



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

July 24, 2019
AGENDA ITEM #10

Approve Amendment No. 2 to the Agreement with Cofiroute USA, LLC to add pricing for habitual violator enforcement, additional customer service support and support for the Qualified Veterans Program

Strategic Plan Relevance:	Regional Mobility
Department:	Operations
Contact:	Tracie Brown, Director of Operations
Associated Costs:	Payment based on monthly volume of receipts
Funding Source:	Toll Revenues
Action Requested:	Consider and act on draft resolution

Summary:

Background - At its February 28, 2018, meeting the CTRMA Board of Directors approved an Agreement with Cofiroute USA, LLC (CUSA) for Pay By Mail violation processing, collections and customer services. The Agreement also makes provisions for the same services to be provided to NET RMA and possibly other regional mobility authorities through interlocal agreements between CTRMA and the other entities. Specific implementation milestones as well as key performance indicators (KPIs) are outlined in the Agreement.

Previous Actions - In December 2018 the CTRMA Board of Director approved an amendment of the Agreement with CUSA outlining CUSA's expected recompense for processing and collecting Pay By Mail toll transactions paid from post-paid accounts, overpayments and prior to notice generation. The amendment also added two new pay items that were not foreseen in the original pricing schedule. Specifically, compensation for insufficient funds was added a new Pay Item #9 and compensation for out of state license plate lookups was added as new Pay Item #10.

Current Action - In an effort to provide a quality customer experience and meet the needs of our valued customers, the Mobility Authority staff asked Cofiroute to extend call center hours. The proposed hours would change the current schedule of 8:00A - 6:00P on

Monday – Friday to:

- 7:30A – 7:00P on Mondays and Fridays (*the busiest contact days*);
- 7:30A – 6:00P on Tuesdays, Wednesdays and Thursdays; and
- 8:00A – 12:00P on Saturdays.

Cofiroute was also asked to assume administration of the Mobility Authority’s Qualified Veteran Program, fielding customer calls and assisting in the customer registration and verification processes and to provide the same level of support for a future discount program. Cofiroute’s proposed compensation for these additional services has been included within the various unit prices and percentage of toll collected at each billing stage (*see Attachment C - Schedule 2 - Pay By Mail Pricing (BASE CONTRACT)*).

Finally, this amendment provides a separate, new Pay Item #11 for habitual violator enforcement support. This support includes issuing pre-determination and determination letters as well as preparing evidentiary information to support the Authority’s habitual violator determination during a grievance hearing if needed. It is important to note that CUSA’s compensation is based on actual collections and performance except in the case of enforcement remedies like court and habitual violator.

Staff Recommendation - Staff recommends approval of Amendment No. 2 to the agreement with Cofiroute USA, LLC to modify the Contractor Compensation Schedule.

Backup Provided - Draft Resolution

Draft Amendment No. 2

Revised “Attachment C - Schedule 2 – Pay By Mail Pricing (BASE CONTRACT)”

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 19-0XX

**APPROVING AMENDMENT NO. 2 TO THE AGREEMENT WITH
COFIROUTE USA, LLC TO MODIFY THE CONTRACTOR
COMPENSATION SCHEDULE**

WHEREAS, by Resolution No. 18-005, dated February 28, 2018, the Board approved an agreement with Cofiroute USA, LLC (“Cofiroute”) for pay by mail, violations processing, collections and customer services (the “Agreement”); and

WHEREAS, as the Mobility Authority is currently administering the Qualified Veterans Discount Program, is in the process of implementing the Habitual Violator Enforcement Program, and plans to implement a future discount program; and

WHEREAS, the Mobility Authority has determined that additional support from Cofiroute is necessary for the Habitual Violator Enforcement Program, including issuing pre-determination and determination letters as well as preparing evidentiary information to support the Mobility Authority’s habitual violator determination during a hearing; and

WHEREAS, the Mobility Authority desires for Cofiroute to assume administration of the Qualified Veterans Discount Program and to administer the future discount program when it is implemented; and

WHEREAS, in order to improve customer service, the Mobility Authority desires Cofiroute to extend their call center hours as described in the backup materials presented to the Board prior to voting on this Resolution; and

WHEREAS, the Executive Director and Cofiroute have negotiated proposed Amendment No. 2 to the Agreement which increases Cofiroute’s compensation in exchange for the extension of customer service call center hours, management of the Qualified Veterans Discount Program and the future discount program, and support for the Mobility Authority’s Habitual Violator Program; and

WHEREAS, the Executive Director recommends that the Board approve proposed Amendment No. 2 to the Agreement in the form or substantially the form attached hereto as Exhibit A

NOW THEREFORE, BE IT RESOLVED that proposed Amendment No. 2 to the Agreement with Cofiroute, USA, LLC is hereby approved, and the Executive Director is authorized to finalize and execute Amendment No. 2 in the form or substantially in the same form attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 24th day of July 2019.

Submitted and reviewed by:

Approved:

Geoffrey Petrov, General Counsel

Nikelle Meade
Vice Chair, Board of Directors

Exhibit A

**AMENDMENT NO. 2
TO THE
AGREEMENT FOR PAY BY MAIL, VIOLATIONS PROCESSING,
COLLECTIONS AND CUSTOMER SERVICE
BETWEEN
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY
AND
COFIROUTE USA, LLC**

This Amendment is effective on July 24, 2019 and amends that certain Agreement for Pay by Mail, Violations Processing, Collections and Customer Service between the Central Texas Regional Mobility Authority (“CTRMA”) and Cofiroute USA, LLC (“Cofiroute” or the “Contractor”), dated to be effective March 8, 2018 (the “Agreement”).

Pursuant to the authority granted by the CTRMA Board of Directors Resolution No.19-0____, dated July 24, 2019, the parties to this Amendment No. 2 agree as follows:

Attachment C of the Agreement is hereby amended to read in its entirety as described on page 2 of this amendment.

All other provisions of the Agreement, as amended, remain unchanged.

By their signatures below, CTRMA and Cofiroute USA, LLC evidence their agreement to the amendment set forth on page two.

COFIROUTE USA, LLC

CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

By: _____

By: _____

Name: _____

Name: Mike Heiligenstein

Title: _____

Title: Executive Director

CUSA Amendment #2 Pricing

Attachment C - Schedule 2 - Pay By Mail Pricing (BASE CONTRACT)

<u>Pay Item</u>	<u>Description of Item</u>	<u>Unit</u>	<u>²Volume</u> (per month)	<u>Unit Price</u>		<u>% of Toll Collected</u>	
				Proposed Price (USD)	Maximum Allowed (USD)	Proposed Percentage (%)	Maximum Allowed (%)
1	Transactions Paid Prior to Notice Generation <i>(example: plate-based pre-paid accounts, applied overpayments, etc.)</i>	Transaction	0-150,000			18%	25%
			150,001-300,000			15%	25%
			>300,000			10%	25%
2	Paid First Video Bill <i>(paid prior to issuance of 1st Notice of Non-Payment or plate-based post-paid accounts)</i>	One Paid Bill (30 days of transactions)	0-50,000	\$ 0.56	\$ 1.00	19%	20%
			50,001-75,000	\$ 0.56	\$ 1.00	19%	20%
			> 75,000	\$ 0.56	\$ 1.00	19%	20%
3	Paid 1st Notice of Non-Payment <i>(paid prior to issuance of Violation Notice)</i>	One Paid Notice (30 days of transactions)	0-20,000	\$ 2.59		14%	15%
			20,001-40,000	\$ 2.59		14%	15%
			> 40,000	\$ 2.59		14%	15%
4	Paid Violation Notice	One Paid Notice (30 days of transactions)	0-10,000	\$ 6.10		10%	10%
			10,001-20,000	\$ 6.10		10%	10%
			>20,000	\$ 6.10		10%	10%
5	Paid in Collections	Each Transaction Paid	0-5,000	\$ 3.52		0%	5%
			5,001-10,000	\$ 3.52		0%	5%
			>10,000	\$ 3.52		0%	5%
6	Image Review ¹	Transaction	0-3,000,000	NA			
			3,000,001-4,000,000	NA			
			>4,000,000	NA			
7	Court Packets	Packet	0-50	\$ 20.00			
			51-150	\$ 17.00			
			>150	\$ 15.00			

CUSA Amendment #2 Pricing

Attachment C - Schedule 2 - Pay By Mail Pricing (BASE CONTRACT)

<u>Pay Item</u>	<u>Description of Item</u>	<u>Unit</u>	<u>²Volume</u> (per month)	<u>Unit Price</u>		<u>% of Toll Collected</u>	
				Proposed Price (USD)	Maximum Allowed (USD)	Proposed Percentage (%)	Maximum Allowed (%)
8	Legal Support (Liaisons)	Per Liaison	As Needed	\$ 16,360.00			
9	Non Sufficient Fund (NSF)	Per Paid Notice	Per Paid Notice	\$ 25.00			
10	Out of State Lookup (OOS)	Per Paid Notice	Per Paid Notice	\$ 1.00			
11	HV Cost	Determination Letter Sent	As Needed	\$ 15.00			

NOTES:

A - Proposers should not make any changes to the format or structure of the spreadsheet.

B - Proposers are to fill in all green-shaded cells. Zero is an acceptable entry.

C - Each set of transactions on a bill or notice shall age together.

D - The Contractor shall only be paid for one of the pay items for each set of transactions. That is, once a set of transactions moves from the toll bill to the 1st Notice of Non-Payment, the unit prices in rows 21-23 are used to determine payment. The unit prices in rows 13-15 no longer apply to this set of transactions. Transactions shall only be charged once, according to the phase in which the transaction was paid.

E - ²The unit price shall be determined by the unit price listed next to the total number of units that occurred in the calendar month.

F - The prices above should include all costs for performance of all aspects of the Scope of Services, except Section 2.6 (Image Processing) and any costs associated with performing any required data migration.

G - ¹Image Processing (Review) is an optional service. The cost of reviewing all images associated with one transaction, including non-revenue transactions.

H - Data Migration will be treated as a negotiated change to the contract.

I - Court packet pricing will only apply when an Authority does not need the services of Court Liaisons but only needs the packages prepared.

J - Legal Support pricing should include all costs of the Liaisons, any support staff necessary, and the preparation of the court packages and all other functions necessary for the legal support.

CTRMA - CUSA Contract Amendment Pricing Comparison

Attachment C - Schedule 2 - Pay By Mail Pricing (BASE CONTRACT)

Attachment C - Schedule 2 - Pay By Mail Pricing (BASE CONTRACT)				CURRENT PRICING (REV 12/2018)		PROPOSED NEW PRICING		PROJECTED INCREASE	
Pay Item	Description of Item	Unit	Volume (per month)	Unit Price (USD)	% of Toll Collected (%)	Unit Price (USD)	% of Toll Collected (%)	Unit Price (USD)	% of Toll Collected (%)
1	Transactions Paid Prior to Notice Generation <i>(example: plate-based pre-paid accounts, applied overpayments, etc.)</i>	Transaction	0-150,000		18%		18%		0%
			150,001-300,000		15%		15%	0%	
			>300,000		10%		10%	0%	
2	Paid First Video Bill <i>(paid prior to issuance of 1st Notice of Non-Payment)</i>	One Paid Bill <i>(30 days of transactions)</i>	0-50,000	\$ 0.54	17%	\$ 0.56	19%	\$ 0.02	2%
			50,001-75,000	\$ 0.54	17%	\$ 0.56	19%	\$ 0.02	2%
			> 75,000	\$ 0.54	17%	\$ 0.56	19%	\$ 0.02	2%
3	Paid 1st Notice of Non-Payment <i>(paid prior to issuance of Violation Notice)</i>	One Paid Notice <i>(30 days of transactions)</i>	0-20,000	\$ 2.50	13%	\$ 2.59	14%	\$ 0.09	1%
			20,001-40,000	\$ 2.50	13%	\$ 2.59	14%	\$ 0.09	1%
			> 40,000	\$ 2.50	13%	\$ 2.59	14%	\$ 0.09	1%
4	Paid Violation Notice	One Paid Notice <i>(30 days of transactions)</i>	0-10,000	\$ 5.60	8%	\$ 6.10	10%	\$ 0.50	2%
			10,001-20,000	\$ 5.60	8%	\$ 6.10	10%	\$ 0.50	2%
			>20,000	\$ 5.60	8%	\$ 6.10	10%	\$ 0.50	2%
5	Paid in Collections	Each Transaction Paid	0-5,000	\$ 3.52	0%	\$ 3.52	0%	\$ -	0%
			5,001-10,000	\$ 3.52	0%	\$ 3.52	0%	\$ -	0%
			>10,000	\$ 3.52	0%	\$ 3.52	0%	\$ -	0%
6	Image Review	Transaction	0-3,000,000	NA		NA		NA	
			3,000,001-4,000,000	NA		NA		NA	
			>4,000,000	NA		NA		NA	
7	Court Packets	Packet	0-50	\$ 20.00		\$ 20.00		\$ -	
			51-150	\$ 17.00		\$ 17.00		\$ -	
			>150	\$ 15.00		\$ 15.00		\$ -	
8	Legal Support (Liaisons)	Per Liaison	As Needed	\$ 16,360.00		\$ 16,360.00		\$ -	
9	Insufficient Funds (NSF)	Per Paid Notice	Per Paid Notice	\$ 25.00		\$ 25.00		\$ -	
10	Out of State (OOS) Processing Fee	Per Paid Notice	Per Paid Notice	\$ 1.00		\$ 1.00		\$ -	
11	Habitual Violator Cost	Per Determination Letter Sent	As Needed			\$ 15.00		\$ 15.00	

Information in red denotes changes