

# Executive Summary

## **RFP #00612 WSCA/NASPO Commercial Card Solutions Rebid of Existing PCard and Fleet Card Contracts**

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### **Summary**

Solicitation #00612 was a multi-state WSCA/NASPO competitive procurement lead by Washington State on behalf of and in collaboration with Washington stakeholders and several other participating states. The goal for the solicitation was to rebid the existing contracts that are expiring in 2013, while partnering to bring additional savings to the participating states by combining purchasing power.

Currently Washington, California, Oregon, Nevada, Utah, Arizona, and Minnesota utilize this contract and participated in the rebid process.

The estimated combined annual value of the current Purchasing/Travel/OneCard (“PCard”) and Fleet Card contract is \$1,800,000,000. Washington’s estimated current participation is \$296,000,000 annually on the PCard contract, and \$40,000,000 on the Fleet Card contract, for a total of \$346,000,000 per year.

Once awarded, Contract #00612 will replace WSCA’s current PCard contract led by California (which has a Fleet Card option in the existing contract), as well as the Washington state Fleet Card contract, both of which are expiring. The new combined contract will now include both Commercial Cards (formerly known as PCard, Travel and OneCard) for goods and services (Category 1), and fleet cards (Category 2) for the purchase of fuel, maintenance, and roadside assistance.

### **Extensive stakeholder/subject matter expert involvement**

Approximately 15 stakeholder meetings, WebEx and conference calls were held, including multi-state/Washington stakeholders and subject matter experts (SMEs). The 7 states were represented SMEs and procurement staff in each meeting, with the following Washington customers participating and providing critical input:

- **Washington State Lead:** Kevin White - WSDOT
- **Washington State SMEs:**
  - DES Fleet Operations (Dean Rood, Bryan Bazard, George Carter III)
  - WSDOT (Bill Bloomfield, Julie Snyder, Ken Coors)
  - Evergreen State College (Jay Field)

DES Fleet Operations Manager requested a technical requirement that no other state needed - to randomly assign a new PIN number with each reservation made. With DES managing a significant number of state-owned vehicles for multiple agencies, there was a requirement to have this ability (Category Two, Fleet Card).

This requirement was included in the bid specifications and both responsive Bidders *did agree* to meet this requirement.

Upon completion of extensive SME reworks, a very collaborative multi-state solicitation was finalized and released. The following steps then occurred:

Solicitation Schedule:

11/7/12 - RFP #00612 posted to WEBS

11/27/12 - Pre-bid conducted

1/24/13 - Bid closing date

Bids Received:

Received 7 bids - 4 for Category 1(Commercial Card) and 3 for Category 2(Fleet Card).

Evaluation Process:

The evaluation process had multiple elements that were pass/fail or scored. Category 1 had 995 total possible points and Category 2 had 994 points. Each section had a weight factor applied.



00612 Point Allocation Table.xls

**Step One:** The solicitation *Responsiveness and Responsibility* check was performed by the Procurement Coordinator. Comdata submitted bids for both Categories 1 and 2, but were found non-responsive. They did not agree to the mandatory 45-day prompt pay requirement, and did not submit their pricing information in the requested format, denying the Procurement Coordinator the ability to perform a proper apples-to-apples comparison.

**Step two:** A *pass/fail* review regarding bidders *meeting all necessary business and technical requirements* (as listed in Appendices F and H) took place. This step was completed as a group by the Procurement Coordinator and the Evaluation Team.

**Step Three:** *Cost scoring, Card Acceptance scoring, and Reference checks* were performed by the Procurement Coordinator prior to the Oral/Live Demonstrations.

**Step Four:** *Non-Cost scoring, including live demonstration review*, was performed by an Evaluation Team representing Washington, Oregon, California, Nevada, Arizona, Utah, and Minnesota on February 19-21, 2013 in Seattle WA. The remaining responsive Bidders were each given 2 hours to perform their Oral/ Live Demonstrations via webinar. A 30 minute Q&A session followed and was recorded. The Q&A session allowed SMEs and Evaluators to seek clarification on demonstrated requirements that needed clarification.

Each Evaluation Team member selected SMEs within their state to assist with non-cost scoring and to provide program specific information to their perspective Evaluation Team member. Each state was then required to submit a *single* score, based on the evaluation criteria in the RFP.

Non-cost scores were entered into the Master Bid Tabulation, followed by cost scores, which were then combined to indicate each Bidder's combined score. When all scoring components were added together, there was a clear apparent successful vendor ("ASV") in both categories:

**Category 1 ASV: *US Bank*** - Receiving 837.78 out of 995 points.

(Next lowest bidder - Bank of America with 774.15 points.)

US Bank excelled in the area(s) of prompt payment discounts, customer service, and training.



**Category 2 ASV: *Voyager*** - Receiving 849.41 out of 994 points.

(Next lowest bidder - WEX with 679.58 points.)

Voyager excelled in the areas of implementation, training, prompt payment discount.



Contract exceptions have been reviewed by WSCA Representatives and the Evaluation Team. While DES Legal will review and approve, the team did not see any immediate "deal breakers" in the exceptions received.

The new rebates offered appear to be quite attractive. While it is difficult to calculate the total savings for all states, it is presumed the savings would be similar to what Washington would receive. A review of Washington's current rebate structure reveals an approximate increase of .003. Washington will also receive an overall WSCA Participating Incentive based on all WSCA Participating States volume of .0045 or an estimated \$810,000 annually. Washington will also receive the same rebate on the Fleet card, estimated to be \$600,000 annually.

### **Recommendation**

Based on the above, it is recommended that an award be made for RFP #00612 in the following categories, to the following vendors:

Category 1 (PCard): **US Bank** (incumbent)

Category 2 (Fleet Card): **Voyager** (US Bank subsidiary, WSCA/NASPO incumbent)

### **Action**

Award to be approved by Washington executive management, followed by award recommendation to the WSCA/NASPO Board of Directors by Christine Warnock.

Upon acceptance, Washington will facilitate execution of Master Pricing Agreement with both vendors, at which time Washington and other participating states will develop, negotiate and execute participating addenda to incorporate any additional state-specific terms and conditions.

### **Implementation**

Category 1 (PCard): Due to the awarded vendor being the current vendor no implementation plan or time is anticipated to be required.

Category 2 (Fleet Card): An implementation plan will be developed with time anticipated being required for card return/issuance, system training, etc. for Washington. However, as this is the existing WSCA/NASPO vendor no implementation will be required for other states. As this was Washington's prior vendor for Fleet Card service, training should be minimal.