

**Board Report**

File #: 2019-0594, **File Type:** Contract**Agenda Number:** 18.

**FINANCE, BUDGET AND AUDIT COMMITTEE
SEPTEMBER 18, 2019****SUBJECT: TAP FARE COMPLIANCE VALIDATOR****ACTION: APPROVE CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Modification No. 8 to Contract No. PS30203139 with Axiom xCell, Inc. (Axiom) to improve functionalities and capabilities for the Mobile Phone Validator (MPV) used by fare compliance officers in an amount of \$627,516, and to extend the contract term for continued maintenance support through November 29, 2021 in an amount of \$437,815, thus, increasing the total contract value by \$1,065,331 from \$2,168,066 to \$3,233,397.

BACKGROUND

The current contract with Axiom provides monthly service and technical support for the MPV and is set to expire on November 29, 2019. The MPV allows fare enforcement officers to perform the core duties of their assignment where they currently process more than 1 million fare checks annually.

DISCUSSION

Given the reliability of the device, low cost and smart phone platform, TAP has received requests to expand its use beyond its original fare compliance role. Countywide Planning and Development uses the MPV to verify ridership at Metro parking facilities. The MPV is also used by Human Capital & Development (General Services Rideshare Program) to record employee use of Metro Vanpool services. Modification No. 8 will continue expansion of the MPV's ability to support fare compliance and other programs that interface with TAP. New enhancements will include the following:

- Provide fare compliance officers with the ability to validate reduced fare cards by comparing photos from the data base
- Increase safety by displaying location of fare compliance officers
- Accelerate verification of special event and Metrolink tickets
- Improve system security and reliability
- Deduct fares for Micro transit riders to ensure a seamless travel experience

DETERMINATION OF SAFETY IMPACT

Faster verification of fares allows officers and service providers more time to concentrate on safety and service delivery.

FINANCIAL IMPACT

For Fiscal Year 2020, cost of the enhancements is \$200,000 and extension of support services through June 2020 is \$130,000. This amount is included in the TAP Operations cost center budget. Since this is a multi-year project, the project manager and executive officer of TAP are responsible for budgeting in future years.

This Modification would increase the total contract value by \$1,065.331, from \$2,168,066 to \$3,233,397.

Impact to Budget

The funding sources for this project are Prop C 40% and fare revenues. These sources are eligible for operating and capital improvements for both bus and rail.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

MPV enhancements described in the discussion section aligns with Strategic Goal 1 - Provide high quality mobility options that enable people to spend less time traveling. Modification No. 8 will also expand the capabilities of the MPV to support Micro Transit. Additionally, this modification to the contract aligns with Strategic Goal 2, Initiative 2.1 - Metro is committed to improving security. The MPV transmits important messages to fare compliance officers. The MPV Mobile Device Management system provides searchable location history to pinpoint incident locations. Security will additionally be enhanced through the ability of the fare compliance officer to access photographs and other information.

ALTERNATIVES CONSIDERED

The Board could choose not to fund any of the enhancements to the MPV application nor continue the maintenance program. This is not recommended because extending the maintenance contract with Axiom through November 29, 2021, is critical to continued fare enforcement. Although the current system is functioning as designed, the additional enhancements will accelerate fare checks and provide expansion of the MPV's capabilities by serving the needs of not only Security but several other departments.

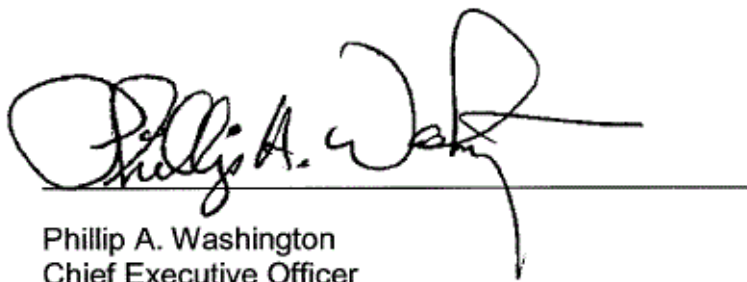
NEXT STEPS

Upon Board approval, staff will execute Modification No. 8 with Axiom under Contract No. PS30203139 to extend the period of performance and proceed with implementing new enhanced features.

ATTACHMENTS

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

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Phillip A. Washington
Chief Executive Officer

**PROCUREMENT SUMMARY
TRANSIT ACCESS PASS (TAP) MOBILE PHONE VALIDATOR
CONTRACT PS30203139**

1.	Contract Number: PS30203139		
2.	Contractor: Axiom xCell, Inc.		
3.	Mod. Work Description: Add features/enhancements to improve security and capabilities; Extend maintenance support for two years until November 30, 2021		
4.	Contract Work Description: Mobile Phone Validator (MPV) for fare enforcement electronic query of TAP cards		
5.	The following data is current as of : August 16, 2019		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	February 1, 2014	Contract Award Amount: \$348,018.00
	Notice to Proceed (NTP):	February 1, 2014	Total of Modifications Approved: \$1,820,048
	Original Complete Date:	November 29, 2019	Pending Modifications (including this action): \$1,065,331
	Current Est. Complete Date:	November 29, 2019	Current Contract Value (with this action): \$3,233,397
7.	Contract Administrator: Anush Beglaryan		Telephone Number: (213) 418-3047
8.	Project Manager: Cary Stevens		Telephone Number: (213) 922-2401

A. Procurement Background

This Board Action is to approve Contract Modification No. 8 to add new features and enhancements to the Mobile Phone Validator (MPV). In addition, the maintenance and support services for the application will be extended for two years, through November 29, 2021. Transit security has requested enhancements to accelerate fare validation and deduction of fares. Additional enhancements will include integration with the TAPforce database for ridership information and verification, the ability to read QR and Aztec codes, improved reliability, and expanded capability for use by Parking, Vanpool ride validation, special events and Micro Transit.

The MPV application was developed by Axiom xCell, Inc., in 2014 specifically for Metro and is installed on over 350 mobile phones which allows fare enforcement personnel to electronically query TAP cards to determine if riders are in compliance with Metro's fare policy. Therefore, Axiom xCell, Inc., is the only company that can modify the existing application to include these enhancements due to the sensitive encryption system and programming that is unique to TAP.

ATTACHMENT A

This Contract Modification will be processed in accordance with Metro’s Acquisition Policy and the contract type is a firm fixed price.

On February 2, 2014, Contract No. PS30203139 was awarded to Axiom xCell, Inc. to develop, test, and provide support for a software application for a handheld fare inspection device.

(Refer to Attachment B – Contract Modification/Change Order Log)

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon price analysis, technical evaluation, independent cost estimate, and negotiations.

Proposal Amount	Metro ICE	Negotiated Amount
\$1,222,565	\$1,394,616	\$1,065,331

CONTRACT MODIFICATION/CHANGE LOG

TRANSIT ACCESS PASS (TAP) MOBILE PHONE VALIDATOR / PS30203139

Mod. #	Description	Status	Date	Amount
1	Additional Application Coding	Approved	8/11/2014	\$20,774.41
2	Administrative Change	Approved	11/03/2015	\$0
3	Add Key Features and Application Coding	Approved	2/18/2015	\$79,182.79
4	Extend contract term	Approved	9/8/2015	\$0
5	Add enhancements & extend contract term	Approved	11/10/2015	\$614,000
6	Additional Enhancements & extend contract term	Approved	9/28/2017	\$938,969.00
7	Software Upgrade & Extension of Maintenance and Support Services	Approved	6/28/2018	\$167,122.00
8	Enhancements & Extension of Maintenance & Support Services	Pending	9/26/2019	\$1,065,331
	Modification Total:			\$2,885,379
	Original Contract Value:			\$348,018
	Total Modified Contract Value:			\$3,233,397

DEOD SUMMARY

TRANSIT ACCESS PASS (TAP) FARE MOBILE PHONE VALIDATOR
CONTRACT NO. PS30203139

A. Small Business Participation

Axiom xCell, a Small Business Prime, made a 100% SBE commitment. The contract is 74% complete. Axiom xCell is currently meeting their SBE commitment with an SBE participation of 100%.

	SBE Prime Contractor	% Commitment	% Participation
1.	Axiom xCell, Inc. (Prime)	100%	100%
Total		100%	100%

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.

TAP Fare Compliance Validator

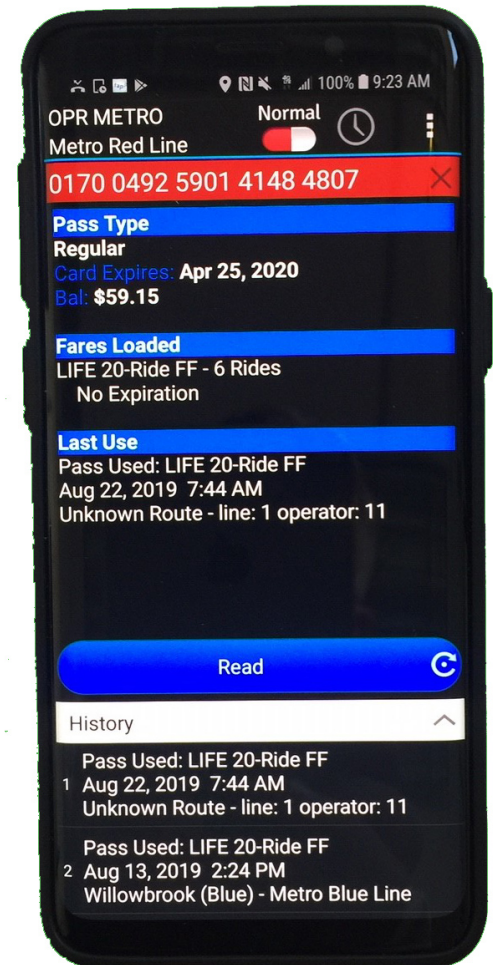
Finance, Budget and Audit Committee
September 18, 2019

TAP Mobile Phone Validator (MPV)

- Fare enforcement officers perform over 1 million fare checks annually
- Extends maintenance coverage to November 2021
- Enhancements will accelerate fare checks and expand capabilities:
 - Validates reduced fare cards by comparing photos from the data base
 - Increases safety by displaying location of fare compliance officers
 - Accelerates verification of special event and Metrolink tickets
 - Improves system security and reliability
 - Deducts fares for micro-transit riders to ensure a seamless travel experience
- Axiom is meeting their SBE commitment with an SBE participation of 100%

Current MPV Functionality

- Determines if fare is valid
- Reports TAP card use history
- Activates pass or deducts Stored Value (final test phase)
- Locates device in real time
- Transfers TAP data for easy citation processing



New MPV Enhancements

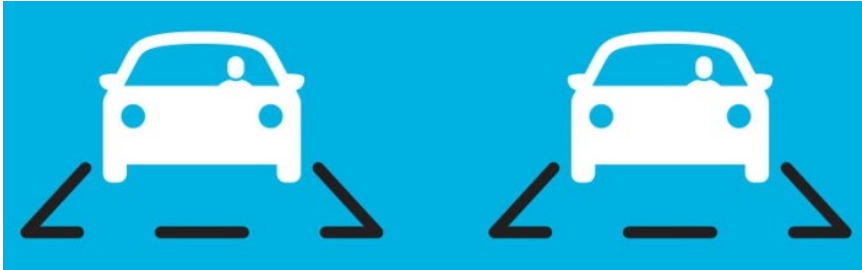
- Improved device management and tracking, will report position every 15 minutes

The screenshot displays a web-based tracking interface. At the top, a navigation bar includes tabs for 'Devices', 'Map', 'Reports', 'User Groups', 'Application Groups', 'Manage Admins', 'Manage Files', and 'Messaging'. Below this, a 'Track Inspector' dropdown is set to 'DEPUTY'. A search bar on the right is labeled 'Search Devices'. The main area features a map with a blue route connecting several red location pins. Four popups provide details for specific devices:

- Device 1:** DEPUTY, Last Updated: 2019-08-18 01:00 PM, Device: Galaxy S8, IMEI: 355987084951366, Battery: 42%, 800 Alameda St, Los Angeles, CA 90012, USA.
- Device 2:** DEPUTY, Last Updated: 2019-08-18 01:15 PM, Device: Galaxy S8, IMEI: 355987084951366, Battery: 42%, 888 Alameda St, Los Angeles, CA 90012, USA.
- Device 3:** DEPUTY, Last Updated: 2019-08-18 01:45 PM, Device: Galaxy S8, IMEI: 355987084951366, Battery: 42%, Union Station, Los Angeles, CA 90012, USA.
- Device 4:** DEPUTY, Last Updated: 2019-08-18 02:00 PM, Device: Galaxy S8, IMEI: 355987084951366, Battery: 42%, 555 East Cesar E Chavez Avenue, Los Angeles, CA 90012, USA.

The map also shows various landmarks such as the Italian American Museum of Los Angeles, Mr. Churro, and Union Station. The interface includes map controls like 'Map', 'Satellite', and a 'Track Route' button.

New MPV Enhancements



- **Metro Parking** –
Confirms transit ride



- **Vanpool** –
Confirms employee ride



- **Micro-Transit** –
Validates customer fare

TAP Fare Compliance Validator

ACTION: Approve Contract Modification

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 8 to Contract No. PS30203139 with Axiom xCell, Inc. (Axiom) to improve functionalities and capabilities for the Mobile Phone Validator (MPV) used by fare compliance officers in an amount of \$627,516, and to extend the contract term for continued maintenance support through November 29, 2021 in an amount of \$437,815, thus, increasing the total contract value by \$1,065,331 from \$2,168,066 to \$3,233,397