



Board Report

File #: 2017-0512, **File Type:** Contract

Agenda Number: 15.

FINANCE, BUDGET AND AUDIT COMMITTEE

SEPTEMBER 20, 2017

SUBJECT: TRANSIT ACCESS PASS (TAP) MOBILE PHONE VALIDATOR
ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 6 to Contract No. PS30203139 with Axiom xCell, Inc. (Axiom) to provide additional functionality enhancements for the use of Mobile Phone Validator (MPV) by fare compliance officers to deduct fares on TAP cards, additional security, and data management improvements for an additional cost of \$567,137, and extend the monthly support services for an additional two years to November 29, 2019, in an amount of \$371,832. This Contract Modification increases the total contract value by \$938,969, from \$1,061,975 to \$2,000,944.

ISSUE

The current contract with Axiom that provides monthly service and technical support for the MPV application will expire on November 29, 2017. Currently, the MPV application installed on fare compliance officers' mobile phones allows them to electronically query TAP cards to determine if riders are in compliance with Metro's fare policy but it will not deduct fares from cards that have not been tapped when boarding the bus or before boarding the train. However, this enhancement will allow fare compliance officers the ability to activate passes or deduct fares from TAP cards that have not been tapped before boarding.

DISCUSSION

The MPVs allow fare enforcement officers to perform the core duties of their assignment and have been used to check fare compliance over 15 million times from the launch of the application in March 2015 through January 2017. Modification No. 5, awarded on November 10, 2015, improved the MPV application by providing backup systems, improved security, and limited interoperability with third party applications (e.g., Bike Share and Parking Enforcement). Over the past year, TAP has worked

closely with Transit Court in conjunction with fare compliance to design increased functionality of the MPV in the areas of security, integration and the ability to deduct value or activate passes. The ability of the MPV to deduct fare or activate passes could result in an increase in revenue by approximately \$300,000 per year based upon fare compliance checks of TAP cards that were not validated for Metro boardings. New enhancements will include:

- Automatic inspector login at rail stations and onboard buses.
- Pinpoint incidents and fare checks at intersections with buses disembarking simultaneously.
- Transmit system-wide security messages to fare compliance officers.
- Integration with eCitation Mobile application.
- Activate passes or deduct fare from TAP cards.
- Integrate MPV data with the TAP Central Data Computer System.

DETERMINATION OF SAFETY IMPACT

The ability to use the MPV for system wide broadcasts will add an additional method for transmitting important messages to fare compliance officers. The addition of searchable location history to pinpoint incident locations will provide enhanced security.

FINANCIAL IMPACT

Cost of the enhancements is \$567,137 and extension of support services through November 29, 2019 is \$371,832. This Modification would increase the total contract value by \$938,969, from \$1,061,975 to \$2,000,944.

The \$567,137 required for FY18 is included in the TAP Operations cost center budget under project 210149 TAP API Phase 3 project. Since this is a multi-year project, the project manager and executive officer of TAP are responsible for budgeting in future years.

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.

ALTERNATIVES CONSIDERED

The Board could choose not to fund any of the enhancements to the MPV application nor continue the maintenance program. Extending the maintenance contract with Axiom through November 29,

2019, is critical to continued support of the program. Although the current system is functioning as designed, the additional enhancements will provide substantial improvements to the MPV system and will also allow fare enforcement staff the ability to collect fare.

NEXT STEPS

Upon Board approval, staff will execute Modification No. 6 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

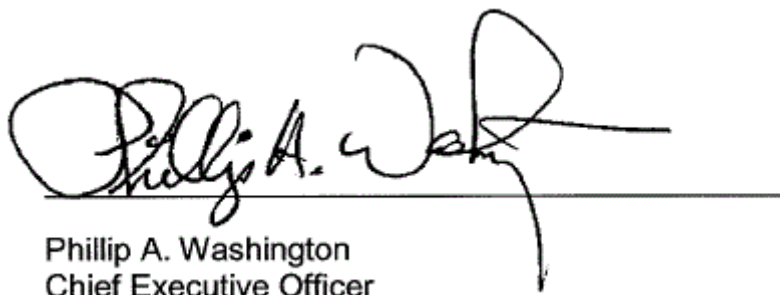
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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

TRANSIT ACCESS PASS (TAP) MOBILE PHONE VALIDATOR/PS30203139

1.	Contract Number: PS30203139		
2.	Contractor: Axiom xCell, Inc.		
3.	Mod. Work Description: Add features to improve security and capabilities; Extend contract for two years, until November 29, 2019		
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 18, 2017		
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: \$713,957.20
	Original Complete Date:	July 28, 2015	Pending Modifications (including this action): \$938,969.00
	Current Est. Complete Date:	November 29, 2019	Current Contract Value (with this action): \$2,000,944.20
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. 6 to add new features and functionalities that improve security and capabilities to the Mobile Phone Validator (MPV). In addition, the maintenance services for the application will be extended through November 29, 2019. The enhancements will allow fare compliance officers the ability to activate passes or deduct fares from TAP cards. MPVs have been used to check fare compliance over 15 million times from the launch of the application in March 2015 through January 2017. 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 the TAP system.

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.

Attachment B shows five modifications are issued to date and one modification to be executed.

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
\$1,050,320.00	\$1,156,855.00	\$938,969.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

TRANSIT ACCESS PASS (TAP) MOBILE PHONE VALIDATOR/PS30203139

Mod. No.	Description	Status	Date	Amount
1	Additional application coding	Approved	8/11/14	\$20,774.41
2	Administrative change	Approved	11/03/15	\$0
3	Add key features and application coding	Approved	2/18/15	\$79,182.79
4	Extend contract term	Approved	9/8/15	\$0
5	Add enhancements and extend contract term	Approved	11/10/2015	\$614,000
	Approved Modification Total:	-	-	\$713,957.20
6	Additional enhancements and extend contract term	Pending Board Approval	9/28/17	\$938,969.00
	Original Contract Value:			\$348,018.00
	Total Modified Contract Value:			\$2,000,944.20

DEOD SUMMARY

TRANSIT ACCESS PASS (TAP) MOBILE PHONE VALIDATOR/PS30203139

A. Small Business Participation

Axiom xCell, Inc. made a 100% SBE commitment. Axiom xCell, Inc. is currently meeting their SBE commitment with an SBE participation of 100%.

Small Business Commitment	100% SBE	Small Business Participation	100% SBE
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	SBE Firm	% Committed	Current Participation¹
1.	Axiom xCell (SBE Prime)	100%	100%
	Total	100%	100%

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

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Modification.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Modification.