



DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES
DIVISION OF MUNICIPAL SUPPLY SERVICES

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Martha K. Hirst
Commissioner

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Citywide Personnel
Services

February 12, 2010

Facilities
Management &
Construction

Dear Prospective Proposer:

This letter transmits Addendum #2 for the City of New York, Department of Citywide Administrative Services, Request for Proposal for the NYC Taxi of Tomorrow, PIN # 85701000514.

Municipal Supply
Services

- Attached please find a list of questions received via e-mail and at the pre-proposal conference and the City's response to these questions.

Please remember that the proposal is due as follows:

Real Estate Services

Friday, March 26, 2010
2:00 PM

Citywide Equal
Employment
Opportunity

New York City Department of Citywide Administrative Services
Division of Municipal Supply Services
ATTN: Taxi of Tomorrow – PIN #85701000514
1 Centre Street, 18th Floor Bid Room
New York, NY 10007

E-mailed or faxed proposals will not be accepted.

Citywide
Occupational Safety
& Health

Please remember to note receipt of this addendum, entitled Addendum #2, on Attachment B, Acknowledgement of Addenda. This document is to be submitted with your response. It is not required before hand.

Transportation
Services

Sincerely,

Carol J. Green
Assistant Commissioner

The City Record

CityStore

City of New York
Taxi of Tomorrow
Response to Questions

Request for Proposal PIN # 85701000514

Addendum #2

Purpose

The purpose of this addendum is to supplement the Taxi of Tomorrow RFP with information that the City believes will clarify the RFP and assist potential responders in formulating responses to the RFP. The text below is based on the City's consideration of relevant questions submitted during the RFP question period, including questions asked at the pre-proposal conference on January 14, 2010. Questions presented herein are not necessarily direct transcriptions of questions sent to the City and may consist of new material that combines or edits previously submitted relevant questions for clarity.

Procedural Issues

Several questions were received about the proposed composition of the selection committee for the Taxi of Tomorrow project as well as requests for their names and affiliations. New York City policy is that information regarding the identity of persons evaluating RFP proposals is confidential and is not to be distributed. Therefore, TLC and DCAS will not be releasing this information.

We also received questions about Section IV of the RFP (Format and Content of the Proposal). Potential proposers should read the RFP document carefully to understand the basis by which a submission will be determined to be responsive or non-responsive (see especially pp. 13 – 19 of the RFP). Potential proposers should also be aware that interviews may be conducted as part of the selection process. Any contract that results from the RFP will be awarded by DCAS on behalf of the TLC.

A copy of this addendum will also be posted to the TLC's Taxi of Tomorrow website located at http://www.nyc.gov/html/tlc/html/misc/taxi_of_tomorrow.shtml. Other information, such as a list of Pre-Proposal Conference attendees, a transcript of the event, and a copy of presentations shown at the conference may be posted at a later time to that page. Interested persons should check the website for updates.

Q1: The RFP states on page 7 that the notice to proceed (NTP) is contingent upon TLC's adoption of rulemaking and that the contract will not be awarded until complete. It also states that a respondent's proposals are binding for up to 16 months, or until July 31, 2011. Given a respondent's timeline to develop a product is up to 4 years, this would put the first vehicle on the road in 2015, after the TLC's stated deadline. If TLC opts to use the 16 month period to select the successful respondent, does that then extend Phase 1 to begin on August 1, 2011, extending the deadline for vehicles to be in service?

A1: No, the October 31, 2014 final deadline for delivery of vehicles is fixed.

Q2: Can you tell me what will be in the eventual contract between the OEM and the City? What kind of liquidated damages will be expected in the event of a breach of the contract or a default? What happens if a future administration seeks to alter the contract?

A2: We cannot speculate at this point on the contents of the contract, the details of which will be negotiated between the selected provider and the City after the RFP responses are submitted and the selection process is complete.

Q3: What protections will proposers have in submitting trade secrets or confidential plans to the City of New York or the TLC? Both are public entities subject to the Freedom of Information Law (FOIL) and other disclosure laws. Proposers are expected to share their business and development plans over a 10 year cycle, and do not necessarily wish to have this information disclosed to other parties.

A3: Please see page 14 of the RFP, which states “Individual firms that submit proposals to DCAS and TLC may request that DCAS and TLC except all or part of such a proposal from public disclosure, on the grounds that the proposal contains trade secrets, proprietary information, or that the information, if disclosed, would cause substantial injury to the competitive position of the individual or firm submitting the information”.

It is incumbent upon the proposer to clearly indicate which portions of the proposal are trade secrets or proprietary.

Please also see page 20 of the RFP, letter ‘I’

Vehicle and Technical Issues

Q4: Regarding the IIHS requirements for crash safety, the RFP states that there is a requirement of an A-rating, which is listed as average. In the IIHS requirements, the ratings are poor, acceptable, and good. Could you please clarify-- what is the minimum rating required?

A4: “Acceptable” is the correct minimum rating.

Therefore, on Page 2 of Appendix A, the table of requirements should be amended to read:

IIHS	The minimum requirement for IIHS front offset, rear crash/head restraint, side and roof crush for any vehicle proposed for the ToT will be ‘A’ (Acceptable) with all taxi content fitted.
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Q5: Does the winning OEM have to include what are today aftermarket components such as T-PEP systems, rooftop lights, and partitions?

A5: The provider of the vehicle is expected to integrate required taxi-specific content into the vehicle. Taxi-content components can be sourced from third party providers, but design and development of the components must be validated by the provider. It is a minimum requirement that Federal Motor Vehicle Safety Standards (FMVSS), United States New Car Assessment Program (US-NCAP), and Insurance Institute for Highway Safety (IIHS) safety tests must be done with the taxi content installed. It is a minimum requirement to have all taxi content defined based on feedback from stakeholder groups, validated as part of the vehicle sign-off process, and fully integrated into the OEM

manufacturing quality process. Although the current equipment is mandated for all taxis, proposals for the Taxi of Tomorrow may alter or improve on such equipment provided that the overall goals of its use are captured. Proposed changes to the current equipment will need to be approved by the TLC Board of Commissioners.

Q6: May proposers use sub-contractors for required taxi content?

A6: Yes. On page 14 of the RFP, it is specified that respondents must provide the “names, addresses, and contact information for all sub-contractors related to the project.”

On Page 1 of Appendix B, it is specified that responders must also demonstrate a “viable strategy” for dealing with suppliers and partner companies to ensure a suitable supply of systems and components

Q7: Must subcontractors be located in New York City?

A7: No.

Q8: Is the installation of the taxi content required to occur in New York City?

A8: No.

Q9: Do proposers need to have regulatory approvals in place for proposed new taximeters (if any) before the proposal submission deadline?

A9: No.

Q10: Does the required iconic design of the vehicle have to include design changes to exterior features, such as the bumper?

A10: The RFP states that the responder should disclose which content items on the vehicle are not able to be changed for safety or structural reasons, and which content items can be removed or altered when the vehicle leaves the NYC market. Responders are expected to offer content that readily distinguishes the vehicle from non-NYC taxis and are encouraged to think about the interior of the vehicle as well as its exterior when proposing their iconic content. Proposers should assume that any iconic content needs to be removed or modified at the end of the vehicle’s life cycle in NYC and before its sale or transfer to another market. The iconic styling elements unique to New York City are subject to final negotiation in the contract.

Q11: Is there a provision in the RFP that allows for safety mechanisms or devices such as black boxes that provide information on crashes to be included?

A11: Responders are free to offer this option, as well as linking it to other similar features such as remote service diagnostics and updated passenger information systems.

Q12: What are the limitations on proposed alternative fuels? Is there a preference for a particular type of alternative fuel? What if feedback from stakeholders indicates that a particular type of fuel is not favored?

A12: Page 2 of Appendix A summarizes the minimum requirements for the Taxi of Tomorrow and does not specify a particular type of fuel, other than for restricted alternative-fuel medallions (see Q13 below).

Section 5(b)(i) of Appendix A (see pages 17-19) should be amended to read at the end of the paragraph beginning “Responders should include in their submission the following information.”:

Responders should ensure that if they propose the use of alternate fuels for their vehicle, infrastructure for the supply of the proposed fuel is either included in the submission, or is already readily available in NYC. While no specific fuel is required, some fuels, such as propane, are illegal for use in motor vehicles in New York City. Responders should ensure that they are familiar with the laws regarding the use and transportation of various fuels in NYC. They should also indicate in their proposal how they intend to incorporate stakeholder concerns regarding the fuel to be used and the provisions and costs related to the infrastructure required to support it.

Q13: The requirement for alternative-fuel medallions is limited to "hybrid or CNG." Are those the only two technologies that would be accepted for those medallions?

A13: See section 19-532(b) of the Administrative Code of the City of New York for the technology requirements for the 273 restricted medallions. Any legal technology can be used for the proposed Taxi of Tomorrow. This local law does not apply to the remaining 12,964 medallion taxis.

Page 2 of Appendix A, under the heading “Sustainability”, should be amended to read:

Proposals should assume that this law will remain in force at the time of the delivery of vehicles. DCAS and TLC are interested in proposals for future vehicles with significant technological improvements, and the City may support legislative changes should such a vehicle be identified as a suitable candidate for the Taxi of Tomorrow.

Q14: Would Start/Stop (Micro-Hybrid) or Mild Hybrid (Start/Stop with battery and re-generative braking) vehicles be accepted for these medallions?

A14: Page 17, section 5a of Appendix A should be amended to read:

The Administrative Code states that a hybrid electric vehicle is a “commercially available mass production vehicle originally equipped by the manufacturer with a combustion engine system together with an electric propulsion system that operates in an integrated manner.”

Q15: What is the relationship between the TLC rules for accessibility and ADA Guidelines within this proposal?

A15: Section 3-03.2 of the TLC rules governing accessible taxicabs includes a requirement that accessible taxicabs vehicles must comply with specified federal regulations promulgated pursuant to the Americans with Disabilities Act. The full text of the TLC rules is available at <http://www.nyc.gov/html/tlc/html/rules/rules.shtml>.

Compliance with section 3-03.2 is currently mandatory only for taxicabs operating with accessible medallions pursuant to section 19-532(b) and (c) of the Administrative Code

of the City of New York. Although TLC rules can be revised by the TLC, responders to the RFP should assume that section 3-03.2 will remain in effect and will continue to apply to taxicabs operating with accessible medallions.

Q16: Is it required that all 13,237 taxis have the ability to be wheelchair accessible? Would it be acceptable if the OEM that won the contract delivered, over the course of the ten years, the vehicles that could be built with wheelchair equipment included but only some of them were delivered with wheelchair equipment on?

A16: The minimum requirement for TOT vehicles is the capability to transfer a reduced-mobility rider from the curb to the taxi. If the vehicles offered are not fully accessible as defined by the TLC rules, additional vehicles must be provided to accommodate any restricted accessible medallions in circulation (see Page 2 of Appendix A). The City intends to “move towards a single vehicle fleet and respondents who are able to offer a single vehicle fleet will be given greater consideration and respondents who are able to offer a single vehicle fleet sooner will be given greater consideration” (see RFP page 8, Section III, B1)

With the introduction of the Taxi of Tomorrow, TLC would like to have a “100% accessible fleet” (Page 13 of Appendix A).

Q17: Appendix A, page 2 states that a minimum requirement for Accessibility is “capability to transfer a reduced mobility rider from curb to taxi”. Is there a mandate or preference for how this is to be accomplished?

A17: No. Proposers should explain in detail how they propose to accomplish this goal, but there is no specific requirement as how to do so.

Q18: ADA requirements state that if a vehicle has only one entranceway, there is a minimum of 36 inches width required, but if there are multiple entranceways, the minimum requirement is 30 inches, not 36 inches. Could you clarify which is required?

A18: Section 4(a)(i) on page 12 of Appendix A states that “ADA guidelines are designed around public service vehicles such as buses; for that reason a number of the metrics will not be directly applicable to passenger cars that are used as taxis.”

Section 4(a)(2) of Appendix A also states that “TOT vehicles will be expected to include accessible content that provides an opportunity to ride for the largest number of disabled users consistent with the base design of the vehicle.” And “The minimum requirement for TOT vehicles is the capacity to transfer a reduced-mobility rider from the curb to the taxi.”

Finally, Page 12, Appendix A states that “TLC expects that content for enabling accessibility will be integrated into the original vehicle design- all accessible content should be considered to be part of the OE vehicle specification. Additional consideration will be given to flexible interior layouts that can accommodate wheelchair, reduced mobility, and mobile riders.”

Q19: Can an existing consumer taxi be modified in an iconic way for New York in response to this RFP?

A19: Yes, as long as it meets the minimum requirements outlined on page 2 of Appendix A.

Q20: Is the TLC open to the purchase of a “precursor” vehicle (which does not meet the RFP requirements) during Phase I of the contract?

A20: No. TLC has an existing process for manufacturers to propose approval of specific vehicle models for use as taxis in NYC. Such proposed vehicles will be considered separately from the Taxi of Tomorrow process.

NYC Taxi Industry Operations

Q21. What are the daily duty cycle expectations and mileage and recharging requirements for electric vehicles?

A21: Page 6 of the RFP states that “a typical taxi [is] driven for two 12-hour shifts per day”. Page 21 of Appendix A says that “TLC is requesting a 12 hour vehicle with an operating range of between 150 and 200 miles.”

Some additional information on present taxi duty cycles can be found in *Roads Forward*, a copy of which can be downloaded through the TLC’s web page at www.nyc.gov/taxi.

Q22. How many designated taxi stands are there in New York City?

A22: We do not know the exact number of stands because except for at the airports and certain high-traffic locations such as Pennsylvania Station and Grand Central Terminal, or at hotels in the Central Business District (CBD), service is provided via a cruising/street-hail model and therefore there are very few active, commonly used stands.

Q23. How many taxicab garages are there in New York City?

A23: There are 27 TLC-licensed meter shops that sell taxicab-related equipment or provide “hack-up” service to modify stock vehicles into NYC taxicabs. TLC does not regulate other types of providers such as dealerships or garages and therefore cannot provide information on their number or locations.

Q24: What are the average operating costs of fuel, maintenance, etc. that go along with any owner's five-year life cycle cost, aside from the ownership or purchase itself?

A24: Some information on this topic is available in *Roads Forward*, which can be downloaded from the TLC’s website at www.nyc.gov/taxi.

Q25: Is there an incentive for certain taxi owner companies to purchase and operate with restricted medallions, assuming that those vehicles cost more money to purchase up front?

A25: Yes. Section 3-02(a)(5) to (7) of the TLC rules currently allows a longer life cycle for “clean air” and “accessible” taxicabs, whether those vehicles are used with restricted or unrestricted medallions. Please see pages 13 and 17 of Appendix A.

Q26: The RFP states that "the number of vehicles purchased each month will be determined by actual orders". How far in advance will the orders be placed?

A26. This will depend on the production and distribution capabilities of the proposer.

Q27: Is there a guarantee of a minimum number of vehicles purchased per year?

A27: No. Proposers should refer to Appendix E, which shows the expected retirement cycle of presently used vehicles in 2010, 2011, and 2012. Although vehicles are designated to retire at certain times, they may be replaced earlier than scheduled due to owner preference (replacing one approved vehicle model with another), accidents, or theft. They may be replaced later than scheduled if a qualifying owner applies for and is granted a hardship extension by TLC or if the vehicle qualifies under a "Clean Air" extension under the TLC rules, regardless of the medallion type being used. Please see Appendix E under the heading "Projected Vehicle Retirement Schedule."

Sales & Service

Q28: How will end users purchase taxi vehicles?

A28. Subject to state and local law, responders may propose to sell via dealerships, directly to purchasers, or offer another system, such as leasing. Proposals should also describe how providers will support a suitable parts and service network in the NYC area over the life of the contract (see Page 21 of Appendix A).

Q29: Is there a requirement for the Taxi of Tomorrow to be manufactured in the United States or contain a certain amount of American content?

A29: No.

Q30: Is there a preference for firms located in New York State or New York City?

A30: No. The City is prohibited by law from giving preference to firms located in New York State or New York City solely on the basis of location. We do ask that proposers provide information in their response to indicate manufacturing/assembly location and method of transportation; so that we may assess the energy used in producing their vehicle and transporting it to the NYC area (see pages 19 & 20 of Appendix A).

Q31: Is the awarded company that builds the Taxi of Tomorrow expected to have extensive service areas in the New York City area, or are the taxi garages still going to service vehicles?

A31: It depends. Proposers should detail which services they will arrange or provide to support the expected volume of vehicles that use the present service network for vehicle maintenance. Respondents should document and justify the facilities they expect to need to support parts, service and training needs for the NYC taxi industry, taking into account any specific attributes of their proposed vehicle, and the expected impact of this on the current stakeholders.

Q32: What needs to be included in the 150,000 mile powertrain warranty?

A32: Proposers should provide detailed information on what they plan to cover or exclude from the warranty and why or why not they believe certain parts should be not be included.

Stakeholders

TLC and DCAS received several questions relating to the clarification of obligations of proposers to consult with various stakeholders (including, but not limited to, Vehicle Owners, Drivers, and Pedestrians) and whether certain specific design elements relating to stakeholder comfort and/or safety were mandated by the RFP.

The RFP document specifies in multiple places (not limited to those listed below) that proposers should consider the needs of stakeholders such as passengers, drivers, owners, pedestrians, and NYC residents in crafting their proposal. The TLC also expects respondents to submit a plan showing how stakeholders will be involved to continuously improve the vehicle based on feedback.

Q33: Are proposers required to take into consideration driver comfort when designing the Taxi of Tomorrow?

A33: On page 4 of the RFP, it states that the envisioned qualities of the Taxi of Tomorrow include “superior driver comforts and amenities.”

Q34: Are there any surveys or studies on driver and owner opinions on the use of partitions or other safety devices?

A34: On page 10 of the RFP, it states that the TLC is interested in driver and passenger safety system proposals that include options that would “improve driver safety while maintaining interior space, driver comfort, and driver-passenger communications”. Existing TLC regulations require partitions but there have been no surveys of taxi owners or drivers regarding the desirability of a partition.

Q35: Since the City will not be purchasing the Taxi of Tomorrow vehicles how will the eventual price point be determined? Is there a maximum price allowed?

A35: On page 13, the RFP states that the pricing of a proposer’s vehicles should be formulated with an understanding of the economics of “riders, manufacturers, corporate and individual owners, drivers, agents, and the City.” There is no fixed price cap for the Taxi of Tomorrow, but the lifecycle cost of the proposed taxicab is one of the factors that will be considered in evaluating proposals (see page 16). By rulemaking, the TLC can change the fares that passengers pay to drivers, and the maximum lease rates that drivers pay to owners, and therefore proposers may assume that the TLC will change those fares and maximum lease rates as necessary to fairly allocate the life cycle costs of the Taxi of Tomorrow. Please see the RFP, page 13, under the heading “Price Proposal” for a more detailed description.

Q36: Will stakeholders have any opportunities to express their opinions to the selected proposer?

A36: On page 15 of the RFP, it is written that “TLC is interested in respondent’s vision for the Taxi of Tomorrow as well as the process for conducting stakeholder outreach and feedback...[and] respondent’s ability to incorporate feedback from stakeholders into the taxi’s design as well as the types of elements that can be adjusted or redesigned as a result of stakeholder feedback.” As part of their “proposed approach” proposers should describe the process by which they will obtain information about stakeholders’ needs, and how they will use that information.

Q37: Will preference be given to proposals that include design or mechanical elements that are intended to reduce the risk of vehicle-cyclist or vehicle-pedestrian accidents?

A37: Page 3 of Appendix A states that “one of the key aspects of the TOT program is improved safety of all stakeholders—drivers, riders, other road users, and pedestrians”. It also states on page 4 of Appendix A that “U.S. Legislation currently has little or no provision for assessing impact protection for pedestrians; however, TLC is committed to improving to offering improved safety for pedestrians as a feature of the Taxi of Tomorrow”. Proposers should provide an analysis of their proposed vehicle’s pedestrian safety impact using European Union or equivalent protocols.

RFP Document Amendments and Clarifications

Q38: With regard to Page 18 of Appendix A, do these charts have the correct labels? They appear to have been switched.

A38: These charts were mislabeled in the RFP. Therefore, Appendix A, Page 18 should be amended to read:

Proposed Passenger Car Fuel Economy Targets: 74 FR 49472 (Sep. 28, 2009)

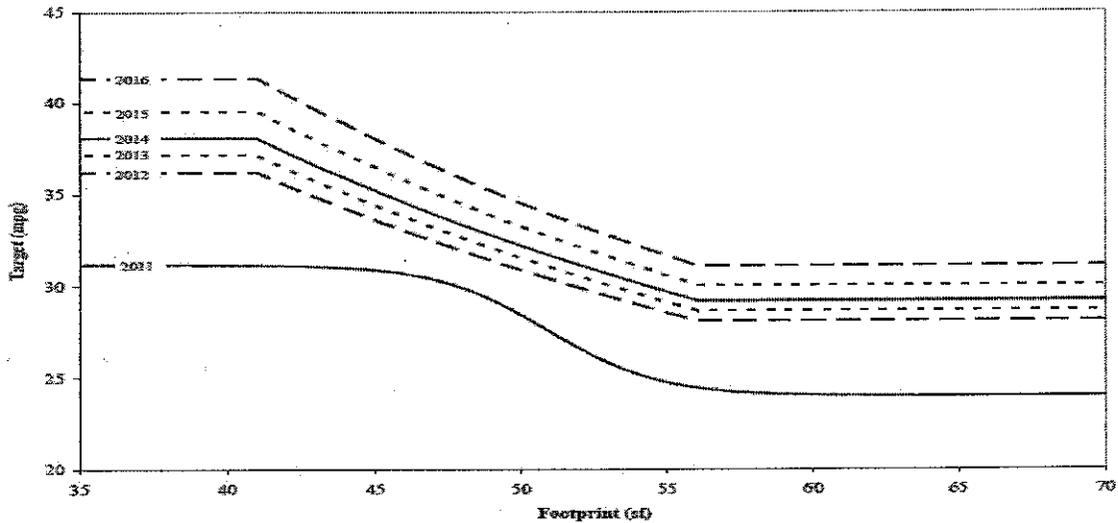


Figure I.D.3-1 Final MY 2011 and Proposed MY 2012-2016 Passenger Car Fuel Economy Targets

Proposed Light Truck Fuel Economy Targets: 74 FR 49473 (Sep. 28, 2009)

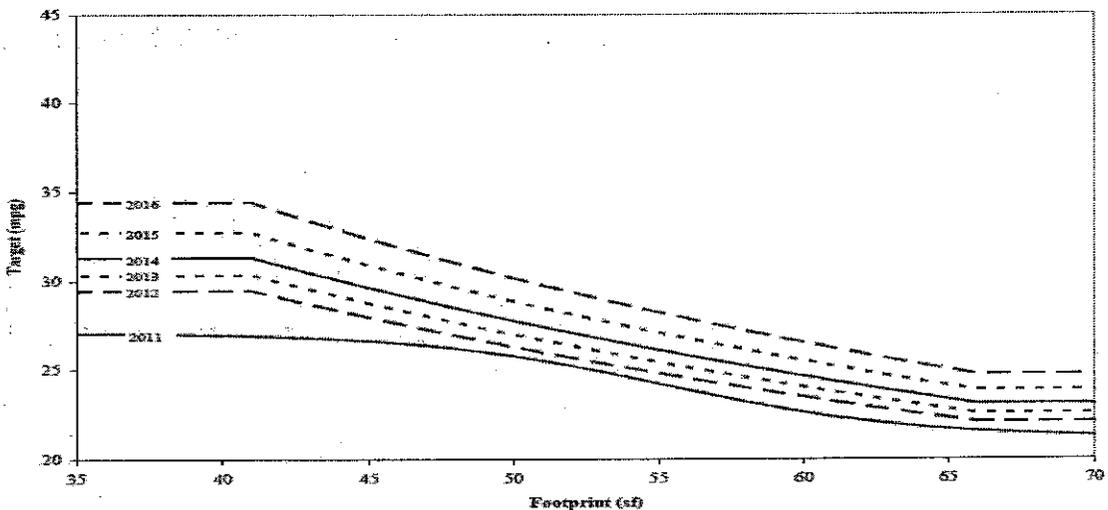


Figure I.D.3-2. Final MY 2011 and Proposed MY 2012-2016 Light Truck Fuel Economy Targets

Q39. In mileage, Page 17 and 18 of the RFP referenced mileage, is that combined mileage, or is it City?

A39: Combined.

Q40: Will for-hire vehicles (a/k/a livery, black car, or car service) be held to the new design standards defined in the Taxi for Tomorrow project?

A40: This RFP is for medallion taxicab vehicles.

Q41: Appendix B asks on page 2 for a business plan for the “financial portion of project proposal”. Is the TLC requesting information for TOT as a stand-alone project, or as part of a total company projection, inclusive of the TOT project?

A41: Proposing firms or consortia should provide as much business plan information as they can as described in the RFP in Appendix B.