



**June 18, 2025**

**To:** Transit Committee

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

A handwritten signature in blue ink, appearing to read "DEJ", with the word "For" written in smaller blue ink above the signature.

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

### **Overview**

The Orange County Transportation Authority has entered into cost-sharing arrangements with five cooperative agencies to assist in managing the demand and cost of the OC ACCESS service. The Board of Directors approved five-year cooperative agreements with five such agencies on June 24, 2024. 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 cooperative agencies for the provision of transportation services.

### **Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-4-2287 between the Orange County Transportation Authority and North County Senior Services, LLC, doing business as Acacia Adult Day Services, for continued services in the amount of \$210,429, and to adjust the per trip rate to \$25.75, effective July 1, 2025, through June 30, 2026. This will increase the maximum obligation of the agreement to a total contract value of \$414,729.
  
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-4-2288 between the Orange County Transportation Authority and Alzheimer's Family Center for continued services in the amount of \$252,479 and to adjust the per trip rate to \$25.75, effective July 1, 2025, through June 30, 2026. This will increase the maximum obligation of the agreement to a total contract value of \$497,604.

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- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-4-2289 between the Orange County Transportation Authority and Community SeniorServ, doing business as Meals on Wheels Orange County, for continued services in the amount of \$380,019, and to adjust the per trip rate to \$25.75, effective July 1, 2025, through June 30, 2026. This will increase the maximum obligation of the agreement to a total contract value of \$748,969.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-2290 between the Orange County Transportation Authority and SoCal Senior Services, LLC, for continued services in the amount of \$446,042 and to adjust the per trip rate to \$25.75, effective July 1, 2025, through June 30, 2026. This will increase the maximum obligation of the agreement to a total contract value of \$879,092.
- E. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-2291 between the Orange County Transportation Authority and Orange County Adult Achievement Center, doing business as My Day Counts, for continued services in the amount of \$1,702,539 and adjusting the per trip rate to \$25.75, effective July 1, 2025, through June 30, 2026. This will increase the maximum obligation of the agreement to a total contract value of \$3,336,614.

***Discussion***

Since 2005, 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 growth in the demand and cost of OC ACCESS service. An estimated 11 percent of OC ACCESS-eligible trips are provided to and from cooperative agency facilities and day programs (Programs). OCTA has established long-standing cost-sharing agreements with five cooperative agencies to transition OC ACCESS riders attending these facilities and programs to alternative transportation service providers.

Through these cooperative agreements, OCTA provides a per trip operating subsidy for OC ACCESS-eligible riders traveling to and from the Programs utilizing an alternative transportation service provider. Since 2005, OCTA has collaborated with these Programs to successfully transition more than 1,000 OC ACCESS riders to alternative service providers. The implementation of these

cost-sharing agreements has been a benefit to OCTA and these five agencies. During fiscal year (FY) 2023-24, 115,555 peak period trips were provided through these cooperative agreements at an estimated cost savings of approximately \$6 million assuming the trips were provided by OC ACCESS (FY 2023-24 average cost per trip of \$65.78). For cooperative agencies, managing the daily attendance for program participants is key to their operation.

Under the terms of the current agreements, there is a provision to increase the reimbursement trip rate by 100 percent of the April Consumer Price Index (CPI) on an annual basis. Based on the contract methodology of comparing the previous year's April CPI to the current year's April CPI, the rate used for FY 2025-26 is three percent. Additionally, the agreements will cap the maximum number of reimbursed trips, limiting growth to one and one-tenth percent (1.1 percent) annually. However, there is a provision in each contract that allows for the total number of trips to grow beyond the cap amount if the Program can provide information to OCTA that demonstrates that the additional trips would provide a direct cost offset to the OC ACCESS service.

Staff will continue to oversee a rider validation process for all new riders to the cooperative agreements, from July 1, 2025, to maintain the goal of reducing the growth in demand and cost of the OC ACCESS service. This rider validation process will aim to verify that new participants demonstrate a pattern or practice of using the OC ACCESS service to travel to their Program.

#### **Fiscal Impact**

These services are included in the proposed OCTA Fiscal Year 2025-26 Budget, Operations Division, account nos., 2131-7312-D1208-HB9, 2131-7312-D1208-HBA, 2131-7312-D1208-8T6, 2131-7312-D1208-PJX, 2131-7312-D1208-33M, 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 five agencies in the total amount of \$2,991,508 between the Orange County Transportation Authority and North County Senior Services, LLC, doing business as Acacia Adult Day Services, Alzheimer's Family Services Center, SoCal Senior Services, LLC, Community SeniorServ, doing business as Meals on Wheels Orange County, and the Orange County Adult Achievement Center, doing business as My Day Counts, to adjust the maximum contract obligations and cost per trip rates that will provide an operating subsidy

for trips transitioned from OC ACCESS service to alternate service providers effective July 1, 2025 through June 30, 2026.

***Attachments***

- A. North County Senior Services, LLC doing business as Acacia Adult Day Services, Cooperative Agreement No. C-4-2287 Fact Sheet
- B. Alzheimer's Family Service Center, Cooperative Agreement No. C-4-2288 Fact Sheet
- C. Community SeniorServ, doing business as Meals on Wheels Orange County, Cooperative Agreement No. C-4-2289 Fact Sheet
- D. SoCal Senior Services, LLC, Cooperative Agreement No. C-4-2290 Fact Sheet
- E. Orange County Adult Achievement Center doing business as My Day Counts, Cooperative Agreement No. C-4-2291 Fact Sheet

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