



**March 13, 2025**

**To:** Transit Committee

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

**Subject:** Amendment to the Agreement for OC ACCESS Paratransit and OC Flex Microtransit Service

**Overview**

On September 13, 2021, the Orange County Transportation Authority Board of Directors approved an agreement with First Transit, Inc., for the management, operation, and maintenance of the OC ACCESS paratransit and OC Flex microtransit service for an initial four-year term with two, two-year option terms. Board of Directors' approval is requested to exercise the first option term effective January 1, 2026, through December 31, 2027.

**Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-0-2150 between the Orange County Transportation Authority and First Transit, Inc., in the amount of \$79,867,843, to exercise the first option term to provide paratransit and microtransit services through December 31, 2027. This amendment will increase the maximum obligation to a total contract value of \$322,447,064.

**Discussion**

The Americans with Disabilities Act (ADA) requires agencies that operate fixed-route bus service to provide complementary paratransit service for individuals with disabilities who are unable to use the fixed-route system. To comply with the ADA, the Orange County Transportation Authority (OCTA) implemented OC ACCESS service in 1993. OC ACCESS service is different from traditional fixed-route service, requiring passengers to complete an in-person assessment to become eligible to ride, and requiring an advance reservation.

On September 13, 2021, the OCTA Board of Directors (Board) approved an agreement with First Transit, Inc. (First Transit), to provide the administration, operation, and maintenance of the OC ACCESS paratransit service and OC Flex

microtransit service. This agreement outlines a fixed and variable per-passenger trip rate structure for the OC ACCESS service and a variable per-revenue hour rate structure for the OC Flex service, and includes an initial term of four years, with two, two-year option terms. Under this agreement, First Transit is the primary contractor for OC ACCESS and OC Flex service, operating out of OCTA's Irvine Construction Circle base using OCTA-owned vehicles. As a supplementary measure for OC ACCESS service, First Transit also provides a small fleet of First Transit-owned dedicated vehicles, and maintains three subcontract agreements to provide efficient, cost-effective service.

Through the initial term of this agreement, First Transit has worked diligently to provide safe and quality service while operating within the pricing submitted in its proposal. To improve service efficiency and performance, OCTA is in the process of replacing the existing legacy paratransit scheduling software by procuring a new Software-as-a-Service (SaaS) solution that will integrate scheduling and dispatching. This SaaS solution is expected to streamline operations by automating key processes, reducing manual scheduling efforts, and improving the overall rider experience. As part of this effort, staff will work collaboratively with First Transit to transition into the new software during the first option term.

Pricing for the first two-year option term considers fixed and variable rates outlined in the cost proposal submitted by First Transit, and service demand trends over the last 24 months. As specified in the agreement, OCTA may discontinue the OC Flex service at any time with a minimum of one-month notice to First Transit. Should this occur, the vehicles used for OC Flex service will be reassigned to support OC ACCESS operations.

### ***Procurement Approach***

The original procurement was overseen in accordance with OCTA's Board-approved policies and procedures for professional and technical services. On September 13, 2021, the Board approved the award of the agreement with First Transit, for an initial four-year term commencing on January 1, 2022, with two, two-year option terms, in the amount of \$242,579,221. The original agreement was awarded on a competitive basis and has been previously amended as shown in Attachment A.

The initial term of the agreement expires December 31, 2025. The proposed Amendment No. 7 is to exercise the first option term of the agreement through December 31, 2027. Amending this agreement will increase the maximum

cumulative payment obligation by \$79,867,843, bringing the total contract value to \$322,447,064 to continue services.

Pricing for the first two-year option term will remain the same as negotiated in the original agreement through December 31, 2027.

#### **Fiscal Impact**

Funding for Amendment No. 7 to Agreement No. C-0-2150 is included in the proposed OCTA Fiscal Year 2025-26 Budget, Operations Division, Specialized Transit Services Department, account nos. 2136-7311-D1208-8LA, 2136-7311-D1208-8LB, 2136-7314-D1208-AVH, 2136-7311-D1208-DYD, 2136-7314-D1208-DYD, 2136-7613-D1208-0GP, 2149-7317-D2161-N97, and will be funded through the Local Transportation Fund and federal funds.

#### ***Summary***

Staff is recommending the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-0-2150 between the Orange County Transportation Authority and First Transit, Inc., in the amount of \$79,867,843, to exercise the first option term to provide paratransit and microtransit services through December 31, 2027, increasing the maximum obligation of the agreement to a total contract value of \$322,447,064.

***Attachment***

A. First Transit, Inc., Agreement No. C-0-2150 Fact Sheet

**Prepared by:**

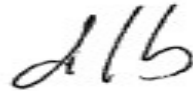


Melissa Mungia  
Section Manager,  
Specialized Transit Services  
(714) 560-5581



Pia Veasapen  
Director, Contracts Administration and  
Materials Management  
(714) 560-5619

**Approved by:**



Damon Blythe  
Director of Bus Operations,  
Operations Division  
(714) 560-5964



Johnny Dunning, Jr.  
Chief Operating Officer,  
Operations Division  
(714) 560-5964