

# access

## PLANNING AND DEVELOPMENT COMMITTEE

Monday, March 21, 2022

12:30 p.m.

### Webinar

Committee Members: T. DeVera, Chair  
M. Gombert  
D. Nason

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	<u>DISPOSITION</u>
1. CALL TO ORDER	ACTION
2. GENERAL PUBLIC COMMENT	INFORMATION
3. CONSIDERATION TO APPROVE RENEWALS OF EMPLOYEE HEALTH AND BENEFIT CONTRACTS (page 5)	ACTION
4. CONSIDERATION TO APPROVE RENEWAL OF SELF-INSURED RETENTION AUTOMOBILE LIABILITY PROGRAM (page 8)	ACTION
5. CONSIDERATION TO APPROVE RENEWAL OF COMMERCIAL BUSINESS PACKAGE INSURANCE (page 10)	ACTION
6. CONSIDERATION TO APPROVE POLICY TO ESTABLISH A FACILITIES DEVELOPMENT AND CONSTRUCTION FUND (page 12)	ACTION
7. BUDGET UPDATE	PRESENTATION
8. ADJOURNMENT	ACTION

Access Services does not discriminate on the basis of disability. Accordingly, Access Services seeks to ensure that individuals with disabilities will have an equal opportunity to participate in the range of Access Services events and programs by providing appropriate auxiliary aids and services for communications. Primary consideration is given to the request of individuals with disabilities. However, the final decision belongs to Access Services. To help ensure the availability of any auxiliary aids and services you require, please make every effort to notify Access Services of your request at least three (3) business days (72 hours) prior to the meeting in which you wish to utilize those aids or services. You may do so by contacting (213) 270-6000.

Note: Access Services Board committee meetings are held pursuant to the Ralph M. Brown Act [Cal. Gov. Code §54950] and are open to the public. The public may view and obtain all written information supporting this agenda provided to the Board committee both initially and supplementally prior to the meeting at the agency's offices located at 3449 Santa Anita Avenue, El Monte, California and on its website at <http://accessla.org>. Documents, including Power Point handouts distributed to the Board committee members by staff or Board committee members at the meeting, will simultaneously be made available to the public. Three opportunities are available for the public to address the Board committee during a Board committee meeting: (1) before closed session regarding matters to be discussed in closed session, (2) before a specific agenda item is debated and voted upon and (3) during the time allotted for general public comment. The exercise of the right to address the Board committee is subject to restriction as to time and appropriate decorum. All persons wishing to make public comment must fill out a goldenrod Public Comment Form and submit it to the Secretary of the Board. Public comment is generally limited to three (3) minutes per speaker and the total time available for public comment may be further limited at the discretion of the Chairperson. Persons whose speech is impaired such that they are unable to address the Board at a normal rate of speed may request an accommodation of a limited amount of additional time from the Chair but only by checking the appropriate box on the Public Comment Form. Granting such an accommodation is at the discretion of the Chair. The Board committee cannot and will not respond during the meeting to matters raised under general public comment. Pursuant to provisions of the Brown Act governing these proceedings, no discussion or action may be taken on these matters unless they are listed on the agenda, or unless certain emergency or special circumstances exist. However, the Board committee may direct staff to investigate and/or schedule certain matters for consideration at a future Board committee meeting and staff may respond to all public comments in writing prior to the next Board committee meeting.

### **Commitment to Civility**

To assure civility in its public meetings, staff and the public are also encouraged to engage in respectful dialog that supports freedom of speech and values diversity of opinion. To achieve compliance with these Rules, Directors, staff, and the public are encouraged to:

- Create an atmosphere of respect and civility where Directors, staff, and the public are free to express their ideas;
- Establish and maintain a cordial and respectful atmosphere during discussions;
- Foster meaningful dialogue free of personal attacks;
- Listen with an open mind to all information, including dissenting points of view, regarding issues presented to the Board;
- Recognize that it is sometimes difficult to speak at Board meetings, and out of respect for each person's feelings, allow others to have their say without comment, including booing, whistling or clapping; and
- Adhere to speaking time limit.

Alternative accessible formats are available upon request.

## \*NOTE

### NOTICE OF ALTERNATIVE PUBLIC COMMENT PROCEDURES

Pursuant to temporary revised Brown Act requirements, Board committee members will be participating via webinar. The public may submit written comments on any item on the agenda - 1) through email by addressing it to - board@accessla.org or 2) via US Postal mail by addressing it to - Access Services Board Comments, PO Box 5728, El Monte CA 91734. Please include your name, item number and comments in the correspondence. Comments must be submitted/received no later than 9:00 am on Monday, March 21, 2022 so they can be read into the record as appropriate.

The public may also participate via the Zoom webinar link, or by teleconference. Please review the procedures to do so as follows -

#### How to Provide Public Comment in a Board Meeting via Zoom

##### Online

1. Click the Zoom link for the meeting you wish to join. Meeting information can be found at: [https://accessla.org/news\\_and\\_events/agendas.html](https://accessla.org/news_and_events/agendas.html). Make sure to use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, or Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. You may also use this direct link - <https://us06web.zoom.us/j/82760179209>
2. Enter an email address and your name. Your name will be visible online while you are speaking.
3. When the Committee Chair calls for the item on which you wish to speak, click on "raise hand." Speakers will be notified shortly before they are called to speak. Mute all other audio before speaking. Using multiple devices can cause audio feedback.
4. Please note that the "Chat" feature is an accessibility tool for comments on items by committee members and the general public attendees who need to use this tool. If you cannot use the "raise hand" feature, then please submit a written comment as outlined above.
5. When called, please limit your remarks to three minutes. An audio signal will sound at the three-minute mark and the Chair will have the discretion to mute you at any point after that. After the comment has been given, the microphone for the speaker's Zoom profile will be muted.

Note: Members of the public will not be shown on video.

##### By phone

1. Call the Zoom phone number and enter the webinar ID for the meeting you wish to join. Meeting information can be found at: [https://accessla.org/news\\_and\\_events/agendas.html](https://accessla.org/news_and_events/agendas.html)
2. You can also call in using the following information -  
Dial (for higher quality, dial a number based on your current location):  
US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 301 715 8592 or +1 312 626 6799 or +1 929 205 6099 or 888 788 0099 (Toll Free) or 833 548 0276 (Toll Free) or 833 548 0282 (Toll Free) or 877 853 5247 (Toll Free)  
Webinar ID: 827 6017 9209
3. When the Committee Chair calls for the item on which you wish to speak, press \*9 to raise a hand. Speakers will be notified shortly before they are called to speak. Speakers will be called by the last four digits of their phone number. Please note that phone numbers in their entirety will be visible online while speakers are speaking.

4. If you cannot use the “raise hand” feature, the please submit a written comment as outlined above.
5. When called, please state your name and limit your remarks to three minutes. An audio signal will sound at the three-minute mark and the Chair will have the discretion to mute you at any point after that. After the comment has been given, the microphone for the speaker’s Zoom profile will be muted.

MARCH 14, 2022

**TO: BOARD OF DIRECTORS**

**FROM: ELIZABETH ZAMBRANO, MANAGER OF HUMAN RESOURCES  
F SCOTT JEWELL, DIRECTOR OF ADMINISTRATION**

**RE: CONSIDERATION TO APPROVE RENEWALS OF EMPLOYEE HEALTH AND BENEFIT CONTRACTS**

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**ISSUE:**

The current Access Services employee benefit insurance policies for medical, dental, vision, life and long-term disability will expire on June 30, 2022. The Board must approve a benefit plan so that employee benefits are in place for the next fiscal year starting July 1, 2022.

**RECOMMENDATION**

Approve the employee benefit insurance policies for the period of July 1, 2022 through June 30, 2023 at a cost not to exceed \$1,152,541.

**IMPACT TO BUDGET**

The costs for these policies (\$1,019,447 for the medical policy and \$133,094 for all other Access sponsored policies), is a 5% increase over the current year and will be included in the proposed FY2022/23 budget. The funding for these policies comes from local funds.

The amount requested for approval is an estimate based on information obtained from our insurance broker at the time this Board item was prepared. Since quotes are generally not available until the date of the actual policy renewal, it is possible that the actual cost of the premiums will be lower than the stated estimate.

**ALTERNATIVES CONSIDERED**

Access’ insurance broker, SullivanCurtisMonroe (SCM), is in the process of conducting a comprehensive market survey. The current Kaiser plan will likely be the most cost advantageous to Access but additional plans may be offered if similar benefits can be provided.

**EFFECT OF APPROVAL OF STAFF RECOMMENDATION:**

If this staff recommendation is approved by the Board, the staff will be authorized, but not required, to negotiate and enter into a renewal of the existing Kaiser Health Care or similar health plan and modify Access’ existing vision, dental, and other benefit plans in accordance with terms, conditions and costs that are no less favorable to Access than those proposed herein. Access would not be

legally bound to the renewal or modifications unless it is incorporated into a formal written agreement executed by all parties thereto and approved as to form by this entity's legal counsel.

## **BACKGROUND**

Access Services (Access) offers a comprehensive package of employee benefits. Coverage of insurance begins the first day of the month after 30 days of employment. All full-time staff employees and their eligible dependents may participate in Access' comprehensive health coverage. These benefits include the following:

### **Comprehensive Health Insurance - Kaiser-Permanente (HMO & PPO)**

Participants may choose coverage for themselves and any eligible dependents, or to opt-out of the plan if they are covered by another employer sponsored plan. Staff is also exploring offering a similar level and cost plan to provide more options for staff in terms of comprehensive health insurance.

Access pays 90% of the entire premium cost for HMO or 80% of the entire premium for PPO coverage for both employee and eligible dependents up to limits established by the Board of Directors.

### **Dental Insurance**

The Prepaid Dental Benefit (DHMO) option provides basic care at no charge to the employee and other services at a low co-payment.

Indemnity Dental Benefits (DPO) option provides basic care at no charge to the employee and other services at a payment of 90% on most usual and customary charges up to \$1,500 per year.

### **Vision Insurance**

Comprehensive vision insurance (PPO) covers frames, lenses, contact lenses and exams.

### **Chiropractic Insurance**

PPO Chiropractic coverage provides up to 20 visits per calendar year.

### **Life and Long-Term Disability Insurance**

Employer-paid Life Insurance provides an amount equal to the employee's annual salary. Premiums are 100% paid by Access for employees; dependents are not eligible for this benefit. Employees may choose additional voluntary life insurance and pay the premiums through payroll deductions.

Employer-paid Long Term Disability Insurance provides up to 66% of salary for employees unable to work after a 90-day waiting period. Premiums are 100% paid by Access for employees; dependents are not eligible for this benefit.

## **Long Term Care**

Employer paid Long Term Care Insurance provides basic coverage of \$2,000 per month for qualified confinement to a skilled nursing facility. See plan for details. Employees may choose additional coverage choices and pay the premiums through payroll deductions.

## **Supplemental Insurance**

Employees may choose any of several voluntary supplemental insurance policies, and pay for the premiums via payroll deduction. Employees may opt for supplemental insurance at any time.

## **Flexible Spending Accounts**

Access participates in Flexible Spending Accounts (FSA) as regulated by the Internal Revenue Service. Employees are able to participate in an FSA when they become benefit eligible (1st of the month following 30 days of hire) and during the open enrollment period (effective as of July 1 each year).

MARCH 14, 2022

**TO: BOARD OF DIRECTORS**

**FROM: HECTOR RODRIGUEZ, DEPUTY EXECUTIVE DIRECTOR**

**RE: CONSIDERATION TO APPROVE RENEWAL OF SELF-INSURED RETENTION  
AUTOMOBILE LIABILITY PROGRAM**

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**ISSUE:**

Board approval is requested to continue the Self-Insured Retention (SIR) program for all automobile liability claims up to \$100,000 per claim.

**RECOMMENDATION:**

Authorize staff to continue a \$100,000 Self-Insured Retention program with estimated liability of \$1,940,000 that will be determined in accordance with GASB Statement No. 10 as required for public entities.

**IMPACT ON BUDGET:**

Based on projected actuarial studies to be performed by Aon Risk Solutions, it is expected that this program may have a projected total cost of claims within the SIR of up to \$1,940,000 for FY 2022/23. The final cost will depend on the actual loss history over the policy period. For example, claims so far for the FY2021/22 year are projected to be \$616,238, far below the actuarial projection of \$1,848,000. (This estimate is subject to change depending on claims experienced through June 20, 2022.)

Aggregate stop loss insurance will be procured in order to limit SIR exposure. The aggregate insurance will become effective only when Access has paid \$3,500,000 in claims.

This program and the other layers of insurance have all been included in the draft budget for Fiscal Year 2022/23.



**ALTERNATIVES CONSIDERED:**

Staff believes the SIR structure, in combination with our safety program, has been successful and no alternatives have been considered.

**BACKGROUND:**

The proposal with an SIR and cost sharing of total claims was developed by our insurance brokers, SullivanCurtisMonroe. The centralization and control of the insurance program by Access and its contracted Third Party Administrator (CorVel) has allowed Access to better manage and resolve claims against the Agency. The data for the actuarial study consists of data for claims incurred from June 21, 2009 to date gathered from CorVel. The requested SIR liability limit is an increase from the current year's limit of \$1,848,000.

MARCH 14, 2022

**TO: BOARD OF DIRECTORS**

**FROM: HECTOR RODRIGUEZ, DEPUTY EXECUTIVE DIRECTOR**

**RE: CONSIDERATION TO APPROVE RENEWAL OF COMMERCIAL BUSINESS PACKAGE INSURANCE**

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**ISSUE:**

In order to continue the Access Self-Insured Retention (SIR) program, Board approval is necessary to authorize the renewal of insurance policies consisting of Excess Business Auto for revenue service vehicles, Commercial General Liability, Commercial Umbrella Liability, and Aggregate Stop Loss Coverage.

The insurance layers in Access’ program are currently structured as follows:

SIR up to		\$100,000
Primary Layer	\$100,000 to	\$1,100,000
First Excess	\$1,100,000 to	\$11,100,000
Second Excess	\$11,100,000 to	\$26,100,000
Third Excess	\$26,100,000 to	\$51,100,000

The Primary Automobile Layer is covered by a policy with James River Insurance Company that expires on June 20, 2023 and staff has asked Access’ insurance broker, SullivanCurtisMonroe, for pricing on extending the existing policy with James River through June 20, 2024.

The three excess layers above the primary layer will expire on June 20, 2022, and therefore require Board action to extend to June 20, 2023.

**RECOMMENDATION:**

Authorize the Executive Director to:

- Enter into a one-year policy agreement with James River Insurance Company for primary insurance coverage from June 21, 2023 through June 20, 2024;
- Enter into a one-year policy agreement with James River Insurance Company for the first excess layer;
- Enter into a one-year policy agreement with Scottsdale Insurance Company for the second excess layer;

- Enter into a one-year policy agreement with Liberty Insurance Company for the third excess layer;
- Enter into one-year policies with various carriers for the above-named insurance policies dependent on the outcome of the quotes received;
- Authorize an amount not to exceed \$7,500,000 for all of the above insurance layers.

**IMPACT ON BUDGET:**

These costs will be included in Access' budget for FY2022/23. The funding for these policies will come from local funds.

**BACKGROUND:**

The insurance placement process will be completed by June 20, 2022 for all layers except the primary layer. A report with specific insurance carrier and policy information will be transmitted to the Board.

The choice of an insurance carrier is based on a number of factors, i.e. financial strength, the 'A. M. Best Guide' industry rating, policy limits, potential covered losses and cost. SullivanCurtisMonroe has been instructed to obtain competitive bids in the placement of our insurance policies. Insurance companies have traditionally been very selective in bidding on the insurance Access currently carries, and as part of their process, conduct a detailed assessment of potential exposures to risk.

The amount requested for approval is an estimate based on information obtained from our insurance broker at the time of preparation of this Board item. Since quotes are generally not available until the date of the actual policy renewal, it is expected that the actual cost of the premiums will be lower than the stated estimate.

MARCH 14, 2022

TO: BOARD OF DIRECTORS

FROM: HECTOR RODRIGUEZ, DEPUTY EXECUTIVE DIRECTOR

RE: CONSIDERATION TO APPROVE POLICY TO ESTABLISH A FACILITIES DEVELOPMENT AND CONSTRUCTION FUND

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**ISSUE:**

With the exception of its leased eligibility facility, Access Services relies on its contractors to provide suitable operating facilities to perform ADA paratransit services. While this has generally worked for the Agency since its inception, staff believes, for both economic and operational reasons, that the Agency must control, and ideally own, its own operating facilities to ensure that quality, consistent ADA paratransit services are provided over the coming decades.

Given that Access currently does not have a dedicated source of capital funds for facility development, staff has developed the Development and Construction Fund concept outlined below, which would be funded from any reimbursements from special services that Access performs or has performed in addition to other available funding.

**RECOMMENDATION:**

Authorize the Executive Director to:

- Establish a Facilities Development and Construction Fund and set aside the following funds for the purpose of developing and constructing operating facilities:
  - Direct COVID-19 reimbursements received from the Federal Emergency Management Agency (FEMA);
  - Direct COVID-19 reimbursements received from the County or the City of Los Angeles;
  - Direct reimbursements received from Medi-Cal;
  - Any other funds that may be appropriated by the Access Services Board of Directors or the Los Angeles County Metropolitan Transportation Authority (Metro) for this purpose.
- Direct staff to apply for facility construction grants as soon as practicable.

## **IMPACT ON BUDGET:**

There is no current impact to the budget. However, staff believes that if the Agency controls or owns its own facilities it will ultimately result in lower contracting costs due to real estate savings and enhanced competition for Access contracts.

## **BACKGROUND:**

One of the recommendations in the Agency's 2017 Comprehensive Operational Review was that Access control or own its own paratransit operating facilities. The report stated that this strategy would enhance competition for Access contracts and also "ensure more stable service reliability into the future...". Staff believes that recent trends only reinforce the Agency's need to control or own its own real estate.

## **Economic Benefits**

The financial benefits of controlling a facility include more competitive solicitations through increased competition. Once Access controls the facility, a major component of the competitive advantage gained by the incumbent will be taken out of the equation. In addition to these potential savings, if Access owns a facility, the costs of ownership will generally be less over the life of the facility compared to the costs of leasing.

Should Access be able to secure a suitable building site, the agency will be significantly more competitive for grants related to development of facilities, including electric charging infrastructure. (The typical requirement to apply for grants is that the project be "shovel-ready." This would mean that the agency would have to own the land and have, at a minimum, architectural drawings in order to apply for construction grants.) Staff expects that, through the combination of grants and reimbursements outlined above, the financial impact to the region can be minimized.

## **Operational Benefits**

As the COVID-19 pandemic recedes, demand for ADA trips is expected to continue its normal annual growth of approximately six percent (6%). Access' contractors will be faced with a need for additional space for the increased number of vehicles that will be needed to service this demand.

Another benefit of controlling the facility is the ability to retain the benefit of any improvements to the site. For example, should Access decide to adopt the use of electric vehicles, the infrastructure improvements to the operating facilities will remain with the agency rather than be lost when a lease expires and the contractor is forced to find another site.

Most importantly, Agency ownership of a potential site removes the possibility that a facility could be lost once a contractor's lease expires, which could lead to significant operational disruption given the scarcity of appropriate sites in Los Angeles County.