



**June 8, 2017**

**To:** Transit Committee

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

**Subject:** Amendment to Agreement for the Provision of ACCESS Service

### **Overview**

On March 25, 2013, the Orange County Transportation Authority Board of Directors approved an agreement with MV Transportation, Inc., for the management and operation of ACCESS service. This agreement expires on June 30, 2017. A contract amendment is required to exercise the first, two-year option term of the agreement, to continue the provision of services through June 30, 2019.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-2-1865 between the Orange County Transportation Authority and MV Transportation, Inc., in the amount of \$90,982,108, for the management and operation of ACCESS service. This will exercise the two-year option and increase the maximum obligation of the agreement to a total contract value of \$255,611,569, through June 30, 2019.

### **Discussion**

The Americans with Disabilities Act of 1990 (ADA) requires agencies that operate fixed-route service to provide complementary paratransit service for individuals who are unable to use the fixed-route system. The Orange County Transportation Authority (OCTA) responded to this civil rights legislation with the implementation of ACCESS service in 1993. When compared to fixed-route service, ACCESS service is unique in that it is eligibility-based, requiring customers to complete an in-person assessment to ensure service qualification. ACCESS service is demand-responsive, meaning service is provided when requested by eligible clients. In addition, in accordance with the ADA, all requests for service must be accommodated. OCTA operates ACCESS service through an agreement with MV Transportation, Inc., (MV).

MV has managed and operated OCTA's ACCESS service since 2013. The agreement includes an initial term of four years, with two, two-year option terms. Under this agreement, MV provides primary ACCESS service using OCTA-owned vehicles. In an effort to enhance service efficiency and cost effectiveness, MV has a subcontract with Yellow Cab of Greater Orange County, Inc. (Yellow Cab) to provide supplemental ACCESS service.

The procurement for ACCESS services under this agreement began in September 2012. The proposal submitted by MV included the required fixed and variable costs for the four-year initial term, along with pricing for both of the two-year option terms.

Over the initial four years of this agreement, MV has done an excellent job in providing quality ACCESS services while operating within the pricing submitted in its proposal. To determine the contract amendment amount necessary for the first two-year option term, the billing rates used are in accordance with the original cost proposal submitted by MV during the procurement process. Demand for ACCESS service for the first, two-year option term is based on ridership trends over the past 24 months. Under this contract, MV is compensated using a fixed and variable rate structure for primary ACCESS service, and MV compensates Yellow Cab on a per trip basis. MV is compensated on the variable rate structure solely based on demand and the corresponding services provided.

### ***Procurement Approach***

On March 25, 2013, the Board of Directors (Board) approved a contract for the four-year initial term with two, two-year option terms with MV to provide turnkey management and operations of ACCESS service from July 1, 2013 through June 30, 2017, in the amount of \$156,690,376. The procurement was originally handled in accordance with OCTA Board-approved policies and procedures for professional and technical services. The original agreement was awarded on a competitive basis and was previously amended as described in Attachment A. MV has provided exceptional service during the initial contract term. This amendment will allow OCTA to continue to provide ACCESS service under the current agreement through June 30, 2019.

### **Fiscal Impact**

The project is included in OCTA's Proposed Fiscal Year 2017-18 Budget, Contracted Services Department, under organizational key 2136.

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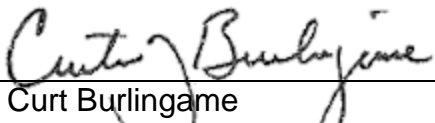
***Summary***

MV manages and operates ACCESS service under an agreement with OCTA. Staff is requesting that the Board authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-2-1865 between OCTA and MV in the amount of \$90,982,108, to exercise the first two-year option term in the agreement.

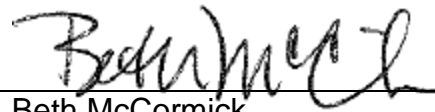
***Attachment***

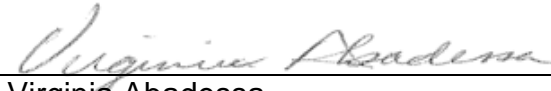
- A. MV Transportation, Inc., Agreement No. C-2-1865 Fact Sheet

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