



**October 9, 2025**

**To:** Transit Committee

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

**Subject:** Amendment to Agreement for Same-Day Taxi Service

### **Overview**

On September 25, 2023, the Orange County Transportation Authority Board of Directors approved an agreement with Cabco Yellow, Inc., doing business as California Yellow Cab, for the management and operation of Same-Day Taxi service for a two-year initial term, with one two-year option term. The initial term expires on November 30, 2025. Effective as of June 1, 2025, the agreement was assigned to OCY Management LLC, with approval from the Orange County Transportation Authority and in accordance with the contract terms. Staff is requesting the Board of Directors' approval to exercise the two-year option term, effective December 1, 2025, through November 30, 2027, and authorize that a pilot which expands the reach of the program from five to seven miles be included in the contract amendment.

### **Recommendations**

- A. Approve a pilot to expand the Same-Day Taxi service model and the per-trip subsidy to accommodate trips up to seven miles.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-3-2396 between the Orange County Transportation Authority and OCY Management LLC to exercise the option term, in the amount of \$2,440,758, to continue providing Same-Day Taxi service effective December 1, 2025, through November 30, 2027. This amendment will increase the maximum cumulative obligation of the agreement to a total contract value of \$5,041,901.

### **Discussion**

The Americans with Disabilities Act (ADA) requires transit agencies operating fixed-route bus service to provide complementary paratransit service for

individuals with disabilities who are unable to use the fixed-route system. To meet this requirement, Orange County Transportation Authority (OCTA) implemented OC ACCESS service in 1993. In 2004, the Board of Directors approved the Paratransit Growth Management Plan, which included the introduction of Same-Day Taxi service in 2005. This service was designed to help manage growing demand, offset the impacts of aligning the OC ACCESS service area to the ADA-mandated three-quarter-mile boundary, and replace the previously discontinued same-day medical backup trip service.

Same-Day Taxi service is available exclusively to OC ACCESS-certified riders. Unlike OC ACCESS, which requires next-day reservations, Same-Day Taxi provides on-demand service from 6:00 a.m. to 8:00 p.m. daily throughout Orange County. The rider fare is \$3.60 for the first five miles, equal to the OC ACCESS fare, with additional mileage charged at the taxi meter rate. Same-Day Taxi also provides a significant financial benefit to OCTA. A five-mile trip costs OCTA \$18.90 in subsidy, compared to \$65.78 for the same trip on OC ACCESS, resulting in a cost savings of nearly \$47 per trip.

Staff recently analyzed ridership patterns and found that Same-Day Taxi is most often used for trips up to five miles, while longer trips are typically taken on OC ACCESS due to the higher cost of Same-Day Taxi beyond the initial five miles. These findings are consistent with a 2020 paratransit study, which recommended expanding rider benefits to increase use of Same-Day Taxi as a cost-effective alternative. Based on this analysis, staff is recommending a pilot to expand the Same-Day Taxi mileage limit from five to seven miles. Under the proposed model, OCTA would directly reimburse contractors for the sixth- and seventh-mile fares. To ensure program sustainability, staff is also recommending usage limits of up to 20 one-way subsidized trips per month, with no more than four one-way trips per day.

This proposed pilot program is intended to encourage greater use of Same-Day Taxi as a flexible and cost-effective alternative to OC ACCESS while maintaining program sustainability and service reliability. Staff recommends a two-year pilot within the full option term, incorporating the expanded mileage benefit and usage limits. Program use will be monitored throughout the pilot to determine whether the expansion should become a permanent benefit or be adjusted to better meet rider needs.

### ***Procurement Approach***

The original procurement was handled in accordance with OCTA's Board-approved policies and procedures for professional and technical services. The agreement was awarded on a competitive basis and includes a two-year

initial term in the amount of \$2,601,143 and a two-year option term. The agreement was previously amended as shown in Attachment A.

The proposed Amendment No. 3 is to exercise the option term of the agreement through November 30, 2027, and increase the maximum cumulative payment obligation by \$2,440,758, bringing the total contract value to \$5,041,901. The budget for this amendment considers the current per-trip rates as negotiated in the original agreement, incorporates pricing for the six and seven-mile trips as proposed in the expanded pilot service model, and accounts for service demand trends observed over the last 24 months. Exercising the option term will allow OCY Management LLC to continue to provide Same-Day Taxi service under the current agreement through November 30, 2027.

#### **Fiscal Impact**

Funding for this project was approved in OCTA's Fiscal Year 2025-26 Budget, Operations Division/Specialized Transit Services Department, account nos. 2136-7315-D1208-33H, 2136-7315-D1208-0JL, and 2136-7315-D1208-DYD, and it will be funded through the general fund.

#### **Summary**

Staff requests the Board of Directors approve a pilot to expand the Same-Day Taxi service model and the per-trip subsidy to accommodate trips up to seven miles, and authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-3-2396 with OCY Management LLC, in the amount of \$2,440,758, to continue providing Same-Day Taxi service through November 30, 2027. This will increase the maximum obligation of the agreement to a total contract value of \$5,041,901.

***Attachment***

A. OCY Management LLC, Agreement No. C-3-2396 Fact Sheet

**Prepared by:**



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

**Approved by:**



Kim Tucker  
Director, Bus Operations  
Operations Division  
(714) 560-5964



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



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