

**Board Report**

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

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**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:

<b>Revenues Collected</b>			
<b>Fiscal Year</b>	<b>Transit</b>	<b>Parking</b>	<b>Total</b>
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

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## PROCUREMENT SUMMARY

### PROCESSING, ADJUDICATION AND COLLECTION OF TRANSIT AND PARKING CITATIONS / PS93508000

1.	<b>Contract Number:</b> PS93508000	
2.	<b>Recommended Vendor:</b> Axiom xCell, Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> May 17, 2023	
	<b>B. Advertised/Publicized:</b> May 17, 2023	
	<b>C. Pre-Proposal Conference:</b> May 24, 2023	
	<b>D. Proposals Due:</b> June 26, 2023	
	<b>E. Pre-Qualification Completed:</b> September 20, 2023	
	<b>F. Ethics Declaration Forms submitted to Ethics:</b> June 28, 2023	
	<b>G. Protest Period End Date:</b> October 24, 2023	
5.	<b>Solicitations Picked up/Downloaded:</b>  14	<b>Bids/Proposals Received:</b>  1
6.	<b>Contract Administrator:</b> Antonio Monreal	<b>Telephone Number:</b> 213-922-4679
7.	<b>Project Manager:</b> Julie Chang	<b>Telephone Number:</b> 213-922-6881

#### **A. Procurement Background**

This Board action is to approve Contract No. PS93508000 issued in support of an electronic application to process, adjudicate, and collect transit and parking citations. Board approval of contract award is subject to the resolution of all properly submitted protest(s), if any.

On May 17, 2023, Request for Proposal (RFP) No. PS93508 was issued as a competitive procurement in accordance with Metro's Acquisition Policy, and the proposed contract type is a firm fixed unit rate. The Diversity & Economic Opportunity Department (DEOD) recommended a seven percent (7%) Small Business Enterprise (SBE) and three percent (3%) Disabled Veterans Business Enterprise (DVBE) goal for this procurement. Further, the solicitation was subject to the Local Small Business Enterprise (LSBE) Preference Program, which gives eligible proposers a five percent preference credit added to the proposer's overall evaluation score.

One (1) amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued June 16, 2023, extended the proposal due date.

A total of 14 firms downloaded the RFP and were included on the planholders' list. There were 17 questions received, and responses were provided prior to the proposal due date.

One proposal was received from Axiom xCell, Inc., by the proposal due date of June 26, 2023. Metro staff canvassed firms on the planholders' list to determine why no other proposals were received. Reasons for declining to propose included lack of similar experience, inability to provide bandwidth for the kind of custom application development that the project requires, and inability to meet the established SBE and DVBE goals. The market survey revealed that the decisions not to propose were based on individual business considerations. Therefore, the solicitation can be awarded as a competitive procurement.

**B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro’s Transit Court, Parking Management, and the Office of the Inspector General was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria and weights:

- Qualification of the Firm/Team and Key Personnel 20%
- Technical and Functional Capability of Proposed System 30%
- Operating Methodology/Work Plan 20%
- Cost Proposal 30%

The evaluation criteria are appropriate and consistent with criteria developed for similar procurements. Several factors were considered in developing these weights, giving the greatest importance to the technical and functional capability of proposed system and cost proposal.

During the period of June 29, 2023 to August 21, 2023, the PET independently evaluated and scored the technical proposal. On August 17, 2023, the PET reconvened and interviewed Axiom xCell, Inc. The firm’s project manager and key team members had an opportunity to present their team’s qualifications, provided a demonstration of the proposed system and responded to the PET’s questions.

At the end of the evaluation, the PET determined Axiom xCell, Inc., to be technically qualified to perform the work.

The following is a summary of the PET scores.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>Axiom xCell, Inc.</b>				
3	Qualification of the Firm/Team and Key Personnel	76.65	20.00%	15.33	

4	Technical and Functional Capability of Proposed System	67.13	30.00%	20.14	
5	Operating Methodology/Work Plan	68.35	20.00%	13.67	
6	Cost Proposal	100.00	30.00%	30.00	
7	<b>Total</b>		<b>100.00%</b>	<b>79.14</b>	<b>1</b>

### C. Price Analysis

The recommended amount has been determined to be fair and reasonable based on the independent cost estimate (ICE), cost analysis, fact-finding, and technical evaluation.

Proposer Name	Base Term	Option Terms	Total	Metro ICE
Axiom xCell, Inc.	\$1,193,892	\$316,106 (Option Yr 1)  \$332,430 (Option Yr 2)	\$1,842,428	\$2,663,310

The variance between the recommended amount and the ICE is due to the ICE accounting for transition and mobilization costs (e.g. data transfer and software customization/development) which will be minimal since Axiom xCell's proposed solution has already been developed to satisfy Metro's needs under the Axiom xCell's existing contract with Metro.

### D. Background on Recommended Contractor

Axiom xCell, Inc. (Axiom), is a Metro certified SBE firm headquartered in San Diego, California. It was founded in 2004 as a partner for testing Qualcomm's Binary Runtime Environment for Wireless (BREW) mobile application platform, a precursor to today's Apple App Store and Google Play Store.

Axiom provides design and strategic development of integrated software and mobile application services to government agencies and various transportation agencies, including the Metropolitan Atlanta Rapid Transit Authority (MARTA), New Jersey 511, Los Angeles 511, Federal Highway Administration, and Walk San Diego. Other clientele include Hewlett Packard, Disney, Qualcomm, and Yahoo.

The Axiom team includes Pearson Technical Solutions, a DVBE subcontractor based in San Diego, which will provide project management expertise and services.

The proposed Project Manager has over 20 years of experience with various aspects of software engineering, program management, systems engineering, field engineering, and software validation. Axiom has been providing Metro with an

electronic application to process, adjudicate and collect transit and parking citations since 2017 and performance has been satisfactory.



## DEOD SUMMARY

## CITATION PROCESSING SERVICES / PS93508000

**A. Small Business Participation**

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

<b>Small Business Goal</b>	<b>7% SBE 3% DVBE</b>	<b>Small Business Commitment</b>	<b>96.98% SBE 3.02% DVBE</b>
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	<b>SBE Subcontractor</b>	<b>% Committed</b>	<b>LSBE</b>	<b>Non-LSBE</b>
1.	Axiom xCell, Inc. (SBE Prime)	96.98%		X
	<b>Total SBE Commitment</b>	<b>96.98%</b>		

	<b>DVBE Subcontractor</b>	<b>% Committed</b>	<b>LSBE</b>	<b>Non-LSBE</b>
1.	Pearson Technical Services	3.02%		X
	<b>Total DVBE Commitment</b>	<b>3.02%</b>		

**B. Local Small Business Preference Program (LSBE)**

The LSBE preference was applied to this solicitation. Axiom xCell, Inc., a non-LSBE prime, did not subcontract at least 30% of its contract value with LSBE firms and was ineligible for the preference.

**C. Living Wage and Service Contract Worker Retention Policy Applicability**

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

**D. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**E. 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.