

**Board Report**

File #: 2023-0582, **File Type:** Contract**Agenda Number:** 36.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
OCTOBER 19, 2023****SUBJECT: PROCESSING, ADJUDICATION AND COLLECTION OF TRANSIT AND PARKING
CITATIONS****ACTION: APPROVE CONTRACT AWARD****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. PS93508000 to Axiom xCell, Inc. to provide citation processing services for an amount not-to-exceed (“NTE”) \$1,193,892 for the five-year base period, \$316,106 for the first one-year option and \$332,430 for the second one-year option, for a total NTE amount of \$1,842,428, effective January 1, 2024, subject to resolution of protest(s), if any.

ISSUE

The existing citation processing services Contract No. OP27253 expires on December 31, 2023. Metro Transit Court and System Security and Law Enforcement (“SSLE”) require citation processing systems to issue, manage, receive payment for, and adjudicate citations. The software and services provided by this contract includes a database of vital statistics accessible daily on citation issuance that is crucial to SSLE and is necessary to enable Metro to have a decriminalized system. The award of this contract will allow Metro to continue to offer streamlined solutions for patrons to resolve their citations through payment, adjudication, or diversion programs.

BACKGROUND

In July 2010, the Board appointed the Inspector General/Chief Hearing Officer to operate a Transit Court to resolve transit, parking, and other citations to comply with the law, better service the public, and provide independent, fair, and unbiased due process for patrons. Administrative review procedures were established to allow patrons to dispute citations believed to be issued in error. Metro security enforce Metro’s Customer Code of Conduct and Parking Ordinance by issuing warnings and citations to persons who violate those rules. The citations issued are administrative violations and are not subject to criminal punishments.

DISCUSSION

Metro Transit Court seeks a contractor to provide multiple services to support the citation process

lifecycle. One service will be to provide a database of citation records, payments received, correspondence to patrons, and a calendaring system of citation appeals and dispositions. The system will provide reports on demand that have been used in the past to collect and report statistics to comply with Metro's statutory duty to report to the California legislature and now to provide statistics to Metro for transit and parking citations, consistent with the Data Analytics and Bias-Free Policing Policies. The contractor will provide this software and maintain it with modifications as needed and bug fixes.

Another service will be to offer online payment options to patrons to pay fines due and manage payments received online or over the phone. The system will recognize the various payment solutions, such as a Transit School fine reduction, installment payment plans, and community service options.

The contractor will integrate data transfers with Metro's TAP department and the Parking Enforcement vendor to Transit Court to process citations. The contractor will provide a Citation Issuance Electronic Application for use on Mobile Fares Validation devices ("MPVs") that Metro's SSLE use to confirm TAP cards show payment of fares and issue transit and parking citations.

DETERMINATION OF SAFETY IMPACT

Metro is dedicated to ensuring the public a safe and secure experience while using Metro systems. To enable our officers to promptly address operational and public concerns, a reliable processing system must be available. Metro Transit Security Officers conduct Customer Code of Conduct and parking enforcement using the products and services provided by this vendor. Patrons who do not comply may receive a written warning or citation.

FINANCIAL IMPACT

The funding for Contract No. PS93508000 in the amount of \$107,592 for the remainder of FY24 is budgeted under Cost Center 1311, Transit Court, project number 300111.

The five-year base price for this contract is approximately 25% less than the five-year base contract amount paid by Metro for the years 2016 to 2021. The first contract included software development costs. This contract does not include that because the software is now mature and installed. Since this is a multi-year contract, the Inspector General and cost center manager will be accountable for budgeting the cost in future years. Transit Court will monitor the cost of this contract on an annual basis.

Impact to Budget

As we return to pre-pandemic numbers, the annual revenue received for transit and parking citations is anticipated to offset the annual contract cost.

Pre-pandemic revenues for transit and parking citations were as follows:

Revenues Collected			
Fiscal Year	Transit	Parking	Total
2017	\$213,836	\$681,980	\$895,816
2018	\$497,368	\$296,983	\$794,351
2019	\$203,435	\$699,239	\$902,674
2020	\$105,600	\$951,091	\$1,056,691

The funds received are eligible for Transit Court, bus, and rail operations use.

EQUITY PLATFORM

The Diversity and Economic Opportunity Department (“DEOD”) established a 7% Small Business Enterprise (“SBE”) goal and a 3% Disabled Veteran Business Enterprise (“DVBE”) goal for this procurement. Axiom xCell, Inc., a Metro certified SBE prime, exceeded the goal by making a 96.98% SBE commitment and exceeded the DVBE goal by making a 3.02% DVBE commitment.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This Board action supports Strategic Goal 2: Deliver outstanding trip experiences for all users of the transportation system. The citation processing services support our officers in ensuring the safety of patrons while using Metro systems.

ALTERNATIVES CONSIDERED

The Board may elect not to approve the contract award. The alternative is not recommended because Metro does not have the internal resources in terms of a niche database, software, and maintenance, to provide citation processing services. Metro would have to create its own software that would likely cost more than what it is being charged in this contract. Termination of the citation administration process would result in an inability to issue citations or collect revenue pending the creation of our own software.

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. PS93508000 with Axiom xCell, Inc. to provide citation processing services.

ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - DEOD Summary

Prepared by: Shirley Tse, Citation Program Support Administrator, (213) 922-3770
Debra Avila, Deputy Chief Vendor/Contract Management Officer, (213) 418-3051

Reviewed by: Karen Gorman, Inspector General, (213) 922-2975