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Memorandum

TO: BATA Oversight Committee

DATE: September 3, 2014

FR: Executive Director

W. I. 1253

RE: Contract Change Order – FasTrak® Regional Customer Service Center: Xerox State and Local Solutions, Inc. (\$4,000,000)

This item would authorize a contract change order with Xerox State and Local Solutions, Inc. (Xerox) for up to a two month contract extension of the current FasTrak® Regional Customer Service Center (CSC) operations contract past the current expiration date of September 30, 2014 in an amount not to exceed \$4,000,000, due to a schedule delay in the readiness of the new CSC system.

Background

Based on a competitive selection, BATA entered into a contract with ACS State & Local Solutions, Inc. (ACS) on December 31, 2003 for management and operation of the CSC. ACS subsequently was acquired by Xerox. Under the contract, Xerox provides the FasTrak® account management system, transaction processing, call center operations, web services, payment processing, customer communications, violation image review and violation noticing. Xerox is under contract to operate the current CSC until September 30, 2014. Xerox was also awarded the contract to upgrade and operate the CSC for a new five-year term, which was scheduled to commence operations on October 1, 2014.

Contract Extension

At its January 2013 meeting, the Bay Area Toll Authority approved award of a new contract to Xerox for design, implementation and operation of the CSC for a five-year term, with an option to extend up to an additional ten years. At that time, the scheduled start for the new CSC system and operation was October 1, 2014. Due to schedule delays during the system software design and testing, the start of operations has been pushed out by one month to November 3, 2014. In order to continue operating the current CSC system through the start of the new contract on November 3, 2014, staff is recommending a change order to the current operating contract in an amount not to exceed \$4,000,000 for a one-month service extension that also includes a one month contingency in the event the start of operations slips beyond November 3.

It should be noted that funding for the full year of CSC operations is included in the annual BATA operating budget. Any increased payments under the current operating contract for the extension period would be largely offset by reduced payments towards the new contract which begins operations November 3. However, since the cost of operations under the new contract is expected to be approximately \$210,000 less each month than today, we will seek to recoup this difference in negotiations with the contractor.

CSC Operations Performance

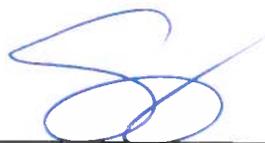
In February 2012, this Committee authorized a contract change order in the amount of \$5.6 million to design, deploy and process the transactions for the All Electronic Tolling (AET) program for the Golden Gate Bridge Highway and Transportation District. Under its AET program, beginning in March 2013, cash was no longer collected at the Golden Gate Bridge (GGB) and all transactions are processed electronically through the CSC.

The deployment of AET on the GGB adversely affected CSC operations (see attached slides). In particular, the CSC introduced new payment and account types to support GGB's AET project, including license plate only accounts as well as billing to patrons who did not establish a FasTrak[®] or license plate account before crossing the GGB. Last summer, the CSC experienced large increases in FasTrak[®] and other account enrollment and high call volumes. While the spikes from the deployment of the AET program have passed, the CSC has continued to experience higher than normal call volumes throughout the year and has struggled to meet the call answering performance requirements as shown in the chart in Attachment A. In addition, during this summer the CSC has been experiencing some after effects of the relocation that occurred in mid-June and also a seasonal summertime increase in contacts by customers. This seasonal increase appears more pronounced this year than in prior years and may be due to a customer base of less frequent customers who request more direct assistance.

Xerox is working to address these issues by increasing staff volumes, improving training to reduce talk time, and trying to minimize staff turnover. Staff also anticipates that when the CSC system is upgraded in November 2014, and following a 90-day break-in period, new capabilities and robustness will allow the customer service representatives to provide more effective and efficient services. New capabilities include automatically pulling up a caller's account based on the caller's phone number, immediate access to scanned correspondence both sent to and received from customers, and electronic routing of escalated cases to supervisors or for research. We also anticipate that customers will have a more stable web experience once the system is migrated off the current obsolete system. Further, under the current contract, performance penalties are assessed when the required level of service is not achieved. During the past year, \$300,500 in payment deductions have been assessed because contractual key performance indicators (KPIs) were not met. Under the new contract that is scheduled to begin November 3, performance penalties will also apply when KPIs are not met; however, the penalties under the new contract will compound in cases where the same KPI is missed repeatedly over a 12-month period. We will also be working closely with the contractor to ensure that performance improves.

Recommendation

Staff recommends that the Committee authorize the Executive Director or his designee to negotiate and enter into a contract change order with Xerox in an amount not to exceed \$4,000,000 for a one month contract extension from October 1, 2014 to November 3, 2014 including a one-month contingency to fund any delays beyond November 3.



Steve Heminger

SH:bz

REQUEST FOR COMMITTEE APPROVAL
Summary of Proposed Contract Change Order

Work Item No.: 1253

Contractor: Xerox State and Local Solutions, Inc., San Francisco, CA

Work Project Title: FasTrak® Regional Customer Service Center (CSC)

Purpose of Project: Extend Contract

Brief Scope of Work: Continue current CSC operations.

Project Cost Not to Exceed: \$4,000,000 – for a one-month contract extension from October 1, 2014 to November 3, 2014 inclusive of one month contingency funding for any delays beyond November 3, 2014.

This contract change order: \$4,000,000
Total contract before this change order: \$180,611,035
Total authorized contract after this change order: \$184,611,035 (This total does not include other September 10 contract approval actions)

Funding Source: BATA Operating Budget - \$3,400,000 and Golden Gate Bridge Highway and Transportation District Operations Budget - \$600,000

Fiscal Impact: Funds are included in the FY 2014-2015 BATA Operating Budget. Contributions from the Golden Gate Bridge Highway and Transportation District shall be received by BATA pursuant to the cooperative agreement between the parties.

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract change order with Xerox State and Local Solutions, Inc., for services and items as described above and in the Executive Director's Memorandum dated September 3, 2014, and the Chief Financial Officer is directed to set aside funds in the amount of \$4,000,000 for such contract change order.

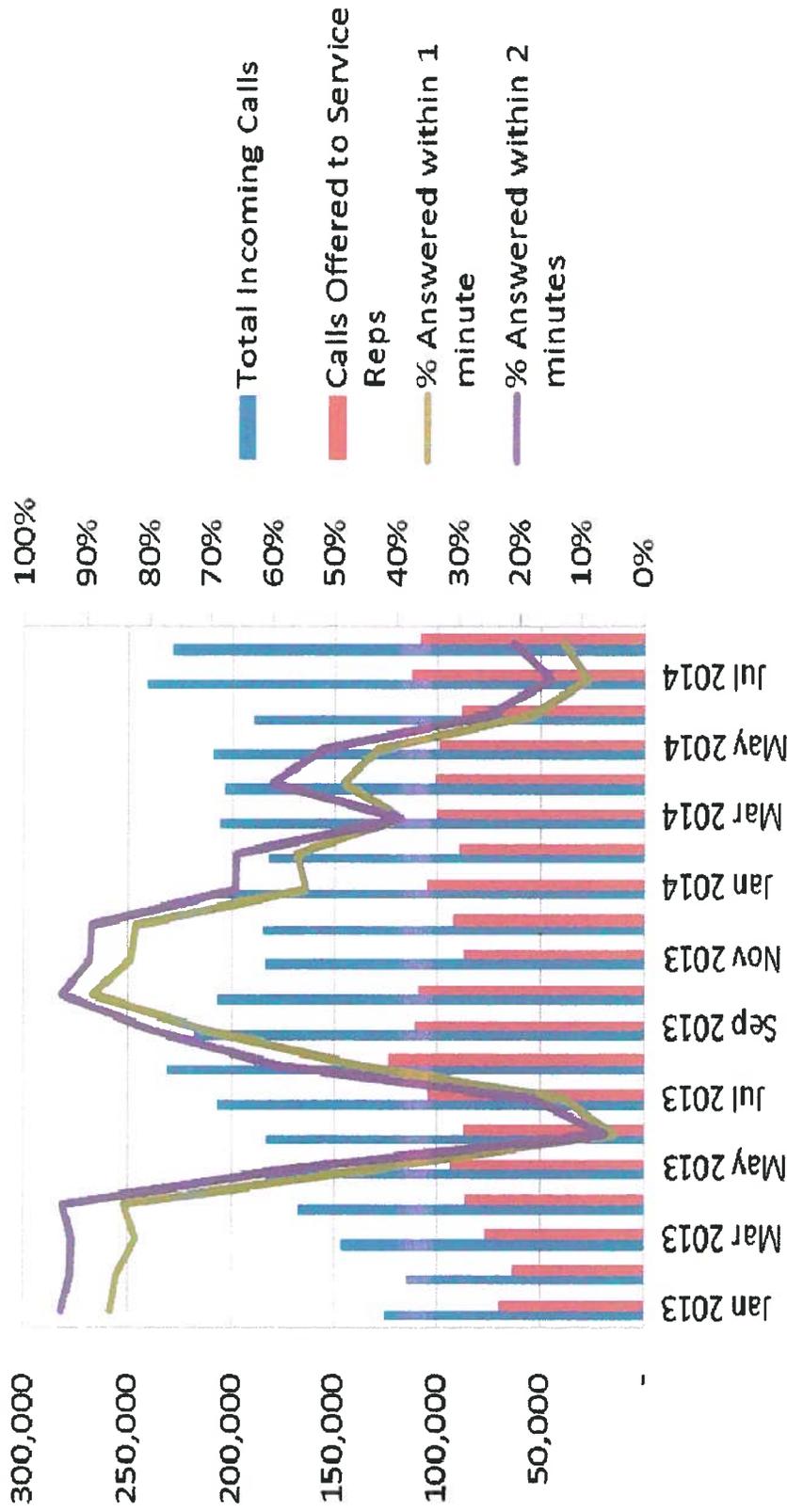
BATA Oversight Committee:

Bill Dodd, Chair

Approved: Date: September 10, 2014

Attachment A

CSC Call Answering Performance January 2013 to August 2014

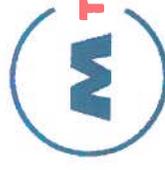


	Mar-13	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-14	Feb	Mar	Apr	May	Jun	Jul	Aug
Wait Time	0:30	0:27	2:16	8:00	6:00	2:03	1:17	0:21	0:32	0:33	1:33	1:37	2:28	1:46	2:23	4:56	4:16	4:00
Talk Time	4:01	4:06	4:14	4:29	4:42	4:31	4:15	4:23	4:14	4:04	4:01	3:57	4:10	4:14	4:11	4:34	4:57	4:54

BATA Oversight Committee

FasTrak® Performance and
Operating System
Status Update

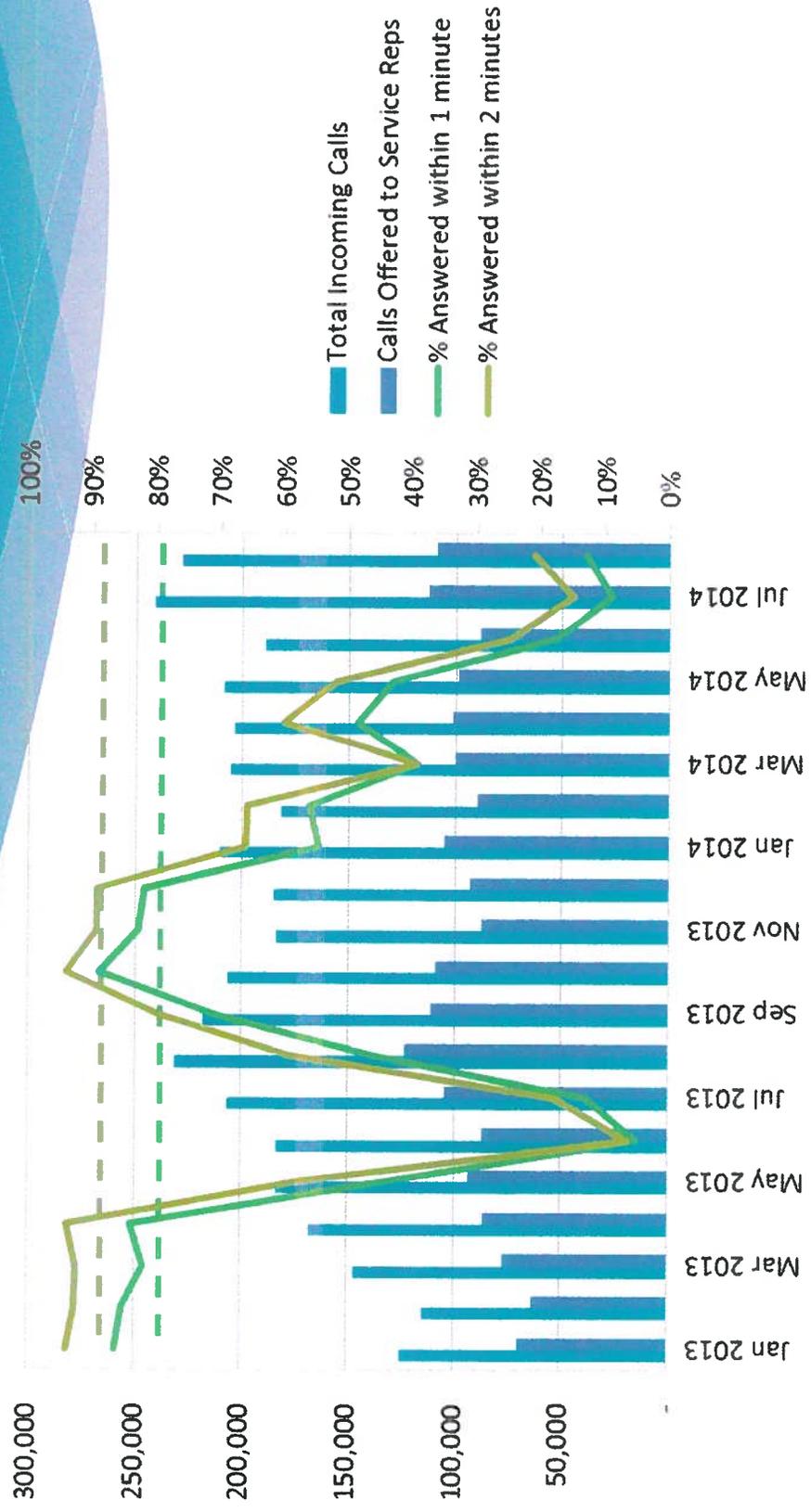
September 10, 2014



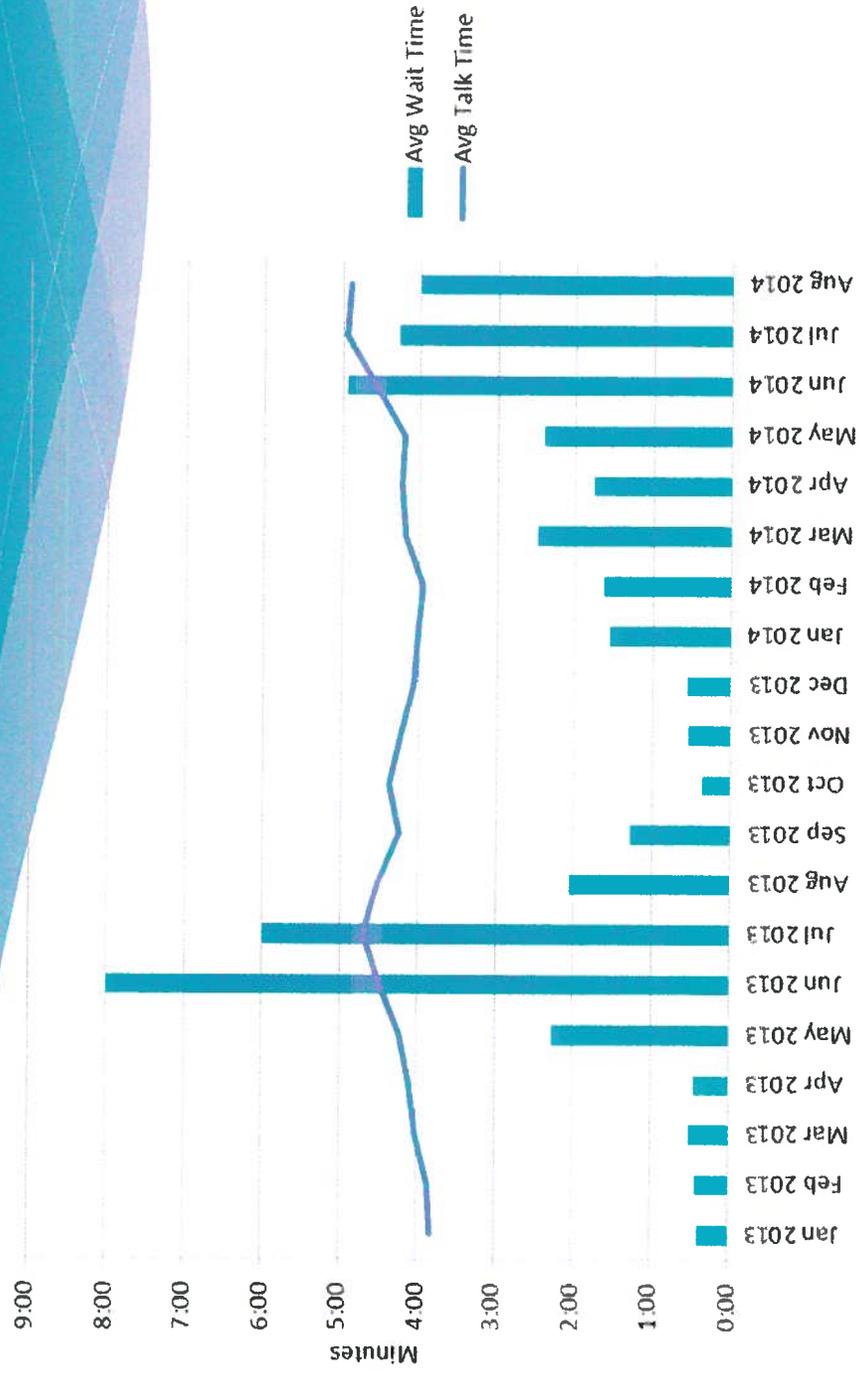
METROPOLITAN
TRANSPORTATION
COMMISSION

Call Answering Performance

January 2013-August 2014

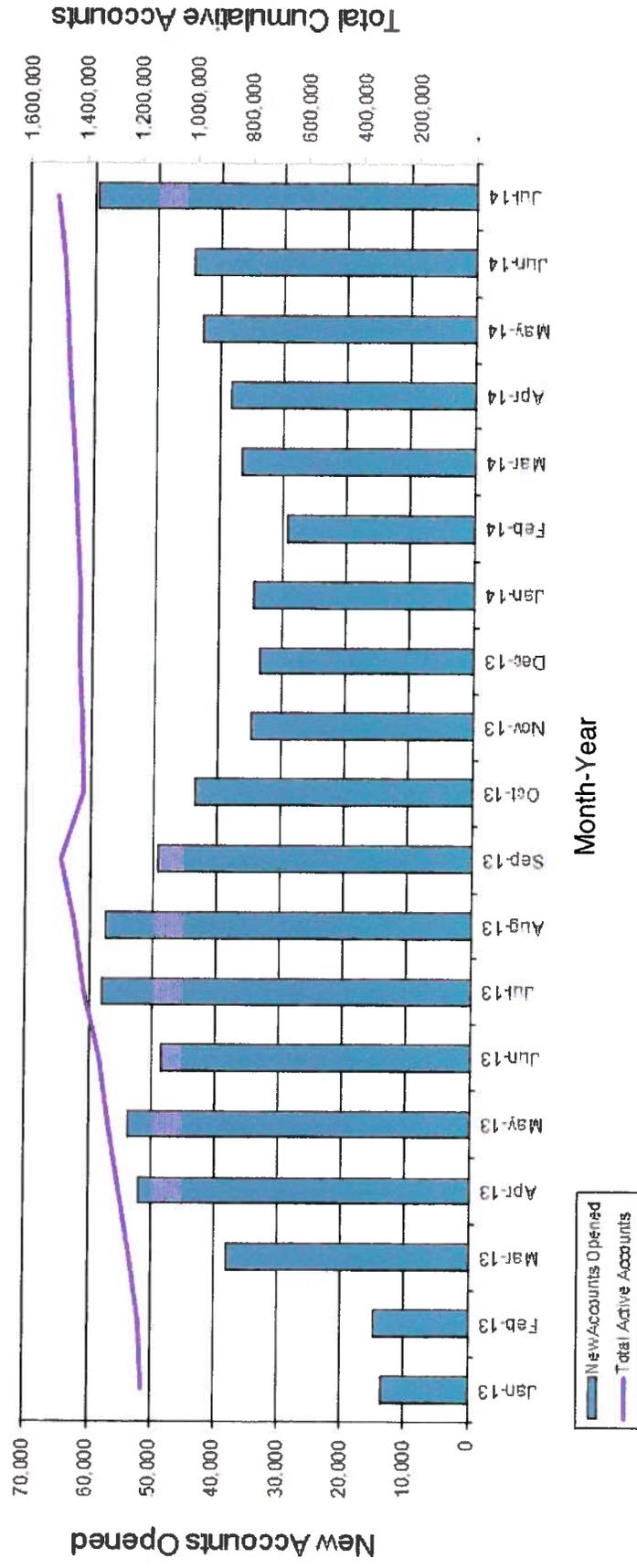


Call Wait Time & Talk Time

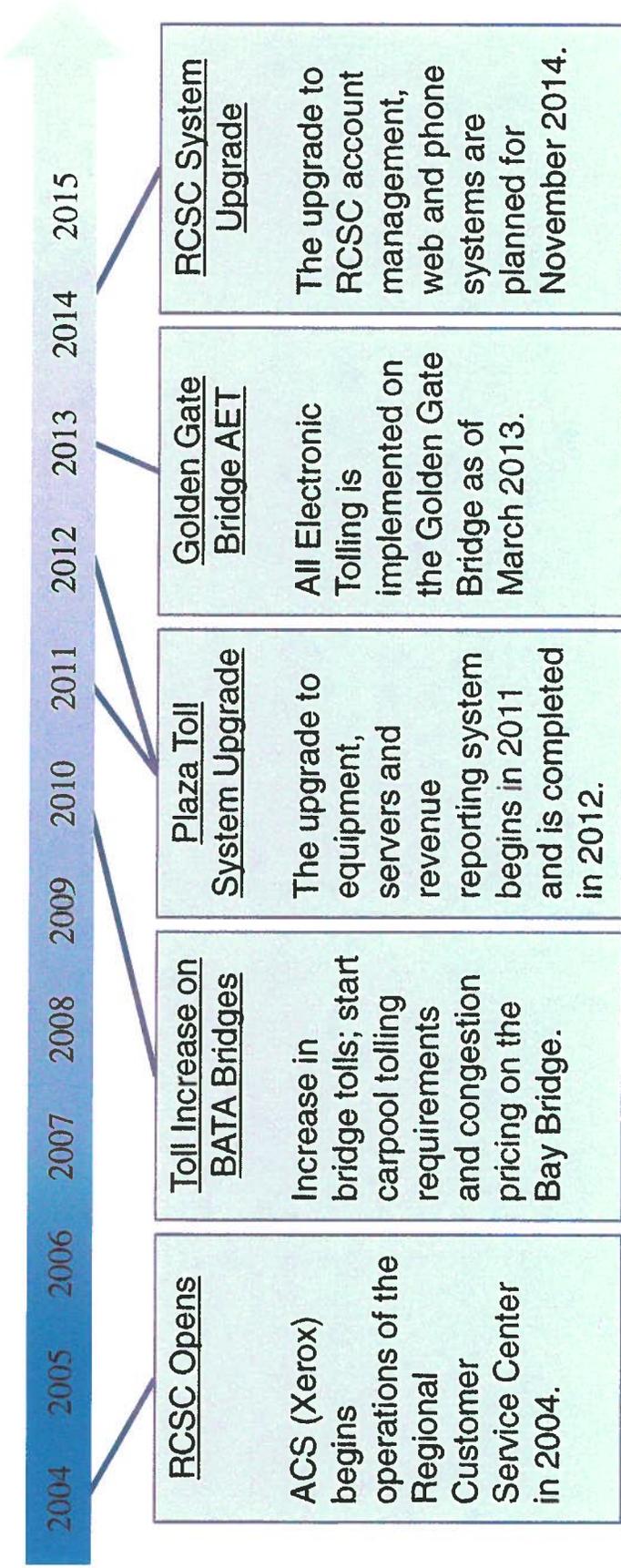


New Account Activity

January 2013-July 2014



Historical Events Impacting Regional Customer Service Center Operations



Anticipated Benefits from RCSC System Upgrade

- Modern system
 - Improved stability
 - Fewer service outages
 - Reduce calls to the CSC
- New website
 - Improved customer interface
 - Streamline navigation to encourage account enrollment
 - Faster response times
- More robust phone system
- Improved customer service
 - New service request tracking system and performance monitoring
- Contract enforcement KPIs

New FasTrak Website

FasTrak GETTING STARTED SUPPORT

FasTrak Keeps You Moving

MAKE A PAYMENT CROSSING THE GOLDEN GATE BRIDGE SIGN UP

Find everything you need to visit the Golden Gate Bridge including information on how to pay your toll and toll payment options for rental cars. Remember cash is not accepted at this plaza.

EN SIGN IN

THE DAILY COMMUTE

TODAY: JUNE 9, 2014





Thank You

