

**Board Report**

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**File #:** 2019-0597, **File Type:** Contract**Agenda Number:** 19.

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**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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