




May 13, 2021

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Amendment to Agreement for Same-Day Taxi Service

Overview

On July 23, 2018, the Orange County Transportation Authority Board of Directors approved an agreement with Yellow Cab of Greater Orange County, Inc. to provide same-day taxi service for a two-year initial term with two, one-year option terms. Effective June 1, 2020, the agreement was assigned to Cabco Yellow, Inc., doing business as California Yellow Cab, with prior approval from the Orange County Transportation Authority and consistent with the contract terms. On July 13, 2020, the Board of Directors approved an amendment to exercise the first option term of the agreement which expires on August 31, 2021. An amendment to the contract is necessary to exercise the second option term of the agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-8-1440 between the Orange County Transportation Authority and Cabco Yellow, Inc., doing business as California Yellow Cab, to exercise the second option term of the agreement to continue providing same-day taxi service in the amount of \$1,825,309. This amendment will increase the maximum obligation of the agreement to a total contract value of \$8,643,120.

Discussion

In October 2004, the Orange County Transportation Authority (OCTA) Board of Directors (Board) adopted the Paratransit Growth Management Plan, which included the implementation of same-day taxi (SDT) service. The SDT service program was designed to mitigate possible negative impacts of certain paratransit growth management strategies implemented in July 2005, such as restricting the service area to be 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 OC ACCESS under the Americans with Disabilities Act.

Under the SDT service program, riders pay the regular OC ACCESS fare of \$3.60, and OCTA provides a subsidy of up to \$13.10 for trips between one and five miles. If the taxi fare exceeds \$16.70 upon arriving at the destination, the customer is required to pay the additional amount. The SDT service is currently available throughout Orange County during the hours of 6:00 a.m. to 8:00 p.m., daily. Providing SDT service offers OC ACCESS customers an alternative service option, while OCTA yields a significant financial benefit due to the lower cost when compared to the average cost per trip of \$49.13 on OC ACCESS. Prior to the coronavirus (COVID-19) pandemic, an average of 11,600 trips per month were provided on SDT. With an average cost per SDT trip of \$16.23, this realizes a cost savings of nearly \$4.6 million annually had all of these trips been provided on OC ACCESS.

Procurement Approach

The procurement was originally handled in accordance with OCTA's Board-approved policies and procedures for professional and technical services. The Board approved an agreement with Yellow Cab of Greater Orange County, Inc. (YCGOC) to provide SDT service for a two-year initial term and two, one-year option terms. The first option term of the agreement expires on August 31, 2021, as described in Attachment A.

On May 1, 2020, OCTA received notification from YCGOC that it was ceasing all operations in Orange County, effective May 31, 2020, due to the COVID-19 pandemic. To ensure no disruption to SDT service and with prior approval from OCTA consistent with the contract terms, YCGOC entered into an assignment agreement with Cabco Yellow, Inc. (Cabco), doing business as California Yellow Cab, for the purpose of assigning all rights, title, interest, obligations, and liabilities of the agreement from YCGOC to Cabco. Cabco assumed service operations for the SDT service program on June 1, 2020.

On July 13, 2020, the Board approved an amendment to exercise the first option term of the agreement effective September 1, 2020 through August 31, 2021. Cabco has performed well since assuming responsibility for the contract.

Based on the continued benefit to OCTA and the successful performance of Cabco, staff recommends that the second option term be exercised. The proposed Amendment No. 3 is to exercise the second option term of the agreement through August 31, 2022. Amending the agreement will increase

the maximum obligation by \$1,825,309, bringing the total contract value to \$8,643,120. The rate escalation will remain as originally negotiated. Exercising the amendment will allow Cabco to continue providing SDT service through August 31, 2022.

Fiscal Impact

Funding for the SDT service is included in the Proposed OCTA Fiscal Year 2021-22 Budget, Operations Division, Paratransit Services, Account No. 2136-7315-D1208-33H, and is funded through local funds.

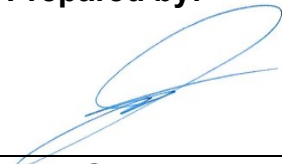
Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-8-1440 with Cabco Yellow, Inc., doing business as California Yellow Cab, to exercise the second option term in the amount of \$1,825,309, for a total contract value of \$8,643,120, to continue providing same-day taxi service through August 31, 2022.

Attachment

- A. Cabco Yellow, Inc., doing business as California Yellow Cab,
Agreement No. C-8-1440 Fact Sheet

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