



**July 12, 2018**

**To:** Transit Committee  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** Agreement for Same-Day Taxi Service

*Handwritten signature: Kenneth Davis for*

### **Overview**

On March 24, 2014, the Board of Directors approved the selection of Yellow Cab of Greater Orange County, Inc., to provide Same-Day Taxi service to ACCESS-eligible customers. The current agreement is set to expire on August 31, 2018, and a new agreement is necessary to continue this service. A competitive procurement was conducted, and Board of Directors' approval is requested to approve the selection of Yellow Cab of Greater Orange County, Inc., and execute a new agreement.

### **Recommendations**

- A. Approve the selection of Yellow Cab of Greater Orange County, Inc., to provide same-day taxi service.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1440 between the Orange County Transportation Authority and Yellow Cab of Greater Orange County, Inc., in the amount of \$5,032,613, to provide Same-Day Taxi service for a two-year initial term with two, one-year option terms.

### **Discussion**

In October 2004, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the Paratransit Growth Management Plan. As part of this plan, Same-Day Taxi (SDT) service was implemented in July 2005 to mitigate any negative impacts of certain growth management strategies, such as restricting the ACCESS service area to within a three-quarter mile corridor of fixed-route service and eliminating same-day medical back-up trips.

The SDT service is only available to individuals who qualify for ACCESS as specified in the Americans with Disabilities Act (ADA) guidelines. SDT is not a replacement for ACCESS service, which complies strictly with ADA guidelines requiring service provision within a three-quarter mile corridor of OCTA's fixed-route bus service on the same days and hours as fixed-route, with trip reservations made from one to three days in advance. SDT is available every day from 6:00 a.m. to 8:00 p.m. on an immediate-response basis throughout Orange County, well beyond the three-quarter mile fixed-route corridor. As a result, regardless of fixed-route changes that have impacted the ACCESS service area, persons with ACCESS eligibility have continued to have an option for trips to/from their home or other locations outside the ACCESS service area since 2005.

Under this program, riders contact the SDT contractor to request service. When the individual boards the taxi, the regular ACCESS fare of \$3.60 is collected. OCTA provides a subsidy of up to \$10.90 per trip, which typically covers trips up to five miles in length. If the fare exceeds \$14.50, upon arriving at the destination, the customer is required to pay the additional amount.

The demand for SDT service has been consistently increasing since its inception. In fiscal year (FY) 2013-2014, SDT ridership totaled over 70,000 and has experienced double-digit growth each year. SDT ridership increased by approximately 28 percent after the October 2016 service change when OCTA began implementation of the OC Bus 360 program, and several fixed-routes were modified or eliminated, which caused a reduction in the ACCESS service area. SDT ridership in FY 2017-2018 is estimated to reach 150,000. A history of SDT ridership since 2006 is included as Attachment B.

Staff continues to evaluate the performance of the SDT program to ensure the SDT program remains an effective growth management strategy. To assist with this analysis, a survey of SDT customers is conducted at least once every three years to assess customer satisfaction, frequency of use, and trip purpose. The survey was last conducted in 2016 and revealed that 84 percent of SDT users would have used regular ACCESS for their trips if the SDT service was not available.

As with the current agreement for SDT service, the proposed agreement will include a rate structure based on the number of miles travelled for each completed trip. The mileage rate structure will use the following parameters:

- Zero miles to 3 miles
- 3.01 miles to 4 miles
- 4.01 miles to 5 miles

***Procurement Approach***

The procurement was handled in accordance with OCTA's Board-approved policies and procedures for professional services. Award is recommended to the firm offering the most comprehensive overall proposal considering such factors as qualifications of the firm, staffing and project organization, work plan, as well as cost and price. Other factors include history of the firm, ability to provide day-to-day management, and administrative personnel whose expertise will ensure efficient operation of the SDT service with call center responsibilities.

On February 12, 2018, the Board approved the release of Request for Proposals (RFP) 8-1440, which was issued and electronically sent to firms registered on CAMM NET. The project was advertised in a newspaper of general circulation on February 15 and 19, 2018. A pre-proposal conference was held on February 28, 2018, and was attended by one firm. Two addenda were issued to provide a copy of the pre-proposal registration sheet and provide responses to the questions. On March 20, 2018, one proposal was received from Yellow Cab of Greater Orange County, Inc. (YCOGOC), proposing Cabco Yellow, Inc., as the subcontractor.

In accordance with OCTA's procurement policies and procedures, a single proposal received for a procurement over \$50,000 requires OCTA's Internal Audit Department (Internal Audit) to conduct a review to determine if there was adequate competition. Based on Internal Audit's review, the procurement was handled in a fair and competitive manner. In addition, the Contracts Administration and Materials Management (CAMM) Department contacted several firms who downloaded the RFP from OCTA's CAMM NET; firms indicated no proposal was submitted due to timing and resources necessary for other projects or not being licensed to operate in certain cities.

CAMM, Contract Transportation Services, and Financial Planning and Analysis departments reviewed and approved the proposal received from YCOGOC and determined that it met the qualifications and requirements of the scope of work for this project. The evaluation committee assessed the firm's strengths, taxi services, and call center capabilities.

Following negotiations, YCOGOC agreed to lower the proposed pricing to be more competitive with regular base cab meter rates, which included charging a lower cost for "wheelchair accessible" rides. The new pricing reduced the cost by an estimated \$1,395,052 over a two-year period, representing a 22 percent cost savings over the original proposed price.

The reduced price proposed by YCOGOC is deemed to be fair and reasonable for SDT service based on price negotiations and a comparison of base cab meter rates in Orange County.

**Fiscal Impact**

Funds for the Same-Day Taxi service are included in the Proposed OCTA FY 2018-19 Budget, Transit Division, Contract Transportation Services, Account 2136-7315-D1208-33H, and is funded through local funds.

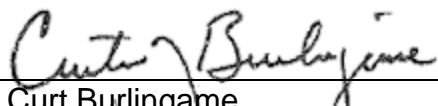
**Summary**

Based on the information provided, staff recommends award to Yellow Cab of Greater Orange County, Inc., for Same-Day Taxi service, and to authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1440, in the amount of \$5,032,613, to provide Same-Day Taxi service for a two-year initial term with two one-year option terms.

**Attachments**

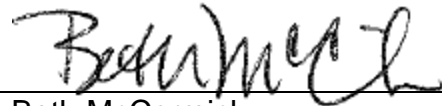
- A. Contract History for the Past Two Years, RFP 8-1440, Same-Day Taxi Service
- B. Orange County Transportation Authority, Same-Day Taxi Trips, Fiscal Year 2006 – Fiscal Year 2018

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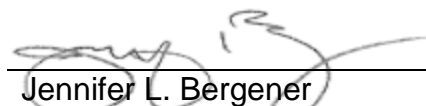
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