

Schedule G: Miscellaneous Service Contracts



Item Number: 1

Vendor Name (Location) Seon Design [USA] Corp. (Bellingham, Washington)
Description Bus Camera Security System Maintenance
Contract Term (including Options, if any): Nine years (Three-year base + three 2-year options)
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Negotiation

Contract Number 440943	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total Estimated Amount: \$75,433,846 (Base + Options) Base Contract \$25,712,566 Options \$49,721,280	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Department: Department of Buses, Frank Annicaro	

Purpose:

NYC Transit is seeking Board approval to award a three-year estimated quantity miscellaneous service contract for the provision of maintenance and support services for the MTA Bus Camera Security System (“BCSS”) to Seon Design [USA] Corp (“Seon”) in the total estimated amount of \$25,712,566. The Board is also requested to authorize the NYC Transit Assistant Chief Procurement Officer to approve the exercise of up to three 2-year options in the estimated amount of \$49,721,280.

Discussion:

This contract will allow for the provision of maintenance services for all buses and depots equipped with a BCSS as well as diagnostic and video data management services. The BCSS allows video images to be captured on buses and then wirelessly uploaded along with a system health report from the buses to depot servers during the refueling process for use in managing data and ensuring proper operation of the onboard equipment. As of January 2024, NYC Transit and MTA Bus Company have a total of 5,248 buses equipped with BCSS (5,195 from Seon, and 53 from Apollo Video Technology [“Apollo”]); approximately 3,656 buses have been delivered with BCSS preinstalled at the factory. During new bus procurements, original equipment manufacturers had the option of offering preapproved BCSS systems from Seon and Apollo.

The evaluation criteria for this Request for Proposal (“RFP”), listed in descending order of importance, are as follows: Proposer’s Overall Technical Qualifications including relevant experience, technical proposal and approach to the project, past performance on similar projects, the proposer’s approach to diversity practices, Overall Price, and Other Relevant Matters. Selection Committee (“SC”) members were drawn from the DOB, the Office of Management & Budget, the Department of Operations Planning, and Procurement.

NYC Transit aggressively canvassed the marketplace for potential new contractors to expand the competitive environment. Twenty-nine firms requested the RFP package, of which two submitted proposals: RL Controls LLC (“RL”) and Seon.

Following the SC’s review of the written proposals submitted by RL and Seon, both were invited for oral presentations. After oral presentations, the SC determined that both proposers were technically qualified, and each was invited to participate in negotiations.

Negotiations focused on the proposers’ demonstrated ability to perform the work including experience, project management team, video data management services, and overall price. The price proposals contained two classes: Class A was structured to provide a monthly rate to provide hardware and software maintenance for all BCSS equipped buses, hardware and labor pricing for non-warranty repairs, training, and pricing for server licenses. Class B was structured to provide monthly rates for Video Data Management services (“VDMs”). Separating the BCSS Maintenance and VDMs into different classes gives the Authority the flexibility to award each Class to a different vendor based on the best value to the Authority in accordance with the evaluation criteria.

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Best and Final Offers (“BAFOs”) were received on December 1, 2023, and presented to the SC for consideration on December 5, 2023. The SC evaluated the BAFOs in accordance with the evaluation criteria, including the pricing for the option years. While both vendors were determined to be technically capable of performing the work, the SC unanimously voted to recommend that both Classes be awarded to Seon, as this combination provides the overall best value for the Authority.

Seon’s BAFO was in the total amount of \$28,569,820, which was \$79,684 or 0.28 percent less than its initial proposal of \$28,649,504. DOB agreed to incorporate a proposed scope change for which both companies provided alternative pricing resulting in a savings of \$1,251,512 for the base and, if all options are exercised, will result in an additional savings of \$935,220. Subsequent to receipt of the BAFO, Seon provided unilateral price concessions for the monthly maintenance service and the VDMs resulting in savings of \$1,605,742 for the base; if all options are exercised, additional savings of \$1,699,200 will be achieved. A total savings of \$2,857,254 will be achieved for the base contract; if all options are exercised, an additional \$2,634,420 will be saved.

The award to Seon will consist of \$18,902,266 for hardware and software maintenance, non-warranty repairs and server licenses, and \$6,810,300 for VDMs for a total award amount of \$25,712,566.

Through negotiations and the competitive nature of this procurement, final pricing from Seon is considered fair and reasonable.

The NYC Transit Controller’s Office performed a financial review of Seon and determined that it is financially qualified to perform the work of the contract.

Seon has certified that pursuant to EO 16, it is not doing business in Russia.

The contract resulting from this procurement has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity terms and conditions and requirements, including any terms and conditions and requirements under federal, state and local law and regulations. Any applicable cybersecurity terms and conditions and requirements, to the extent required, have been included in the contract terms and conditions.

M/W/SVDOB Information

The MTA Department of Diversity and Civil Rights (DDCR) has established goals of 15 percent MBE, 15 percent WBE, and 6 percent SDVOD on this contract. Seon has committed to meeting the required MWBE and SDVOB goal requirements. Seon has not recently completed any MTA contracts with goals; therefore, no assessment of their performance can be determined at this time.

Impact on Funding

Total funding for this contract is available in the operating budget.