

# access

## BOARD OF DIRECTORS MEETING

MONDAY, MAY 18, 2015

Closed Session: 12:00

General Session: Immediately Following

The meeting is expected to end by or  
before 3:00 p.m.

**ACCESS SERVICES HEADQUARTERS**  
Council Conference Room, 3<sup>rd</sup> Floor  
3449 Santa Anita Avenue  
El Monte CA 91731

### *MISSION STATEMENT*

*Access Services promotes access to all modes of transportation and provides quality and safe ADA paratransit service on behalf of public transit agencies in Los Angeles County.*

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#### DISPOSITION

- |  |                                |
|--|--------------------------------|
| 1. CALL TO ORDER   | ACTION                         |
| 2. PUBLIC COMMENT WITH RESPECT TO CLOSED SESSION ITEMS           |                                |
| 3. CLOSED SESSION  | DISCUSSION/<br>POSSIBLE ACTION |
| A) CONFERENCE WITH LEGAL COUNSEL: CAL. GOV. CODE §54956.9        |                                |
| 1. <u>Anticipated Litigation</u> : Gov. Code §54956.9 (b)        |                                |
| (i) <i>Significant exposure to litigation against the Agency</i> |                                |
| 2. <u>Initiation of Litigation</u> : Gov. Code §54956.9 (c)      |                                |
| B) CALIFORNIA GOV. CODE §54957 - PERSONNEL ISSUES                |                                |
| Public Employee Performance Evaluation: Executive Director       |                                |

4.	SUPERIOR SERVICE AWARD	PRESENTATION
5.	REVIEW & APPROVAL OF MINUTES FROM THE BOARD MEETING ON APRIL 27, 2015 (page 5)  [Staff Recommendation: Approve minutes as written.]	ACTION [Vote Required: majority of quorum by voice vote]
6.	REPORT FROM EX-OFFICIO BOARD MEMBERS	INFORMATION
7.	GENERAL PUBLIC COMMENT	INFORMATION
8.	CONSENT CALENDAR  a) Consideration to Approve the Purchase of Up to 10 Vehicles For Paratransit Service (page 10)  b) Consideration to Approve Contract For On-Board Vehicle Camera/Recording System - SMARTDRIVE (AS-3906) (page 12)  c) Consideration to Approve Eligibility Appeals Contract (AS-3926) (page 14)  d) Consideration to Approve Contract For Drug & Alcohol Program Consultant Services (AS-3876) (page 16)  e) Consideration to Approve Modification of Payment Process (page 18)  f) Consideration to Approve Funding For Printing And Reprographics Vendor (page 19)  [Staff Recommendation: Approve Consent Calendar]	ACTION [Vote Required: majority of quorum by roll call]
9.	CONSIDERATION TO APPROVE RENEWAL OF EMPLOYEE HEALTH AND BENEFIT INSURANCE CONTRACTS (page 21)  [Staff Recommendation: Approve renewal of the Dental (Guardian), Vision (VSP), Life and Long Term Disability (Guardian) insurance policies and eliminate our United Health Care medical plans, migrating the 25 employees who are currently enrolled in United Health Care to Kaiser for the period of July 1, 2015 to June 30, 2016 at a cost not to exceed \$1,048,340 based upon the continuation of our current contribution strategy and enrollment.]	PRESENTATION/ ACTION [Vote Required: majority of quorum by roll call]

10. CONSIDERATION TO APPROVE COMMERCIAL BUSINESS PACKAGE INSURANCE (AS-2749) (page 23)	PRESENTATION/ ACTION [Vote Required: majority of quorum by roll call]
[Staff Recommendation: Approve the above referenced insurance policies at a premium cost not to exceed \$5,721,834 for the policy period of 6/21/15-6/20/16. See item for details]	
11. CONSIDERATION TO RENEW SELF-INSURED RETENTION AUTOMOBILE LIABILITY PROGRAM (page 26)	PRESENTATION/ ACTION [Vote Required: majority of quorum by roll call]
[Staff Recommendation: Authorize staff to implement a \$100,000 Self Insured Retention program with estimated liability of \$2,101,000 determined in accordance with GASB Statement No.10 as required for public entities.]	
12. CONSIDERATION TO APPROVE CONTRACT FOR THIRD PARTY INSURANCE ADMINISTRATOR (AS-3877) (page 28)	PRESENTATION/ ACTION [Vote Required: majority of quorum by roll call]
[Staff Recommendation: Authorize staff to execute a contract with CorVel Corporation (CorVel), in an amount not to exceed \$1,300,500 for the three year base period beginning July 1, 2015 and ending June 30, 2018, with options for two one-year extensions.]	
13. CONSIDERATION TO APPROVE REASONABLE MODIFICATION POLICY (page 31)	PRESENTATION/ ACTION [Vote Required: majority of quorum by roll call]
[Staff Recommendation: 1) Approve the attached Reasonable Modification Policy and authorize staff to present an amendment to the Los Angeles County Coordinated Paratransit Plan. Reasonable Modification beginning July 13, 2015. 2) Report back to the Board and Advisory Committees one year from the start of the Reasonable Modification Policy on the status of the program.]	
14. COMPREHENSIVE REVIEW - ELIGIBILITY	PRESENTATION
15. DRAFT BUDGET FOR FISCAL YEAR 2015/2016 (page 35)	PRESENTATION
[Staff Recommendation: Receive and file]	
16. STATUS UPDATE ON METRO'S REVIEW OF ACCESS SERVICES (page 38)	INFORMATION
[Staff Recommendation: Receive and file]	
17. EXECUTIVE DIRECTOR'S REPORT	INFORMATION

18. BOARD MEMBER COMMUNICATION	INFORMATION
19. NEW BUSINESS SUBSEQUENT TO THE POSTING OF THE AGENDA	DISCUSSION/ POSSIBLE ACTION
20. 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 to facilitate communication. In determining the type of auxiliary aids and services for communication that will be provided, primary consideration is given to the request of the individual with disabilities. However, the final decision belongs to Access Services. To help ensure availability of those 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 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 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 Board Members by staff or Board members at the meeting will simultaneously be made available to the public. Three opportunities are available for the public to address the board during a board meeting: (1) before closed session regarding matters to be discussed in closed session, (2) before a specific agendized item is debated and voted upon regarding that item and (3) general public comment. The exercise of the right to address the board is subject to restriction as to time and appropriate decorum. All persons wishing to make public comment must fill out a yellow Public Comment Form and submit it to the Secretary to the Board. Public comment is generally limited to three (3) minutes per speaker and the total time available for public comment may be 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 the 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 in the discretion of the Chair.

The Board of Directors will not and cannot 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 may direct staff to investigate and/or schedule certain matters for consideration at a future Board of Directors Meeting and

the staff will respond to all public comment in writing prior to the next board meeting.  
["Alternative accessible formats available upon request."](#)

# access

## STATEMENT OF PROCEEDINGS FOR THE REGULAR MEETING OF THE ACCESS SERVICES BOARD OF DIRECTORS

Metro  
One Gateway Plaza, 3rd Floor  
Los Angeles CA 90012

Monday, April 27, 2015  
12:08 p.m.

### 1. CALL TO ORDER

Meeting called to order by Chair Doran Barnes at 12:08 p.m.

### BOARD MEMBERS PRESENT REPRESENTING A QUORUM

Present: Chair Doran Barnes, Vice Chair Dolores Nason, Secretary Theresa DeVera, Directors Angela Nwokike, Kim Turner Art Ida, John Troost. Ex-Officios: CAC Chair Chaplain Dov Cohen, TPAC Chair Linda Evans and Access Services Legal Counsel Jim Jones.

### BOARD MEMBERS EXCUSED FROM THE MEETING

Not Present: Treasurer, Martin Gombert.

### 2. PUBLIC COMMENT WITH RESPECT TO CLOSED SESSION ITEMS

No public comments.

### 3. CLOSED SESSION REPORT

Access Services legal counsel reported that the case of Kyle Minnis versus Access Services which was filed in Los Angeles Superior Court, the judgement of dismissal was obtained by Access Services and the case was now completed. The Board took no other reportable action during closed session.

### 4. REVIEW & APPROVAL OF THE BOARD MEETING MINUTES

Approval of the minutes from the regular Board of Directors meeting held on Monday, March 23, 2015.

Motion made by Vice Chair Dolores Nason, seconded by Secretary Theresa DeVera. Via Voice Vote, seven in favor with one abstention, motion passed.

5. **REPORT FROM EX-OFFICIO BOARD MEMBERS**

Linda Evans, Chair of the Transportation Professional Advisory Committee (TPAC), provided a brief report on the TPAC meeting held on Thursday, April 23, 2015.

Chaplain Dov Cohen, Chair of the Community Advisory Committee (CAC), provided a brief report on the CAC meeting held on Tuesday, April 14, 2015.

6. **GENERAL PUBLIC COMMENT**

Victor Dominguez made public comment by stating that whenever he called the reservation line to book a trip he would get cut off. He also stated that when he selects option two for Spanish he would have problems trying to speak to a representative. He asked what was going on.

7. **DISCUSSION ON DRIVER RECRUITMENT AND RETENTION**

Recommendation: Discuss and review options.

Public Comment Item 7

Patty Hyland made public comment by stating that before any of the drivers receive a wage increase they should first be surveyed because most of the drivers don't speak or understand English.

Chair Doran Barnes reminded the Board that this was a discussion item only and no action was needed.

8. **CONSIDERATION TO APPROVE METRO LOGO/BRANDING**

Recommendation: Approve the Metro Logo proposal on the Access vehicle that will feature the regional M in a circle with the word Metro. The M will be larger in size than the lettering.

Public Comment Item 8

Patty Hyland made public comment by asking what the cost of the decals were. She added that the extra money spent on the decals could go toward the drivers wage increase.

Motion made by Director Angela Nwokike to approve staff recommendation, seconded by Director John Troost. Via Roll Call Vote all were in favor, motion passed.

**9. DISCUSSION ON SELF-INSURED RETENTION (SIR) PROGRAM**

Recommendation: Receive and file.

Chair Doran Barnes reminded the Board that this was a discussion item only and no action was needed.

**10. ORIGIN TO DESTINATION AND DYNAMIC FARE COSTS**

Recommendation: Receive and file.

Public Comment Item 10

Patty Hyland made public comment by suggesting that staff round it off to the nearest dollar and move toward the four dollar cap.

Michael Conrad made public comment by stating that he did not care for any of the changes to the fares but if it had to happen he would suggest that staff go with the dollar round down with the four dollar cap. He also added that this was going to be a hardship for the riders with low income, SSI, and fixed incomes.

Mr. Conrad concluded his public comment by stating that he hoped that Access Services staff would bring all four parts of this proposal to the Board at the next Board meeting on May 18, 2015. He asked that the Board consider the riders that were barely getting by on their fixed and low income.

Chair Doran Barnes reminded the Board that this was a discussion item only and no action was needed.

**11. AMERICAN PUBLIC TRANSPORTATION ASSOCIATION (APTA) PEER REVIEW**

Recommendation: Receive and file.

Chair Doran Barnes reminded the Board that this was a discussion item only and no action was needed.

**12. STATUS UPDATE ON METRO'S REVIEW OF ACCESS SERVICES**

Recommendation: Receive and file Metro's review of Access Services.

Chair Doran Barnes reminded the Board that this was an information item only and no action was needed.

**13. EXECUTIVE DIRECTOR'S REPORT**

Shelly Verrinder, Executive Director, Access Services, began her report by acknowledging Donna Cisco for completing twenty years with Access Services.

She also reported that staff was working very hard on the implementation of the Origin to Destination and Reasonable Modification Regulations. Beyond the Curb, which was Origin to Destination, will begin on July 1, 2015 and Reasonable Modification will follow soon after on July 13, 2015.

Mr. Verrinder stated that staff conducted a Software Summit last week which was very exciting. She also reported that staff would be implementing a web based reservation system soon. It was currently in the testing phase. Staff will also be working on an Estimated Time of Arrival (ETA) system that the riders can view on a cell phone and finally instant feedback on how your ride was for the passengers and drivers.

Ms Verrinder concluded her report by stating that the web based systems should be out within the next three months and the next Board of Directors meeting was scheduled for Monday, May 18, 2015 tentatively at the Southern California Association of Governments (SCAG). Donna Cisco would be sending out a notice when the location had been confirmed.

#### **14. BOARD MEMBER COMMUNICATION**

CAC Chair, Chaplain Dov Cohen announced that on Saturday, May 23, 2015 the Veterans Home of California and 5,000 Boy Scouts and Girl Scouts will be at the National Cemetery placing 88,800 flags on all of the graves for Memorial Day from 10:00 a.m. to 12:00 p.m. Saturday night the Santa Monica Symphony will be conducting a special patriotic program and everyone was invited free of charge and the special guests were the Veterans of the Veterans Home of California, World War II Korean and Vietnam War heroes.

Director Art Ida welcomed new Board member, Nalini Ahuja. He also thanked staff for all of their hard work and the service they provide to all of the passengers.

Vice Chair, Dolores Nason stated that she was very excited to hear that the riders and drivers were going to be able to make comments in real time which could be good and not so good for the organization.

Director John Troost welcomed Director Nalini Ahuja to the Board of Directors.

Chair Doran Barnes thanked everyone for attending Access Services Annual Membership meeting which took place on Friday, April 17, 2015. He thanked Andre Colaiace and Ms. Verrinder for working with him on the regulatory change path and Mr. Colaiace was able to secure a letter from the congressional delegation that went to Secretary Fox in support of the kind of flexibility that we would all like to see with the Dynamic Fare Changes.

#### **15. NEW BUSINESS SUBSEQUENT TO THE POSTING OF THE AGENDA**

No new business was heard subsequent to the posting of the agenda.

16. ADJOURNMENT

Motion made by Director Kim Turner to adjourn the meeting. Seconded by Vice Chair Dolores Nason via Voice Vote. The meeting adjourned at 2:16 p.m.

Approval

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Theresa DeVera, Secretary

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Date

**ITEM 8-a**

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: RICK STREIFF, MANAGER OF FLEET DESIGN AND MAINTENANCE  
HECTOR RODRIGUEZ, CONTROLLER  
RE: CONSIDERATION TO APPROVE THE PURCHASE OF UP TO 10 VEHICLES FOR PARATRANSIT SERVICE

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**ISSUE:**

Board approval is required to purchase up to ten vehicles for paratransit service during Fiscal Year 2014-2015.

**RECOMMENDATION:**

Authorize staff to purchase up to 10 2014 ADA-accessible paratransit vehicles in an amount not to exceed \$500,000.

**IMPACT ON BUDGET:**

The funds needed for this purchase these vehicles are from the FY2014-2015 budget. The estimated total expenditure includes applicable sales tax, license and fees. The funding for these vehicles comes from the Prop C Discretionary Fund.

**ALTERNATIVES CONSIDERED:**

No alternatives were considered.

**EFFECT OF APPROVAL OF STAFF RECOMMENDATION:**

Board approval of this recommendation would authorize staff, but not require them, to negotiate and enter into a written contract for the purchase of vehicles upon terms and conditions no less favorable to Access Services than those proposed above. Access Services would not be legally bound to the vehicle purchase contract unless such contract is incorporated into a formal written agreement executed by all parties thereto and approved as to form by this entity's legal counsel.

## BACKGROUND:

Staff is proposing to purchase these vehicles through an approved vendor of the CalACT/Morongo Basin Transit Authority (MBTA) Purchasing Cooperative. Based on past experience, purchasing from cooperative contract schedules - a practice encouraged by the FTA - expedites the purchasing process, while ensuring that a competitive price is paid for goods and services.

MBTA, a member of CalACT, is the lead agency in the CalACT/MBTA Vehicle Purchasing Cooperative. The Cooperative was formed because many of the CalACT member agencies felt that an alternative to the traditional state bid process was necessary in order to create a more competitive marketplace for vehicle purchases in the State of California. The type of procurement used by the Cooperative entails the development of a Local Government Schedule, as defined in the FTA third party procurement guidelines (Circular 4220.1F, Chapter V, Part 4), wherein the FTA extends to local governments the opportunity to purchase goods or services at established prices.

MAY 12, 2015

TO: BOARD OF DIRECTORS

FROM: STEVE HOLMAN, MANAGER OF PROCUREMENT AND CONTRACTS  
MIKE GREENWOOD, DIRECTOR OF SAFETY AND RISK MANAGEMENT

RE: CONSIDERATION TO APPROVE CONTRACT FOR ON-BOARD  
VEHICLE CAMERA/RECORDING SYSTEM - SMARTDRIVE (AS-3906)

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ISSUE:

The existing purchase and maintenance contract for the SmartDrive system is expiring and requires Board approval to extend.

RECOMMENDATION:

Authorize staff to issue a purchase order for on-board video recording system equipment, installation and subscription services to SmartDrive through the United States General Services Administration (GSA) I.T. procurement Schedule 70 for a total Purchase Order (PO) not-to-exceed amount of \$2,794,951 with a period of performance on June 20, 2015 through November 29, 2019.

IMPACT ON BUDGET:

This item is fully consistent with the Fiscal Year 2014/2015 planned and approved budget and will be budgeted in the out year budgets through Fiscal Year 2018/2019. The funding for this agreement comes from the Prop C Discretionary Fund.

ALTERNATIVES CONSIDERED:

This purchase through GSA pricing schedules offers a more cost effective scenario for continuing the on-board vehicle camera/recording system than performing a bid process once cost factors such as removal of the legacy system and the staff time to manage and train on a new system.

EFFECT OF APPROVAL OF STAFF RECOMMENDATION:

If this staff recommendation is approved by the Board, the staff would be authorized, but not required, to negotiate and enter into a written agreement for the purchase of all related hardware, software, shipping, installation, training and applicable taxes.

Access would not be legally bound to the purchase agreement 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:**

At its March 10, 2010 meeting, the Board of Directors approved the purchase of 664 on-board video cameras and associated equipment, installation, and training under Contract number AS-3826. At its May 2013 meeting, the Board of Directors approved the addition of 150 cameras for a total of 814 cameras. This contract expires on June 29, 2015.

In order to continue to maintain the on-board vehicle camera/recording system, staff recommends entering into a new five year agreement, coinciding with the extended GSA pricing schedule, which was amended to run through November 29, 2019. Pricing includes monthly service fees and the purchase of new cameras for expansion or replacement.

On-board video recording is a powerful tool that is used widely throughout both the transit and paratransit industries, given the need to dispassionately review accidents and incidents that occur on our vehicles, as well as the desire to capture operational data. SmartDrive staff views, scores and categorizes all captured events and then makes the data available to Access Services staff. It allows Access and our contractors to focus their efforts on reviewing those incidents which demonstrate particular types of unsafe driving behaviors or on events categorized as high risk triggered events.

This request is made in accordance with Board approved Procurement Policies & Procedures for Routine Procurement Methods, subsection b. that allows for the negotiated method of procurement when, "purchases to be made from, or the contract is to be made with, the Federal or State government or any agency or political subdivision thereof, or pursuant to any cooperative purchasing program or open end bulk purchase contract of any of them."

GSA pricing schedules offer a more cost effective scenario for continuing the on-board vehicle camera/recording system than performing a bid process once cost factors such as removal of the legacy system and the staff time to manage and train on a new system. Pricing submitted by SmartDrive has been determined to be fair and reasonable. SmartDrive performed satisfactory services during the term of the previous contract.

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: STEVE HOLMAN, MANAGER OF CONTRACTS AND PROCUREMENT  
GEOFFREY OKAMOTO, MANAGER OF ELIGIBILITY  
RE: CONSIDERATION TO APPROVE ELIGIBILITY APPEAL CONTRACT  
(AS-3926)

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ISSUE:

Board approval is required to approve the award of an eligibility appeals contract.

RECOMMENDATION:

Authorize staff to execute Contract No. AS-3926 for Eligibility Appeal Services with Medical Management Mission (MMM) for a total contract not-to-exceed amount of \$650,000. The contract period of performance will be for five (5) years.

IMPACT ON BUDGET:

The costs associated with this contract were budgeted in the current fiscal year and will be appropriately budgeted for the subsequent out years. The funding for these services comes from the Prop C Discretionary Fund.

ALTERNATIVES CONSIDERED:

This was a competitive bid process and as such no other alternatives were considered.

BACKGROUND:

Eligibility Appeal Services are procured through an open Statement of Qualifications/Request for Quotations (SOQ/RFQ) process which allows qualified contractors to bid on the services at any time. This allows for Access to have a "bench" of vendors to use for these types of services. The current SOQ/RFQ was issued on October 4, 2013, and to date six contracts have been awarded.

MMM, an established medical evaluation clinic, will provide functional evaluations related to the assessment and identification of impairment related limitations.

The aforementioned contract costs are based on the following rates per appeal specialist:

	Cost Per Evaluation	Outside of basin	Cost Per No Show	Cost Per No Show outside of basin	Mileage
<b>MEDICAL</b>					
MMM Contract AS-3926 Rates increase by 8% each year.	\$350.00	n/a	\$50.00	n/a	n/a

Projected Appeals:

Professional Field	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
Physical Therapy	190	230	275	330	400	1,429

The above projections are based on medical appeals that originate in the San Fernando Valley, which is the primary reason for adding Medical Management Mission to the roster of appeals specialists. Based on a one year sample of medical appeal appointments, approximately 18% of the appellants resided in the San Fernando Valley. Since appeal trips are provided by the service provider that serves that region (as opposed to certification trips which are all handled by the Eastern Region service provider) having an appeals provider in the San Fernando Valley would provide shorter trips for our customers and more efficient transportation to and from appeal appointments. It is also notable that the facility is approximately 3 miles from the MV Transportation facility, our Northern Region service provider.

Medical Management Mission is a medical management company that provides a variety of health care services, employing board certified physicians with extensive private practice backgrounds of 20 years or more. Specialties include internal medicine, nephrology, hematology and oncology.

ITEM 8-d

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: STEVE HOLMAN, MANAGER OF PROCUREMENT AND CONTRACTS  
ALVINA NARAYAN, GRANTS ANALYST  
RE: CONSIDERATION TO APPROVE CONTRACT FOR DRUG AND  
ALCOHOL PROGRAM CONSULTANT SERVICES (AS-3876)

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ISSUE:

Board approval is needed for the selection of a consultant to monitor and oversee the Access Drug and Alcohol Program beginning July 1, 2015.

RECOMMENDATION:

Authorize staff to execute a contract with LPM Consulting Inc. (LPM) for the monitoring and oversight of the agency's Drug and Alcohol Program for the period July 1, 2015 through June 30, 2018, with the option of extending the contract in one year increments for up to two additional years, with a total contract not-to-exceed amount of \$175,000.

IMPACT ON BUDGET:

This item is within anticipated cost projections for the fiscal year 2015-2016 budget and the proposed budgets for the relevant out years. The funding for these services come from the Prop C Discretionary Fund.

ALTERNATIVES CONSIDERED:

No alternatives were considered. Current staffing levels are inadequate to allow for the assignment of an individual to provide the federally mandated services of this program. The existing contract for these services does not have any remaining options to extend.

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 contract with LPM on terms that are no less favorable to Access Services than those proposed above. Access Services would not be legally bound to this contract 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:

Under FTA 49 CFR Part 655 ("Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations") contractors that perform any safety-sensitive function on behalf of Access Services (grantee) are required to comply with the provisions of Part 655 and follow the procedures prescribed for drug and alcohol testing under DOT 49 CFR Part 40 ("Procedures for Transportation Workplace Drug and Alcohol Testing Programs"). The rule specifically requires the grantee to provide monitoring and oversight to its covered contractors and service agents to ensure that the program they are implementing on behalf of Access Services is consistent with the DOT and FTA rules. Access Services is required to annually certify compliance to the applicable FTA Office.

Access Services has been utilizing the services of a qualified consultant to meet the monitoring and oversight responsibility to its contractors and their service agents to ensure compliance with the drug and alcohol testing rules.

A request for proposals (RFP) was issued on March 3, 2015. One proposal, which was deemed both responsive and responsible, was received on April 2, 2015 in response to the RFP. Total annual cost based on estimated hours are shown below:

	Year 1	Year 2	Year 3	Year 4	Year 5
Annual *	\$33,810	\$33,810	\$35,328	\$35,328	\$36,708
Primary Rate	\$125	\$125	\$130	\$130	\$135
Sub Rate	\$100	\$100	\$110	\$110	\$115

\*the Annual cost is an estimate based on the number of 230 hours.

Evaluation was conducted in accordance with the Access Services Procurement Policy. The proposal was reviewed and scored by the evaluation team consisting of members from the Risk Management and Planning & Coordination Departments, at Access Services.

LPM has been the Access Services Alcohol and Substance Abuse Prevention Program consultant since June 2003. The services provided under the previous contracts with LPM have been timely and critical to the success of Access's compliance program.

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: HECTOR RODRIGUEZ, CONTROLLER  
RE: CONSIDERATION TO APPROVE MODIFICATION OF PAYMENT  
PROCESS

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ISSUE:

It is necessary for the Board to approve an amendment to the Accounts Payable approval/payment process

RECOMMENDATION:

Authorize staff to modify the invoice payment process to allow for electronic approval.

IMPACT ON BUDGET:

There is no fiscal impact.

BACKGROUND:

Earlier this year, the Board approved the implementation of a cloud based Financial Reporting Enterprise Resource Planning (ERP) software through Oracle Corporation. As part of the implementation, the approval process for invoices will become electronic rather than manual. Historically, Access Services staff has manually approved invoices for payment and then a check was generated. The check was then signed by authorized personnel and when required (for invoices in excess of \$50,000) a Board member would also sign the check.

Because the process will now be electronic, the appropriate staff and/or designated Board members will approve the invoice for payment. Once the invoice has been approved the check will be electronically generated, inclusive of signatures, in accordance with the payment terms.

MAY 12, 2015

TO: BOARD OF DIRECTORS

FROM: STEVE HOLMAN, MANAGER OF PROCUREMENT AND CONTRACTS  
ANDRE COLAIACE, DEPUTY EXECUTIVE DIRECTOR, GOVERNMENT SERVICES

RE: CONSIDERATION TO APPROVE FUNDING FOR PRINTING AND REPROGRAPHICS VENDOR

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ISSUE:

Aggregate purchases from vendors that exceed \$75,000 in a fiscal year require Board approval. Staff is anticipating this to occur for one of Access' print vendors before the end of the current fiscal year and therefore is requesting Board approval to address the issue.

RECOMMENDATION:

Staff recommends that the Board grant the authorization to award purchase orders that exceed the \$75,000 aggregate annual amount to a single vendor - Dual Graphics. The new authority will not exceed \$125,000 in FY2014/15.

IMPACT ON BUDGET:

The recommended action is within the anticipated budget for Fiscal Year 2014/2015.

The funding for these services comes from Prop C Discretionary funds.

ALTERNATIVES CONSIDERED:

If the Board opts not to approve this item then staff would not be able to award any printing contracts to Dual Graphics for the remainder of the fiscal year.

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 written purchase orders with Dual Graphics upon terms that are no less favorable to Access Services than those proposed above. Access Services would not be legally bound to this purchase unless it is incorporated into formal written purchase orders.

## BACKGROUND:

Access Services requires outside vendors to produce printed material that includes, but is not limited to Rider Guides, Information Packets, Renewal forms, Posters, Postcard Mailers and Seat Drops. Throughout Fiscal Year 2014-2015 staff has utilized various procurement methods for obtaining these necessary services. In addition to utilizing the competitive Request for Quotes (RFQ) process, in accordance with Access Services Procurement Policies and Procedures, staff has also obtained quotes and awarded purchase orders to Metro's contracted bench of print vendors. As a result, purchase orders have been issued to several print vendors, including Dual Graphics.

To date, the total aggregate dollar amount of purchase orders issued to Dual Graphics in FY2014/15 is \$70,112.24. The Access Services procurement policy regarding aggregate procurements states, "At such time as the aggregate purchase from a single vendor exceed the total amount of \$75,000 in the fiscal year, any additional purchases from that vendor (during the same fiscal year) must be approved by the Board of Directors, notwithstanding the amount of the purchase."

Due to the implementation of multiple policy changes leading up to the end of this fiscal year, including Reasonable Modification, Beyond The Curb Service, and Dynamic Fare, the need for several print jobs has arisen. These print jobs include Training material, Seat Drops, Flyers and Posters, Rider Guides, Eligibility Envelopes, and Complaint Postcards. Additional print jobs that may become necessary before the end of the fiscal year include Eligibility applications, Renewal forms, and Access Services #10 Window Envelopes.

If, in the course of competitively procuring these services, the low bidder is determined to be Dual Graphics, the resulting purchase order(s) could push their total annual aggregate expenditure over the \$75,000 threshold.

The purpose of this request is to gain approval from the Board prior to reaching the policy threshold. Therefore staff requests that the Dual Graphics Purchase Order be amended in an amount up to, but not to exceed \$125,000 in FY2014/15. Dual Graphics has performed satisfactory services when issued purchase orders for printed material.

## FUTURE PROCUREMENTS:

To provide a long term procurement solution for Printing and Reprographics Services in FY2015/16 and beyond, staff has issued a formal, advertised Request for Proposals (RFP) to establish a bench of two or more qualified print vendors. The proposed contracts will be for a three year base with one two-year option. At the conclusion of the RFP process, staff will bring a recommendation to the Board to approve the resulting contract awards.

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: FAYE MOSELEY, DEPUTY EXECUTIVE DIRECTOR OF ADMINISTRATION  
RE: CONSIDERATION TO APPROVE RENEWAL OF EMPLOYEE HEALTH AND BENEFIT INSURANCE CONTRACTS

---

ISSUE:

The current Access Services employee benefit policies for Medical (a combination plan with carriers United Health Care and Kaiser Permanente); dental, life and long term disability insurance policies with Guardian; and vision insurance policy with VSP will expire on June 30, 2015. The existing partnership with Kaiser and United Health Care for our medical coverage is being discontinued and as a result Access Services is forced to make a change to our medical plan offering.

Access Services' health insurance broker, Sullivan Curtis Monroe, conducted a market due diligence for the aforementioned policies and received several competitive proposals. These bids were evaluated for cost savings, value, employee preference and budgetary constraints.

RECOMMENDATIONS:

Approve renewal of the Dental (Guardian), Vision (VSP), Life and Long Term Disability (Guardian) insurance policies and eliminate our United Health Care medical plans, migrating the 25 employees who are currently enrolled in United Health Care to Kaiser for the period of July 1, 2015 to June 30, 2016 at a cost not to exceed \$1,048,340 based upon the continuation of our current contribution strategy and enrollment.

IMPACT ON BUDGET:

The cost of the employee benefit renewals has been incorporated into the proposed budget for Fiscal Year 2015/2016 and represents an \$18,307 annual reduction in cost to Access Services. We were able to effectively negotiate a zero rate increase for our dental, vision and life policies, as well as a 2.1% rate decrease for our medical policies and a 5.3% increase for our long-term disability policy. Overall, the proposed costs are well below market expectations and have collectively held the cost to Access Services relatively flat for the coming year.

## BACKGROUND:

Access has continued to closely monitor trends in the health care industry, incorporate the required changes due to Health Care Reform and proactively address areas in which we can have a positive impact on health care premiums. We have continued to encourage healthy lifestyle choices with our employee population with a focus on educating our employees about the comprehensive benefit package we offer. Mindful of our obligation to keep administrative costs as low as possible, our goal has been to make a significant impact on cutting the cost of health care coverage using a variety of methods such as aggressive price negotiations, "bundling" coverage, while maintaining comprehensive benefits and our rich company contribution strategy. To this end, we have kept the cost increase well below market expectations.

Kaiser offered a new product that included a PPO plan very similar to the current plan offered by United Healthcare. The Kaiser PPO plan allows an individual the choice to use Kaiser or an outside doctor. This will give employees who prefer to keep their current doctors the option to do that.

## ITEM 10

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: ANDRE COLAIACE, DEPUTY EXECUTIVE DIRECTOR, PLANNING AND GOVERNMENTAL AFFAIRS  
RE: CONSIDERATION TO APPROVE COMMERCIAL BUSINESS PACKAGE INSURANCE (AS-2749)

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### ISSUE:

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

### RECOMMENDATION:

Approve the above referenced insurance policies at a premium cost not to exceed \$5,721,834 for the policy period of 6/21/15-6/20/16.

In addition, approve the following changes to Agency insurance policies:

- Move to a \$100,000 SIR program where Access would cover the first \$100,000 in costs for a claim;
- Delete Uninsured/Underinsured Motorist Coverage (UM/UIM) from Agency policies and Access non-dedicated vehicles;
- Extend insurance coverage to include Access' Beyond the Curb service.

### IMPACT ON BUDGET:

These costs are included in Access' draft budget for FY2015/2016.

### BACKGROUND:

The insurance placement process will be completed by June 20, 2015. Staff will seek final approval for these policies from the Chairperson prior to binding the insurance. A report with specific insurance carrier and policy information will be in the June Board Box.

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, the Access insurance broker, 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 Services currently carries and as part of their process conducts 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 closer to the date of the actual policy renewal, it is possible that the actual cost of the premiums will be lower than the stated estimate.

In addition, staff is requesting, for the first time since the start of the SIR program in 2009 that significant changes be made to the insurance program. A discussion of each change is set out below:

**\$50,000 SIR Limit:** Currently, Access covers the first \$50,000 incurred in any accident or incident. Anything over \$50,000 per claim has been covered by Scottsdale, which provides the first "layer" of insurance up to \$1 million. Excess insurers provide additional insurance over this first layer up to \$51 million per incident.

Before the start of each "SIR year" on June 21, Access sets aside a certain amount of money to cover expected claims under the \$50,000 SIR. The total amount is determined by an annual actuarial study.

Staff is recommending that the SIR limit should be increased to \$100,000 per claim based upon feedback from potential insurers. This would put Access in a position of taking on more risk and setting aside additional funds in exchange for lower insurance premiums. (Conversely, while the Agency would be taking on more risk, it would also have a greater opportunity for savings if expected claims do not materialize in any given year.)

**Uninsured/Underinsured Motorist Coverage (UM/UIM):** Scottsdale currently provides up to \$1 million in UM/UIM coverage which offers benefits to our customers in the event they are injured because of the actions of another motorist who either carries no insurance coverage or carries insurance with limits less than that carried by Access. The \$50,000 SIR applies to this coverage. Over the last few years, there have been several major claims above the SIR that were not the fault of Access but nonetheless were covered under this UM/UIM coverage and which are now having an effect on our insurance rates.

In addition, because this coverage is not required and is provided without regard to who was at fault for any particular incident, Access counsel has raised some issues about the Agency continuing to provide this coverage. For these reasons, staff is now recommending that the UM/UIM coverage be deleted.

Beyond the Curb Insurance Coverage: Currently, Access' auto liability policies cover events that happen on the vehicle and also cover the loading and unloading of passengers. Our contractors' commercial general liability (CGL) policies cover certain events that occur outside of these activities. In the past, neither the Scottsdale policy nor our providers' CGL policies explicitly cover the additional assistance that Access will be providing to certain customers through Beyond the Curb service. The policy going into effect on June 21<sup>st</sup> will contain a manuscripted Beyond the Curb policy clearly defining that the coverage is for events occurring away from the vehicle outside the loading/unloading process.

## ITEM 11

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: ANDRE COLAIACE, DEPUTY EXECUTIVE DIRECTOR, PLANNING AND GOVERNMENTAL AFFAIRS  
RE: CONSIDERATION TO RENEW SELF-INSURED RETENTION AUTOMOBILE LIABILITY PROGRAM

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### ISSUE:

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

### RECOMMENDATION:

Authorize staff to implement a \$100,000 Self Insured Retention program with estimated liability of \$2,101,000 determined in accordance with GASB Statement No. 10 as required for public entities.

### IMPACT ON BUDGET:

Based on updated actuarial studies 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 \$2,101,000. The final cost will depend on the actual loss history over the policy period. For example, in the current SIR year, we are estimating the total cost of claims to be around \$1,067,000, a number substantially below the actuarial estimate of \$1,588,000. (This estimate is subject to change depending on claims experience through June 20<sup>th</sup>, 2015)

Aggregate stop loss insurance will be procured in order to limit aggregate SIR exposure. The aggregate insurance will become effective 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 2015/16.

### ALTERNATIVES CONSIDERED:

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

Staff did consider keeping the \$50,000 limit on the SIR program but ultimately decided that it was more cost effective to move to the proposed \$100,000 limit for the following reasons:

- Moving to a \$100,000 SIR limit will lower the Agency's insurance costs;
- While the Agency will have to set aside an additional \$414,000 in its SIR account for next year, these funds become available to the Agency after three years if they are not used to pay claims. In each year of the SIR, the amount paid out by Access has always been lower, sometimes significantly lower, than the amount set aside at the beginning of the year.

#### **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 for management of the handling of all claims from date of incident to resolution through claims payment and/or litigation. The data for the actuarial study consists of data for claims incurred from June 21, 2009 to date gathered from CorVel, Access' Third Party Administrator.

## ITEM 12

MAY 12, 2015

TO:           BOARD OF DIRECTORS  
FROM:       STEVE HOLMAN, MANAGER OF PROCUREMENT AND CONTRACTS  
                MIKE GREENWOOD, DIRECTOR OF SAFETY AND RISK MANAGEMENT  
RE:           CONSIDERATION TO APPROVE CONTRACT FOR THIRD PARTY  
                INSURANCE ADMINISTRATOR (AS-3877)

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ISSUE:

Board approval is needed for the selection of a third party administrator (TPA) for the Access insurance program beginning July 1, 2015.

RECOMMENDATION:

Authorize staff to execute a contract with CorVel Corporation (CorVel), in an amount not to exceed \$1,300,500 for the three year base period beginning July 1, 2015 and ending June 30, 2018, with options for two one-year extensions.

IMPACT ON BUDGET:

The recommended action is within the anticipated budget for Fiscal Year 2015/2016 and will be appropriately allocated in the subsequent out years.

The funding for these services comes from Proposition C funds.

ALTERNATIVE CONSIDERED:

No alternatives were considered since the use of a TPA is essential to the revised Agency self-insured retention (SIR) program that was approved in concept by the Board at its May, 2009 meeting.

EFFECT OF APPROVAL OF STAFF RECOMMENDATION:

If this staff recommendation is approved, staff will be authorized, but not required, to negotiate and enter into a contract with CorVel under terms that are no less favorable to Access than those proposed herein. Access would not be legally bound to this contract 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

In administering its liability insurance policies for all Access-owned and provider-owned Access dedicated vehicles, the company requires a TPA to quickly settle insurance claims under our self-insured retention program. The TPA will keep both Access, our contractors, and our insurance companies informed of the progress in resolving claims, and will cooperate with the insurance companies on insured claims in excess of the Self Insured Retention (SIR). They will also be involved the processing of claims against Access required by the Tort Claims Act.

A request for proposals was issued on March 12, 2015. On April 9, 2015 proposals were submitted by Broadspire, Carl Warren & Company, and CorVel Corporation. Broadspire was found to be non-responsive. The two remaining proposals were evaluated and interviews were conducted on April 16, 2015. The final scores resulting from the evaluation process are as follows:

Consultant	Total Score
CorVel Corporation	91.1
Carl Warren & Company	87.9

Following the qualitative evaluation of proposals, staff selected CorVel. In addition to being the incumbent TPA for Access, CorVel has provided third party administration services for the Alliance of Schools for Cooperative Insurance Programs (ASCP), SAND DIEGO UNIFIED SCHOOL DISTRICT, and SPROUTS FARMERS MARKET. References checked indicated that CorVel's work was satisfactory.

Evaluations were conducted in accordance with the Access Services Procurement Policy. Technical proposals were reviewed and scored by the evaluation team consisting of members from the Risk Management and Finance Departments, at Access Services. Best and Final Offers (BAFOs) were reviewed and CorVel's prices were determined to be fair and reasonable.

CorVel was determined to be the highest scoring, responsive, responsible proposer because they demonstrated the strongest technical qualifications and the most extensive expertise in performing similar services. The proposal submitted by CorVel offered the best value and is most advantageous to Access and is recommended for award. In its proposal, CorVel also proposed to (1) increase staffing levels to meet increased demand and back-up support, (2) retain the same defense attorney support team, and (3) provide access to the firm's software reporting tools.

Overall, Access staff has been pleased with CorVel's performance. During the past six years as Access' TPA, CorVel has retained the same Senior Claim Adjustor, who has developed a considerable expertise about Access Services and ADA paratransit operations. CorVel continues to do an excellent job investigating and resolving claims in an expeditious and fair manner and also protecting the agency against numerous false or exaggerated claims. In addition, as claims have entered litigation, CorVel has

done a superb job of managing the litigation process and settling litigated claims for reasonable amounts.

MAY 12, 2015

TO: BOARD OF DIRECTORS

FROM: STEVE CHANG, DEPUTY EXECUTIVE DIRECTOR OF OPERATIONS  
F SCOTT JEWELL, CHIEF OPERATING OFFICER

RE: CONSIDERATION TO APPROVE REASONABLE MODIFICATION  
POLICY

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ISSUE:

The adoption of the United States Department of Transportation (DOT) Reasonable Modification rule making requires Access to develop and implement a policy and procedures to achieve compliance by July 13, 2015.

RECOMMENDATION:

- Approve the attached Reasonable Modification Policy and authorize staff to present an amendment to the Los Angeles County Coordinated Paratransit Plan.
- Report back to the Board and Advisory Committees one year from the start of the Reasonable Modification Policy on the status of the program.

IMPACT ON BUDGET:

Unknown at this time. The DOT rule for Reasonable Modification includes specific requirements for handling requests and publication of the policy which will likely require additional staff. However staff feels that the operational processes set up by the Board's previous approval of the "Beyond the Curb" policy can be sufficiently modified to also meet the requirements of Reasonable Modification. To a certain extent the cost estimate of \$6.3 million dollars for "Beyond the Curb" that is budgeted for FY2015/16 is a significant part of implementing Reasonable Modification but it is difficult to predict how other reasonable modification requests will impact operational processes and/or productivity.

BACKGROUND:

After almost 9 years, on March 13, 2015 the DOT announced the adoption of its 2006 Reasonable Modification rule making. This was made possible through a DOT finding that the rulemaking was not significant and thus did not need OMB approval.

Reasonable Modification requires that as to both fixed route and complementary ADA paratransit, "reasonable modifications" of their policies, practices and procedures be made upon request in order to ensure that the services are actually useable by a qualified person with disabilities unless it can be demonstrated that doing so (i) would fundamentally alter the nature of the service, program or activity, (ii) would result in a direct threat to the health or safety of others, or (iii) without the requested modification, the individual with a disability is able to fully use the entities services, programs or activities, or (iv) to grant the request would create an undue financial or administrative burden.

"Origin to destination" is thus only one aspect of reasonable modification and its new definition is now contained in 49 CFR §37.3.

Under this new schema, one or more employees must be designated to coordinate compliance efforts. In addition the entity must adopt procedures that incorporate appropriate due process standards and provide for prompt and equitable resolution of complaints meeting specified criteria (49 CFR§§37.17, 37.169). The rule making requires compliance by July 13, 2015.

In conjunction will legal counsel staff has developed procedures that will ensure compliance with the proposed Reasonable Modification Policy (RMP). This includes the following -

- Reasonable Modification Coordinator (RMC)  
Identifies the role and responsibilities of the RMC including the management of reasonable modification requests.
- Notification of Availability of Reasonable Modification Process  
Identifies how Access will advertise the RMP in print and website materials
- Making Reasonable Modification Requests  
Identifies the process of how to make RM requests whether it is prior or during a service request.
- Determinations of Reasonable Modification Requests  
Methodology for granting/denying RM requests by the RMP through a set of criteria as defined by the policy.
- Complaints Regarding Reasonable Modification Denial  
Appeal process for RM requests that have been denied.

These procedures may require some tuning as experience with the policy grows. Some operational policies may need to be permanently modified depending on the magnitude of certain requests over time.

## **ACCESS SERVICES REASONABLE MODIFICATION POLICY**

Access Services will, upon timely request by a eligible rider or an applicant for eligibility to ride Access Paratransit or their authorized representative, modify its policies practices and procedures, where necessary to avoid discrimination on the basis of disability or where the individual with a disability would otherwise be unable to use its services, programs or activities provided that doing so: (i) is within the power of Access, and (ii) will not fundamentally alter the nature of its services; and/or (iii) will not constitute a direct threat to the health and safety of others; and/or (iv) will not impose an unreasonable financial or administrative burden; and/or (v) will not require the commission of an illegal act.

### **REASONABLE MODIFICATION COORDINATOR**

Access shall appoint a Reasonable Modification Coordinator (RMC) to coordinate the efforts of Access to comply with reasonable modification requirements of applicable federal regulations under Title II B of the ADA. The identity of the RMC shall be announced to the riders. The RMC shall have authority, alone, or at their election, in concert with others, to make determinations regarding a reasonable modification request. Overall revisions of policies are the exclusive province of the Board of Directors. The RMC shall also be responsible for coordinating the handling of all complaints regarding reasonable modification decisions in accordance and consistent with the provisions of the Policy and Procedures and applicable regulations.

### **NOTIFICATION OF AVAILABILITY OF REASONABLE MODIFICATION PROCESS**

Access will make readily available to eligible riders and applicants for eligibility notice of availability of reasonable modification, the identity of its RMC, the process for requesting reasonable modification and the circumstances and method by which complaints regarding the outcome of reasonable modification requests can be made.

### **MAKING REASONABLE MODIFICATION REQUESTS**

Requests for reasonable modification, including, without limitation, Beyond the Curb (Origin to Destination) Service, shall to the extent feasible: (i) be made at eligibility or, where not then known or feasible, (ii) prior to the provision of the service to which they relate Requests for reasonable modification, where feasible, must be made in writing on forms provided by Access and at the earliest feasible time. Requests that are not made at the earliest feasible time which if granted would cause delay, inconvenience to other riders or otherwise interfere with operations may be temporarily denied until they can be considered by the RMC. Where the rider is unable to use forms, the request may be made orally via recorded telephone call. Where a request in advance of service is not feasible, the request may be made orally to the service provider at the time of service. In addition, Access will on a regular basis review its general complaints to determine whether a reasonable modification is implicated though not specifically

requested. The requests shall be directed as indicated in the implementing procedures for this policy.

## **DETERMINATIONS OF REASONABLE MODIFICATION REQUESTS**

Determination of reasonable modification requests shall be made in a timely manner by the person or persons charged with such determination in accordance with applicable law and applying the applicable implementing procedures of the Reasonable Modification Policy.

## **COMPLAINTS REGARDING REASONABLE MODIFICATION DENIAL**

A person aggrieved by a reasonable modification/ Beyond the Curb Service determination may file a complaint in accordance with the existing Access complaint policy and procedure and the implementing procedures of this policy.

## ITEM 15

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: HECTOR RODRIGUEZ, CONTROLLER  
RE: DRAFT BUDGET FOR FISCAL YEAR 2015/2016

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### ISSUE:

This is an information item only. The draft budget outlined below will highlight the major cost drivers and initiatives for Fiscal Year 2016. Further refinement of the budget will occur over the next few weeks in consultation with the Board ad hoc budget subcommittee.

### RECOMMENDATION:

Receive and file

### BACKGROUND:

The draft FY2015/2016 budget is based on demand projections, existing programs and capital needs. The draft budget has been presented to the Board Ad Hoc Subcommittee consisting of Board Members Barnes, Gombert, Ida and Levy. Overall the budget is based on a funding level of \$167.4 million and will provide for delivery of 4.48 million passengers and 31.9 million contract revenue miles, an 11% increase over the FY2014/15 budget.

There are three major factors influencing the increase in costs for FY2016:

- A projected increase in service demand of eleven percent
- Costs associated with the implementation of Origin to Destination
- Costs associated with the implementation of Dynamic Fare

### Funding

Funding sources include \$62 million from a Federal (FTA) Section 5310 grant funded through monies flexed from the Surface Transportation Program, \$9.6 million from passenger fare revenues, MAP21 grant of \$6.7 million, Access to Work grant of \$3.8 million, \$1.7 million from Call for Projects/JARC grants, and \$320,000 from sale of depreciated vehicles and earned interest on cash in bank. The remaining \$82.1 million comes from the Proposition "C" Local Sales Tax discretionary fund account

allocated to Access LACMTA. The subsidy proposed by LACMTA for FY2015/2016 meets the mean expected results for the level of transportation service projected by HDR's demand analysis as well as the other Access Services' programs and administrative costs.

## Paratransit Operations

The total cost of \$135.1 million for this program (88.3% of operating costs) is a 10.5% increase (\$17.6 million) from the FY2014/15 budget.

The primary cost impacts within this program are:

- Purchased Transportation - \$112.2 million (\$102.1 million FY2014/15)
- Insurance - \$7.1 million (\$5.1 million FY2014/15)
- Free Fare Program - \$3.3 million (\$2.99 million FY2014/15)

## Eligibility Determination

The total cost of \$10.7 million for this program (7.0% of operating expenses) is a 2.6% increase (\$436,466) from the FY2014/15 budget.

The primary cost impacts within this program are:

- Eligibility and Appeals Contracts - \$5.97 million (\$4.7 million FY2014/15)
- Certification Trips - \$2.4 million (\$2.4 million FY2014/15)
- Publications/Printed Material - \$625,000 (\$625,000 FY2014/15)

## Consolidated Transportation Services Agency

The total cost of \$0.61 million for this program (0.4% of operating expenses) is a 24% increase (\$120,814) from the FY2014/15 budget.

## Administration

The total cost of \$7.0 million for this program (4.6% of operating expenses) is a 13.4% increase (\$828,874) from the FY2014/15 budget.

The primary cost impacts within this program are:

- Salaries & Related Expenses - \$4.7 million (\$4.2 million FY2014/15)
  - Staffing - The growth in service has required the addition of staff at various levels to ensure continuity of service and to allow for succession planning. This includes several positions that will directly oversee key functions. Overall the total FTEs will increase from 91 in FY2014/15 to 93 in FY2015/2016. The budget also calls for a 3% merit increase. The table

below documents the number of FTEs and budgeted salary merit increases for the last five years.

	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
FTEs	85	83	82	79	80	79	81	79	91	93
Sal. Incr.	5.0%	3.0%	3.0%	0.0%	0.0%	3.0%	0.0%	3.0%	3.0%	3.0%

- Professional Services - \$0.54 million (\$0.94 million FY2014/15)

## Capital Projects

The total cost of \$13.9 million (8.30% of total funding) is a 52.5% increase (\$9.1 million) from the FY2014/15 budget. Capital projects include -

Vehicle Expansion/Replacement (192 vehicles)	\$13,586,192
Other	\$ 300,000

Vehicles associated with the Access to Work program will only be procured based upon program-related demand.

## ITEM 16

MAY 12, 2015

TO: BOARD OF DIRECTORS  
FROM: MATHEW AVANCENA, MANAGER OF PLANNING AND COORDINATION  
RE: STATUS UPDATE ON METRO'S REVIEW OF ACCESS SERVICES

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**ISSUE:**

In June 2013, the Metro Board of Directors authorized an independent review of Access Services. The final report contained 13 findings which resulted in 12 recommendations including Access' Management Response to the recommendations. To date, nine of the recommendations have been closed.

Recommendations # 7, 10 and 11 which address recommendations related to 1) industry best practices, 2) the feasibility of centralized reservation and; 3) alternatives to the current service delivery model will be studied in a series of upcoming comprehensive operational reviews (COR) of Access Services. These reviews will be performed by outside consulting firms. The RFPs for Customer Service and Eligibility was issued in November 2014 and the consulting contract(s) will be brought back for approval at the February 2015 Board of Directors meeting. The review of the Operational Policies and Procedures is still being developed and expected to be completed in the near future.

The findings and associated recommendations are detailed in the Metro Staff Report and Final Review located on [www.accessla.org](http://www.accessla.org).

Access staff will be updating the Board on a monthly basis on progress on implementing the remaining recommendations that are still open.

**RECOMMENDATION:**

Receive and File.

## STATUS REPORT ON THE IMPLEMENTATION OF THE AUDIT RECOMMENDATIONS

### Recommendation #1 - CLOSED in August 2014

Access Services staff should present its future customer service survey to Access Services' Advisory Committees and Metro's Civil Rights for review and input, make additional improvements to the survey procurement and sampling plan, and establish a more formal follow-up process.

Jan - 14	The report was discussed and placed under Receive and File by the Metro Subcommittees with the understanding that an independent survey and a series of Town Hall meeting with Access customers will be conducted over the next few months. Access received a letter from the audit firm conducting the outreach on March 5, 2014.
April - 14	The consulting firm retained by Metro MASD (Bazilio Cobb and Associates) started conducting phone customer surveys the week of April 14 <sup>th</sup> . The town hall meetings are scheduled to take place on May 5 <sup>th</sup> , 6 <sup>th</sup> and 7 <sup>th</sup> . Access will close this recommendation at the conclusion of the town hall meetings.
May -14	The phone customer surveys have been completed and results are being tabulated. The Town Hall meetings were completed as scheduled. A final report of the survey responses will be shared with the Board in June/July 2014.
June -14	The final report on the phone survey responses and town hall meetings is scheduled to be presented at the June 2014 Metro Board of Directors meeting. A presentation to the Access Board of Directors is scheduled for August 2014.
August-14	Staff is scheduled to present the phone survey results at the August 2014 Board meeting along with an action plan to address issues identified in the survey. Staff would like to close this recommendation at the end of August.
	CLOSED in August 2014

### Recommendation #2 - CLOSED in February 2014:

Access Services should refine their ridership demand projections to provide more accurate estimates of demand by service area.

Jan - 14	Access has already implemented this recommendation. The consulting firm that conducts Access' ADA paratransit demand forecasting (HDR Engineering, Inc.) already incorporates a multi-regional forecasting model
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	to provide more accurate ridership projections.
	CLOSED

### Recommendation #3 – CLOSED in August 2014

Access Services should consider screening potential travel training clients to recruit high-use Access Services riders and/or riders who may be best able to utilize fixed route services.

Jan - 14	Access has already begun contacting customers who take frequent, short trips to see if they would be interested in Travel Training.																																	
April - 14	Access' Travel Training contractor Mobility Management Partners (MMP) has already contacted high use riders to offer them travel training. To date over 202 customers were called and offered training. As this effort is on-going, Access will close this recommendation at the end of April.																																	
May - 14	CLOSED																																	
June - 14	<p>Director Levy asked to re-open this recommendation pending additional data on high use riders who have been contacted and offered Travel Training. Access Services provided MMP with a list of the highest volume of "short trip" users during the month of September 2013. A short trip was defined as less than two miles one-way. The list contained a total of 2,894 users. Out of the riders on this list, the number of short trips taken per month ranged as follows:</p> <table border="1"> <thead> <tr> <th>Number of Short Trips</th> <th>Count</th> <th>Percent</th> </tr> </thead> <tbody> <tr> <td>12 or more trips</td> <td>202</td> <td>7%</td> </tr> <tr> <td>7 - 11 trips</td> <td>235</td> <td>8%</td> </tr> <tr> <td>6 trips or less</td> <td>2,457</td> <td>85%</td> </tr> </tbody> </table> <p>Between November 2013 and February 2014 MMP attempted to contact the 202 highest users of short trips to present the travel training program. The results were as follows:</p> <table border="1"> <thead> <tr> <th>Contact Results</th> <th>Count</th> <th>Percent</th> </tr> </thead> <tbody> <tr> <td>No response</td> <td>107</td> <td>53%</td> </tr> <tr> <td>Not interested - medical concerns</td> <td>53</td> <td>26%</td> </tr> <tr> <td>Not interested - no reason given</td> <td>26</td> <td>13%</td> </tr> <tr> <td>Interested</td> <td>8</td> <td>4%</td> </tr> <tr> <td>Maybe later</td> <td>6</td> <td>3%</td> </tr> <tr> <td>Have already been trained</td> <td>2</td> <td>1%</td> </tr> </tbody> </table> <p>Note: "No response" results include cases of a wrong number, or where two attempts were made by leaving messages and no</p>	Number of Short Trips	Count	Percent	12 or more trips	202	7%	7 - 11 trips	235	8%	6 trips or less	2,457	85%	Contact Results	Count	Percent	No response	107	53%	Not interested - medical concerns	53	26%	Not interested - no reason given	26	13%	Interested	8	4%	Maybe later	6	3%	Have already been trained	2	1%
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Maybe later	6	3%																																
Have already been trained	2	1%																																

	<p>return call was received.</p> <p>Applications were provided for the 8 riders showing interest in the program, and to date none have resulted in assessments and/or trainings. Access will ask MMP to further evaluate the list and continue to make calls to the 8% of riders who have taken between 7-11 trips.</p>
August-14	As time allows, Access and MMP staff will call the remaining high use riders from the original list and offer them travel training. Since staff would like to make this a continuous component of the Travel Training program, staff would like to close this recommendation going forward.
	CLOSED in August 2014

#### Recommendation #4 - CLOSED in August 2014:

Access Services should consider using the Transit Evaluation Center to offer more cost effective trainings to a larger group of participants.

Jan - 14	Access will be undertaking a review of this recommendation in the near future.
April - 14	Access will be discussing group travel training sessions with its contractor and will include funding in the FY 2015 budget.
May - 14	Staff has contacted its travel training contractor to discuss cost options for group travel training. Staff has included funding in the FY 2015 budget.
June-14	Staff has budgeted funds in the proposed FY 2015 budget for group travel training.
August-14	Staff has budgeted funds in the FY 2015 budget for group travel training. Staff will work with the contractor to start group travel training sessions no later than Fall 2014. Therefore, staff would like to close this recommendation going forward.
	CLOSED in August 2014

#### Recommendation #5 - CLOSED in August 2014:

Access Services should require a more accurate and reliable evaluation of the Travel Training Program.

Jan - 14	Access will be undertaking a review of this recommendation in the near future.
April - 14	Access will be working with its travel training contractor to develop a

	methodology to demonstrate the overall effectiveness of the travel training program in diverting riders from Access to fixed route transportation.
May - 14	The travel training contractor has developed and presented a proposed methodology to demonstrate the cost savings of the travel training program. Staff will review the proposed methodology and other cost/benefit models utilized in the industry.
June-14	<p>Since there is no universally accepted formula to determine cost savings, it is common for other agencies that offer travel training programs to adopt different approaches to determine cost savings. Access Services has approached Easter Seals Project Action for assistance on best practices on evaluating Travel Training Programs.</p> <p>The methodology is based on a number of assumptions:  MMP performs follow-up interviews with clients at one week, one month, two months and six months after the training program is completed. During these interviews, participants are asked how many one-way trips they have taken on public transit instead of using Access Services during the time since they completed their training.</p> <p>Based on follow-up with participants who have recently completed the program, riders who have been trained are using fixed route transit for an average of 7 one-way trips per month. These are believed to be conservative numbers.</p> <p>Had these same riders not been trained, they would have used Access Services to take the same seven (7) one-way trips.</p> <p>The average cost savings per trip diverted to fixed route is \$31.33 (the difference between the average cost per trip on fixed route and the average cost per trip on Access).</p> <p>Based on these assumptions, the Access Travel Training Program provides training to 250 individuals per year, or 21 trainings per month on the average. The cost per training is approximately \$2,000, resulting in a monthly cost of roughly \$42,000 to maintain the program. It is important to note that savings are cumulative, in that as more individuals are trained, the number of trips diverted monthly continues to grow. For example, after one month of training, 21 individuals have been trained and 147 trips are being diverted to fixed route on a monthly basis. After 12 months of training, 250 individuals have been trained and 1,750 trips monthly are being diverted to fixed route, and so on.</p> <p>After one full year, the ongoing monthly savings resulting from the program has increased to \$54,828 (\$31.33 x 1,750). Offset by the monthly cost of \$42,000, this now shows a net savings of \$12,828 per month moving forward. These savings continue to grow as more</p>

	individuals are trained, resulting in over \$5.6 million in cumulative savings by the completion of the 5 <sup>th</sup> year of the project, or an average savings of \$1.1 million per year. These are net savings after accounting for the cost of the program.
August-14	<p>Staff has approached Easter Seals Project Action (ESPA) for assistance on best practices on evaluating Travel Training Programs. ESPA staff indicated that MMP's methodology to project cost-benefit is common among agencies that offer these programs. ESPA staff also suggests reviewing actual fixed route trip data to validate customer travel usage. Based on ESPA and Director Levy's suggestion, Access has reviewed TAP data on customers who have been through the travel training program. Based on an analysis of customer TAP data from July 2013 through May 2014, customers' fixed route usage confirms MMP's methodology to demonstrate the cost savings of the travel training program. A summary of this effort is contained in the August 2014 Board Box.</p> <p>Moving forward, Access will continue to compare MMP's survey results with actual TAP data. Access will provide this information on an annual basis in the Board Box. Therefore, staff would like to close this recommendation.</p>
	CLOSED in August 2014

#### Recommendation #6 - CLOSED in September 2014:

Access Services should evaluate whether the current fleet mix for contract providers is optimal to balance the need for Access Services vehicles with the desire to maximize fuel efficiency.

Jan - 14	Access Services is continuously reviewing its fleet mix and will continue to do so. The Access fleet is comprised of Access owned vehicles, contractor owned vehicles and taxicabs. Staff presented a vehicle formula for Access owned vehicles to the CAC and TPAC in March. The formula is expected to be presented to the Board for consideration in April 2014.
April - 14	Staff is working with the transportation service providers on the base assumptions used to drive the vehicle allocation formula. A revised formula and vehicle service plan will be presented to TPAC and CAC in May 2014.
May - 14	The vehicle allocation formula has been presented to CAC and TPAC. Staff is still in the process of finalizing the formula. Depending upon modifications the formula may need to go back to the CAC and TPAC. Currently, the formula is expected to be presented to the Board for consideration in June 2014.

June-14	Access staff has met with each transportation service contractor to review their fleet needs and inventory. The results of these meetings generated the vehicle acquisitions proposed for FY 14/15 and the distribution of vehicles from the fleet build for FY 13/14. Staff will now work with the transportation service providers to refine the vehicle allocation formula. The formula will then be presented to CAC and TPAC for additional input. After CAC and TPAC's review staff will present the formula to the Board for consideration.
August-14	The revised formula was presented at the August CAC and TPAC meeting. If there is Board approval at the August Board meeting staff will close this recommendation going forward.
September-14	The revised formula was scheduled to be presented at the August CAC meeting but the meeting ran over time. Staff will present the item at the September CAC meeting. If there is Board approval at the September Board meeting staff will close this recommendation going forward.
	CLOSED in September 2014

Recommendation #7:

Access Services should review industry best practices for controlling and containing costs strategies identified from the literature, research and best practices survey responses and determine the feasibility of implementing them for Access Services.

Jan - 14	Access Services believes that there is no perfect or ideal way to deliver service to a region as large as L.A. County. Each operating model has its pros and cons. While it is apparent in terms of service quality and overall cost (in a national context) that our service model functions well, it is also important to look at other options. Access Services will look at including funds in its FY 14-15 budget to further study the issues brought up in Recommendations 10 and 11.
May - 14	Hold for FY 14/15 Budget Approval
August-14	Staff has budgeted funds in the proposed FY 2015 budget for a consultant to further study the issue. The RFP/RFQ will be released this month and anticipate work to begin in October 2014.
September-14	The RFP/RFQ is scheduled to be released in October 2014.
November -14	The RFP for the Comprehensive Operational Review was presented at the October CAC and TPAC meeting for review and comment. It was determined that the RFP should be broken down into specialized areas. The RFPs for Customer Service and Eligibility will be issued in

	November 2014 and the consulting contract will be brought back for consideration at the January or February 2015 Board of Directors meeting.
January - 15	The RFPs for Customer Service and Eligibility was issued in November 2014 and will be awarded in January 2015.
February - 15	The RFPs for Customer Service and Eligibility was issued in November 2014 and awarded in January 2015. The consultants are expected to start work in February 2015.
March - 15	The consultant firm of McCloud Transportation & Associates, LLC conducted their on-site review of Customer Service as part of the Comprehensive Operational Review. Staff expects a draft report in May 2015. The consulting firm Delta Services Group was awarded the contract for the Comprehensive Operational Review of Eligibility. They have conducted 2 separate site visits and a draft report is expected in May 2015.
April - 15	Eligibility comprehensive review is going well and staff is working with the consultant on the final stages of completion. Highlights from the report are scheduled to be presented to CAC and TPAC in May 2015. A status report on the Customer Service Review will be given to TPAC in April and to the CAC in May.
May - 15	Highlights from the Eligibility Review will be presented to the Access Board of Directors in May 2015. Highlights from the Customer Service Review will be presented to the Access Board in June 2015.

Recommendation #8: CLOSED in February 2014:

Access Services should conduct a process review of its call center functions with a focus on ensuring that hold times are brought within the established standards. Additionally, Access Services should report quarterly to their Board on OMC and CSC call hold time improvements until it is able to meet its internal standard.

Jan - 14	The Access Board of Directors approved revised call standards on December 2, 2013. The call standards will ensure that calls to OMC and CSC are served promptly. Call center performance will be published monthly in our Board Box report.
	CLOSED

Recommendation #9 – CLOSED in August 2014:

Access Services should review current ADA services provided beyond the minimum required levels and services provided that are not required by the ADA and assess the costs and benefits of continuing these services.

Jan - 14	Staff will be presenting a list of ADA services provided beyond the minimums to QSS, CAC, and TPAC for review. Any recommendations will be forwarded to the Access Board for consideration.
April - 14	Staff is developing a list of services provided beyond the minimum ADA and plans to present to CAC and TPAC in May/June.
May - 14	Staff will present this item to the CAC and TPAC in June.
June-14	Staff presented a list of ADA services and the associated costs and benefits for discussion at the June 2014 CAC and TPAC meeting. Both Committees are supportive of the services that are currently provided and are not in favor of any changes or modifications.
August-14	Staff already presented a list of ADA services at the June 2014 CAC and TPAC meeting. Therefore, staff would like to close this recommendation.
	CLOSED in August 2014

Recommendation #10:

Access Services should evaluate whether centralizing the reservations and/or routing function would lead to greater system efficiency.

Jan - 14	Access Services believes that there is no perfect or ideal way to deliver service to a region as large as L.A. County. Each operating model has its pros and cons. While it is apparent in terms of service quality and overall cost (in a national context) that our service model functions well, it is also important to look at other options. Access Services will look at including funds in its FY 14-15 budget to further study the issues brought up in Recommendation 7, 10 and 11.
April - 14	Hold for FY 14/15 Budget Approval.
May - 14	Hold for FY 14/15 Budget Approval.
June-14	Staff has budgeted funds in the proposed FY 2015 budget for a consultant to further study the issue.
August-14	The RFP/RFQ will be released this month and anticipate work to begin in October 2014.
September-14	The RFP/RFQ is scheduled to be released in October 2014.
November -14	The RFP for the Comprehensive Operational Review related to Operations is still in development. Staff expects to issue the RFP in

	the near future.
January - 15	The RFP for the Comprehensive Operational Review related to Operations is still in development. Staff expects to issue the RFP in the near future.
February - 15	The RFP for the Comprehensive Operational Review related to Operations is in development. Staff expects to issue the RFP after the completion of the Eligibility and Customer Service Reviews.
March - 15	Staff plans on issuing an RFP for the Comprehensive Operational Review related to Operations in May 2015
April - 15	The release of the RFP for the Comprehensive Operational Review related to Operations is on hold pending discussion of having an APTA Peer Review conducted.
May - 15	No new information.

Recommendation #11:

Access Services should develop a long-term service strategy that considers alternatives to the current model including a County-wide model that utilizes a larger bench of contractors.

Jan - 14	Access Services believes that there is no perfect or ideal way to deliver service to a region as large as L.A. County. Each operating model has its pros and cons. While it is apparent in terms of service quality and overall cost (in a national context) that our service model functions well, it is also important to look at other options. Access Services will include funds in its FY 14-15 budget to further study the issues brought up in Recommendation 7, 10 and 11.
April - 14	Hold for FY 14/15 Budget Approval.
May - 14	Hold for FY 14/15 Budget Approval.
June-14	Staff has budgeted funds in the proposed FY 2015 budget for a consultant to further study the issue.
August-14	The RFP/RFQ will be released this month and anticipate work to begin in October 2014.
September-14	The RFP/RFQ is scheduled to be released in October 2014.
November -14	The RFP for the Comprehensive Operational Review related to Operations is still in development. The RFP is expected to be released in the near future.
December - 15	The RFP for the Comprehensive Operational Review related to Operations is still in development. The RFP is expected to be

	released in the near future.
January - 15	The RFP for the Comprehensive Operation Review related to Operations is still in development. Staff expects to issue the RFP in the near future.
February - 15	The RFP for the Comprehensive Operation Review related to Operations is in development. Staff expects to issue the RFP after the completion of the Eligibility and Customer Service Reviews.
March - 15	Staff plans on issuing an RFP for the Comprehensive Operational Review related to Operations in May 2015.
April - 15	The release of the RFP for the Comprehensive Operational Review related to Operations is on hold pending discussion of having an APTA Peer Review conducted.
May - 15	No new information.

Recommendation #12: CLOSED in February 2014:

Access Services should consider working with Metro Geographic Information Systems (GIS) services to acquire the necessary software and to revise the current service area maps to reflect actual walking distance from the fixed route service. Service changes should be implemented over time to minimize impact on current clients.

Jan - 14	Access Services disagrees with this recommendation as it has no legal basis. Access Service believes that the service area requirement makes it all but clear that the distance is measured as the crow flies by use of diagrams that literally draw a $\frac{1}{4}$ mile line on either side of the fixed route and a circle with a $\frac{1}{4}$ mile radius at the terminus of a fixed route.
	CLOSED BY METRO