



## Board Report

File #: 2019-0597, File Type: Contract

Agenda Number: 19.

### FINANCE, BUDGET AND AUDIT COMMITTEE SEPTEMBER 18, 2019

**SUBJECT: LOW INCOME FARE IS EASY (LIFE) PROGRAM ADMINISTRATOR SERVICES**

**ACTION: AWARD CONTRACTS**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a 54-month indefinite delivery indefinite quantity Contract No. PS6056400A to FAME Assistance Corporations for LIFE program administration services for the Southwest and Northwest service regions, in an amount not-to-exceed \$1,653,756 for the 30-month base term and \$669,104.50 for each of the two, 12-month options, for a combined total not-to-exceed amount of \$2,991,965 effective January 1, 2020, subject to resolution of protest(s), if any; and
- B. AWARD a 54-month indefinite delivery indefinite quantity Contract No. PS6056400B to International Institute of Los Angeles for LIFE program administration services for the Southeast service region in an amount not-to-exceed \$890,124 for the 30-month base term and \$357,562 for each of the two, 12-month options, for a combined total not-to-exceed amount of \$1,605,248, effective January 1, 2020, subject to resolution of protest(s), if any.

#### **ISSUE**

Metro is seeking non-profit, community-based administrators to oversee and manage more than 200 non-profit and governmental partner agencies within their assigned service areas in support of Metro's LIFE program. For the program to be more efficiently managed, the Los Angeles County LIFE service area was divided into three distinct regions, i.e., Southwest, Southeast, and Northwest, with each region having its own assigned administrator.

The Program serves low income transit riders, victims of domestic violence, individuals experiencing homelessness, elderly, and individuals with immediate transportation needs. The Program provides fare subsidies or free rides to eligible participants (see Attachment A for a description of the program).

#### **DISCUSSION**

The Program is a means tested fare subsidy program premised on the concept of a Metro partnership with community-based organizations to identify and enroll individuals eligible for reduced

fare discounts or other transit subsidies based on income. The LIFE program is a consolidation of Metro's previously independent Rider Relief Transportation Program (RRTP) and the Immediate Needs Transportation Program (INTP). Since the final consolidation of the two programs and the establishment of a unified database in May of this year, almost 26,000 participants have enrolled in the program and staff expects the number to continue to grow.

### Administrators' Role

The administrators, acting on Metro's behalf, are responsible for ensuring that their partner agencies are following established guidelines in the verification and validation of participants' eligibility and enrollment in the program. Administrators also ensure that partner agencies review documentation, secure inventory, and provide adequate inventory management of any and all Metro provided fare media. Administrators and the partner agencies are responsible for enrolling patrons. Finally, administrators are required to provide support for the implementation of Metro's marketing and outreach plans within their respective regions.

Each administrative region (Southwest, Northwest, and Southeast) is expected to include 200 non-profit or governmental partner agencies that will contract with the administrators to provide the "ground level" support of the Program.

### LIFE Program (Transition and Improvements)

With the Program transitioning from a coupon and token-based benefit system to one based on improved TAP technology, Metro and the administrator staff will have access to current enrollments, utilization and other budgetary or programmatic reports. These reports will assist in identifying and resolving issues, as well as fine-tuning program outreach.

With the planned elimination of tokens and coupon-based subsidies on July 1st, the conversion to a TAP based system of subsidy delivery, and the introduction of the 20 Trip product, the Metro Board approved the extension of the contracts of current administrators through December 31, 2019, to ensure a smooth transition for program participants. The extension of the contracts provided uninterrupted, smooth service delivery and assisted in maintaining a consistent flow of communication of program changes and updates to the participants during the merger of the LIFE and INTP and transition to TAP.

Future planned activities include:

- Ensure smooth transition of the administrators
- Continue to conduct outreach on the new program, including a comprehensive outreach campaign to raise awareness of available discounts
- Continue development of the system infrastructure to support new administrative processes
- Review and revise current policies and operating guidelines on an as-needed basis
- Continue to work with participating non-profit agencies to address implementation issues

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With the fundamental changes in the program, the service delivery of the Program now underway, and the overlap of geographic regions of the two predecessor programs, staff issued a Request for Proposals in May 2019 to acquire administrator services, define geographic areas of responsibility, and clearly articulate revised services administrators are expected to provide.

The administrators will provide Metro with program specific statistics and other reports regularly. They will be responsible for implementing any program revisions based on Metro input, as well as implementation of special or demonstration projects requested by Metro. In addition, recruiting partner agencies is also the responsibility of the administrators.

### **DETERMINATION OF SAFETY IMPACT**

There is no impact on the safety of Metro patrons or employees as a result of the Board's consideration of this item.

### **FINANCIAL IMPACT**

Funding of \$14.1 million for the overall program cost, including the requested contracts, is included in the FY20 Budget in cost center 0443, project number 410016. The cost center manager and Chief Financial Officer will be responsible for budgeting expenses in future years.

#### **Impact to Budget**

The FY20 Adopted budget includes \$10 million funded with Prop C 40% and an additional \$4.1 million from Measure M 2% (ADA Paratransit and Metro Discounts for Seniors and Students). Prop C 40% funds are eligible for bus and rail operations expenditures.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This recommendation supports the following goal of the Metro Strategic Plan.  
Goal 3: Enhance communities and lives through the provision of mobility and access to opportunity

### **ALTERNATIVES CONSIDERED**

The Board may choose to not approve the contract award with the proposed providers. Staff does not recommend this option as the current administrative contracts will end on December 31, 2019. Without the administrators' oversight, the operation of the program would be adversely affected, and the provision of service to the participants would be reduced.

### **NEXT STEPS**

Upon approval by the Board, staff will execute Contract No. PS6056400A to FAME Assistance Corporations for LIFE program administration services for the Southwest and Northwest service regions, and Contract No. PS6056400B to International Institute of Los Angeles for LIFE program administration services for the Southeast service region.

**ATTACHMENTS**


Attachment A - Low Income Fare is Easy (LIFE) Program Description

Attachment B - Procurement Summary

Attachment C - DEOD Summary

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**Low Income Fare is Easy (LIFE) Program Description**

The Low Income Fare is Easy (LIFE) program launched on July 1, 2019 to assist patrons with limited resources to utilize the transit system. The new program eliminated the use of paper coupons and tokens providing the patrons with the capability to load the subsidies on their TAP cards. Also, as part of the program, LIFE offers Limited Ride option for individuals who are experiencing homelessness, are victims of domestic violence, have just been discharged from the hospital or released from incarcerations.

The non-profit or governmental agencies that assist these individuals receive, depending on their service scope, are eligible to receive 4-ride tickets (the rides are preloaded) or taxi coupon or voucher to assist these individuals with their short term or immediate trip needs.

LIFE qualification is based on Housing and Urban Development guidelines for Los Angeles County areas and is updated annually;

| Household Size | Annual Income    |
|----------------|------------------|
| 1              | \$36,550 or less |
| 2              | \$41,800 or less |
| 3              | \$47,000 or less |
| 4              | \$52,200 or less |
| 5              | \$56,400 or less |
| 6              | \$60,600 or less |

LIFE offers fare subsidies that may be applied towards the purchase of LACMTA or any LIFE participating operator pass or free regional ride options.

| Rider Category  | Subsidy Amount         |
|---|------------------------|
| <b>Regular Rider</b>  | \$24                   |
| <b>College/Vocational</b>   | \$13                   |
| <b>Student K-12</b>   | \$10                   |
| <b>Senior/Disabled</b>  | \$8                    |
| <b>20 Regional Rides**</b> good for <u>any</u> participating transit system | Free for LIFE patrons. |

## **ATTACHMENT A**

LIFE subsidies can be applied to purchase weekly, monthly or EZ transit passes from Metro or participating transit systems. The subsidies can be loaded at any of the Metro or participating operator vendor locations, TAPTOGO.net or by calling 866-TAPTOGO.

## PROCUREMENT SUMMARY

LOW INCOME FARE IS EASY (LIFE) PROGRAM ADMINISTRATOR SERVICES /  
PS6056400A, PS6056400B

|    |   |  |
|----|---|--|
| 1. | <b>Contract Number:</b> A: PS6056400A<br>B: PS6056400B  |  |
| 2. | <b>Recommended Vendors:</b><br>A: FAME Assistance Corporations (Southwest Region and Northwest Region)<br>B: International Institute of Los Angeles (Southeast Region)  |  |
| 3. | <b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E<br><input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order |  |
| 4. | <b>Procurement Dates:</b>   |  |
|    | A. Issued: May 2, 2019  |  |
|    | B. Advertised/Publicized: April 22, 2019  |  |
|    | C. Pre-Proposal Conference: May 22, 2019  |  |
|    | D. Proposals Due: June 6, 2019  |  |
|    | E. Pre-Qualification Completed: August 15, 2019   |  |
|    | F. Conflict of Interest Form Submitted to Ethics: July 23, 2019   |  |
|    | G. Protest Period End Date: September 24, 2019  |  |
| 5. | <b>Solicitations Picked up/Downloaded:</b> 20   | <b>Bids/Proposals Received:</b> 6          |
| 6. | <b>Contract Administrator:</b><br>Ernesto N. De Guzman  | <b>Telephone Number:</b><br>(213) 922-7267 |
| 7. | <b>Project Manager:</b><br>Armineh Saint  | <b>Telephone Number:</b><br>(213) 922-2369 |

**A. Procurement Background**

This Board Action is to approve Contract No. PS6056400A to FAME Assistance Corporations (FAME) issued in support of LIFE Program Administrator Services for the Southwest and Northwest Regions; and Contract No. PS6056400B to International Institute of Los Angeles (IILA) issued in support of LIFE Program Administrator Services for the Southeast Region. These contracts consist of a base period of 30 months, with two, 12-month options, effective January 1, 2020. The contractors will provide program administration and management services for Metro's Low Income Fare is Easy (LIFE) program within their assigned areas under the supervision of Metro staff. The program administrator services will include oversight and coordination of outreach efforts and delivery of transportation assistance to low income and transit dependent residents within Los Angeles County. Board approval of contract awards are subject to the resolution of any properly submitted protest(s).

On May 2, 2019 Request for Proposal (RFP) No. PS60564 was issued in accordance with Metro's Acquisition Policy and the contract type is indefinite delivery, indefinite quantity.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on May 13, 2019, revised the schedule for the pre-proposal conference and extended the due date for proposals.

- Amendment No. 2, issued on May 23, 2019, extended the deadline for the submittal of questions.

A pre-proposal conference was held on May 22, 2019 and was attended by nine participants representing six firms. Three questions were received during the questions and answers phase and responses were provided prior to the proposal due date. A total of 20 firms downloaded the RFP and were included in the plan holders' list. The service area was divided into three regions and proposers were allowed to propose on up to two regions, as stated in the RFP Statement of Work.

On June 6, 2019, Metro received proposals from the firms listed below in alphabetical order:

1. FAME Assistance Corporations for the Southwest Region
2. FAME Assistance Corporations for the Northwest Region
3. FAME Assistance Corporations for Southwest and Northwest Regions
4. International Institute of Los Angeles for the Southeast Region.
5. Orion Enterprises for the Southwest Region.
6. Sirius Technology LCC for the Southwest Region

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro's Local Programming Department was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- |   |     |
|---|-----|
| • Qualifications of Firm  | 35% |
| • Demonstrated Understanding of the Requirements of the Statement of Work | 40% |
| • Cost Proposal   | 25% |

Several factors were considered when developing these weights, giving the greatest importance to Demonstrated Understanding of the Requirements of the Statement of Work.

The PET conducted its independent evaluation of the proposals received from June 11, 2019 through June 26, 2019. Of the proposals received, four were deemed technically qualified, and two were excluded from further competition as the technical experience offered in those proposals were in fields unrelated to the requirements of the solicitation. Furthermore, these excluded proposals did not demonstrate how the proposers planned to obtain the technical capacity that will be necessary to deliver the required services.

### **Qualifications Summary of Firms within the Competitive Range**

#### **FAME Assistance Corporations (FAME)**

FAME is a Los Angeles-based not-for-profit community partner and leader in addressing social and economic inequalities affecting low-income, underserved communities in Los Angeles and has had many years of partnership with local government agencies in the administration of their benefit programs and is experienced in helping Metro administer its LIFE program.



**International Institute of Los Angeles (IILA)**

The IILA is a not-for-profit agency in Los Angeles that focuses on helping families become self-sufficient, and to promote cross-cultural understanding. The institute employs dedicated, multicultural staff that provide child care, transportation, immigration legal services, nutrition services and refugee services from over 25 centers and offices throughout Southern California. It was founded in 1914 to help newly arrived immigrants integrate into their new lives in Los Angeles. Throughout the years, IILA has helped hundreds of thousands of immigrants and other low-income residents overcome the barriers they face in becoming contributing members of society.

On June 26, 2019 the PET concluded their evaluations and recommends the contract award for the Southeast Region to International Institute of Los Angeles (IILA). The PET also recommends combined contract awards to FAME Corporations for the Northwest and Southwest Regions. This combined award will yield a cost savings of \$111,896 to Metro.

The following is a summary of the PET’s evaluation scores:

| <b>Southwest Region</b>                           |   |               |               |                        |      |
|---|---|---------------|---------------|------------------------|------|
| 1   | Name of Firm  | Average Score | Factor Weight | Weighted Average Score | Rank |
| 2   | <b>FAME Assistance Corporations</b>                 |               |               |                        |      |
| 3   | Qualifications of Firm                              | 98.88         | 35%           | 34.61                  |      |
| 4   | Demonstrated Understanding of the Statement of Work | 89.00         | 40%           | 35.60                  |      |
| 5   | Cost Proposal                                       | 75.00         | 25%           | 18.75                  |      |
| 6   | <b>Total</b>  |               |               | <b>88.96</b>           | 1    |
| <b>Northwest Region</b>                           |   |               |               |                        |      |
| 1   | Name of Firm  | Average Score | Factor Weight | Weighted Average Score | Rank |
| 2   | <b>FAME Assistance Corporations</b>                 |               |               |                        |      |
| 3   | Qualifications of Firm                              | 98.04         | 35%           | 34.31                  |      |
| 4   | Demonstrated Understanding of the Statement of Work | 85.00         | 40%           | 34.00                  |      |
| 5   | Cost Proposal                                       | 75.00         | 25%           | 18.75                  |      |
| 6   | <b>Total</b>  |               |               | <b>87.06</b>           | 1    |
| <b>Southwest and Northwest Regions (Combined)</b> |   |               |               |                        |      |
| 1   | Name of Firm  | Average Score | Factor Weight | Weighted Average Score | Rank |
| 2   | <b>FAME Assistance Corporations</b>                 |               |               |                        |      |

|   |   |       |     |              |   |
|---|---|-------|-----|--------------|---|
| 3 | Qualifications of Firm                              | 98.46 | 35% | 34.46        |   |
| 4 | Demonstrated Understanding of the Statement of Work | 87.00 | 40% | 34.80        |   |
| 5 | Cost Proposal                                       | 75.00 | 25% | 18.75        |   |
| 6 | <b>Total</b>  |       |     | <b>88.01</b> | 1 |

| <b>Southeast Region</b> |   |               |               |                        |      |
|-------------------------|---|---------------|---------------|------------------------|------|
| 1                       | Name of Firm  | Average Score | Factor Weight | Weighted Average Score | Rank |
| 2                       | <b>International Institute of Los Angeles</b>       |               |               |                        |      |
| 3                       | Qualifications of Firm                              | 96.26         | 35%           | 33.69                  |      |
| 4                       | Demonstrated Understanding of the Statement of Work | 75.00         | 40%           | 30.00                  |      |
| 5                       | Cost Proposal                                       | 75.00         | 25%           | 18.75                  |      |
| 6                       | <b>Total</b>  |               |               | <b>82.44</b>           | 1    |

### **C. Cost/Price Analysis**

The recommended price of \$2,991,965 for FAME Assistance Corporations for the Northwest and Southwest Regions, and \$1,605,248 for International Institute of Los Angeles for the Southeast Region total \$4,597,213 and have been determined to be fair and reasonable based upon price analysis, technical analysis, and historical cost. Furthermore, the aggregate of the recommended prices is lower than Metro's independent cost estimate (ICE) by \$802,787.

|   | Proposer Name  | Proposed Amount | Metro ICE   | Negotiated or NTE Amount |
|---|--|-----------------|-------------|--------------------------|
| 1 | FAME Assistance Corporations (Southwest and Northwest Regions) | \$3,103,861     |             | \$2,991,965              |
| 2 | International Institute of Los Angeles (Southeast Region)      | \$1,605,248     |             | \$1,605,248              |
| 3 | Total  | \$4,709,109     | \$5,400,000 | \$4,597,213              |

### **D. Background on Recommended Contractors**

FAME Assistance Corporations is a Los Angeles-based 501(c) (3) non-profit established in 1992. It has been a driving force in addressing social and economic justice for low-income underserved communities in Los Angeles. FAME has 22 full-time staff and operates 6 contracts totaling over \$10 million in funding from government agencies and foundations to promote health, social, and economic development. FAME has had a long-standing partnership with Metro, having worked as a collaborator, and as one of the two lead administrators of the previous INTP program.

The International Institute of Los Angeles (IILA) was founded in 1914 and has been a successful partner with Metro in administering the INTP program since 1993. IILA's work has been focused on serving the under-served and vulnerable families in the County of Los Angeles. As one of the two current administrators of the INTP, IILA is fully staffed and prepared to move seamlessly in the provision of LIFE Program services with no interruption.

**DEOD SUMMARY**

**LOW INCOME FARE IS EASY (LIFE) PROGRAM ADMINISTRATOR SERVICES /  
PS6056400A, PS6056400B**

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise (SBE) goal for this solicitation due to the lack of subcontracting opportunities available for small businesses as the community-based organizations will perform the services with their own workforces.

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

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

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.