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## Protest Decision

**Matter of:** Intelligent Imaging Systems, Inc.

**Case No.:** 2018-204

**Posting Date:** December 11, 2017

**Contracting Entity:** South Carolina Department of Public Safety

**Solicitation No.:** 5400013032

**Description:** SCDPS ALPRS & Number Recognition System

### DIGEST

Protest alleging errors in the evaluation is denied. Intelligent Imaging System' (IIS) letter of protest is included by reference. [Attachment 1]

### AUTHORITY

The Chief Procurement Officer (CPO) conducted an administrative review pursuant to S.C. Code Ann. §11-35-4210(4). This decision is based on a review of the procurement file, applicable law, and precedents.

### BACKGROUND

#### Key Events

Solicitation Issued

03/23/2017

Amendment 1 Issued	05/01/2017
Amendment 2 Issued	05/05/2017
Intent to Award Posted	10/13/2017
Protest Received	10/20/2017

## ANALYSIS

The State Fiscal Accountability Authority (SFAA) issued this solicitation on behalf of the South Carolina Department of Public Safety to acquire two trailer mounted Automated License Plate Recognition Systems (ALPRS) with solar power, two Automated USDOT Number Recognition Systems, and seven Law Enforcement Vehicle Mounted License Plate Recognition Systems (LPRS). Proposals from International Road Dynamics Corporation and IIS were received on July 14, 2017. After clarifications, discussions, evaluation and negotiations, an Intent to Award was posted to IRD on October 13, 2017. IIS raised the following five (5) issues of protest on October 20, 2017.

IIS' initial issue of protest raises a question about the evaluation of price:

1. The Award Criteria (p. 28) of the Request For Proposal stated Total Cost to execute the proposed solution had an evaluation value of 20/100 points.

*IIS' bid price was lower than that of intended awardee IRD. The SC DPS Intent to Award listed Line Items 00001 through 00005 and did not include the Maintenance for Years 2 – 5. IIS bid price for these line items 00001 through 00005 was \$416,611 vs IRD's bid of \$484,250.*

This issue of protest results from a misunderstanding attributable to a difference between the bid schedule and the Intent to Award and the allocation of points for price. As stated in IIS' protest, the solicitation required pricing for the Trailer mounted ALPRS w/solar power, the automated USDOT Number Recognition System, the LPRS, In-Service training for up to 10 STP employees, warranty for two years, and maintenance for three years. IIS proposed prices for all items totaling \$473,536.78 and received the maximum of 20 points for the evaluation of price. IRD proposed prices for all items totaling \$739,000.00 and received 12.82 points for the evaluation of price. During negotiations, DPS determined not to award the maintenance for years 2 through 5, and dropped two other elements of price which reduced the awarded amount to

\$484,250 reflected on the Intent to Award. The price of the two offers was properly evaluated. This issue of protest is denied.

IIS' next issue of protest is that IRD does not have mobile equipment

2. The SC DPS Request For Proposal (RFP) Scope of Work/Specifications Item 3.1.2 stated the "Trailer mounted and law enforcement vehicle mounted ALPRS must be capable of interfacing with a database that houses CVIEW files to check compliance. CVIEW database is hosted by Iteris for SC DPS and will continue to be hosted by Iteris at this time."

*To our knowledge IRD does not have mobile equipment that has been demonstrated to be connected to mobile equipment. IRD's sole experience with ALPR technology is restricted to stationary pole-mounted equipment. IIS has already demonstrated our capability to provide mobile ALPR, as cited in our RFP response references, with the Virginia Department of Motor Vehicles and the New Mexico Department of Public Safety, both of whom use IIS-supplied mobile ALPR technology. In addition, IIS has more experience working with ITERIS in a number of States.*

IDR proposes to subcontract with ELSAG North America to provide the ALPRS technology:

IDR will subcontract the supply and installation of LPR technology to ELSAG North America:

[IRD Technical Proposal, Page 32] ELSAG will provide the ALPRS technology:

**Solution and Methodology:**

ELSAG will supply two (2) trailer mounted Automated License Plate Recognition Systems (ALPRS) with solar power and seven (7) Law Enforcement Vehicle Mounted License Plate Recognition Systems. Trailer mounted and law enforcement vehicle mounted ALPRS include a camera with a digital signal processor based on optical character recognition processing along with a power distribution and network communication unit.

[IDR Proposal, Page 4]

IIS also proposed ALPRS technology manufactured by ELSAG. This issue of protest is denied.

IIS' third issue of protest is as follows:

3. The SC DPS RFP Scope of Work/Specifications Item 3.3.1 stated “Required are two (2) compact, robust and fully integrated USDOT number recognition camera systems which incorporates a camera and a process that includes all Optical Character Recognition (OCR) engines, within a single, sealed weather tight unit/enclosure for mainline screening.”

*IIS pioneered the use of Automated USDOT Number Recognition for Commercial Vehicle Enforcement. No other company has more experience in this technology than IIS. The IIS AUR 2.0 is the second generation of USDOT reader produced by IIS and the most accurate system on the market. IIS’ bid price for 2 Automated USDOT Number Recognition System was \$77,205 vs. IRD’s bid price of \$310,000.*

This issue of protest does not allege a violation of the Code, Regulations, or solicitation and is dismissed.

IIS’ fourth issue of protest is as follows:

4. The SC DPS RFP Scope of Work/Specifications Item 3.3.10 stated “Minimum 80% of the required lateral surface of passing commercial vehicles to be considered adequate coverage for the purpose of USDOT number capture and identification function.”

*The specifications above for the USDOT reader are easily met by IIS and we have a number of references and demonstrable systems from a number of sources for this. IRD does not produce a USDOT reader, meaning they will source a third party USDOT reader and attempt to integrate it into a trailer mounted solution. IRD will not have the experience or references comparable to IIS.*

A responsible bidder is defined in Section 11-35-1410(7) as:

"Responsible bidder or offeror" means a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance which may be substantiated by past performance.

Section 11-35-1810 requires that:

Responsibility of the bidder or offeror shall be ascertained for each contract let by the State based upon full disclosure to the procurement officer concerning capacity to meet the terms of the contracts and based upon past record of performance for similar contracts. The board shall by regulation establish standards of responsibility that shall be enforced in all state contracts.

The State Standards of Responsibility are set forth in Regulation 19-445.2125(A) and include the following:

Factors to be considered in determining whether the state standards of responsibility have been met include whether a prospective contractor has:

(1) available the appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary to indicate its capability to meet all contractual requirements....

IIS seems to argue that is the “most responsible” offeror. The Procurement Review Panel dealt with precisely this objection in *Appeal by Coastal Rapid Public Transit Authority*, Panel Case No. 1992-16:

Responsibility is not an extra evaluation criterion. Award is not made to the “most responsible offeror” but rather to the most advantageous offeror, who then must meet minimum responsibility standards.

As stated earlier, IRD proposed to subcontract with ELSAG North America to supply two (2) trailer mounted Automated License Plate Recognition Systems (ALPRS) with solar power and seven (7) Law Enforcement Vehicle Mounted License Plate Recognition Systems. IRD has demonstrated the ability to obtain the required technology and services. IRD was determined to be a responsible bidder. This issue of protest is denied.

IIS’ final issue of protest states:

5. The SC DPS RFP section regarding Qualifications (p. 26) Item d. stated “Provide a detailed, narrative statement with adequate information to establish that you meet all the requirements”.

*Included in our response was a list of 116 deployments of our ALPR and AUR technology in 22 States, including 19 deployments of mobile equipment in 14 States. IIS has significantly more experience than IRD.*

As stated earlier, IRD was determined to be a responsible bidder. In *In re: Protest of Transportation Management Services, Inc. Appeal by Transportation Management Services, Inc.*, Panel Case No. 2000-3, the South Carolina Procurement Review Panel concluded that:

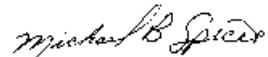
The Panel has held that the evaluation process does not need to be perfect so long as it is fair. Because the Panel will not re-evaluate proposals or substitute its judgement for that of the evaluators, the Panel has held that a claim of superiority by a vendor in certain areas of evaluation, however valid, does not compel the finding that the vendor is most advantageous to the State.

However valid IIS' claim of superior experience, the Chief Procurement Officer will not re-evaluate the proposals or substitute his judgement for that of the evaluators. This issue of protest is denied.

### **DECISION**

For the reasons stated above, the protest of Intelligent Imaging Systems, Inc. is denied.

For the Information Technology Management Office



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Michael B. Spicer  
Chief Procurement Officer

# Attachment 1



**Intelligent Imaging Systems**  
6325 Gateway Blvd NW, Suite 170  
Edmonton, Alberta T6H 5H6  
Phone 1.877.393.3939  
Fax 1.877.393.8883  
info@intelligentimaging.com

intelligentimaging.com

October 20, 2017

Chief Procurement Officer  
Information Technology Management Office  
1201 Main Street, Suite 601  
Columbia SC 29201

Intelligent Imaging Systems Inc. (IIS) wishes to protest the Intent to Award Solicitation 5400013032 SC DPS ALPRS & Number Recognition System to International Road Dynamics (IRD) on the following grounds:

1. The Award Criteria (p. 28) of the Request For Proposal stated Total Cost to execute the proposed solution had an evaluation value of 20/100 points.

*IIS' bid price was lower than that of intended awardee IRD. The SC DPS Intent to Award listed Line Items 00001 through 00005 and did not include the Maintenance for Years 2 – 5. IIS bid price for these line items 00001 through 00005 was \$416,611 vs IRD's bid of \$484,250.*

2. The SC DPS Request For Proposal (RFP) Scope of Work/Specifications Item 3.1.2 stated the "Trailer mounted and law enforcement vehicle mounted ALPRS must be capable of interfacing with a database that houses CVIEW files to check compliance. CVIEW database is hosted by Iteris for SC DPS and will continue to be hosted by Iteris at this time."

*To our knowledge IRD does not have mobile equipment that has been demonstrated to be connected to mobile equipment. IRD's sole experience with ALPR technology is restricted to stationary pole-mounted equipment. IIS has already demonstrated our capability to provide mobile ALPR, as cited in our RFP response references, with the Virginia Department of Motor Vehicles and the New Mexico Department of Public Safety, both of whom use IIS-supplied mobile ALPR technology. In addition, IIS has more experience working with ITERIS in a number of States.*

3. The SC DPS RFP Scope of Work/Specifications Item 3.3.1 stated "Required are two (2) compact, robust and fully integrated USDOT number recognition camera systems which incorporates a camera and a process that includes all Optical Character Recognition (OCR) engines, within a single, sealed weather tight unit/enclosure for mainline screening."

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*of USDOT reader produced by IIS and the most accurate system on the market. IIS' bid price for 2 Automated USDOT Number Recognition System was \$77,205 vs. IRD's bid price of \$310,000.*

4. The SC DPS RFP Scope of Work/Specifications Item 3.3.10 stated "Minimum 80% of the required lateral surface of passing commercial vehicles to be considered adequate coverage for the purpose of USDOT number capture and identification function."

*The specifications above for the USDOT reader are easily met by IIS and we have a number of references and demonstrable systems from a number of sources for this. IRD does not produce a USDOT reader, meaning they will source a third party USDOT reader and attempt to integrate it into a trailer mounted solution. IRD will not have the experience or references comparable to IIS.*

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*Included in our response was a list of 116 deployments of our ALPR and AUR technology in 22 States, including 19 deployments of mobile equipment in 14 States. IIS has significantly more experience than IRD.*

Based on these objections we respectfully request that SC DPS reevaluate the response from IIS. If the State still feels it does not have enough information to decide which vendor will best meet the State's interests, then we would request that the State require both members to provide working demonstrations of their proposed systems to the State as part of the re-evaluation process. We strongly believe that IIS has the demonstrated experience and technical expertise to deliver a solution that meets all of the State's requirements while offering the best value.

Sincerely yours,

Brian Heath  
President and CEO  
[bheath@intelligentimaging.com](mailto:bheath@intelligentimaging.com)



**STATEMENT OF RIGHT TO FURTHER ADMINISTRATIVE REVIEW**

*Protest Appeal Notice (Revised July 2017)*

The South Carolina Procurement Code, in Section 11-35-4210, subsection 6, states:

(6) Finality of Decision. A decision pursuant to subsection (4) is final and conclusive, unless fraudulent or unless a person adversely affected by the decision requests a further administrative review by the Procurement Review Panel pursuant to Section 11-35-4410(1) within ten days of posting of the decision in accordance with subsection (5). The request for review must be directed to the appropriate chief procurement officer, who shall forward the request to the panel or to the Procurement Review Panel, and must be in writing, setting forth the reasons for disagreement with the decision of the appropriate chief procurement officer. The person also may request a hearing before the Procurement Review Panel. The appropriate chief procurement officer and an affected governmental body shall have the opportunity to participate fully in a later review or appeal, administrative or judicial.

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Copies of the Panel's decisions and other additional information regarding the protest process is available on the internet at the following web site: <http://procurement.sc.gov>

**FILE BY CLOSE OF BUSINESS:** Appeals must be filed by 5:00 PM, the close of business. *Protest of Palmetto Unilect, LLC*, Case No. 2004-6 (dismissing as untimely an appeal emailed prior to 5:00 PM but not received until after 5:00 PM); *Appeal of Pee Dee Regional Transportation Services, et al.*, Case No. 2007-1 (dismissing as untimely an appeal faxed to the CPO at 6:59 PM).

**FILING FEE:** Pursuant to Proviso 111.1 of the 2016 General Appropriations Act, "[r]equests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the South Carolina Code Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6) and/or 11-35-4410...Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of financial hardship, the party shall submit a completed Request for Filing Fee Waiver form at the same time the request for review is filed. The Request for Filing Fee Waiver form is attached to this Decision. If the filing fee is not waived, the party must pay the filing fee within fifteen days of the date of receipt of the order denying waiver of the filing fee. Requests for administrative review will not be accepted unless accompanied by the filing fee or a completed Request for Filing Fee Waiver form at the time of filing." PLEASE MAKE YOUR CHECK PAYABLE TO THE "SC PROCUREMENT REVIEW PANEL."

**LEGAL REPRESENTATION:** In order to prosecute an appeal before the Panel, business entities organized and registered as corporations, limited liability companies, and limited partnerships must be represented by a lawyer. Failure to obtain counsel will result in dismissal of your appeal. *Protest of Lighting Services*, Case No. 2002-10 (Proc. Rev. Panel Nov. 6, 2002) and *Protest of The Kardon Corporation*, Case No. 2002-13 (Proc. Rev. Panel Jan. 31, 2003); and *Protest of PC&C Enterprises, LLC*, Case No. 2012-1 (Proc. Rev. Panel April 2, 2012). However, individuals and those operating as an individual doing business under a trade name may proceed without counsel, if desired.

**South Carolina Procurement Review Panel  
Request for Filing Fee Waiver  
1205 Pendleton Street, Suite 367, Columbia, SC 29201**

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\_\_\_\_\_  
Name of Requestor

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Business Phone

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1. What is your/your company's monthly income? \_\_\_\_\_

2. What are your/your company's monthly expenses? \_\_\_\_\_

3. List any other circumstances which you think affect your/your company's ability to pay the filing fee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To the best of my knowledge, the information above is true and accurate. I have made no attempt to misrepresent my/my company's financial condition. I hereby request that the filing fee for requesting administrative review be waived.

Sworn to before me this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Notary Public of South Carolina

\_\_\_\_\_  
Requestor/Appellant

My Commission expires: \_\_\_\_\_

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For official use only: \_\_\_\_\_ Fee Waived      \_\_\_\_\_ Waiver Denied

\_\_\_\_\_  
Chairman or Vice Chairman, SC Procurement Review Panel

This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_  
Columbia, South Carolina

**NOTE: If your filing fee request is denied, you will be expected to pay the filing fee within fifteen (15) days of the date of receipt of the order denying the waiver.**