate contracts with the taxicab owners. Will those contracts be subject to the same provisions?

If so, can the TLC please supply a proposed form for those contracts between vendor and taxicab owner?

***Answer: The general provisions will be presented during the contract negotiations of this procurement. The commercial term of the agreement between the contractor and taxicab owner will be determined by those parties. The TLC contract will include certain provisions that define some terms and conditions of the contract between the winning proposer(s) and the medallion taxicab owner.***

## **C. Automated Trip-sheet Data Collection**

Q1. Is printing of driver ID on the passenger receipt required? What method will be acceptable for the introduction of the driver ID? (Manually via keypad, or electronically using a driver ID card?) Will there be any driver ID validation process required, or will any driver ID be accepted and logged? Does the City have any plans or considerations in place to issue Driver RFID cards?

***Answer: The Rules do not require the printing of driver ID on the passenger receipt. The TLC has stated no preference for the method of input of driver id. The TLC is seeking vendor recommendations in the narrative response to the RFP.***

***No validation requirement currently exists but may be developed as a future requirement. Proposers may wish to address their concerns in their narrative response to the RFP.***

***There is no active plan to evaluate or implement driver RFID cards. Driver RFID Cards are not a requirement of the RFP; however, proposers may discuss the advantage of such additional value added services as part of their narrative response at their discretion.***

Q2. P.10 Section A. Electronic Trip-Sheet Data Collection: Please confirm that the tip is required as part of the trip record. It is not now required in section 2-28 of the TLC Driver Rules. If the tip is required, is this requirement extended to both cash and electronic fare payment trips?

***Answer: See section B of this addendum document.***

Q3. There were several points raised before concerning the dead reckoning. The RFP is clear in intent that deeper granularity is better on the start/stop fixed locations. However, I wanted to see if there was some other thought relative to granularity and progress on the mapping piece of it, or is that in our hands?

***Answer: Proposers are expected to submit proposals that represent their best value solution with respect to the requirements provided in the RFP.***

Q4. Page 11 Section A: Can the hosted database be done outside the continental United States?

**Answer: The TLC has no specific requirement as to where the data collected from automated trip sheets must reside.**

Q5. Page 11 Section A: Will the TLC please specify what programming language is required such that the data structure / format will be consistent across all contractors.

**Answer: Proposers should include their recommendations as part of their proposal to the TLC. The TLC will consider such information as it develops standards for data structure and format.**

Q6. Reference Page 11 section A and Page 27#9 & #10. For the Automatic Vehicle Location (AVL), what is the maximum accuracy distance permitted based upon current ISO satellite standards?

**Answer: The TLC has not defined a specific distance / accuracy requirement for vehicle location data. Proposers should make recommendations for how automatic trip-sheet data is captured and at what level of accuracy. In addition, proposers should meet or exceed the requirements of the RFP by offering high quality solutions at a reasonable cost.**

Q7. We would like to have the most recent and accurate maps of New York and tried to procure such maps from the library, but were referred to NYC DoITT. We would be grateful if TLC would so assist us and other interested bidders in obtaining the relevant maps from DoITT.

**Answer: Proposers are expected to supply the necessary mapping data and software as part of their bundled solution. The TLC will not be utilizing the DoITT GIS Map Data.**

Q8. As far as the back end map data, should we expect that the vendor will supply that to TLC or is the expectation that we will get that map data from DoITT?

**Answer: Proposers are expected to supply the necessary mapping data and software as part of their bundled solution. At this time the TLC will not be utilizing the DoITT GIS Map Data.**

Q9. There was a reporting requirement in the system, even if multiple vendors are assigned, so just simple math, we say two people are picked and we go out and chase business down with the cab companies themselves, the TLC has some reporting requirements. Does that mean that you guys have to find a standard schema or standard information package to share information across these vendors or is this something that TLC is going to take on?

Two vendors start chasing down business. There's a requirement in the RFP to report back trip information from the trip sheet, some other type things. So if you got two different competitive companies chasing down business, what's the thought process behind organizing this information as it's collected? Is that something the vendors themselves are going to have to do together or is that something the TLC is going to do?

**Answer: Within Section VI of the RFP: Items D3 and D5 ask for proposer recommendations with respect to standard data protocols, data storage requirements and access to such data. Proposers should describe the protocol and formats that they believe will work best within these parameters.**

Q10. With respect to vehicle location technology (GPS) solutions, is the TLC looking for dead reckoning unit?

**Answer: The TLC is not stating that a dead-reckoning device should be part of any solution. The TLC is asking proposers to propose the best quality solution to meet or exceed the needs expressed in the**

**RFP. Section IV - Scope of Services of the RFP outlines the TLC's requirements for capturing and presenting location-based data.**

Q11. Presuming that there's more than one vendor selected, there will obviously be some distinct differences in how in particular the TLC and the City officials interact with the database that allows text messaging and gathers the data. It's unlikely that we will all come up with identically matching technical solutions, so there will probably be some form of harmonization between the TLC and the vendors so the TLC and the City can gather data in a similar fashion or send information out. Have you anticipated how that harmonization might work?

**Answer: Within Section VI of the RFP: Items D3 and D5 ask for proposer recommendations with respect to standard data protocols, data storage requirements and access to such data. Proposers should describe the protocol and formats that they believe will work best within these parameters.**

Q12. With regard to automatic vehicle location solution in urban canyons, what are the TLC's thoughts on GPS vs. GPS/Dead Reckoning?

**Answer: Proposers should propose the best quality solution to meet or exceed the objectives expressed in the RFP. In section IV scope of services, the TLC has outlined its requirements for capturing and presenting location-based data. Proposers should propose how best to deliver a solution while balancing highest quality and cost effectiveness.**

Q13. Can the contractor assume that the AVL data structure/format and the relevant standard protocol will be defined at or before notice of award?

**Answer: No. Proposer should recommendation vehicle location data format (see Pg. 27 Item 5.) Based on proposed recommendations, the TLC will work with the selected contractor(s) to select an appropriate data structure.**

Q14. Please clarify the process by which automatic trip sheet and AVL data will be used by the 311 Citizen Service Center and/or the TLC to handle lost property calls. It is our assumption that the 311 Citizen Service Center and/or the TLC will continue to handle these calls and will utilize system data from the various vendors to assist the caller in recovering their property.

**Answer: When fully implemented, the 311 Citizen Service Center will be able to access all data captured as part of the automated trip-sheet process. 311 will have the ability to access the database to determine a pool of likely cabs that might contain lost goods. TLC/311 will then communicate via text messaging that pool of cabs.**

Q15. Who will develop the search algorithm for the trip sheet data?

**Answer: The database, database management system, and any required search algorithms are the responsibility of proposers.**

Q16. Will there be a single database for Electronic Trip Sheets, or will it be distributed to multiple suppliers? If single, will TLC host that database?

**Answer: Proposers should provide their recommendations on these issues. Please refer to Pg. 28 items 16 and 21 of the RFP.**

## **D. Credit/Debit Card**

Q1. Is the credit card issued by JCB International Credit Card Company, Ltd. classified as a "Major Credit

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Card" under the definition of the RFP dated March 2, 2005?

**Answer: The TLC requires the contractor to enable credit card payments for card brands which have a 5% or greater market share based on US purchase volume as reported in The Nilson Report, February 2005 Issue # 828. The TLC believes that the acceptance of credit cards including JCB will enhance the value of the system to consumers. To maximize service, the TLC expects that the contractor will enable card payments using Visa, MasterCard, American Express, Discover, JCB, and Diners Club cards.**

Q2. The RFP envisions that the TLC will be maximizing the purchasing power of the entire fleet of approximately 13,000 taxicabs. In fact, the pricing section envisions "Bulk Sale" discounts. If vendors are not guaranteed a minimum number of taxicabs that they will be able to sign up, how does the TLC envision a bulk sales discount to be achieved, and how will the TLC maximize the purchasing power of the 13,000 cabs?

**Answer: It is anticipated that the RFP selection process will result in one or more vendors authorized to provide technology service enhancements outlined in the RFP to the NYC Taxi industry and that this process will yield high quality solutions at a fair and reasonable cost. Proposers should assume some level of market penetration based on their product offering, and incorporate this into their specific business model.**

Q3. Page 14 defines all major credit/debit cards. On Page 15, under the TLC concerns, the TLC expects that responses to the RFP should reflect reduced credit/debit card fees made possible through "economies of scale." Please explain how the TLC defines this term and what types of reduction in fees the TLC expects?

**Answer: The TLC expects to achieve economies of scale via the RFP process and by establishing a market consisting of approximately 13,000 cabs. The TLC expects to achieve credit card rates which individual cab owners could not otherwise achieve.**

Q4. By mandating that each cab accept all major credit cards, rather than at least 2 or 3 major credit cards, it limits the ability of vendors to negotiate and achieve reduced fees because it stifles competition amongst credit card companies.

In light of the above, will the TLC reconsider the requirement for all credit cards to be accepted and require that each cab accept 2 or 3 major credit cards instead?

**Answer: No, the TLC seeks to maximize service to passengers and to provide consistency of service in all medallion taxicabs. For these reasons, the TLC does not wish to reconsider the acceptance of the major credit cards.**

Q5. If a credit card transaction is not able to get approval due to wireless cover, does the driver have the option to tell the customer he can't pay with credit card, or must the operator accept the charge with the risk of batching the approval (and being rejected) after the fact?

**Answer: Please refer to Pg. 32, Item 29. Proposers should provide a recommendation for a floor limit authorization. Discuss any assignment of financial loss due to failure of the wireless system.**

Q6. First of all, I am assuming the TLC expects all medallion owners to participate in the program. There are no options.

If that is the case, then I must inform you that there is a possibility that a medallion owner cannot pass our or another one of the vendors credit approval requirements for merchant status. This could occur if the medallion owner has been placed on MasterCard and Visa's "Terminated Merchant File" or the owner has poor credit or liens on his business or self and there was a recent bankruptcy or judgment against the owner or company. Lastly, an owner could be approved and later in the contract term run into problems which could force us to close their account.

What is the TLC's opinion on this potential issue concerning all owners must be approved and participate?

**Answer: All medallion taxicabs will be required to have the capability to accept credit cards as a method of payment. The TLC recognizes the challenges with this implementation and we are asking vendors to work with the industry to provide their recommendations as to how credit card acceptance can be achieved. The TLC expects that all proposals will include a plan to solve the issues that you have raised.**

Q7. Does the TLC foresee that they (the TLC) would ever serve as the merchant for the purpose of credit card transactions?

**Answer: The TLC will not serve as the merchant of record.**

Q8. Is there a way for the Commission to distribute for 5,000 separate pieces of paperwork and collect them and return them to the merchant service provider?

**Answer: The TLC will not manage the solicitation / contract acquisition process for any contractor, for example distributing and collecting paperwork, etc. The selected contractor(s) will be totally responsible for solicitation and administration of contracts between themselves and the taxicab owners.**

Q9. General Attachment B: How will the TLC handle any adjustments during the contract to the credit/debit card merchant rates and processing fees?

**Answer: Proposers should address adjustments concerning credit/debit card merchant rates and processing fees in their proposal.**

Q10. What level of security must be in place to ensure privacy and reduce fraud with the credit/debit card acceptance solution?

**Answer: Proposers should address security concerns in their proposal. The RFP asks for proposer recommendations on dealing with a variety of security issues throughout the Scope of Services and Technical Requirements Specific areas to refer to are: Page 14 Section C Page 31, Item 11 and Item 22, and Page 37 System Security and Privacy. Proposals should ensure privacy and reduce security risks while minimizing fraud.**

Q11. Are there any specific security standards which must be met as it relates to the encryption of credit/debit card data to be transmitted over the airwaves in the course of processing a transaction?

**Answer: Proposers should refer to Page 37 Items 1-5 of the RFP.**

Q12. Is a privacy shield required for PIN based transactions?

**Answer: Refer to Page 31, items 11 and 22. Proposers should utilize their expertise to propose the highest quality yet cost effective solution for the taxi industry.**

Q13. There seems to be a divergence of views between drivers/operators and passengers as to who should pay credit card processing fees. Mandating a zero surcharge (even if raising fares across the board to compensate) is likely to result in drivers refusing or having frequent/intermittent faults with their equipment. Leaving charges unregulated may result in the market finding its level, or lead to different operators charging different rates, resulting in ongoing uncertainty for passengers. Is the TLC inclined to mandate a charge and if so, at what level?

**Answer: The TLC is not mandating any surcharges, etc. with respect to electronic payment processing. The cost for this initiative continues to be financed by passengers in the form of a rate of fare increase over the past year, and shall continue to be paid for by this ongoing generation of revenue. Furthermore, US bankcard rules and regulations prohibit such surcharges.**

Q14. Credit/debit card reconciliation is typically by merchant ID, by business day. It is expected that 2 or 3 drivers may use the same cab in the same business day.

Please clarify the TLC's expectations on behalf of and the necessity of by the cab owners the delivery of shift change reconciliation reports.

**Answer: The taxicab owner will use the end of shift reports to reconcile with cab drivers. Please refer to Page 30, item 8; Page 31 items 12 and 14 of the RFP.**

Q15. Who will handle credit card disputes/chargebacks? Will the vendor have the authority to act on behalf of the merchants (drivers)?

**Answer: Chargebacks will generally follow standard bankcard procedures. Any specific terms would be part of a contractual agreement between the service provider and the taxicab owner.**

Q16. Referring to Page 15: Section C: reads that it is expected that owner of cab will be the merchant. Therefore, merchant (cab owner) will be responsible for charge-backs and credit card reconciliation. Please explain the inclusion of the following questions that appear on Pages 30-32.

13. Provide the name of the proposed Merchant Processor and Merchant bank to provide the service. This would be up to the cab owner.

14. Merchants need to be able to access reports for shift level reconciliation, daily reconciliation, transaction details, and historical views of payments processed by driver. The driver will be the merchant and the reports depend upon the Merchant Price

18. Explain the transaction set the proposer recommends for use by the cab driver. This will be dependent upon the Merchant Processor/Bank chosen by the cab owner.

21. Explain how charge-backs and request for copies are processed in the system. This will depend upon the Merchant Processor/Bank chosen by the cab owner.

22. State whether or not the system supports PIN-based debit cards. This will depend upon the Merchant Processor/ Bank chosen by the cab owner.

25. Describe in detail the settlement process for American Express, Discover, Diner's Club, and JCB cards. This will depend upon the Merchant Processor/Bank chosen by the cab owner.

26. State whether or not authorization will be switched directly to American Express. This will depend upon the Merchant Processor/Bank chosen by the cab owner.

27. State whether or not the proposer's system will support VISA Merchant Direct Exchange. This will depend upon the Merchant Processor/Bank chosen by the cab owner.

32. The TLC anticipates that taxicab owners are most likely to be the merchant of record. Is this a statement or conjecture?

33. Provide a sample monthly merchant statement. This will depend upon the Merchant Processor/Bank chosen by the cab owner.

**Answer: Referring to Page 5 of the RFP: "As part of this project, the TLC is seeking, on behalf of the New York City taxi industry, one or more highly qualified contractors to build, install, and maintain equipment that delivers an integrated solution for the full spectrum of services described in this RFP."**

**The TLC is seeking one or more prime vendors each of whom will deliver a bundled service offering. That means, the prime contractor would be proposing a solution for all services, including the provisions for credit and debit card processing which would include a merchant bank/credit card processor.**

**All of the items listed from Pages 30-32 should be addressed in the proposal.**

Q17. Page 31#17Can ISO8614 be used instead of ISO8583? It is newer and offers better data integrity.

**Answer: The TLC does not require any ISO standard as part of a solution. Item 17 on Page 31 requests proposers to explain if their equipment is ISO8583 compliant. If proposers believe that there is better ISO standard to use in their solution, they should address this in their proposal.**

Q18. Page 48, Attachment B: Can the TLC provide the expected number of vehicles and merchants?

**Answer: The medallion taxicab fleet will be approximately 13,000 at the time of implementation of this initiative. The total number of merchants is not known. Proposers are requested to propose various ways to address processing of merchant accounts. All medallion taxicabs will be required to have the capability to accept credit cards as a method of payment. The TLC recognizes the challenges with this implementation and proposers are requested to work with the industry to provide their recommendations as to how credit card acceptance can be best achieved. The TLC expects that all proposals will include a plan to solve the issues that you have raised. Vendors should clearly state the market share that their business plan assumes they will achieve in their proposal.**

Q19. Page 52, Attachment B: What is meant by "1 Time Fee Merchant" and "1 Time Fee Vehicle"?

**Answer: The 1-Time Merchant Fee / 1-Time vehicle fee fields on Page 52 allow vendors to address non-recurring fees that would be only charged once. For example some vendors might wish to charge an account set-up fee.**

Q20. Page 53 Attachment B: Can the TLC please provide the expected distribution of credit/debit card types?

**Answer: See Section VII – Revised Price Proposal Worksheet.**

Q21. Who is responsible for the reconciliation of the credit card revenue? If the vendor, will the vendor have access to the driver/fleet bank accounts, or would the vendor only be reconciling to the credit card processor reports and not the bank accounts?

**Answer: The taxicab owner (merchant) will want to balance his cab's receipts with his merchant /depository bank account. If questions arise, the cab owner should have access to a vendor-supplied helpdesk who will work with the processor and assist the merchant.**

## **E. Text Messaging**

Q1. Page 12 "Text Messaging": When the TLC or other City agencies send messages to the cab, who will be responsible for the charges associated with the message delivery?

**Answer: It is expected that the medallion taxicab owner shall be responsible for the cost of wireless communication to the cabs.**

Q2. Page 12 "Text Messaging": The RFP states that "TLC requires control of all message content and delivery". What type of controls does the TLC anticipate exercising/implementing?

**Answer: The TLC will control the types of messages through rules and derived operational procedures based on the security provisions provided by the proposed system.**

Q3. Reference Page 29, Text Messaging: Items 6 and 15. Please distinguish between driver's license number and the TLC issued "Hack License" number.

**Answer: The RFP is referring to the TLC Driver's License Number issued by the TLC as defined in Section §2-02, §2-03, and §2-12 of the TLC Rules. Periodically, this is referred to as a "hack license" within the industry. The RFP is not referring to NY, NJ, CT or PA chauffeur's driver license, or equivalent (NYS class A, B, C or E) - which is a prerequisite for applying for a TLC Driver's License.**

Q4. Item 18 states, "Explain how the sending /receiving of messages from an organization other than the TLC can be controlled." Please clarify what type and level of control is required and by whom.

**Answer: The TLC will control the types of messages through rules and derived operational procedures based on the security provisions provided by the proposed system. Proposers should propose a text messaging system and describe the controls available within their system.**

Q5. What is the list of proposed text message responses? How are these edited? Do the response choices change with the incoming message?

**Answer: The specific text messages have not been defined. The types of messages are discussed on Page 12 Section B. The type of response message and driver requirements are discussed on Pg. 12 Section B Driver Impact. The TLC expects that respondents shall provide their recommendations for a text messaging system. Please refer to Pg. 28 to 30, Text Messaging.**

Q6. Is Text Messaging based on an industry standard like SMS or MMS or can it be based on proprietary protocol? If proprietary, how do you send a message to all cabs?

**Answer: The TLC has not specified a text messaging standard or system. Rather, proposers should make recommendations for a text messaging system.**

**Proposers are requested to provide their solution for routing a message to all cabs or a select number of cabs. Please refer to Page 29, Items 6 and 7.**

Q7. Who keeps the "hot key" response message archive, the TLC or the Provider? Will this have a web-based interface that is password protected for searching by different entities?

**Answer: Proposer should provide their recommendations for a text messaging systems including archiving of messages and security. Please refer to Pg. 28 to 30 and Items 9, 14, and 17.**

## **F. Passenger Information Monitor (PIM)**

Q1. Reference Page 17, Functional Overview: Referring to the requirement: "It is preferred that the PIM have a backlit color display, with a dimming mechanism, so that passengers can control the screen after TLC PSAs have run. The passenger should be able to mute the audio portion. The PIM should reset to the default audio and brightness levels at the start of a new fare, upon engagement of the meter." Please clarify if it is required to give the passenger the option of turning off the video display on the PIM.

**Answer: Passengers should be able to dim the screen (turn-off visual component) and turn down the audio component (mute) after mandatory TLC PSAs have been displayed.**

Q2. How does the mapping screen appear for the passenger? Is the PIM screen always on with mapping and changes screens for the PSA's and advertisements? Can some form of advertising remain on the screen during the entire ride?

**Answer: The map screen design is the responsibility of the proposer. Passengers should be able to dim the screen (turn-off visual component) and turn down the audio component after mandatory TLC PSAs have been displayed.**

Q3. Will the PIM be used with a split screen concept for mapping, PSA's, advertising etc.? Will a scrolling banner be allowed for the entire length of the ride?

**Answer: Proposals should include the design for PIM screen presentation. Passengers should be able to dim the screen (turn-off visual component) and turn down the audio component after mandatory TLC PSAs have been displayed.**

Q4. On Page 16 of the RFP it is stated in the second paragraph that the PIM will be used to complete credit card transactions when necessary. At some point the card has to be swiped for to get an authorization from the card processor. Though the RFP is unclear it would seem that the passenger would have this ability using the PIM and to also be able to enter a tip if desired (hopefully) through the touch screen functionality of the PIM.

Can you confirm that the most desirable PIM for the TLC will have a card swipe device attached to it and is it understood that according to Visa/MasterCard and card industry standards that the card data must be encrypted to lessen the chances for card data theft?

**Answer: Proposers are requested to make recommendations for the design and configuration of the PIM and the card swipe based on their knowledge and expertise. Passengers must be given the option to complete transactions via the PIM. Proposers should provide their best solution for meeting or exceeding this requirement in their proposal.**

**With respect to security concerns, passenger financial information must be secure and confidential. Proposers should refer to the RFP document Page 31 item 22, Page 33 item 12, and Page 37 items 1 & 3 (System Security and Privacy) and address these items to the best of their ability in their proposal.**

Q5. Must the combination PIM plus Credit/Debit acceptance device meet PCI PED specifications?

**Answer: Refer to Page 31, item 22. Proposers should utilize their expertise to propose the highest quality yet cost effective solution for the taxi industry. The TLC is not mandating that equipment utilized in proposed solutions meet PCI PED specifications. Proposers should address any PCI PED requirements in their proposal.**

Q6. Given that the PIM and credit / debit acceptance requirements call for a touch screen based solution, what provisions, if any, must be made to comply with the American with Disabilities Act with respect to tactile keys?

**Answer: Proposed solutions should comply with all applicable Federal, State, and City laws including, to the extent that it applicable, the Americans with Disabilities Act (ADA). Proposers should state any concerns or issues they may have regarding ADA or any other Federal, State, or City law.**

## **G. Acceptance Test**

Q1. Reference Page 6, "Award Process." How long does the TLC anticipate dedicating to the acceptance test phase?

**Answer: For planning purposes, the acceptance test is expected to last 4-6 weeks. However, the actual length will be dependent on the proposer's schedule of implementation of the technology improvements. We expect that respondents in their implementation schedule (see Pg. 21, section G) will provide an estimate of the acceptance test length.**

Q2. Reference Page 22, Section H. Acceptance Test Criteria: Referring to the requirement: "..Furthermore, any rate or price reductions resulting from these innovations and technological advances would be passed onto the TLC and its constituency in the form of price reductions or rebates; whichever is appropriate, over the life of the contract." Under this provision can cost increases such as annual credit card interchange fee increases be passed on in the Taxi Owner agreements under this contract?

**Answer: The resulting contract awards shall set maximum prices for all services and equipment for the duration of the contract term.**

Q3. A question relative to a point that was made in the RFP about the sale within the industry on the part of the succeeding vendors post acceptance testing: Is there any plan yet as to how the Commission or within the industry itself, this will be facilitated.

The RFP mentions that successful vendors, partners will then sell their solution directly to the taxicab industry. Has there been any thought towards how the Commission will facilitate that process, or that event or series of events to ensure complete coverage?

**Answer: The TLC contracts will provide a mechanism for taxicab owners to procure the highest quality services at a fair and reasonable cost. The TLC will closely monitor the process by which selected vendors solicit medallion taxicab owners and ensure that all contractors have a fair and impartial environment to solicit the taxi industry to the best of its ability as allowed by law. The TLC will manage coverage of services via its existing inspection cycle for medallion taxicab, and through active contract management with vendors.**

Q4. Has there been a group selected to participate in that acceptance testing from either an organization or a vehicle group?

**Answer: The TLC will work with representatives from the taxi industry to facilitate the selection of vehicles for the acceptance test. No vehicles have been identified at this time, however the TLC does not envision any complications with facilitating the selection of participants for acceptance test purposes.**

Q5. Is there a definitive date for the acceptance test to begin? If not, why not? Is there a definitive duration for the acceptance test? If not, why not? Is there a definitive end date of the acceptance test whereby all potential contractors must definitively pass or fail? If not, why not?

**Answer: For planning purposes, the acceptance test will be conducted shortly after contract registration and is expected to last 4-6 weeks. However, the actual length will be dependent on the proposer's schedule of implementation of the technology improvements. Actual start dates will be based on the selected contractor's implementation plan. Proposers should provide an estimate of the starting date and length of the test in their implementation schedule (see Pg. 21, Section G of the RFP).**

Q6. Is there a specific number of installations that must be done in the acceptance testing in order to show full compliance? If not, why not?

**Answer: Page 21 of the RFP states "The acceptance test will demonstrate performance in 50-100 cabs per provider. The TLC will work with representatives from the taxi industry to facilitate the selection of vehicles for the acceptance test."**

## H. Commercial Advertising and Sponsorship

Q1. Page 19 Service Enhancements Associated Revenue – This section uses very generic and non-defined terms such as “the following are types of advertising content being considered by the TLC.” What does “being considered,” mean in relation to this RFP?

Will there be a rule adopted by the Commission prior to the bid submission that will clarify what kind of advertising will be permissible and what will not?

Unless vendors are sure of the types of advertising the TLC will permit, it becomes very speculative as to a) the success of an advertising medium in cabs; b) the anticipated amount of revenue that can be generated by such advertising medium; and c) the types of advertising clients or agencies that will be interested in participating in this RFP.

**Answer: The TLC expects proposers to provide information on the cost, technology requirements, and revenue opportunities generated by various types of commercial advertising as outlined in the RFP. The Board of Commissioners is considering the adoption of rules allowing commercial advertising and commercial sponsorships.**

Q2. Page 20 states that only the contractors selected as a result of this RFP will be authorized to deliver taxi media content and that this “may” extend to the taxi top display as well. Can that statement be clarified? As stated in the previous question, it creates a very speculative scenario when analyzing potential revenue opportunities when one does not know what content or medium will be permitted and whether the authorization permitting advertising applies to other locations on the taxicab.

**Answer: The TLC will adopt approaches that are in the best interest of the City, medallion taxicab owners, and the riding public.**

Q3. Can you clarify the intent of the wording used within the RFP that starts on the bottom of Page 19 continuing to Page 20 dealing with taxi tops? The section reads as follows: *The following are types of advertising content being considered by the TLC:*

- *Notices (text and/or video) from credit/debit card companies that their credit card are accepted in all medallion taxis in NYC*
- *Commercial sponsorship of content using corporate logos*
- *Commercial banner ads displayed during viewing of information*
- *Short video clips*

*Only the contractors that are selected, as a result of this RFP, will be authorized to deliver taxi media content. This privilege not only covers the PIM, but may extend to the rooftop displays as well.*

**Answer: The TLC seeks proposals that will maximize the advertising potential of the PIM and the medallion taxicabs. Selected contractors will be authorized to deliver taxi media content subject to the then existing TLC Rules. However, the supplier’s contracts will not invalidate any existing media contracts.**

Q4. Will a non-winning proposer be permitted to advertise either interior and or exterior of the taxi in the future?

**Answer: All valid contractual agreements will remain in effect. TLC rules regarding the service improvement initiative shall not void any third party agreements. Medallion owners must comply with TLC rules regardless of these contractual agreements. The TLC intends to revise the promulgated rules to authorize the display of TLC Public Service Announcements and limited commercial advertising and commercial sponsorships on the Passenger Information Monitor to offset costs and/or provide additional sources of revenue.**

Q5. Will all selected contractors be required to provide interior advertising and either contract out for exterior roof top advertising or provide for their own exterior advertising?

**Answer: The RFP requests that proposers put forth solutions for PIM content. Proposers may propose interior commercial advertising via the PIM and/or other revenue generating opportunities, such as rooftop advertising.**

Q6. In the RFP, the Taxi & Limousine Commission indicates that the privilege to deliver taxi media content “not only covers the PIM, but may extend to the rooftop displays as well.” What will ultimately determine whether or not such privilege extends to the rooftop displays and when will such determination be made?

**Answer: The TLC will adopt approaches that are in the best interest of the City, medallion taxicab owners, and the riding public.**

Q7. Public Service Announcements (PSA) and city use can be up to 20% of capacity. Capacity of what? Bandwidth, Storage, viewing time, listening time, available screen options?

**Answer: Please refer to Pg. 18 TLC Concerns. The type of capacity will depend on the proposer’s technical solution. Any combination or all of the elements of capacity that you have listed are applicable based on a vendor’s proposal. This shall be addressed in the TLC contract with the selected contractor(s) vendors.**

Q8. What is the form for the PSAs, scrolling text, Audio, Video, still images, or a “button” which opens a “City Information” area?

**Answer: That is yet to be determined, but it is safe to assume that it could be any combination of media types as described above. Please refer to Pages 16 through 18 and Pages 32 through 34. Proposers should provide their recommendations for PIM technology and content. Page 17 item number 2 gives specific information on required displayed PSAs. See also Section H.**

## **I. Pricing**

Q1. The RFP requires a price proposal, yet the evaluation criteria do not reflect the score or weight associated to the pricing scheme. Are pricing or revenue opportunities not part of the evaluation and scoring process?

**Answer: Pricing and revenue opportunities are an important consideration in the selection of contractors. Please see Page 41, Section VIII, paragraph C. See also Page 19, Section E.**

Q2. In terms of the maximum price that you convey in your response, is the Commission anticipating that you will not permit in terms of the maximum price any flexibility for increases beyond whatever you quote in the RFP for, for example, the cost of wireless communication? So, for example, say, during the course of the contract, wireless communication providers increase their charges. Can we in an RFP response indicate, here is our maximum price; however, it is subject to passing on the cost of increases in the costs of wireless communications, for example?

**Answer: The contracts awarded from this RFP shall set maximum prices for all services and equipment for the duration of the contract term.**

Q3. Is the TLC going to hold the proposers in the Stage 2 to their maximum price quote in Stage 1?

**Answer: At the time of the Stage 1 contract award, the City will have evaluated all proposals and negotiated best and final offers for maximum pricing on behalf of the medallion taxicab owners, maximizing the purchase power of the City's entire fleet of yellow cabs. Maximum pricing established in the City Contract shall be enforced for the life of that term.**

**In Stage 2, each contractor will compete to sell their solution directly to the medallion taxicab industry**

Q4. There is an inconsistency between the RFP and the pricing worksheets. Page 38, section VI E4 requires the contractors to "provide a schedule of maintenance fees for each of the following maintenance programs: 7x24x52, 7x12x52, 5x24x52, 5x12x52 and Time and Materials." The pricing worksheet in Attachment B does not provide the ability to respond to this requirement. Furthermore, maintenance pricing will be dependant on the number of taxicabs supported; which will not be known at the time of the response.

What maintenance model should be used when providing pricing in Attachment B?

What assumption should the contractors make regarding the number of taxicabs to be supported?

**Answer: See Section VII Revised Price Proposal Worksheet.**

Q5. The RFP requests, "State whether or not the credit/debit card pricing is volume driven and if so, provide prices assuming each of the following monthly volumes and average ticket sizes: monthly volumes of 200k, 500k, 1MM and 2MM average ticket size of \$10 and \$15." It is noted that the required Price Forms in Attachment B (Excel model) do not permit the flexibility to provide multiple pricing for volumes and average ticket size. Further, the price sheets state specifically to use "120 Transaction per Month and \$10.00 Fare Amount."

**Answer: Proposers should use the 500Kmonthly transaction volume as their assumption in the space provided in the Price Proposal Worksheet "B-6 Assumptions". Other assumptions related to transactions volumes may be quoted separately and included in the Price Proposal package.**

Q6. Under Evaluation Criteria, the Commission has provided specific weighting for Relevant Experience, Approach and Methodology and Technical. No weighting was specified for Price. What weighting will be assigned to Price for the selection of vendor(s)?

**Answer: Refer to Page 41 section C and Page 38 section E for comments on price.**

Q7. It is noted that the Price Sheet s (Excel model) automatically extend monthly numbers by 12 for annual calculations but do not allow the input of a Cost of Living Increase (COLI) or other inflation factors. Does the Commission expect the monthly figures provided by Contractors to be valid for all three (3) years or will the Commission permit an annual increase?

Formulas in the Price Sheets extend monthly figures to annual amounts without any provision for Cost of Living Increases (COLI) in the subsequent years of the contract. Will the Commission allow an annual COLI to be negotiated or should the respondents provide fixed pricing for the 3 to 5 year term of the contract with the TLC? It is noted that Attachment G (Warranty Table) is referenced in the RFP but is not listed on Attachment F: Proposal Checklist.

**Answer: The rates defined in the contract with the TLC are valid for the life of the contract Prices provided in the contract may always decrease, but shall not increase during the life of that contract.**

Q8. If a company intends on offering one purchase price and/or lease price which includes hardware and software, do you need to break out the purchase price of hardware separately from software?

**Answer: Proposers should itemize costs separately as requested in the price proposal worksheet.**

Q9. Do we need to explain our actual cost of the equipment versus the price offered to the medallion owner?

**Answer: No, the TLC is only concerned with establishing maximum prices to the medallion owners.**

Q10. In the section concerning Annual Period, is this the cost to the medallion owner each year i.e., the first year includes all purchase costs and one-time installation costs while the remaining two years include only the monthly recurring charges?

**Answer: Yes, the first year includes the one-time expenses while years two and three would include the expected recurring charges.**

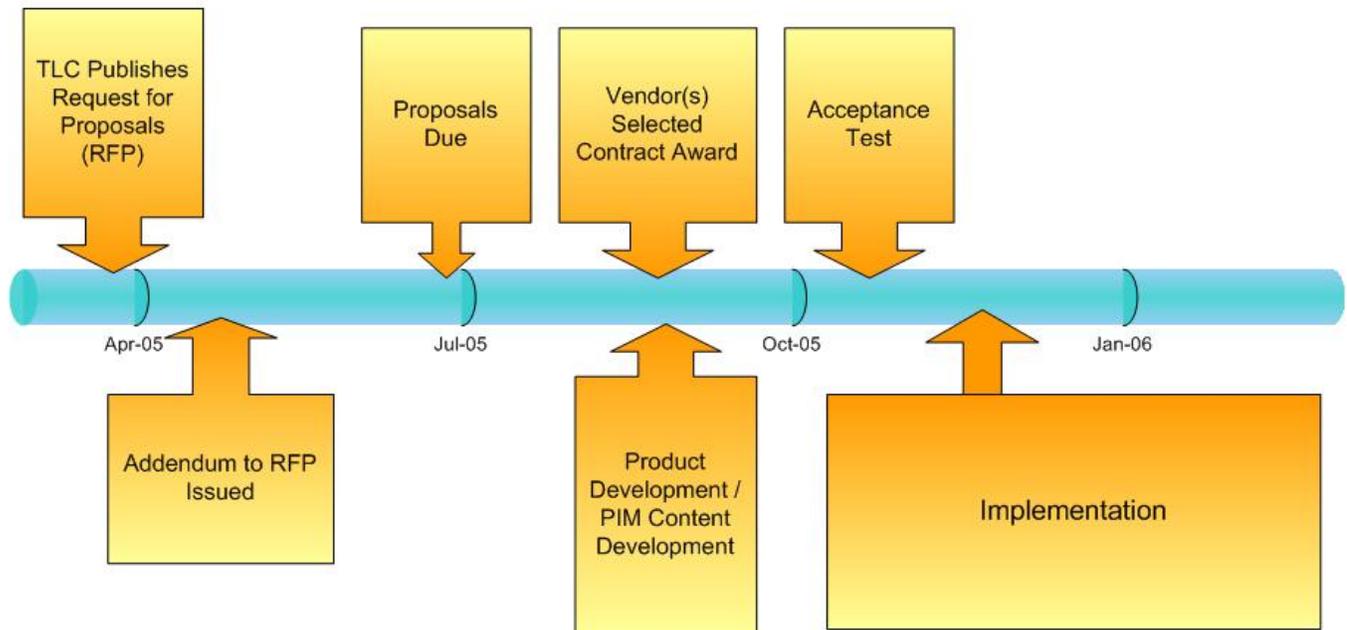
Q11. Page 6 Section C: How will pricing be determined for the two one-year option periods?

**Answer: Pricing for the contract renewal periods shall be established in the initial contract.**

## V. Revised Implementation Plan Diagram

This diagram replaces the timeline diagram found on Page 8 of the RFP.

### Technology Enhancement Project Timeline



## VI. Revised Attachment F: Proposal Checklist

This checklist replaces all previous versions of Attachment F of the RFP Document. Complete and attach this checklist to the front of the proposal, immediately following the cover letter, to indicate that the information requested in the RFP is included in the proposal.

Proposal Cover Letter

Technical Proposal

Narrative Response

Electronic Trip-sheet Data Collection solution can be found on Page (\_\_\_\_) of this proposal.

Text Messaging solution can be found on Page (\_\_\_\_) of this proposal.

Passenger Information Monitor solution can be found on Page (\_\_\_\_) of this proposal.

Credit/Debit Card Solution can be found on Page (\_\_\_\_) of this proposal.

The solution enables the following credit and debit cards:

VISA

Discover

MasterCard

JCB

American Express

Diner's Club

Help Desk Services:

24x7

Other

References For Prime Contractor

References For each Sub-Contractor

Resumes and/or Description of Qualifications for Key Staff Positions

Organizational Chart

Audited Financial Statements for the past three years or a statement as to why no statement is available

Wireless Coverage Maps

Acknowledgment of Addenda Form

Attachment G Warranty Table

Price Proposal

Narrative

Price Proposal Worksheet (Attachment B)

List of "no cost" items, if applicable

## VII. Revised Attachment B: Price Proposal Worksheet

### Instructions

**Note this form shall be available in excel format on the TLC website. [www.nyc.gov/taxi](http://www.nyc.gov/taxi)**

- A. The Price Proposal Worksheet form may be completed electronically or manually on paper using the worksheets provided.
- B. Input the proposers' names and date submitted for all worksheets provided in the pricing proposal worksheet.
- C. Summary information regarding the pricing contained in this workbook will be displayed as read-only information on the "Summary" worksheet tab provided. This worksheet will only be filled in for electronic submission, responses on paper only may optionally provide summary information.
- D. To propose core functionality pricing, described as pricing for the functionality to meet the requirements stated in the Request for Proposal (RFP) use the worksheets as detailed below.
1. Provide the list of all hardware and software with the purchase price and installation price stated separately. Use the worksheet tab entitled "1-Purchase Model". Any one-time or setup fees for purchasing hardware and software should be stated using this worksheet and be stated as Installation Price. Express purchase pricing quoted on a per vehicle basis.
  2. Provide the list of all hardware and software with the monthly lease price and installation price stated separately. Use the worksheet tab entitled "2-Lease Model". Any one-time or setup fees for leasing hardware and software should be stated using this worksheet and be stated as Installation Price. Express lease pricing quoted on a per vehicle basis. Lease pricing is optional.
  3. Express any monthly recurring charges, NOT including monthly hardware and software leasing prices as stated on the "2-Lease Model" worksheet tab or merchant/processing flat rate per month fees as stated on the "4-Fees" worksheet tab. Use the worksheet tab entitled "3-Recurring Charges". Express recurring cost pricing quoted on a per vehicle basis. When stating any monthly service or maintenance charges, provide the price for 7 x 24 x 52 coverage only.
  4. Provide any merchant and transaction processing fees expressed either as a percentage of the transaction, a flat fee per transaction, a one time merchant fee, a one time vehicle fee, merchant flat fee per month or a vehicle flat fee per month. Use the worksheet tab entitled "4-Fees". When stating any volume based credit/debit card rates, provide the price for 500,000 transactions per month only.
  5. Provide an assumed average rate per transaction for Visa & MasterCard (credit cards and pinless debit cards) and an assumed average rate for other cards using the worksheet tab entitled "4-Fees".
- E. Use the worksheet tab entitled "5-Value Added" to propose value-added functionality pricing, described as pricing for additional functionality to exceed the requirements stated in the Request for Proposal (RFP) that will add value for the medallion taxicab industry or passengers. For any value-added functionality, the pricing should include both a purchase model and may include a lease model and any applicable monthly recurring charges and merchant, vehicle & transaction fees.
1. For value-added functionality, provide the list of all additional hardware and software with the purchase price and installation price stated separately. Use the worksheet tab entitled "5-Value Added" and fill in the section entitled "Value Added Purchase Model". Any one-time or setup fees for purchasing hardware and software should be stated using this worksheet and be stated as Installation Price. Express all value-added purchase pricing quoted on a per vehicle basis.

2. For value-added functionality, provide the list of all additional hardware and software with the monthly lease price and installation price stated separately. Use the worksheet tab entitled "5-Value Added" and fill in the section entitled "Value Added Lease Model". Any one-time or setup fees for leasing hardware and software should be stated as Installation Price. Express all value-added lease pricing quoted on a per vehicle basis.
  3. For value-added functionality, provide any additional monthly recurring charges, NOT including monthly fees or charges stated on any other worksheet. Use the worksheet tab entitled "5-Value Added" and fill in the section entitled "Value Added Monthly Recurring Costs". Express all value-added recurring cost pricing quoted on a per vehicle basis.
  4. For value-added functionality, proposers should provide any applicable additional merchant and transaction fees expressed either as a percentage of the transaction, a flat fee per transaction, a one time merchant fee, a one time vehicle fee, flat rate merchant fee per month or a flat rate vehicle fee per month. Use the worksheet entitled "5-Value Added" and fill in the section entitled "Value Added Merchant & Transaction Fees".
  5. Proposers who provide additional pricing for value added functionality should note that providing this information to the City, including price schedules, does not obligate the City or Medallion owner to contract for these services.
- F. Enter all assumptions to be considered regarding the RFP response. A worksheet entitled "6-Assumptions" has been provided for this purpose.
1. Include the item reference number for all assumptions that reference a specific item number from another worksheet.
- G. Enter any volume driven debit/credit card processing rates. A worksheet entitled "7-Volume Rates" has been provided for this purpose.
1. Include rates for each of the estimated monthly card transaction volumes listed.
  2. Volume driven processing rates are optional.
- H. Enter the Service / Maintenance Fees for the stated Maintenance Plan coverage periods. A worksheet entitled "8-Maint Plans" has been provided for this purpose.
- I. Express all pricing quoted in the Pricing Proposal Worksheet in U.S. Dollars.

## ATTACHMENT B: Summary

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

<b>Purchase Model</b>	
<b>Initial Costs</b>	<b>Cost</b>
Hardware - Total Purchase Price	
Software - Total Purchase Price	
Hardware - Total Installation Price	
Software - Total Installation Price	
One Time Fee - Per Vehicle	
One Time Fee - Per Merchant	
<b>Total Initial Costs</b>	
<b>Monthly Recurring Costs</b>	
<b>Monthly Recurring Costs</b>	<b>Cost</b>
Monthly Recurring Charges	
Flat Fee Per Month Fee - Per Vehicle	
Flat Fee Per Month Fee - Per Merchant	
Average Monthly Transaction Cost	
<b>Total Monthly Recurring Costs</b>	
<b>Annual Period</b>	
<b>Annual Period</b>	<b>Cost</b>
Year 1	
Year 2	
Year 3	
<b>Grand Total</b>	

<b>Lease Model</b>	
<b>Initial Costs</b>	<b>Cost</b>
Hardware - Total Installation Price	
Software - Total Installation Price	
One Time Fee - Per Vehicle	
One Time Fee - Per Merchant	
<b>Total Initial Costs</b>	
<b>Monthly Recurring Costs</b>	
<b>Monthly Recurring Costs</b>	<b>Cost</b>
Hardware - Monthly Lease Fees	
Software - Monthly Lease Fees	
Monthly Recurring Charges	
Flat Fee Per Month Fee - Per Vehicle	
Flat Fee Per Month Fee - Per Merchant	
Average Monthly Transaction Cost	
<b>Total Monthly Recurring Costs</b>	
<b>Annual Period</b>	
<b>Annual Period</b>	<b>Cost</b>
Year 1	
Year 2	
Year 3	
<b>Grand Total</b>	

## ATTACHMENT B: 1-Purchase Model

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

All costs are to be quoted on a price per vehicle basis  
 Detail all hardware and software costs using the list below and breakout installation from purchase cost  
 Do not include any fees or one-time costs associated with card transactions in this worksheet  
 Only the fees listed here will be allowed to be charged

Purchase Model	Installation Price <sup>1</sup>	Purchase Price
<b>Total Hardware</b>		
<b>Total Software</b>		

Item	Itemized Hardware List	Installation Price <sup>1</sup>	Purchase Price
PH1			
PH2			
PH3			
PH4			
PH5			
PH6			
PH7			
PH8			
PH9			
PH10			
PH11			
PH12			
PH13			
PH14			
PH15			
Item	Itemized Software List	Installation Price <sup>1</sup>	Purchase Price
PS1			
PS2			
PS3			
PS4			
PS5			
PS6			
PS7			
PS8			
PS9			
PS10			

<sup>1</sup>Include any setup or one-time costs as Installation Price

## ATTACHMENT B: 2-Lease Model

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

All prices are to be quoted on a price per vehicle basis  
 Detail all hardware and software costs using the list below and breakout installation cost from lease price  
 Do not include any fees or one-time costs associated with card transactions in this worksheet  
 Lease pricing is optional

Lease Model	Installation Price <sup>1</sup>	Monthly Lease Price
<b>Total Hardware</b>		
<b>Total Software</b>		

Item	Itemized Hardware List	Installation Price <sup>1</sup>	Monthly Lease Price
LH1			
LH2			
LH3			
LH4			
LH5			
LH6			
LH7			
LH8			
LH9			
LH10			
LH11			
LH12			
LH13			
LH14			
LH15			
Item	Itemized Software List	Installation Price <sup>1</sup>	Monthly Lease Price
LS1			
LS2			
LS3			
LS4			
LS5			
LS6			
LS7			
LS8			
LS9			
LS10			

<sup>1</sup>Include setup or one-time costs as Installation Price

## ATTACHMENT B: 3-Recurring Charges

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

Detail all monthly recurring charges expressed on a monthly basis that will be charged per vehicle  
**When stating maintenance plan charges, indicate the price for 7 X 24 X 52 coverage only**  
 Recurring monthly merchant costs should be stated using worksheet 4-Fees  
 Do not include monthly merchant & transaction fees in this worksheet  
 Only the fees listed here will be allowed to be charged

Monthly Recurring Costs	Price
<b>Total</b>	

Item	Itemized Monthly Recurring Costs	Price
R1		
R2		
R3		
R4		
R5		
R6		
R7		
R8		
R9		
R10		
R11		
R12		
R13		
R14		
R15		
R16		
R17		
R18		
R19		
R20		

## ATTACHMENT B: 4-Fees

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

List all merchant & transaction processing fees and categorize them into one of the four categories listed below.  
 Fees should be given for each card type  
 Only the fees listed here (F1-F30) will be allowed to be charged  
 When stating volume driven credit/debit card transaction rates assume a monthly transaction volume of 500K and average fare of \$10 only  
 Enter the average transaction fee percentage and Flat Fee per transaction for Visa, MasterCard (credit card and pinless debit card). TLC assumes that American Express Express, Discover JCB etc. are included in the stated assumption under 'Other Card Types' and has predetermined the costs to be \$0.21 per transaction.

Total Processing Fees				Flat Rate/Month Merchant	1 Time Fee Merchant	Flat Rate/Month Vehicle	1 Time Fee Vehicle
Item	Fee Description	% Rate of Transaction	Flat Rate Per Transaction	Flat Rate/Month Merchant	1 Time Fee Merchant	Flat Rate/Month Vehicle	1 Time Fee Vehicle
F1							
F2							
F3							
F4							
F5							
F6							
F7							
F8							
F9							
F10							
F11							
F12							
F13							
F14							
F15							
F16							
F17							
F18							
F19							
F20							
F21							
F22							
F23							
F24							
F25							

**Assumptions for Average Monthly Transaction Costs**

<b>Transactions per month Assumption per Vehicle</b>	<b>120</b>		
<b>Taximeter Fare Amount Assumption per Transaction</b>	<b>\$10.00</b>		
<b>Card Type</b>	<b>% of Monthly Transactions</b>	<b>Avg. Cost Per Transaction <sup>1</sup></b>	<b>Average Monthly Fees</b>
<b>MasterCard - Credit Card</b>	<b>19.5%</b>		<b>\$0.00</b>
<b>Visa - Credit Card</b>	<b>32.5%</b>		<b>\$0.00</b>
<b>MasterCard - Pinless Debit Card</b>	<b>10.5%</b>		<b>\$0.00</b>
<b>Visa - Pinless Debit Card</b>	<b>17.5%</b>		<b>\$0.00</b>
<b>Other Card Types</b>	<b>20.0%</b>		<b>\$0.00</b>
<b>Total</b>	<b>100.0%</b>		

<sup>1</sup> Average Cost per Transaction must include both the Flat Fee per transaction and the percentage rate per transaction times \$10.00

For example: Avg Flat Fee/Tx of \$0.05 plus 1% of \$10.00 = \$0.15 Average Cost per Transaction

## ATTACHMENT B: 5-Value Added Services

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

1. Detail all additional services beyond minimum RFP requirements.
2. Do not include any core functionality pricing already itemized in worksheets 1-4 in this worksheet.
3. Only the fees listed here will be allowed to be charged.

Value Added Purchase Model		Installation Price	Purchase Price
<b>Total Value Added Hardware Purchase</b>			
<b>Total Value Added Software Purchase</b>			
Item	Itemized Value Added Hardware List	Installation Price	Purchase Price
V1			
V2			
V3			
V4			
V5			
Item	Itemized Value Added Software List	Installation Price	Purchase Price
V6			
V7			
V8			
V9			
V10			

**ATTACHMENT B: 5-Value Added Services (Continued)**

Value Added Lease Model		Installation Price	Monthly Lease Price
Total Value Added Hardware Lease			
Total Value Added Software Lease			
<b>Item</b>	<b>Itemized Value Added Hardware Lease List</b>	<b>Installation Price</b>	<b>Monthly Lease Price</b>
V11			
V12			
V13			
V14			
V15			
<b>Item</b>	<b>Itemized Value Added Software Lease List</b>	<b>Installation Price</b>	<b>Monthly Lease Price</b>
V16			
V17			
V18			
V19			
V20			

Value Added Monthly Recurring Costs		Price
<b>Total</b>		
<b>Item</b>	<b>Itemized Value Added Recurring Costs</b>	<b>Price</b>
V21		
V22		
V23		
V24		
V25		

	Flat Rate/Month	1 Time Fee	Flat Rate/Month	1 Time Fee
<b>Value Added Merchant &amp; Transaction Fees</b>	<b>Merchant</b>	<b>Merchant</b>	<b>Vehicle</b>	<b>Vehicle</b>

Item	Value Added Fee Description	% Rate of Transaction	Flat Rate Per Transaction	Flat Rate/Month Merchant	1 Time Fee Merchant	Flat Rate/Month Vehicle	1 Time Fee Vehicle
V26							
V27							
V28							
v29							
v30							

## ATTACHMENT B: 6-Assumptions

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

1. Assumptions referencing an item number from another worksheet should include the item reference number.
2. Type 'General' as the item reference if not specifically referring to a item in another worksheet.

Item	Item Reference	Assumption
A1		
A2		
A3		
A4		
A5		
A6		
A7		
A8		
A9		
A10		
A11		
A12		
A13		
A14		
A15		
A16		
A17		
A18		
A19		
A20		
A21		
A22		
A23		
A24		
A25		
A26		
A27		
A28		
A29		
A30		
A31		
A32		
A33		
A34		

"ATTACHMENT B:  
PRICING PROPOSAL WORKSHEET"  
(Part 7 - Volume Rates)

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

All prices are to be quoted on a price per transaction basis. Detail any volume driven rates for Debit/Credit card processing using the grid below and breakout rates by category. For each volume threshold charges may be expressed as a percentage, a flat fee or if both are filled in, then they will be combined. Volume Driven Processing Fees are optional

Item	Volume Driven Debit/Credit Card Processing Fees  \$10.00 Average Fare	200K		500K		1MM		2MM	
		% Rate	\$ Flat Fee						
VX1									
VX2									
VX3									
VX4									
VX5									

**(Part 7 Volume Rates Continued)**

Item	Volume Driven Debit/Credit Card Processing Fees  \$15.00 Average Fare	200K		500K		1MM		2MM	
		% Rate	\$ Flat Fee						
VXV1									
VXV2									
VXV3									
VXV4									
VXV5									

Attachment B: Pricing Proposal Worksheet  
(Part 8 Maintenance)

<b>Vendor Name:</b>	
<b>Submission Date:</b>	

Item	Maintenance Plans	7 x 24 x 52	7 x 12 x 52	5 x 24 x 52	5 x 12 x 52
M1					
M2					
M3					