



Board Report

File #: 2015-1651, **File Type:** Contract

Agenda Number: 39.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE NOVEMBER 18, 2015

SUBJECT: TRANSIT COURT CITATION PROCESSING SERVICES

ACTION: CONTRACT MODIFICATION AUTHORIZATION

RECOMMENDATION

- A. AUTHORIZING the Chief Executive Officer to execute Modification No. 10 to Contract No. OP24122716 with **Xerox State and Local Solutions, Inc. (Xerox) to extend the Transit Court Citation Processing Services support for up to twelve (12) months**, for the period covering December 12, 2015 through December 31, 2016, for an amount of \$437,880, thereby increasing the total contract value from \$2,264,692 to \$2,702,572.
- B. INCREASING Contract Modification Authority from \$187,149 (10%) to a total of \$374,298 (20%) to allow for contract modifications as needed to address potential increased citation volume due to the opening of additional lines.

ISSUE

In July 2010, the Board approved the establishment and implementation of an administrative process to resolve certain citations. At that time, the Board approved the ordinance required to create an administrative review process, referred to as the Customer Code of Conduct. The goal of the new system is to improve the Metro customer experience by providing a more direct, easier process for resolving citations received in the Metro system. Metro's approach has been anticipated by the Los Angeles Superior Courts for a number of years, as the Court prefers to spend court time addressing other more serious offenses. In February 2012, Metro Transit Court opened its doors to serve patrons who receive transit and parking citations.

The recommended contract modification will allow staff to assess whether some or all of the associated functions can be brought in house to achieve a cost savings and explore strategies to increase collection for administration citations. In addition, system enhancements will be explored and considered due to advanced electronic ticketing.

DISCUSSION

Currently, Transit Court staff is provided with citation processing services to support the handling of transit and parking citations issued in accordance with the applicable state laws related to each type of citation. Transit Court staff is provided with a web based system that allows the ability to view citations, customer correspondence, citation records, record payments, and dispositions of cases. In addition to installment payment plans, community service, and the disposition of fines for Transit School, the contractor generates notices to transit customers with unpaid citations. In order to identify cost savings or system enhancements and avoid disruption in ticket processing, the recommended contract modification is necessary.

DETERMINATION OF SAFETY IMPACT

Deterring fare evasion and addressing quality of life issues can be labor and cost intensive. The use of deployment strategies for both law enforcement and transit security are crucial in an effort to promote fare compliance as well as the perception of safety for the public and Metro employees with uniform presence throughout the system. Rail stations and bus intersections are selected to conduct fare enforcement operations in both a roving and static operations on a daily basis. As a result, transit related citations will be issued for patrons who do not comply with Metro's Customer Code of Conduct. In addition, daily patrols of parking lots and bus zones are conducted to enhance safety and ease in traffic congestion along busy streets.

FINANCIAL IMPACT

Funding for this service is included in the FY16 budget in cost center 2412, Transit Court, under project number 300111 and task number 01.01 for Professional and Technical Services. Since this is a multi-year contract, the Deputy Executive Officer and cost center manager will be accountable for budgeting the cost in future years.

ALTERNATIVES CONSIDERED

Staff would like to consider providing services with in-house resources in order to identify cost savings and system enhancements. This task will require the possibility of adding FTE's to Metro's workforce and budget.

NEXT STEPS

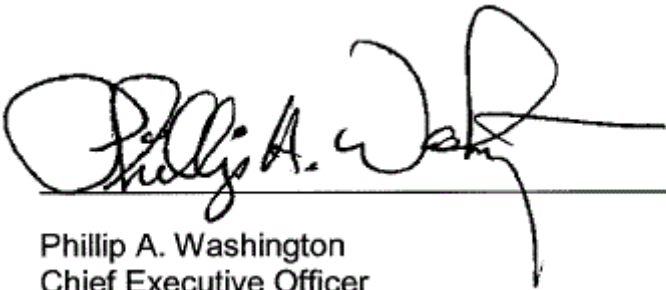
Upon Board approval, staff will execute Modification No. 10 with Xerox under Contract No. OP24122716 for the continuation of transit court citation processing services, and will move forward to identify services that can be brought in-house which could potentially lead to a cost savings as well as develop a new scope of work for a new RFP for citation processing services.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by: Helen Valenzuela, Citation Enforcement Manager, Transit Court, (213) 922-6928

Reviewed by: Alex Wiggins, EO, Systems Security & Law Enforcement, (213) 922-4433
Ivan Page, Interim Executive Director, Vendor/Contract Management, (213) 922-6383



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

TRANSIT COURT CITATION PROCESSING SERVICES/OP24122716

1.	Contract No.: OP24122716		
2.	Contractor: Xerox State and Local Solutions, Inc.		
3.	Mod. Work Description: 12-month contract extension, add funding, and increase Contract Modification Authority		
4.	Work Description: Transit Court Citation Processing Services		
5.	The following data is current as of : 10/26/15		
6.	Contract Completion Status:		
	Bids Opened	N/A	Financial Status
	Contract Awarded	08/29/11	Contract Award Amount \$1,871,490
	NTP	N/A	Total of Modifications approved \$393,202
	Orig. Complete Date	06/30/12	Pending Modifications (including this action) \$437,880
	Current Est. Complete Date	012/11/15	Current Contract Value (with this action) \$2,702,572
7.	Contract Administrator: James Nolan	Telephone Number: (213) 922-7312	
8.	Project Manager: Helen Valenzuela	Telephone Number: (213) 922-6928	

A. Procurement Background

This Board Action is to approve Contract Modification No. 10 issued in support of Transit Court Citation Processing Services.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is fixed unit rate.

On August 29, 2011, competitively procured Contract No. OP24122716 was awarded to ACS, Inc, a Xerox subsidiary, on a unit price basis for a period of three years for a not-to-exceed amount of \$1,871,490 to provide citation processing services for Metro's Transit Court.

A total of nine modifications have been executed to date. For details, please refer to Attachment B – Contract Modification/Change Order Log.

B. Cost/Price Analysis Explanation of Variances

The contract unit prices have been determined to be fair and reasonable based upon the Independent Cost Estimate (ICE) and cost analysis performed by staff in accordance with Metro's Acquisition Policy.

Proposal Amount	Metro ICE	Amount
\$437,880	\$467,520	\$437,880

ATTACHMENT B

CONTRACT MODIFICATION/CHANGE ORDER LOG

TRANSIT COURT CITATION PROCESSING SERVICES/OP24122716

Mod No.	Description	Date	Amount
	Original Award	08/29/11	\$1,871,490
1	No-cost extension through 10/31/12	10/06/11	\$0
2	Exercised Option 1 to extend term through 10/31/13 and added Board approved funding	11/01/12	\$0
3	Exercised Option 2 to extend term through 10/31/14 and added Board approved funding plus \$123,202 for new scope	11/01/13	\$123,202
4	An administrative no-cost change	02/01/14	\$0
5	Extended term through 03/31/15 and added funding	11/01/14	\$75,000
6	No cost extension through 05/31/15	03/23/15	\$0
7	No cost extension through 08/31/15	05/07/15	\$0
8	To extend period of performance through 11/30/15 and add funding	08/21/15	\$195,000
9	No cost extension through 12/11/15	10/30/15	\$0
10	To extend period of performance through 12/31/16 and add funding	Pending	\$437,880
Total:			\$2,702,572

DEOD SUMMARY

TRANSIT COURT CITATION PROCESSING SERVICES/OP24122716

A. Small Business Participation

Xerox State and Local Solutions, Inc. (Xerox) made a 9.00% Small Business Enterprise (SBE) commitment. The current participation is 7.47%, representing a shortfall of 1.53%. This project is 90% complete. According to Xerox, the shortfall is due to the fact that the contract is transaction based, and SBE participation varies based on the number of citations issued. Metro's project manager confirmed that tickets issued by the Los Angeles Sheriff Department have been low, and that the SBE commitment is based on data entry of violations. Xerox confirmed that they will continue to make efforts to meet their SBE commitment.

Small Business Commitment	9.00% SBE	Small Business Participation	7.47% SBE
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	SBE Subcontractors	% Committed	Current Participation¹
1.	International Word Processing	9.00%	7.47%
	Total	9.00%	7.47%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Prevailing Wage Policy

Prevailing wage is not applicable to this modification.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

D. Project Labor Agreement / Construction Careers Policy (PLA/CCP)

Metro's PLA/CCP does not apply to this contract.