



**June 10, 2021**

**To:** Transit Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Amendments to Cooperative Agreements with Special Agencies for the Provision of Transportation Services

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is written over the "From:" line of the memo.

**Overview**

The Orange County Transportation Authority contracts with six special agencies to assist in providing and managing the demand for OC ACCESS service. On October 22, 2018, the Board of Directors approved five-year cooperative agreements with six special agencies to provide this service. These cooperative agreements are to be amended each year to adjust the per trip rate and the maximum obligations. Board of Directors' approval is requested to amend the cooperative agreements with five special agencies for the provision of transportation services.

**Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No C-8-1917 between the Orange County Transportation Authority and North County Senior Services, LLC, doing business as Acacia Adult Day Services, for continued services and to adjust the per trip rate to \$16.55, effective July 1, 2021 through June 30, 2022. This increase in rate will not change the current contract maximum obligation of \$1,302,621 due to sufficient underruns that cover the projected expenses due to the coronavirus pandemic.
  
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-8-1918 between the Orange County Transportation Authority and Alzheimer's Family Center for continued services and to adjust the per trip rate to \$16.55, effective July 1, 2021 through June 30, 2022. This increase in rate will not change the current contract maximum obligation of \$1,343,599 due to sufficient underruns that cover the projected expenses due to the coronavirus pandemic.

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- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-8-1919 between the Orange County Transportation Authority and Alzheimer's Orange County for continued services and to adjust the per trip rate to \$16.55, effective July 1, 2021 through June 30, 2022. This increase in rate will not change the current contract maximum obligation of \$566,323, due to sufficient underruns that cover the projected expenses due to the coronavirus pandemic.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-8-1920 between the Orange County Transportation Authority and Community SeniorServ, doing business as Meals on Wheels Orange County, for continued services and to adjust the per trip rate to \$16.55, effective July 1, 2021 through June 30, 2022. This increase in rate will not change the current contract maximum obligation of \$1,362,793, due to sufficient underruns that cover the projected expenses due to the coronavirus pandemic.
- E. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-8-1921 between the Orange County Transportation Authority and Orange County Adult Achievement Center, doing business as My Day Counts, for continued services and to adjust the per trip rate to \$16.18, and the Regional Center of Orange County pass-through per trip rate to \$6.18, for continued services effective July 1, 2021 through June 30, 2022. This increase in rate will not change the contract maximum obligation of \$3,111,668, due to sufficient underruns that cover the projected expenses due to the coronavirus pandemic.

***Discussion***

Since the implementation of the paratransit growth management strategies beginning in 2005, the Orange County Transportation Authority (OCTA) has been proactive in establishing community partnerships and encouraging the availability of alternative transportation programs as a viable option for OC ACCESS riders to help reduce the growth in the demand and cost of the OC ACCESS service. A significant portion of OC ACCESS trips are provided to and from special agencies that serve seniors and persons with disabilities. For example, these special agencies offer programs that include nutrition sites, adult day care, educational or social programs, rehabilitative programs, sheltered workshops, and vocational programs. OCTA has had long-standing cost sharing agreements with six special agencies in which OC ACCESS riders have been transitioned to alternative transportation providers. OCTA provides a

reimbursement of up to 80 percent of the total cost of these trips while the special agencies must pay a minimum of 20 percent of the total cost per trip.

Under these cooperative agreements, OCTA provides an operating subsidy based on a per trip cost for OC ACCESS-eligible riders traveling between their homes and the special agencies utilizing an alternative transportation provider. Since 2006, OCTA has worked in coordination with these special agencies and their transportation service providers to successfully transition more than 750 OC ACCESS riders to transportation services selected by the special agencies receiving these subsidies. This allows individuals to receive transportation that meets their specialized needs. The per trip subsidy provided by OCTA ranges from \$16.18 per trip to \$16.55 per trip. It should be noted, one of the special agencies, Sultan Adult Day Health Care, has suspended service until January 2022, and the existing agreement does not require an amendment at this time.

Implementation of these community transportation partnerships have been a benefit to OCTA and the special agencies. OCTA's potential cost savings for trips provided by these agreements is estimated to be \$7.6 million if these trips were operated on the OC ACCESS service at the fiscal year (FY) 2019-20 cost per trip of \$55.49. The special agencies are able to provide specialized assistance to their participants, such as door-through-door service, and better manage the daily attendance of participants, a key function to their operation.

Under the terms of the current agreements, the total cost for all five agreements for FY 2021-22 is projected to be \$4.6 million. OCTA's share is estimated at \$3.7 million based on the per trip subsidies provided and the special agencies' share is estimated at \$900,000. There is a provision in the agreements to increase the reimbursement rate by an inflation factor on an annual basis. The agreements also cap the annual number of trips subsidized by OCTA for each special agency. However, there is a provision in each contract that allows for the total number of trips to grow beyond the cap amount if the special agency can provide information to OCTA that demonstrates that the additional trips would provide a direct-cost offset to OC ACCESS service.

#### Fiscal Impact

The project is included in the proposed OCTA FY 2021-22 Budget, Operations Division, Account No. 2131-7312-D1208, and is funded through the Local Transportation Fund.

***Summary***


Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute amendments to cooperative agreements with North County Senior Services, LLC, doing business as Acacia Adult Day Services, Alzheimer's Family Service Center, Alzheimer's Orange County, Community SeniorServ doing business as Meals on Wheels Orange County, and Orange County Adult Achievement Center, doing business as My Day Counts. These amendments adjust the cost per trip rates, which will provide an operating subsidy for trips transitioned from the OC ACCESS service to alternate service providers through June 30, 2022. The increase in rates will not change the contract maximum obligations due to sufficient underruns that cover the projected expenses due to the coronavirus pandemic.

***Attachments***

- A. North County Senior Services, LLC doing business as Acacia Adult Day Services, Cooperative Agreement No. C-8-1917 Fact Sheet
- B. Alzheimer's Family Center, Cooperative Agreement No. C-8-1918 Fact Sheet
- C. Alzheimer's Orange County, Cooperative Agreement No. C-8-1919 Fact Sheet
- D. Community SeniorServ doing business as Meals on Wheels Orange County, Cooperative Agreement No. C-8-1920 Fact Sheet
- E. Orange County Adult Achievement Center doing business as My Day Counts, Cooperative Agreement No. C-8-1921 Fact Sheet

**Prepared by:**

**Approved by:**



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