



**April 9, 2026**

**To:** Transit Committee

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

**Subject:** Amendment to Measure M2 Project U Senior Non-Emergency Medical Transportation Program

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### **Overview**

On May 24, 2021, the Orange County Transportation Authority Board of Directors approved a cooperative agreement with the County of Orange for programs that expand mobility choices for seniors and individuals with disabilities under Project U, including Measure M2 funding support for the County of Orange Senior Non-Emergency Medical Transportation Program. The agreement includes a five-year initial term with a five-year option term. The initial term expires June 30, 2026. Staff is requesting the Board of Directors' approval to exercise the five-year option term effective July 1, 2026, through June 30, 2031.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-1-3446 between the Orange County Transportation Authority and the County of Orange to exercise the option term for continued Measure M2 funding for the Senior Non-Emergency Medical Transportation Program, effective July 1, 2026, through June 30, 2031.

### **Discussion**

Measure M2 (M2) includes funding under Project U to support the growing transportation needs of seniors and individuals with disabilities. As part of Project U, one percent of net revenues is allocated to the Senior Non-Emergency Medical Transportation (SNEMT) Program (Program), which is administered by the Orange County Office on Aging (OCoA). Established in 2003, the Program is primarily funded through Tobacco Settlement Revenue (TSR), with additional support from Project U, providing approximately 140,000 annual trips for seniors.

Agreement No. C-1-3446, along with the SNEMT Funding Guidelines (Attachment B), was approved by the Board of Directors on May 24, 2021. The Program operates under policies and guidelines established by the Orange County Board of Supervisors. The M2 Ordinance requires the County of Orange (County) to maintain its historical funding commitment by allocating 5.27 percent of total annual TSR funding consistent with the level established in November 2006. As of June 2025, the County has met this requirement, contributing approximately \$22.8 million in TSR funds. Combined with \$45.2 million in M2 funding, this coordinated investment has enabled the Program to provide more than 1.7 million trips since 2011, ensuring that Orange County seniors have reliable access to critical medical appointments.

In addition to administering M2 funding, Orange County Transportation Authority (OCTA) staff works closely with the OCoA to support safe, reliable, and affordable transportation alternatives for seniors across Orange County.

The initial term of the cooperative agreement will expire on June 30, 2026. To ensure continuity of funding and service delivery, staff is seeking Board approval to exercise the five-year option term through June 30, 2031. Projected Measure M2 revenues for the Program over the five-year extension term total approximately \$23.4 million, with annual funding levels ranging from approximately \$4.64 million to \$4.83 million.

#### **Fiscal Impact**

Funding for this cooperative agreement is included in OCTA's proposed Fiscal Year 2026–27 Budget, Operations Division Account No. 0017-7831-TU003-TQK. The program will be funded with local Measure M2 revenues. Future year funding is subject to annual budget approval and the availability of Measure M2 revenues.

#### **Summary**

Staff requests the Board of Directors authorize the Chief Executive Officer to execute Amendment No. 2 to Cooperative Agreement No. C-1-3446 with the County of Orange to exercise the option term for continued Measure M2 funding for the Senior Non-Emergency Medical Transportation Program through June 30, 2031.

***Attachments***

- A. Measure M2 Project U, Senior Non-Emergency Medical Transportation, February 2011
- B. M2 Project U, Senior Non-Emergency Medical Transportation Funding Guidelines, May 2021
- C. Projected Available Measure M2 Revenues Senior Non-Emergency Medical Transportation
- D. County of Orange, Cooperative Agreement No. C-1-3446 Fact Sheet

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