

# **Metro**

*Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
3rd Floor Board Room*



## **Agenda - Final**

**Wednesday, October 16, 2019**

**1:00 PM**

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

### **Finance, Budget and Audit Committee**

*Kathryn Barger, Chair  
Ara Najarian, Vice Chair  
Jacquelyn Dupont-Walker  
Paul Krekorian  
Mark Ridley-Thomas  
John Bulinski, non-voting member*

*Phillip A. Washington, Chief Executive Officer*

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**(ALSO APPLIES TO BOARD COMMITTEES)**

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A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board must be submitted electronically using the tablets available in the Board Room lobby. Individuals requesting to speak will be allowed to speak for a total of three (3) minutes per meeting on agenda items in one minute increments per item. For individuals requiring translation service, time allowed will be doubled. The Board shall reserve the right to limit redundant or repetitive comment.

The public may also address the Board on non agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for one (1) minute during this Public Comment period or at the discretion of the Chair. Speakers will be called according to the order in which their requests are submitted. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

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- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

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The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

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## LIMITED ENGLISH PROFICIENCY

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**323.466.3876 x2**

*Español*

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한국어

日本語

中文

русский

ភាសាខ្មែរ

ภาษาไทย

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ភាសាជប៉ុន

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TDD line (800) 252-9040

**NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA**

## CALL TO ORDER

## ROLL CALL

16. **SUBJECT: ACCESS SERVICES - QUARTERLY UPDATE** [2019-0735](#)

### RECOMMENDATION

RECEIVE AND FILE status report on Access Services - ADA Paratransit.

Attachments: [Presentation](#)

17. **SUBJECT: WORKERS' COMPENSATION MEDICAL BILL REVIEW SERVICES** [2019-0545](#)

### RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. PS61721000 to Lien On Me, Inc. for Workers' Compensation Medical Bill Review Services, in an amount not-to-exceed \$2,576,976 for the four-year base term, effective July 1, 2020 through June 30, 2024, plus \$1,314,258 for the first, two-year option period, and \$1,340,724 for the second, two-year option period, for a combined not-to-exceed amount of \$5,231,958, subject to resolutions of protest(s), if any.

Attachments: [Attachment A - Procurement Summary](#)  
[Attachment B - DEOD Summary](#)

18. **SUBJECT: DELEGATED AUTHORITY FOR BUSINESS IMPROVEMENT DISTRICT PARTICIPATION** [2019-0546](#)

### RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to approve and sign all petitions, ballots and other related documents for participation in state-authorized business improvement districts (BID) and any other assessment districts (such as street lighting, health, safety, and crime prevention districts) as defined under California law, where the total assessment over the term of the BID does not exceed \$500,000.

Attachments: [Attachment A - BID Guidelines](#)

19. **SUBJECT: TRANSACTION AND USE TAX REVENUE FORECAST AND RECOVERY SERVICES** [2019-0613](#)

### RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a five-year contract No. PS63897 to MuniServices, An Avenu Insights & Analytics Company (MuniServices) for the following:

- A. transaction and use tax forecasting at a firm fixed amount of \$20,000 a year, or \$100,000 for the full five-year period; and
- B. transaction and use tax recovery services on a contingency basis, paid only if revenues are recovered through a review of sales tax submissions to the California Department of Tax and Fee Administration (CDTFA), at the following rates:

<u>Recoveries</u>	<u>Fee %</u>
Under \$5M	9%
\$5M - 10M	9%
\$10M - \$15M	8%
Over \$15M	8%

Attachments:      [Attachment A - Procurement Summary](#)  
                                 [Attachment B - DEOD Summary](#)

- 20. **SUBJECT:      FIRST AMENDMENT TO AMENDED AND RESTATED  
                                 PARKING LICENSE AGREEMENT WITH WEST ANGELES  
                                 CHURCH OF GOD IN CHRIST FOR TRANSIT PARKING AT  
                                 3500 CRENSHAW BOULEVARD IN LOS ANGELES**

[2019-0673](#)

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute a First Amendment to the existing License Agreement (“First Amendment”) with West Angeles Church of God in Christ (“Landlord”), for the use of 450 parking spaces at a parking garage located at 3500 Crenshaw Boulevard, Los Angeles (“Parking Garage”) for five additional years commencing January 1, 2020 at a monthly rate of \$57,608 for a total value of \$4,418,999 including annual escalations of approximately two percent. There are three five-year options to extend the term under the existing lease through December 31, 2040.

Attachments:      [Attachment A - Aerial Map of Property Location and Expo/Crenshaw Station](#)  
                                 [Attachment B - Deal Points](#)

**21. SUBJECT: ORACLE PRIMAVERA UNIFIER APPLICATION USER  
LICENSES**

[2019-0676](#)

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 2 to Contract No. PS54707001, with Mythics Inc., for 220 additional Oracle Primavera Unifier Application User Licenses for a firm fixed price of \$495,887, increasing the total contract value from \$991,774 to \$1,487,661, and extending the contract term through October 31, 2020.

**Attachments:**      [Attachment A - Procurement Summary](#)  
                                 [Attachment B - Contract Modification Log](#)  
                                 [Attachment C - DEOD Summary](#)

**SUBJECT: GENERAL PUBLIC COMMENT**

[2019-0762](#)

RECEIVE General Public Comment

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

**COMMENTS FROM THE PUBLIC ON ITEMS OF PUBLIC INTEREST WITHIN COMMITTEE'S  
SUBJECT MATTER JURISDICTION**

**Adjournment**



## Board Report

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**File #:** 2019-0735, **File Type:** Informational Report

**Agenda Number:** 16.

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### FINANCE, BUDGET AND AUDIT COMMITTEE OCTOBER 16, 2019

**SUBJECT: ACCESS SERVICES - QUARTERLY UPDATE**

**ACTION: RECEIVE AND FILE**

#### **RECOMMENDATION**

RECEIVE AND FILE status report on Access Services - ADA Paratransit.

#### **ISSUE**

This is a quarterly update on Access Services (Access), as requested by the Finance, Budget and Audit Committee.

#### **BACKGROUND**

Access is the Los Angeles County transit agency that provides paratransit services on behalf of Metro and 44 other fixed route operators, as mandated by the Americans with Disabilities Act (ADA). Eligibility for Access is based on a person's ability to use accessible fixed-route buses and trains in Los Angeles County; Access currently has 150,000 registered riders to date. Access' paratransit service is a next-day, shared-ride, curb-to-curb service with additional assistance available to qualified individuals. The service operates throughout most of the County of Los Angeles and is operated by six contractors in the following regions: Eastern, Southern, West Central, Northern, Santa Clarita and Antelope Valley. Access provides service to customers who are traveling between locations that are located within 3/4 of a mile of local bus routes and rail lines. Customers call Access' service providers directly to make trip reservations.

#### **DISCUSSION**

##### Agency Overview

Access is the Los Angeles County transit agency that provides paratransit services on behalf of Metro and 44 other fixed route operators, as mandated by the Americans with Disabilities Act (ADA). Eligibility for Access is based on a person's ability to use accessible fixed-route buses and trains in Los Angeles County; Access currently has 150,000 registered riders to date. Access' paratransit service is a next-day, shared-ride, curb-to-curb service with additional assistance available to qualified individuals. The service operates throughout most of the County of Los Angeles and is

operated by six contractors in the following regions: Eastern, Southern, West Central, Northern, Santa Clarita and Antelope Valley. Access provides service to customers who are traveling between locations that are located within 3/4 of a mile of local bus routes and rail lines. Customers call Access' service providers directly to make trip reservations.

FY19 - Operational Performance Year in Review

For Fiscal Year 2019, Access provided more than 4,503,721 passenger trips, approximately a 1.7 percent increase over FY 18.

Access monitors its contractors' compliance with federal law and regulations and their service to Los Angeles County paratransit customers through regular audits and the monitoring of Key Performance Indicators (KPIs). Over the last year, Access has adopted and negotiated into its contracts additional KPIs in order to enhance service quality and safety.

Key Performance Indicator	Target	FY19	*FY20
On Time Performance	≥ 91%	92.0%	91.5%
Excessively Late Trips	≤ 0.10%	0.08%	0.16%
Excessively Long Trips	≤ 5%	3.8%	3.1%
Missed Trips	≤ 0.75%	0.52%	0.47%
Denials	≤ 0	10	3
Access to Work On Time Performance	≥ 94%	95.8%	96.2%
Average Initial Hold Time (Reservations)	≤ 120	81	80
Calls On Hold > 5 Min (Reservations)	≤ 5%	4.2%	4.7%
Calls On Hold > 5 Min (ETA)	≤ 10%	5.3%	4.5%
Complaints Per 1,000 Trips	≤ 4.0	3.3	2.7
Preventable Incident Rate	≤ 0.25	0.21	0.13
Preventable Collision Rate	≤ 0.50	0.63	0.67
Miles Between Road Calls	≥ 25,000	55,228	66,172

\*as of 9/1/19

For FY 19, on-time performance (OTP) remained strong and all key performance indicators are being met except for Preventable Collision Rate and Denials. Regarding preventable collisions, Access counts any contact as a collision (even if there is no damage), regardless of dollar value, to emphasize the importance of safety. Denials occur when a rider has made a trip request for a specific time and the transit contractor does not offer, as required, a time up to an hour before or an hour after that request. As part of its planned oversight and audit program, Access learned that the denial stats do not reflect true denials and that they are, instead, a result of



reservationist error where the reservationist mishears the requested time from the rider and uses that time as a starting point reservation. Even though this is a rare event, Access expects its contractor to retrain the reservationist. Both the Preventable Collision rate and Denial rate continue to be considerably lower (lower is better) than the rates experienced by peer transit operators. For providers that do not meet established KPIs, staff requests corrective action plans and assesses liquidated damages.

### FY 20 Operational Performance

In Fiscal Year 2020 thus far, Access has provided 810,218 passenger trips, a 5.1% increase over the same period a year ago and a 6.6% increase over the estimate in the FY 20 budget. Notably, customer complaints continue to decline from the prior year. Overall, the first quarter of the fiscal year coincides with the beginning of the academic school year for almost all of Los Angeles County. The traffic and greater than expected demand have led to a slight decrease in certain KPIs system-wide. As discussed above, for providers that do not meet established KPIs, such as excessively long trips, staff requests corrective action plans and assesses liquidated damages as allowed under Access' contracts with its providers.

### Working with Agency and Community Partners

*Metro's Office of Extraordinary Innovation (OEI):* Access recently worked cooperatively with Metro's OEI to increase the number of Wheelchair Accessible Vehicle (WAV) requests for the Mobility on Demand (MOD) Pilot Project with Via which launched on January 28, 2019. Access sent direct mail, contacted its customers who lived in the areas being served by the pilot, informed them of the new service and, if the customer agreed, forwarded their name and contact information to OEI staff for further follow-up. After this outreach, the number of WAV requests quickly jumped to an average of 23 per week. (Prior to this outreach, there had been no WAV requests.) There have now been a total of 185 WAV requests and OEI has scheduled a series of focus groups with Access customers to educate them about the MOD program.

*Aging and Disability Transportation Network (Network):* In response to a June 2016 Metro Board motion ("Countywide Services for Older Adults and People with Disabilities"), Metro and Access staff have met with Network representatives to discuss and study enhancements to the service. In addition, many of these items are now being discussed and studied by Access' Community Advisory Committee, which is comprised of Access customers.

The first enhancement to emerge from this collaboration is an expansion of transfer service between the North County and the Los Angeles Basin. Transfer trip service based at Olive View Medical Center in Sylmar was expanded effective July 1, 2019. The expansion is aimed at Access riders who need to travel between the Antelope Valley, Santa Clarita and the rest of Los Angeles County. So far, after ten weeks of increased service, weekday ridership to/from the Antelope Valley is up 43%. Trips to/from Santa Clarita have increased by 11%. Staff will continue to monitor usage and consider appropriate changes to the schedule after six months.

As discussed in prior reports, Access staff and community partners will continue to discuss additional improvements. The Network and Access have also been working together on strategies to expand the Parents with Disabilities (PWD) program, which provides additional assistance to Access customers with school-age children. Access has released a Request for Proposals (RFP) to solicit proposals from vendors that would implement the program countywide. This new program model will give vendors the flexibility to “broker” trips to existing transportation resources, including taxis and TNCs, such as Uber and Lyft. A recommendation based on this RFP will be brought to the Access Board of Directors later this year.

Rancho Los Amigos National Rehabilitation Center (Rancho): Access completed 1,839 trips to and from Rancho between May and August 2019, with an on-time performance of 91% and high customer satisfaction. Access continues to provide new signage for Rancho to accommodate building closures and construction to ensure that Access customers and drivers can identify multiple pick-up and drop-off locations. Access’ Southern Region service provider, Global Paratransit, now staffs a booth on-site to facilitate coordination between riders and drivers. Finally, this summer Access partnered with Rancho to develop a driver training video to highlight best practices for securing wheelchairs and other mobility devices. The video was completed in early September 2019 and reflects the cooperation between Access and Rancho’s Patient Advisory Committee. The video will serve as a valuable training tool for all Access contractors by focusing on the safe securement of the many different types of mobility aids that are not as common as a standard wheelchair.

### Technology Update

Where’s My Ride (WMR) App: More than 8,200 customers have registered to use the WMR application, and 93% have used the application more than once. The app allows customers to obtain an estimated time of arrival (ETA), vehicle location for their trips, and provide feedback and comments after the trip is completed. WMR has provided over 3.3 million ETAs since its launch in January 2018. Based on customer feedback, the latest enhancement will make the app more accessible for visually impaired riders by providing distance and cross street data. In addition, the app will provide alerts and updates via push notifications regarding emergency events and potential service delays.

Online Reservations: Since its launch in May 2019, 1,400 customers have booked a trip using Online Reservations, with 88% booking multiple trips. On average, 480 trips are booked per day in Online Reservations, which represents 4% of total trip volume. The platform is currently available for Eastern, Southern and West Central region customers. The remaining Access regions (Northern, Santa Clarita and Antelope Valley) are on different software platforms and are scheduled to have online reservations in the near future.

All of the above initiatives, as well as the expanded suite of KPIs that will assist in providing enhanced service to Access customers, receive funding from Measure M 2%.

## **FINANCIAL IMPACT**

There are no financial impacts.

Impact to Budget

There is no impact to the budget.

**IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Goal 2: Deliver outstanding trip experiences for all users of the transportation system

Goal 3: Enhance communities and lives through mobility and access to opportunity

**NEXT STEPS**

Access is in the process of completing the following:

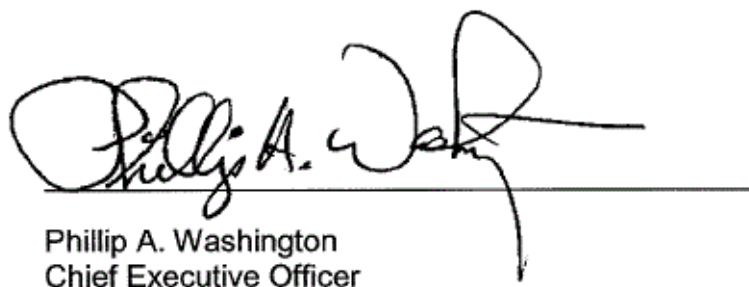
- Continue development and implementation of an online reservations platform to additional service areas;
- Work on integrating online reservations into the WMR application for a more seamless experience;
- Monitor results of expanded North County transfer program;
- Continue to work with Agency and community partners, including participation in the On the Move Riders' program Forum in October and subsequent events throughout the year.

**ATTACHMENTS**

Attachment A: Metro Access PowerPoint Presentation-October 2019

Prepared by: Andre Colaiace, Executive Director, Access Services, (213) 270-6007

Reviewed by: Jonaura Wisdom, Chief Civil Rights Programs Officer, (213) 418-3168



Phillip A. Washington  
Chief Executive Officer



# Access Services Quarterly Update

Finance, Budget & Audit Committee  
October 16, 2019

access

# Agency Performance Goals

<b>Key Performance Indicator</b>	<b>Target</b>	<b>FY19</b>	<b>*FY20</b>
On Time Performance	≥ 91%	92.0%	91.5%
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Complaints Per 1,000 Trips	≤ 4.0	3.3	2.7
Preventable Incident Rate	≤ 0.25	0.21	0.13
Preventable Collision Rate	≤ 0.50	0.63	0.67
Miles Between Road Calls	≥ 25,000	55,228	66,172

\*as of 9/1/19

# Working with Agency and Community Partners

- Rancho Los Amigos National Rehabilitation Center
  - 1,839 trips to/from center with on-time performance of 91%
  - Relocating stand signs on Rancho campus to accommodate construction and building closures
- Completed driver training video on wheelchair securement



access



# Working with Agency and Community Partners

- Office of Extraordinary Innovation (OEI)
  - Assisted OEI in identifying Access customers for Mobility on Demand pilot
  - Sent direct mail and called to generate interest
  - Significant increase in usage by customers in mobility devices
- Aging and Disability Transportation Network (ADTN)
  - Address the transportation needs of older adults and people with disabilities
    - Parents with Disabilities Program (PWD)
      - Evaluating Request for Proposals to expand Countywide

# Working with Agency and Community Partners

- Transfer Trip Service between North County and LA
  - Implemented July 1
  - Expanded weekday connections and added weekends and holidays
  - Reduced fares
  - Antelope Valley service increased 43%
  - Santa Clarita service increased 11%



access





# Agency Update/Next Steps

- Where's My Ride App
  - 8,200 downloads
  - Enhancing app's accessibility features and push notification options
- Online Reservations
  - May 2019 launch
    - West Central, Eastern, Southern
    - 480 trips/day, 4% of total trip volume
- Next steps
  - Continue development of online reservations
  - Integrate online reservations into the WMR application
  - Continue work with Agency and community partners, including Metro's On the Move Riders Program

**Board Report**

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**File #:** 2019-0545, **File Type:** Contract**Agenda Number:** 17.

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**FINANCE, BUDGET AND AUDIT COMMITTEE  
OCTOBER 16, 2019****SUBJECT: WORKERS' COMPENSATION MEDICAL BILL REVIEW SERVICES****ACTION: APPROVE CONTRACT AWARD****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. PS61721000 to Lien On Me, Inc. for Workers' Compensation Medical Bill Review Services, in an amount not-to-exceed \$2,576,976 for the four-year base term, effective July 1, 2020 through June 30, 2024, plus \$1,314,258 for the first, two-year option period, and \$1,340,724 for the second, two-year option period, for a combined not-to-exceed amount of \$5,231,958, subject to resolutions of protest(s), if any.

**ISSUE**

The current contract for this service expires on June 30, 2020. Review of medical bills for workers' compensation claims ensures Metro pays for various medical services in accordance with the State of California approved fee schedules and pre-established rates contracted with Preferred Provider Organization (PPO) providers.

**DISCUSSION**

The review of medical bills is consistent with industry best practice and is one of a variety of techniques government agencies and private entities employ to lower workers' compensation related medical expenditures. Bill review service providers take gross medical billings from physicians, hospitals, pharmacies and other medical service providers and recommend reductions in conformance with the State of California Fee Schedule and negotiated rates between service providers (PPO contracts). Bill review service providers have custom dedicated software that apply the bill review reduction in accordance with the California Fee Schedule and detect duplicate billings at the line level. In addition to reviewing bills, bill review service providers have the ability to integrate PPO networks with their bill review system to determine the highest level of savings per line item and maintain the appropriate software to facilitate submission of California regulatory reporting requirements via Electronic Data Interchange (EDI) with the California Workers' Compensation Information System (WCIS). Bill review vendors represent Metro in legal proceedings involving bill payment disputes with service providers. The review of medical bills is consistent with industry best practice and is one of a variety of techniques to lower our medical expenditures.

### **DETERMINATION OF SAFETY IMPACT**

Approval of this recommendation will not impact the safety of Metro's patrons or employees.

### **FINANCIAL IMPACT**

Funding for this action is not included in the FY20 budget given the contract starts in FY21. Since this is a multi-year contract, the Chief Risk, Safety and Asset Management Officer will be responsible to budget the cost in future years, including any options exercised. In FY19, \$304,000 was expended on these services.

#### **Impact to Budget**

Approval of this action has no impact on the FY20 budget.

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

Recommendation supports strategic plan goal # 5 "Provide responsive, accountable and trustworthy governance within the LA Metro organization." The responsible administration of Metro's workers' compensation claims within the guidelines of California's regulatory requirements lowers Metro's medical expenditures.

### **ALTERNATIVES CONSIDERED**

The alternative of not reviewing medical bills will result in Metro overpaying for medical treatment costs and foregoing savings that could have been generated through the application of bill review services. For FY19, bill review services generated an average monthly savings of approximately \$1.5 million.

### **NEXT STEPS**

Upon Board approval, staff will execute Contract No. PS61721000 with Lien On Me, Inc. for workers' compensation medical bill review services, effective July 1, 2020.

### **ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Cathy Yates, Director, Workers' Compensation Claims Administration, (213) 922-4297

Reviewed by: Vijay Khawani, Interim Chief Risk, Safety and Asset Management Officer, (213) 922-4035  
Debra Avila, Chief Vendor/Contract Management, (213) 418-3051



Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## WORKERS' COMPENSATION MEDICAL BILL REVIEW SERVICES/PS61721000

1.	Contract Number: PS61721000	
2.	Recommended Vendor: Lien On Me, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: May 7, 2019	
	B. Advertised/Publicized: May 7, 2019	
	C. Pre-Proposal Conference: N/A	
	D. Proposals Due: June 5, 2019	
	E. Pre-Qualification Completed: September 5, 2019	
	F. Conflict of Interest Form Submitted to Ethics: August 28, 2019	
	G. Protest Period End Date: October 22, 2019	
5.	Solicitations Picked up/Downloaded: 28	Bids/Proposals Received: 2
6.	Contract Administrator: Marc Margoni	Telephone Number: (213) 922-1304
7.	Project Manager: Cathy Yates	Telephone Number: (213) 922-4297

**A. Procurement Background**

This Board Action is to approve the award of Contract No. PS61721000 to Lien On Me, Inc. (LOM) to provide medical claims review services in support of Metro's Risk Management Workers' Compensation Claims unit.

Request for Proposal (RFP) No. PS61721 was issued as a competitive negotiated procurement in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate. The RFP was issued as a Small Business Prime Set Aside.

No amendments were issued during the solicitation phase of the RFP.

A total of 28 firms downloaded the RFP and were included on the plan holders list. A total of two proposals were received by the due date of June 5, 2019 and are listed below in alphabetical order:

- Innovative Claims Strategies LLC
- Lien On Me, Inc.

**B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from the Risk Management Department convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were initially evaluated based on the pass/fail minimum qualifications criteria as outlined in the RFP. The pass/fail requirements included experience in reviewing and processing anticipated monthly volume of medical bills; possession of a web-based software application that can interface with Metro’s Ventiv/IVOS system, knowledge of current California Bill Review Regulations, including documentation of Bill Reviewers State Designation certification, and the ability to provide references to demonstrate the performance of similar required services.

Of the two proposals received, LOM passed the minimum qualifications and was further evaluated based on the following weighted evaluation criteria:

- Experience 30 percent
- Technical Capacity 30 percent
- Other Criteria (approach, and data transition plan) 20 Percent
- Cost 20 Percent

Several factors were considered when developing these weights, giving the greatest importance to the proposer’s experience and technical capacity of the firm.

On August 16, 2019, the PET met and conducted an independent technical evaluation of the proposals received and determined that LOM was responsive and met the technical requirements of the RFP.

**Qualifications Summary of Firm:**

**Lien On Me, Inc.**

Lien On Me, Inc. (LOM) was founded in 1991 and has been providing cost containment services for over 27 years. It has expertise in the fields of medical bill review, lien defense, claims administration and technology. Their client list includes City of Long Beach, City of Santa Ana, City of Glendale, Los Angeles Community College District (LACCD), and City of Monterey Park.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Lien on Me Inc.				
3	Experience	100.00	30.00%	30.00	
4	Technical Capacity	93.33	30.00%	28.00	
5	Other Criteria (approach and data transition plan)	86.65	20.00%	17.33	

6	Cost	100.00	20.00%	20.00	
7	<b>Total</b>		<b>100.00%</b>	<b>95.33</b>	<b>1</b>

**C. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based on price analysis, technical analysis, an Independent Cost Estimate (ICE), fact finding, and negotiations.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated or NTE amount</b>
1.	Lien On Me, Inc.	<b>\$8,566,704</b>	<b>\$5,195,863</b>	<b>\$5,231,958</b>

**D. Background on Recommended Contractor**

The recommended firm, Lien On Me, Inc. (LOM) is located in Glendale, CA. It evaluates medical provider statements using state-adopted fee schedules, national Preferred Provider Organization (PPO) networks, experienced bill review analysis and its own proprietary database. Further, LOM has a lien defense process that enables it to handle any dispute, defend clients against liens and reduce claims portfolio, medical expenses and litigation costs.

LOM's Medical Bill Review and Lien Defense Manager has 14 years of experience in the workers compensation industry. Their medical bill reviewers are certified biennially with the Insurance Commissioner of the State of California. Their staff are required to complete continuing education classes to maintain and upgrade their skills related to coding new legislations and fee schedule changes.

## DEOD SUMMARY

**WORKERS' COMPENSATION MEDICAL BILL REVIEW SERVICES/PS61721000****A. Small Business Participation**

Effective June 2, 2014, per Metro's Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Set-Aside procurement. Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro's website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to **SBE Certified Small Businesses Only**.

Lien On Me, Inc., an SBE Prime, is performing 100% of the work with its own workforce.

**SMALL BUSINESS SET-ASIDE**

	<b>SBE Prime Contractor</b>	<b>SBE % Committed</b>
1.	Lien On Me, Inc. (Prime)	100%
	<b>Total Commitment</b>	<b>100%</b>

**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.





## Board Report

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File #: 2019-0546, File Type: Policy

Agenda Number: 18.

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### FINANCE, BUDGET AND AUDIT COMMITTEE OCTOBER 16, 2019

**SUBJECT: DELEGATED AUTHORITY FOR BUSINESS IMPROVEMENT DISTRICT PARTICIPATION**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to approve and sign all petitions, ballots and other related documents for participation in state-authorized business improvement districts (BID) and any other assessment districts (such as street lighting, health, safety, and crime prevention districts) as defined under California law, where the total assessment over the term of the BID does not exceed \$500,000.

#### **ISSUE**

Presently, Metro's policy requires all new BIDs (that have not yet been approved by the Metro Board of Directors), be authorized by the Board. Frequently, the votes to form BIDs have short timeframes and Metro cannot participate in the vote because of this requirement. Board approval of this item will facilitate approval and processing of all new BIDs where total assessment does not exceed \$500,000 over the term of the BID.

#### **BACKGROUND**

BIDs are generally accepted methods for providing essential services for the safety and cleanliness of communities where municipal funding gaps exist. Metro currently participates in all the BIDs which touch its landholdings at an annual cost to the agency of \$633,000.

In May 2014, the Board approved delegation of authority to the CEO for participation in BIDs where the total assessment over the term of the BID does not exceed \$500,000, and where the action represents a renewal of a BID previously approved by the Board (Attachment A, pages 1-2).

#### **DISCUSSION**

Staff analyzes BID participation using the *General Guidelines for MTA Participation in Proposed Assessment Districts* (included in Attachment A, pages 4-5). Local BIDs often serve as the first line of defense and notification to Metro for issues related to site security, cleanliness, and other general

upkeep related to public stewardship of land.

In June 2019, the Board approved the Highland Park BID. The 5-year obligation is estimated to be less than \$10,000. The current policy required board approval because it was a newly formed district. Metro is involved in more than 50 BIDs and the Board has not refused to participate in any of them.

### Equity Platform

BIDs have proven to support Metro's equity platform by providing for a general subsidy to support neighborhood cleanliness, personal hygiene, and safety where the agency has property. By being able to participate in BID votes, Metro can better support these efforts.

### **DETERMINATION OF SAFETY IMPACT**

This action will have no impact on Metro safety.

### **FINANCIAL IMPACT**

Real Estate accounts for all costs related to BID payments in Cost Center 0651. Real Estate charges on the order of \$633,000 per year across the service areas and land holdings to Account 50799, Tax Others. The Funding source is operating funds including fares and sales tax revenues. These funds are eligible for bus and rail operations and capital projects.

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

This is an assessment obligation for Metro to pay based on a locally-formed district's decision to assess a fee. Assuring timely participation in BIDs therefore provides responsive, accountable, and trustworthy governance as stated in Strategic Plan Goal #5.

### **ALTERNATIVES CONSIDERED**

The Board could continue to require approval of new BIDs. This is not recommended as the likely outcome would be a delayed return of BID ballots which would negate Metro's affirmation or re-affirmation to establish and participate in a BID among the communities of its various operating lines.

### **NEXT STEPS**

Upon Board approval, staff will begin routing to the CEO for approval and signature all BID petitions, ballots and other related documents for participation in state-authorized business improvement districts and any other benefit assessment district as defined under California law, where the total assessment over the term of the BID does not exceed \$500,000.

### **ATTACHMENTS**

Attachment A - BID Guidelines

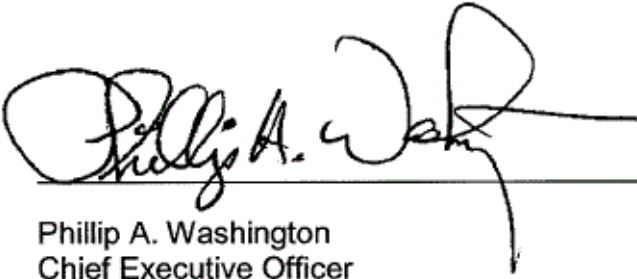
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Prepared by: John Beck, Sr. Real Estate Officer, Countywide Planning & Development, (213) 922-4435

John Potts, Executive Officer, Countywide Planning & Development, (213) 928-3397

Holly Rockwell, Sr. Exec. Officer - Real Estate, Transit Oriented Communities and Transportation Demand Management, (213) 922-5585

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Phillip A. Washington  
Chief Executive Officer



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

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**REVISED**  
**FINANCE, BUDGET AND AUDIT COMMITTEE**  
**MAY 14, 2014**

**SUBJECT: GUIDELINES ON LACMTA'S PARTICIPATION IN PROPOSED  
BENEFIT ASSESSMENT DISTRICTS (BID)**

**ACTION: DELEGATION OF AUTHORITY**

**RECOMMENDATION**

Delegate authority to the Chief Executive Officer to determine the Los Angeles County Metropolitan Transportation Authority's ("LACMTA") participation in Benefit Assessment District where the total assessment over the term of the BID does not exceed \$500,000, **and where the action represents a renewal of a BID previously approved by the Board.**

**BACKGROUND**

The MTA Board adopted Guidelines on LACMTA Participation in Proposed Assessment Districts ("Guidelines") in June 1998 (See Attachment A). The Guidelines require staff to analyze each assessment district and/or improvement based on whether they improve MTA property or facility, benefit MTA employees, benefit Metro's passengers, or reduce costs for the agency. Staff is to provide the Board with an analysis, on a case by case basis, that determines whether MTA property benefits from the proposed services or improvements; and whether the benefit to the property exceeds the cost of the assessment. Based on the guidelines, the Board must determine whether or not to participate in the proposed district.

**DISCUSSION**

The existing policy specifically requires that staff analyze each new assessment district's services and provide the MTA Board with an analysis, on a case by case basis. Many of the BIDS are at levels that are significantly below the current delegated authority of the Chief Executive Officer of \$500,000. In addition, the analysis of the benefit to LACMTA is routine and warrants the agency's participation. **Staff would prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval.** In any case where the total assessment **for a BID's renewal** exceeds \$500,000 over the term of the BID, the

analysis will be completed and submitted to the Board for approval. **Any participation in a newly proposed BID will be subject to Board approval. Staff would still prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval.**

### **DETERMINATION OF SAFETY IMPACT**

The Board action will not have an impact on safety standards for Metro. However, generally a BID's safety program will increase safety and crime prevention in the area around LACMTA owned properties.

### **FINANCIAL IMPACT**

LACMTA currently participate in ~~40~~ **41** BIDs and street lighting districts. The annual budget as of FY14 is approximately \$517,000.00. Funding to participate in the established BIDs is included in Cost Center 0651, Account No. 50799 (Taxes). Funds are budgeted for each fiscal year. **Funding for the BIDS are allocated from the revenue generated from the General Fund - Right of Way Lease Revenue.**

### **ALTERNATIVES CONSIDERED**

The Board could not approve this recommendation to delegate authority to the Chief Executive Officer and staff would continue to bring **BID renewals these requests** to the Board for approval. The efficiency and the time involved in agendaizing the request on the Board's agenda is often constrained by the timeline established by the BID to obtain MTA's approval. In those cases, MTA would not **be able to** sign the petition circulated to property owners affected by the BID **for renewals.**

### **ATTACHMENTS**

Attachment A Guidelines on MTA Participation in Proposed Assessment District dated June 18, 1998

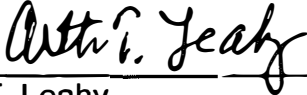
Prepared by: Velma C. Marshall, Deputy Executive Officer – Real Estate  
(213) 922-2415

Calvin E. Hollis, Managing Executive Officer- Countywide Planning  
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Martha Welborne, FAIA  
Chief Planning Officer



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Arthur T. Leahy  
Chief Executive Officer



## **GENERAL GUIDELINES for MTA Participation in Proposed Assessment Districts**

### **1. MTA Participation in Assessment Districts**

Assessment districts can provide a wide variety of services and improvements. However, the MTA must decide individually whether or not specific MTA property benefits from such services and improvements. Such determination shall be dependent upon:

- the use of MTA property, and
- the services or improvements provided by the assessment district.

### **2. Evaluation Criteria**

The following criteria shall be used to evaluate whether or not an assessment district services and/or improvements will benefit MTA is the extent that the services or improvements specifically:

- improve MTA property or facilities,
- benefit MTA employees,
- benefit the MTA riding public, or
- reduce costs for the MTA.

### **3. Determination of Benefit**

Each proposed assessment district containing MTA property will be analyzed on a case-by-case basis; however, general guidelines for determining benefit to MTA properties are as outlined in the following:

#### **TIER 1 - NO BENEFIT**

- Subsurface easements
- Aerial easements
- Rights of Way

#### **TIER 2 - MINOR OR NO POTENTIAL BENEFIT**

- Vacant Land
- Parking Lots

- **Bus Layovers**

**TIER 3 - MINOR OR SOME POTENTIAL BENEFIT**

- **Bus Divisions**
- **Bus Terminals**
- **Customer Service Centers**
- **USG Headquarters Building**
- **Maintenance Facilities**
- **Rail Division**
- **Rail Terminals**
- **Stations**

**TIER 4 - ACTUAL BENEFIT**

- **Joint Development Projects**

~~2019-01-01 10:00:00 AM~~





**Board Report**

**File #:** 2019-0613, **File Type:** Contract

**Agenda Number:** 19.

**FINANCE, BUDGET AND AUDIT COMMITTEE  
OCTOBER 16, 2019**

**SUBJECT: TRANSACTION AND USE TAX REVENUE FORECAST AND RECOVERY SERVICES**

**ACTION: AWARD CONTRACT**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a five-year contract No.PS63897 to MuniServices, An Avenu Insights & Analytics Company (MuniServices) for the following:

- A. transaction and use tax forecasting at a firm fixed amount of \$20,000 a year, or \$100,000 for the full five-year period; and
- B. transaction and use tax recovery services on a contingency basis, paid only if revenues are recovered through a review of sales tax submissions to the California Department of Tax and Fee Administration (CDTFA), at the following rates:

<u>Recoveries</u>	<u>Fee %</u>
Under \$5M	9%
\$5M - 10M	9%
\$10M - \$15M	8%
Over \$15M	8%

**ISSUE**

The existing five-year transaction and use tax recovery and forecasting service contract with MuniServices will expire on December 31, 2019.

**BACKGROUND**

Los Angeles County Metropolitan Transportation Authority (Metro) requires transaction and use tax (sales tax) recovery services including the review of internet sales to insure the correct collection, allocation, and distribution of Propositions A and C and Measures R and M sales taxes to Metro. In order to recover transaction and use taxes incorrectly allocated to other jurisdictions, Metro must examine Los Angeles County businesses' quarterly sales tax reports and file claims with the California Department of Tax and Fee Administration (CDTFA) when errors are noted. Additionally, Metro will require increased emphasis on internet sales to realize the revenue generated from retailers located outside of California, who are now required to collect and pay taxes due to the

implementation of the Wayfair decision and California AB147.

MuniServices assists Metro in sales tax forecasting by identifying new sales permits and closed permits for a bottom up assessment of future sales activity in Los Angeles County. It is one of the major sales tax forecasting sources that Metro depends on when developing its short-term and long-term budget plans.

## **DISCUSSION**

### **Findings**

The current contract was awarded through a competitive procurement in November 2014 to MuniServices, the only firm that submitted a proposal. MuniServices has a well-established tax review program to help recover Metro's tax revenue. They identify and file claims on our behalf on sales tax reporting errors and deficiencies. Errors may be caused by a business incorrectly identifying the county on the CDTFA form, not applying the tax to all sales, or applying an incorrect tax rate. Deficiencies are usually identified by comparing the amount Metro received to the local tax allocations the city the business is located in received. Over the last 19 ½ years of contract work, MuniServices has recovered approximately \$42.9 million in revenues for Metro. Currently over 150 local governmental entities, including Bay Area Rapid Transit, Santa Clara Valley Transportation Authority and Riverside County Transportation Authority contract with MuniServices for transaction and use tax recovery or forecasting services.

## **DETERMINATION OF SAFETY IMPACT**

Approval of this report will not impact the safety of our patrons or employees.

## **FINANCIAL IMPACT**

The funding of \$20,000 for sales tax forecasting is included in the FY20 budget, in Treasury Department cost center #5210, project numbers 100002 (4%), 300076 (43%), and 610340 (53%). Since this is a multi-year contract, the cost center manager and Executive Officer will be accountable for budgeting the cost in future years. In FY19, \$20,000 was expended on forecasting services.

During the 19 ½ years under contract, MuniServices has earned contingency fees of approximately \$6.4 million. Fees for MuniServices revenue recovery services will be deducted from actual gross recovered revenues when realized. MuniServices has agreed to the following fee schedule: contingency fee compensation of 9% for the first \$5 million in recoveries, 9% for the next \$5 million, 8% for the next \$5 million and 8% for anything over \$15 million. Assuming \$20 million revenue recovered during the 5-year term, Metro saves \$850,000 under the new fee schedule compared to the existing contract.

## **IMPACT TO BUDGET**

The funding for this service comes from a combination of General Fund - Prop A, C, TDA Admin, Enterprise Fund - Bus and Rail Operations Fund and Special Revenue Fund - Measure R and

Measure M Admin. Any recovered revenues from Propositions A and C and Measures R and M will increase Bus and Rail Operating Funds.

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

This recommendation supports strategic plan goal #5.2 “Metro will exercise good public policy judgment and sound fiscal stewardship” by insuring the correct collection, allocation, and distribution of Propositions A and C and Measures R and M sales taxes to Metro.

### **ALTERNATIVES CONSIDERED**

The alternative is to perform these services in-house. This is not recommended as Metro has neither the staff resources nor in-house expertise to monitor and review all aspects of sales tax transactions unique to transit districts. Metro benefits from the expertise of a specialized contractor as well as gaining an independent forecasting source to compliment other sources of data currently in use.

If Metro performed the function in-house, Metro risks losing transaction and use tax data and revenue.

### **NEXT STEPS**

Upon Board approval, staff will execute Contract No.PS63897 to MuniServices effective January 1, 2020 to provide transaction and use tax recovery and forecasting services.

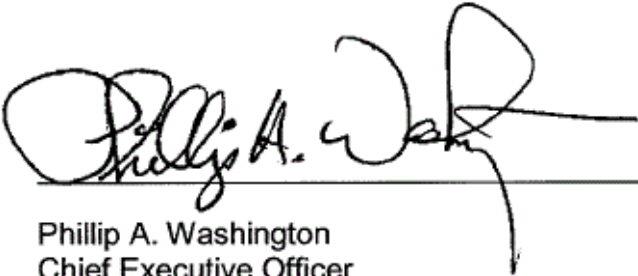
### **ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Mary E. Morgan, DEO, Finance, (213) 922-4143

Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088  
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington  
Chief Executive Officer

**PROCUREMENT SUMMARY  
TRANSACTION AND USE TAX REVENUE FORECAST AND RECOVERY SERVICES  
PS63897000**

1.	<b>Contract Number: PS63897000</b>	
2.	<b>Recommended Vendor:</b> MuniServices, LLC	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	A. <b>Issued:</b> July 10, 2019	
	B. <b>Advertised/Publicized:</b> July 10, 2019	
	C. <b>Pre-Proposal Conference:</b> Not Applicable	
	D. <b>Proposals Due:</b> July 29, 2019	
	E. <b>Pre-Qualification Completed:</b> September 22, 2019	
	F. <b>Conflict of Interest Form Submitted to Ethics:</b> August 12, 2019	
	G. <b>Protest Period End Date:</b> October 22, 2019	
5.	<b>Solicitations Picked up/Downloaded:</b> 9	<b>Bids/Proposals Received:</b> 2
6.	<b>Contract Administrator:</b> James A. Nolan	<b>Telephone Number:</b> (213) 922-7312
7.	<b>Project Manager:</b> Jin Yan	<b>Telephone Number:</b> (213) 922-2127

**A. Procurement Background**

This Board Action is to approve the award of Contract No. PS63897000 to MuniServices, LLC in support of Metro Treasury Department to provide transaction and use tax revenue forecast and recovery services beginning January 1, 2020. The current contract expires on December 31, 2019. Board approval of contract awards are subject to resolution of any properly submitted protest.

On July 10, 2019, Request for Proposal (RFP) PS63897 was issued in accordance with Metro's Acquisition Policy. The contract type is a firm fixed price for the transaction and use tax revenue forecasting services, and a percentage fee of actual revenue recovered amount for the transaction and use tax revenue recovery services.

No amendments were issued during the solicitation phase of this RFP.

Two proposals were received on the due date of July 29, 2019 from the firms listed below in alphabetical order:

1. HdL Companies
2. MuniServices, LLC

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Metro's Treasury and Office of Management and Budget (OMB) was convened and conducted a comprehensive technical evaluation of the proposals received.

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

- Qualification of the Firm 25%
- Qualification of Staff 15%
- Work Plan and Project Organization 30%
- Price/Fees: 30%

The evaluation criteria are appropriate for this procurement and are consistent with criteria developed for similar procurements. Several factors were considered when developing these weights, giving the greatest importance to work plan and project organization, as well as, pricing.

During the week of July 29, 2019, the PET met and evaluated the proposals in accordance with the evaluation criteria as published in the RFP.

The two proposals received were determined to be within the competitive range.

### **Qualifications Summary of Firms:**

#### **MUNISERVICES, LLC**

MuniServices, LLC (MuniServices/an Avenu Insights & Analytic Company) is the incumbent contractor providing transaction and use tax audit recovery and forecasting services to Metro. They are headquartered in Fresno, CA and have a local office in Los Angeles County. MuniServices has experience in providing audit recovery and forecasting services for over 150 large and small government and transportation agencies.

#### **HdL COMPANIES**

HdL Companies (Hinderliter, de Llamas and Associates) was founded in 1983 and provides revenue management services to local governments, transaction tax districts and special districts. HdL maintains a staff of over 150 specialists in performing audits, analysis and software support. HdL currently serves over 500 local government agencies in six states. HdL provides audit and management services to 167 transaction tax districts.

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

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>MuniServices, LLC</b>				
3	Qualification of the Firm	91.60	25.00%	22.90	
4	Qualification of Staff	94.67	15.00%	14.20	
5	Work Plan and Project Organization	96.00	30.00%	28.80	
6	Price/Fees	98.30	30.00%	29.49	
7	<b>Total</b>		<b>100.00%</b>	<b>95.39</b>	<b>1</b>
8	<b>HDL Companies</b>				
9	Qualification of the Firm	78.40	25.00%	19.60	
10	Qualification of the Staff	94.00	15.00%	14.10	
11	Work Plan and Project Organization	76.00	30.00%	22.80	
12	Price/Fees	80.00	30.00%	24.00	
13	<b>Total</b>		<b>100.00%</b>	<b>80.50</b>	<b>2</b>

### C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate competition, comparative price analysis of the competing proposal, independent cost estimate (ICE), and technical evaluation.

(a) Forecasting Fee	Proposer Name	Proposal Amount	Metro ICE	NTE amount
1.	MuniServices, LLC	\$100,000	\$150,000	\$100,000
2.	HDL Companies	\$90,000	\$150,000	

(b) Recovery Fee	Proposer Name	Proposal Amount *	Fee Basis	Amount
1.	MuniServices, LLC	\$1,700,000	<b>Contingency based and will be deducted from the actual revenues when</b>	\$1,700,000

			<b>realized</b>	
2.	HDL Companies	\$2,250,000	<b>Contingency based and will be deducted from the actual revenues when realized</b>	\$2,250,000

\* Assuming a total of \$20 million revenue recovery for the 5-year term. Recovery fees are contingency based and will be deducted from actual recovered gross revenues when realized.

**D. Background on Recommended Contractor**

The recommended firm, MuniServices, LLC, headquartered in Fresno, CA with offices in Los Angeles, has been in business since 1978. This firm employs about 800 people and is a leader in the field of compliance auditing, tax and license administration, IT management solutions and tax revenue audit and recovery. MuniServices has provided its services to state and local government jurisdictions and municipalities in California, Florida, Georgia, Nevada, Pennsylvania, Texas and the District of Columbia. This firm has provided services to Metro for over 19 years, and is the incumbent contactor. In that time, MuniServices has recovered over \$42 million dollars for Metro.

DEOD SUMMARY

TRANSACTION AND USE TAX REVENUE FORECAST AND RECOVERY SERVICES  
CONTRACT NO. PS63897000

**A. Small Business Participation**

The Diversity & Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise/Disabled Veteran Business Enterprise (SBE/DVBE) participation goal for this procurement based on the lack of subcontracting opportunities. According to the Project Manager, the nature of the work and the requirements for strict control of the information gathered does not allow Metro to split off part of the work or allow a prime contractor to accept work provided by another vendor. MuniServices will perform the listed work with its 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.





## Board Report

File #: 2019-0673, File Type: Agreement

Agenda Number: 20.

### FINANCE, BUDGET AND AUDIT COMMITTEE OCTOBER 16, 2019

**SUBJECT: FIRST AMENDMENT TO AMENDED AND RESTATED PARKING LICENSE AGREEMENT WITH WEST ANGELES CHURCH OF GOD IN CHRIST FOR TRANSIT PARKING AT 3500 CRENSHAW BOULEVARD IN LOS ANGELES**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute a First Amendment to the existing License Agreement ("First Amendment") with West Angeles Church of God in Christ ("Landlord"), for the use of 450 parking spaces at a parking garage located at 3500 Crenshaw Boulevard, Los Angeles ("Parking Garage") for five additional years commencing January 1, 2020 at a monthly rate of \$57,608 for a total value of \$4,418,999 including annual escalations of approximately two percent. There are three five-year options to extend the term under the existing lease through December 31, 2040.

#### **ISSUE**

Metro has had a license with the Landlord to use parking spaces in the Parking Garage since April 2, 2012. In 2015, Metro determined that it had overestimated the parking demand at the Expo Crenshaw Station and entered into a new license to reduce the number of parking spaces by half from 450 to 225 parking spaces.

Due to the anticipated opening of the Crenshaw/LAX transit line in 2020, Metro Parking Management anticipates there will be an increased demand for parking at the Parking Garage and has determined that it is now time to revise the agreement to lease all the 450 spaces available in the Parking Garage again and implement the Supportive Transit Parking Program to support the operation of the new transit corridor.

#### **DISCUSSION**

The Parking Garage owned by the Landlord has served as the park-and-ride facility for the Expo/Crenshaw Station since 2012. With the upcoming operation of the Crenshaw/LAX transit line, staff expects increased parking demand at the garage. The Expo/Crenshaw Station will be the northern terminus of the Crenshaw/LAX transit corridor and is one of only three stations on the corridor that provide a park-and-ride function. The new Crenshaw/LAX transit corridor also connects

to Los Angeles International Airport, so parking demand is expected to rise significantly.

Along with the anticipated increased parking demand, the Parking Garage is also replacing the original planned park-and-ride facility at the Expo/Crenshaw Station. The original park-and-ride facility will be replaced with a transit-oriented development project. Metro has received concurrence from the FTA to use the Parking Garage to provide park-and-ride function for both lines.

Real Estate Asset Management has negotiated market rental terms to rent 450 parking spaces for a five-year term extension. The resulting amendment ensures Metro retains access to these parking spaces through 2040.

### Equity Platform

This project aligns with Metro's equity platform by facilitating access to the Expo/Crenshaw Station by Expo Line customers.

## **DETERMINATION OF SAFETY IMPACT**

Providing secure parking in close proximity to the Crenshaw Station makes for safer travel to the station for Metro riders.

## **FINANCIAL IMPACT**

Approval of the First Amendment with West Angeles Church of God in Christ will cost a total of \$4,418,999 over the additional five-year term of the license. This cost is inclusive of the annual Consumer Price Index increases to the operating expense portion of the rent provided for in the terms and conditions of the agreement.

### Impact to Budget

Real Estate has planned and submitted the cost of this First Amendment as part of its FY2020 Non-Departmental Real Estate Cost Center budget (0651) under the Expo Line Project 300066. Funding for any subsequent options will be requested during the Metro annual budget process. Funds used are eligible for rail operating expenditures.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This project addresses strategic goal #2 to provide "outstanding trip experiences for all" addressing station parking availability that may negatively impact a customer's decision to use public transportation.

## **ALTERNATIVES CONSIDERED**

The alternative is to not increase the number of spaces leased for the station and continue with the current lease as is. This alternative does not consider increased parking demand due to new

operations and minimal parking resources available along the new line.

**NEXT STEPS**

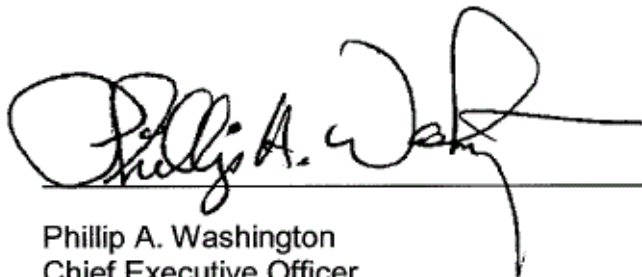
The Metro-executed lease will be delivered to the Landlord for counter-signature.

**ATTACHMENTS**

Attachment A - Aerial Map of Property Location and Expo/Crenshaw Station  
Attachment B - Deal Points

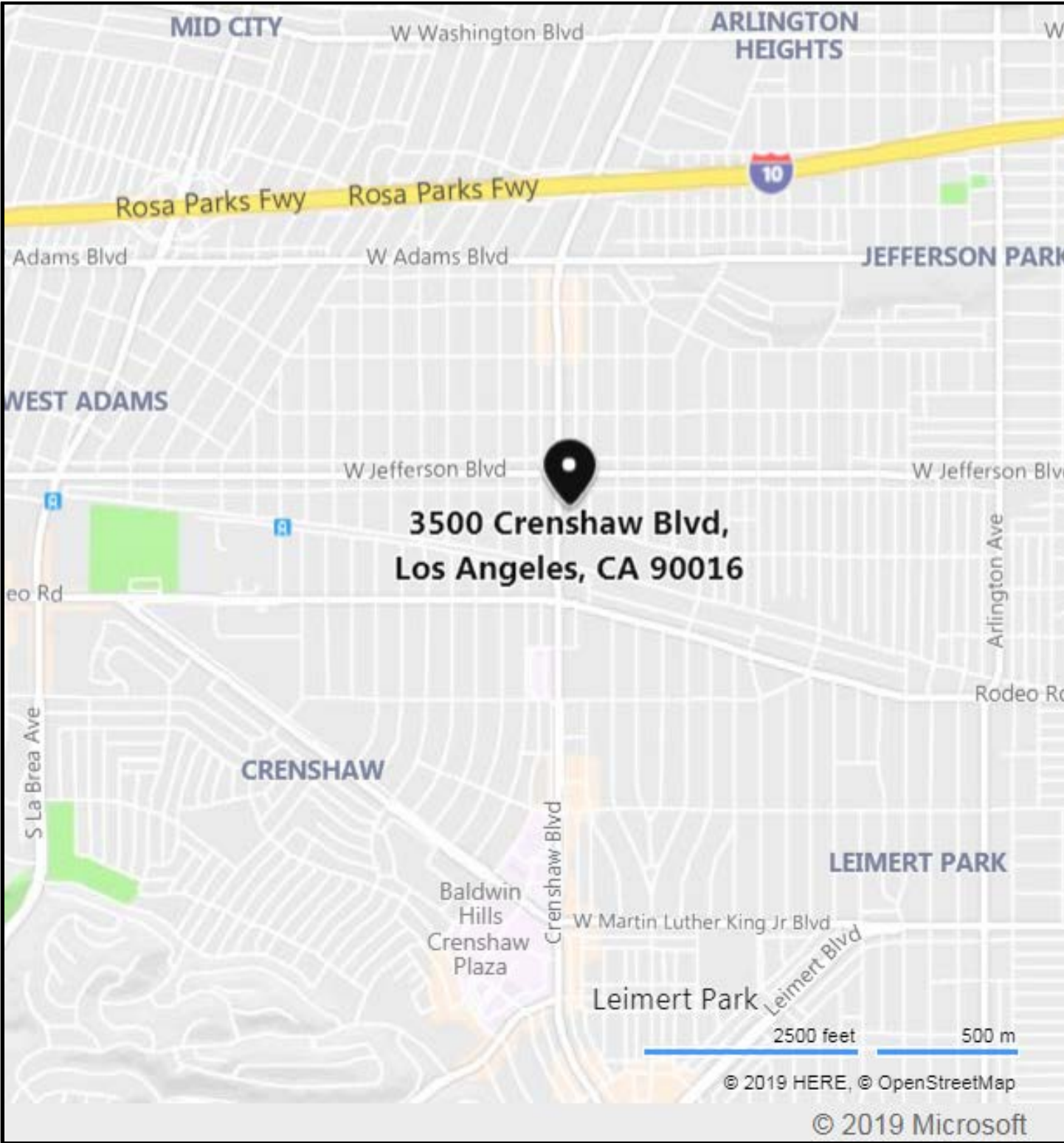
Prepared by: John Beck, PREO, Countywide Planning & Development (213) 922-4435  
Shannon Hamelin, Sr. Director, Parking Management (213) 418-3076  
Frank Ching, DEO, Countywide Planning & Development (213) 922-3033  
John Potts, EO, Countywide Planning & Development (213) 418-3397  
Holly Rockwell, SEO, Countywide Planning & Development (213) 922-5585

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Phillip A. Washington  
Chief Executive Officer

**Attachment A – License Location**



## Attachment B – Deal Points

<b>New or renewal</b>	First Amendment
<b>Landlord/Owner</b>	West Angeles Church of God in Christ
<b>Location</b>	3500 Crenshaw Boulevard, Los Angeles
<b>Size</b>	450 parking spaces in a parking structure
<b>Purpose</b>	Parking for Expo Line and other nearby Metro properties
<b>Duration (note any extensions)</b>	Five additional years with three five-year options to extension under the current license for a total of 20 years through 2040.
<b>Total Cost</b>	\$4,418,999 over the amended term through 12/31/2025 for an average annual rent of \$736,500. This includes year-over-year CPI increases to the operating portion of the rental rate.
<b>Early Termination Clauses</b>	Unchanged. Metro can terminate this license with 60 days' notice and payment of \$50,000 termination fee.
<b>Determination of Lease Value</b>	The base rental rate is within market, based on a survey of parking structures in a three-mile radius.
<b>Background with this Landlord</b>	Same landlord as the original license.
<b>Special Provisions</b>	None.



## Board Report

File #: 2019-0676, File Type: Contract

Agenda Number: 21.

### FINANCE, BUDGET AND AUDIT COMMITTEE OCTOBER 16, 2019

**SUBJECT: ORACLE PRIMAVERA UNIFIER APPLICATION USER LICENSES**

**ACTION: APPROVE CONTRACT MODIFICATION**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 2 to Contract No. PS54707001, with Mythics Inc., for 220 additional Oracle Primavera Unifier Application User Licenses for a firm fixed price of \$495,887, increasing the total contract value from \$991,774 to \$1,487,661, and extending the contract term through October 31, 2020.

#### **ISSUE**

The existing contract document management system for Program Management is being replaced as the prior product was retired by Oracle. Contract document management is the electronic document exchange including review between Metro and contractors. Additionally, the system provides change and cost control functionality. Oracle Primavera Unifier software is being implemented to replace the prior system and to improve technology for document management.

As the software was initially implemented, the need for additional licenses arose to support the increased number of capital projects underway with Measure R and in development with Measure M. Staff is requesting Board approval for the Contract Modification as the total Contract value exceeds Metro's Chief Executive Officer's delegation of contracting authority.

#### **BACKGROUND**

In 2009, Metro deployed a Program Management Information System (PMIS) to facilitate program wide project tracking, contract document administration and management reporting. PMIS was implemented to maximize efficiencies through automation, standardization, and provide program performance transparency. The system utilized the latest version of Oracle Primavera software that has been configured to support the program wide reporting requirements. Software applications included Oracle Primavera P6, Professional, Project Status, Oracle Primavera Contract Management (CM14), Microsoft® SharePoint 2016, and EcoSys EPC. All applications were integrated to the organizational financial system in Oracle E Business Suite.

In 2016, Oracle determined that Primavera Contract Manager had reached the end of its product life

and was retired from support. The replacement project identified for contract document administration and cost control was Oracle Primavera Unifier. System implementation began for the new product in 2017.

In November 2018, Mythics, Inc. was awarded the Oracle Primavera Unifier Software contract for an amount of \$495,887 to provide 220 application user licenses. Mythics, Inc. offered a competitive discount and price hold for additional software licenses within one year of purchase. Contract Modification 1 was issued in March 2019 for an amount of \$495,887 to provide 220 additional application user licenses. As new Measure M projects begin implementation, there is a need for additional 220 user software licenses.

## **DISCUSSION**

Metro has deployed the PMIS to facilitate program-wide project tracking, administration and management reporting. The system utilizes the latest version of Oracle Primavera software configured to support electronic document exchange for document control, change control, and cost control.

**Document Control** - involves electronic document exchange of major contract deliverables including the review and approval of documents. Contract document database logs are maintained including a document repository to protect the overall integrity of contract project records.

**Change Control** - contains configuration management of contract change requests and modifications for both professional services and construction contracts. Contract change database logs are maintained to document pertinent reasons for changes and costs associated.

**Cost Control** - comprises a centralized cost database that is automated to other systems for financial data integration and utilized for cost reporting of budget, actuals and forecast. Cost logs are maintained for reporting and to review variances and trends.

## **DETERMINATION OF SAFETY IMPACT**

Procuring this software will not have any impacts on the safety of our customers and/or employees.

## **FINANCIAL IMPACT**

The FY20 budget includes an aggregate of \$495,887 in Cost Centers 8510 and 8610, in projects 465521 East San Fernando Transit Corridor, 460201 West Santa Ana Branch Transit Corridor, and 100055 Measure R Administration. This recommendation is a onetime purchase however on-going future maintenance costs will be budgeted through the annual budget process and allocated to agency overhead.

### **Impact to Budget**

The sources of the funds are from the respective projects and comprised of mostly Measure R Administration, Measure R 35% and Measure M 35%. These funds are designated for transit expansion projects identified in the Measure R and M ordinance and are not eligible for operating

purposes. No other funds were considered.

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

Approval of this recommendation supports the following Metro Strategic Plan Goal: Provide high-quality mobility options that enable people to spend less time travelling. This project will help expand the transportation system with targeted infrastructure and service investments. These investments deliver increased safety, improved air quality, and better access for all whom live, work, and play within LA County.

### **ALTERNATIVES CONSIDERED**

The Board could consider not procuring this software in favor of increased staff labor with manual document review. This option is not recommended as document review timeliness is tied to reducing costs for construction projects. In addition, efficient document exchange serves to reduce contract claim exposure and project delays.

### **NEXT STEPS**

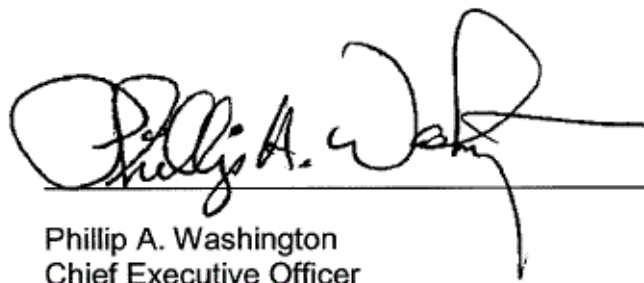
Upon Board approval, staff will execute Contract Modification No. 2 with Mythics, Inc. to Contract No. PS54707001 to provide 220 additional Oracle Primavera Unifier software licenses.

### **ATTACHMENTS**

Attachment A -Procurement Summary  
Attachment B - Contract Modification/Change Order Log  
Attachment C - DEOD Summary

Prepared by: Julie Owen, DEO, Program Control, Program Management (213) 922-7313  
Brian Boudreau, Sr. Executive Officer Program Control, Program Management, (213) 922-2474

Reviewed by: Rick Clarke, Chief Program Management Officer, (213) 922-7557  
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



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Phillip A. Washington  
Chief Executive Officer



## PROCUREMENT SUMMARY

**ORACLE PRIMAVERA UNIFIER APPLICATION USER LICENSES  
PS54707001**

1.	<b>Contract Number:</b> PS54707001		
2.	<b>Contractor:</b> Mythics, Inc.		
3.	<b>Mod. Work Description:</b> Procure 220 Additional Oracle Primavera Unifier Application User Licenses		
4.	<b>Contract Work Description:</b> Contractor shall provide 220 Oracle Primavera Unifier Application User Licenses and Oracle Autovue 2D Professional Application User License with annual software maintenance		
5.	<b>The following data is current as of:</b> August 23, 2019		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	11/30/18	<b>Contract Award Amount:</b> \$495,887
	<b>Notice to Proceed (NTP):</b>		<b>Total of Modifications Approved:</b> \$495,887
	<b>Original Complete Date:</b>	03/31/20	<b>Pending Modifications (including this action):</b> \$495,887
	<b>Current Est. Complete Date:</b>	10/31/20	<b>Current Contract Value (with this action):</b> \$1,487,661
7.	<b>Contract Administrator:</b> Annie Duong		<b>Telephone Number:</b> (213) 418-3048
8.	<b>Project Manager:</b> Julie Owen		<b>Telephone Number:</b> (213) 922-7313

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 2 to Contract No. PS54707001 for 220 additional Oracle Primavera Unifier Application User Licenses.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. All other terms and conditions remain in effect.

On November 30, 2018, Contract No. PS54707001 was issued to Mythics, Inc. in a firm fixed price amount of \$495,887 to provide 220 Oracle Primavera Unifier Software application user licenses and Oracle Autovue 2D Professional Application User License with annual software maintenance.

On March 28, 2019, Metro's Board of Directors approved Contract Modification No. 1 to Contract No. PS54707001 for the firm fixed price amount of \$495,887 to provide 220 additional Oracle Primavera Unifier Software application user licenses and

Oracle Autovue 2D Professional Application User License with annual software maintenance.

Refer to Attachment B – Contract Modification/Change Order Log.

**B. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon price analysis, technical evaluation, historical pricing and independent cost (ICE). Mythics, Inc. offered a competitive discount from catalog price for the additional software license.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$495,887	\$530,000	\$495,887

## CONTRACT MODIFICATION / CHANGE ORDER LOG

## ORACLE PRIMAVERA UNIFIER APPLICATION USER LICENSES / PS54707001

<b>Mod. No.</b>	<b>Description</b>	<b>Status (approved or pending)</b>	<b>Date</b>	<b>\$ Amount</b>
1	Procurement of 220 additional Oracle Primavera Unifier Application User Licenses	Approved	03/29/19	\$495,887
2	Procurement of 220 additional Oracle Primavera Unifier Application User Licenses	Pending	10/24/19	\$495,887
	<b>Modification Total:</b>			<b>\$991,774</b>
	<b>Original Contract Amount:</b>			<b>\$495,887</b>
	<b>Total:</b>			<b>\$1,487,661</b>

## DEOD SUMMARY

## ORACLE PRIMAVERA UNIFIER APPLICATION USER LICENSES/PS54707001

**A. Small Business Participation**

The Diversity & Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise/ Disadvantaged Veteran Business Enterprise (SBE/DVBE) goal for this procurement due to the Oracle Primavera Unifier Application proprietary software licenses and technology. It is expected that Mythics, Inc., an authorized Oracle Primavera reseller, will perform the services with its own workforce.

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

The Living Wage / 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.