Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

Board Report

File #: 2025-0398, **File Type:** Budget **Agenda Number:** 11.

FINANCE, BUDGET AND AUDIT COMMITTEE
JUNE 18, 2025

SUBJECT: ACCESS SERVICES PROPOSED FISCAL YEAR 2026 BUDGET

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

A. APPROVING local funding request for Access Services (Access) in an amount not to exceed $203,170,329 for FY26. This amount includes:

- Local funds for operating and capital expenses in the amount of $200,482,112
- Local funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of $2,688,217; and

B. AUTHORIZING the Chief Executive Officer (CEO) to negotiate and execute all necessary agreements to implement the above funding program.

ISSUE

The total FY26 Proposed Budget for Americans with Disabilities Act (ADA) paratransit service for Los Angeles County is $370,816,402. This includes a not to exceed amount of $368,128,185 in funds for Access to support their operating and capital needs, and $2,688,217 for Metrolink's participation in Access' Free Fare Program.

Access' proposed budget will be funded with federal and local funding sources. Of this total, $139,711,636 will be funded by federal grants, including federal Surface Transportation Block Grant (STBG) Program funds, Sections 5317 and 5310 (Enhanced Mobility of Seniors & Individuals with Disabilities Program) funds. The remaining amount of $231,104,766 will be funded with Measure M ADA Paratransit Service (MM2%) funds, Proposition C 40% Discretionary (PC40%) funds, passenger fares and other funding sources generated by Access. See Attachment A for complete funding details.

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BACKGROUND

As the Regional Transportation Planning Authority, Metro provides funding to Access to administer the delivery of regional ADA paratransit service. This service is provided on behalf of Metro and the forty-five other public fixed route operators in Los Angeles County. The provision of compliant ADA mandated service is considered a civil right under federal law and must be appropriately funded.

Access' service area spans more than 1,950 square miles of Los Angeles County. Next fiscal year, Access is forecasted to provide more than 4 million trips serving approximately 118,000 qualified ADA paratransit riders. Access contracts out its paratransit services to six different regional contractors, each serving a specific area: Eastern, Southern, West Central, Northern, Santa Clarita, and Antelope Valley. Access' contractors use a mixed fleet of wheelchair accessible vehicles and sedans to provide service.

DISCUSSION

Ridership

Each year, Access' budget is based on a paratransit ridership forecast provided by an independent third-party consulting firm, Hollingsworth Consulting (Hollingsworth). This forecast, along with the paratransit demand analysis, historical data and other variables are used to form the basis for the projected number of annual trips. The demand analysis projects over 5 million passengers (riders, Personal Care Assistants (PCA), and guests), a 3% increase over FY25, resulting in over 4 million trips for FY26. The FY26 Proposed budget will fund Access' request for over 4 million trips, a 3.1% increase over FY25.

Cost Per Trip

The estimated cost per trip for FY26 is $65.15, a 4.2% increase over FY25 cost of $62.53. This increase in the cost per trip is largely due to contractual Consumer Price Index (CPI) adjustments embedded in Access' current agreements with their regional contractors, rising insurance costs and anticipated cost growth in operating contracts that will be finalized in the coming fiscal year.

Fares

Access has a two-tiered fare structure in the Los Angeles basin: $2.75 each way for trips up to 19.9 miles and $3.50 for trips of 20 miles or more. In Santa Clarita and Antelope Valley, the fare is $2.00 each way, reflecting the lower base fare of the local fixed-route systems. For FY26, Access projects fare revenues of $11.4 million, a $345,256 or 3.1% increase over FY25.

Access customers have the ability to ride free on fixed-route services and Metrolink within Los Angeles County through Access' Free Fare program.

FY26 Proposed Budget

Access' total operating and capital budget is $368.1 million, a 9% increase from FY25. See the table below.

	Access Services Expenses ($ in millions)	FY25 Adopted	FY26 Proposed	$ Change	% Change
1	Direct Transportation	$ 259.9	$ 281.6	$ 21.7	8.3%
2	Contracted Support	15.0	15.7	0.7	4.7%
3	Management/Administration	16.3	18.5	2.2	13.7%
4	**Total Operating Costs**	291.2	$ 315.8	24.6	8.5%
5	Capital Rolling Stock - Prior Year	16.3	-	-	0.0%
6	Capital Rolling Stock - New	22.3	37.1	14.8	66.4%
7	Capital Construction/Non-Metro Funds	8.0	15.2	7.2	90.0%
9	**Total Capital Program**	46.6	52.3	5.7	12.1%
10	**Total Expenses**	**$ 337.8**	**$ 368.1**	**$ 30.3**	**9.0%**

Note: Totals may not add up because of rounding

Operating Costs

Direct Transportation are costs for the delivery of paratransit service in Los Angeles County. The total for Direct Transportation is $281.6 million, an 8.3% increase from FY25, due to the 3% increase in paratransit demand and contractual CPI adjustments for service delivery contractors. Contracted Support costs are for Access' customer service, eligibility and appeals contractors. The total for Contracted Support is $15.7 million, a 4.7% increase from FY25, due to contractual CPI adjustments for Access' eligibility provider and projected increase in new eligibility applicants. Management & Administration costs are for professional services, salaries and related expenses incurred by Access. The total for Management & Administration is $18.5 million, a 13.7% increase from FY25, due to legal expenses, increased insurance premiums, contractual CPI adjustments, and Cost of Living Adjustments (COLA) for Access' staff.

Capital Program - Rolling Stock and Facilities Development & Construction

Access' total capital program is $52.3 million, a 12.1% increase from FY25. A total of $37.1 million, is for new rolling stock to replace 248 vehicles, about 33% of their fleet. These vehicles have all exceeded their useful life of 250,000 miles, significantly beyond the Federal Transit Administration (FTA) vehicle replacement standard of 100,000 miles per vehicle. The capital program also includes funds, not provided by Metro, for paratransit facility construction and development. Access' Strategic Plan prioritizes the development of Access-owned operating facilities in each of its six service regions to enhance long-term fiscal and operational effectiveness.

Capital Program Updates

Southern Region Facility: As previously reported, Access acquired a 6.09-acre property in the Southern region to develop a paratransit operations and maintenance facility, including an office

building and two warehouses. Due to funding constraints, the property renovations will be completed in phases. This future facility will not only provide essential paratransit services but also help support the trip demand associated with major events coming to Los Angeles County, such as the 2026 FIFA World Cup and the 2028 Olympic and Paralympic Games. Access anticipates this legacy project will have lasting positive impacts on paratransit services in the region.

Antelope Valley Region Facility: The National Environmental Policy Act (NEPA) review for the proposed 6.8-acre facility in the City of Lancaster is nearing completion. Following the NEPA review, Access will finalize the design and engineering plans for the facility. This year, Access plans to release a Request for Proposals (RFP) for construction services, with the goal of awarding the contract in early 2026. The facility is projected to be fully operational by early 2027.

Electric Vehicles: Access has received two electric vehicles manufactured in Southern California and will be testing them in both the Eastern (San Gabriel Valley) and Southern regions. This pilot demonstration, expected to run for approximately twelve months (Summer 2025 - Summer 2026), will compare the performance of these electric vehicles to standard gasoline vehicles, focusing on operating efficiency, particularly vehicle range, and overall operating costs.

FY26 Operating Reserve

Access' forecasting firm projects a 3% ridership increase in FY26. Metro will hold $10 million in reserve and will make it available to Access should FY26 demand meet the ridership projections.

FY25 Performance

As of April 2025, Access has provided 3.1 million paratransit trips in the current fiscal year (10 months). To ensure optimal and efficient service levels countywide, the following Key Performance Indicators (KPIs) are in place. Overall, many operational statistics show improvement in FY25 when compared to FY24. These are reported monthly, and a year-over-year comparison including data through April 2025 is shown below:

Key Performance Indicators	Standard	FY24	FY25*
On-Time Performance	≥ 91%	**92.3%**	**92.6%**
Excessively Late Trips	≤ 0.10%	**0.02%**	**0.02%**
Excessively Long Trips	≤ 5.0%	**3.8%**	**3.4%**
Missed Trips	≤ 0.75%	**0.33%**	**0.31%**
Denials	0	6	1
Access to Work - On-Time Performance	≥ 94%	**95.8%**	**96.2%**
Average Hold Time (Reservations)	≤ 120	**54**	**55**
Calls On Hold > 5 Min (Reservations)	≤ 5%	**2.6%**	**2.8%**
Calls On Hold > 5 Min (ETA)	≤ 10%	**2.7%**	**2.9%**
Complaints Per 1,000 Trips	≤ 4.0	**2.0**	**2.0**
Preventable Incidents per 100,000 miles	≤ 0.25	**0.21**	**0.25**
Preventable Collisions per 100,000 miles	≤ 0.75	0.80	0.84
Miles Between Road Calls	≥ 25,000	**47,940**	**48,961**

*Statistical data through April 2025

To ensure high service standards, Access establishes aggressive performance goals for its contractors. Failure to meet certain Key Performance Indicators (KPIs) necessitates the submission of a service improvement plan, and contractors may face liquidated damages as outlined in their agreements. The preventable collision's goal, with a result of 0.84, fell short of the target, largely due to minor incidents like curb strikes and collisions while reversing.

Access Update in FY25:

- Initiated development of Access' 5-year Strategic Plan (FY 2026 - FY 2030)
- Obtained additional grant funding for Access-owned operations and maintenance facilities
- Concluded the Access Flex pilot program (using Uber) in the Southern Region after a period of evaluation
- Acquired Access' first two electric vehicles for pilot demonstration

In FY26, Access plans to:

- Continue collaboration with Metro staff, Games Mobility Executive (GME) Accessibility Committee and LA28 on preparation of the 2028 Olympic and Paralympic games and seek federal funding for a facility legacy project in the Southern region
- Continue collaboration with Metro staff on FIFA World Cup
- Begin integration/testing of electric vehicles in the Eastern and Southern regions
- Continue development of the Antelope Valley and Southern region paratransit operations and maintenance facilities
- Provide results from the recent customer technology survey in the first quarter FY26
- Issue an RFP for paratransit operations and maintenance service for Access' West Central region

Metro Oversight Function

Metro fulfills its oversight function for Access to ensure system cost efficiency, accountability, equity, and inclusion in the delivery of ADA paratransit service in Los Angeles County. This includes active participation and representation by Metro on Access' Board of Directors and the Transportation Professionals Advisory Committee. Moreover, Access will remain part of Metro's Consolidated Audit process. Additionally, Access provides semiannual updates on its performance outcomes and service initiatives to the Metro's Finance, Budget & Audit Committee, as requested.

FINANCIAL IMPACT

Access' proposed budget for FY26 is included in Cost Center 0443, Project 410011, and Account

54001 in Metro Annual Budget for FY26 as adopted at the May 2025 Board meeting.

Impact on Budget

Access' funding will include $15,809,250 from Measure M 2% funds and $187,361,079 from Proposition C 40% funds, totaling $203,170,329. Given that the region is fully funding its forecasted ADA paratransit obligation, there will be no budgetary impact on Metro's bus and rail operations.

EQUITY PLATFORM

By federal mandate, Access exclusively serves people with disabilities and seniors to provide regional ADA paratransit service. Access' service region is divided into six regions, and all have similar Key Performance Indicators (KPIs), which are measured and monitored by Access' staff. Access has analyzed its service area map to determine the percentage of riders served in Equity Focus Communities (EFCs). From July 1, 2024, through April 30, 2025, approximately 45% of all trips taken by 55,785 Access riders originated in EFCs. The introduction of electric vehicles, as discussed above, is anticipated to bring significant benefits to served communities, including improved air quality due to lower emissions and reduced noise pollution from quieter vehicles.

On a semi-annual basis, Access conducts two virtual countywide community meetings to ensure all customers and stakeholders can receive information and directly communicate with staff about their service experiences. Advance notice of these meetings is provided on Access' website and social media platforms, and flyers are distributed in vehicles. To ensure accessibility for all customers throughout Los Angeles County, closed captioning, language translation services, Braille, and large print materials are available upon request.

Access hosted its latest virtual community meeting on Saturday, March 15, 2025, which saw strong participation with over 100 guests joining via Zoom. The key takeaways from the meeting included appreciation for the continued availability of virtual meeting options; concerns about new vehicle configurations; the review of grocery package policies; challenges with region-to-region transfers; and the need for expanded transfer times between the North County and the Los Angeles basin. The next community meeting is planned for summer 2025.

Furthermore, Access conducted a technology usage survey among its customers in both English and Spanish via text and phone. A language line service was also utilized to offer translation of the survey into any language requested. The results of this survey are anticipated to be available in the summer of 2025.

VEHICLE MILES TRAVELED OUTCOME

Vehicle Miles Traveled (VMT) and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are

assessed for their potential impact on VMT.

This item supports Metro's systemwide strategy to reduce VMT through operational activities that will benefit and further encourage transit ridership, ridesharing, and active transportation. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

**Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.*

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Goal 2: Deliver outstanding trip experiences for all users of the transportation system.

Goal 3: Enhance communities and lives through mobility and access to opportunity

ALTERNATIVES CONSIDERED

Not fully funding Access to provide the mandated ADA paratransit services for FY26 would place Metro and the other 45 Los Angeles County fixed route operators in violation of the ADA, which mandates that fixed route operators provide complementary paratransit service within three-fourths of a mile of local rail and bus lines. Not fully funding ADA service would impact Metro's as well as the region's ability to compete for federal grants and to receive federal funding. If individual transit operators were required to provide these services, the overall cost of the program would increase and the mobility options of people with disabilities throughout Los Angeles County would be significantly limited.

NEXT STEPS

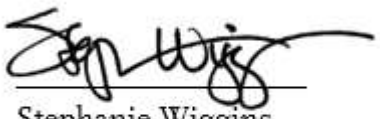
Upon approval, staff will execute an MOU for FY26 to ensure proper disbursement of funds.

ATTACHMENTS

Attachment A - FY26 Access Services ADA Program

Prepared by: Fayma Ishaq, Senior Manager, Budget, 213-922-4925
Giovanna Gogreve, Senior Director, Budget, 213-922-2835

Reviewed by: Nalini Ahuja, Chief Financial Officer, 213-922-3088



Stephanie Wiggins
Chief Executive Officer

Attachment A

	FY26 ACCESS SERVICES ADA PROGRAM		
	($ in millions)		
	EXPENSES		
1	FY26 Access Services Proposed Budget	$	368.1
2	Metrolink Free Fare Program (paid by Metro)		2.7
3	**Total Expenses**	**$**	**370.8**
4			
5	**REVENUES**		
6	**Federal Funds - Operating & Capital**		
7	STBG Program & Section 5317	$	128.1
8	Section 5310 - Capital Rolling Stock		11.6
9	**Subtotal Federal Funds**	**$**	**139.7**
10			
11	**Local Funds - Operating & Capital**		
12	**Measure M 2%**		
13	**Subtotal Measure M**	**$**	**15.8**
14			
15	**Proposition C 40%**		
16	Operating[1]	$	149.2
17	Ridership Reserve		10.0
18	Capital Rolling Stock - New[1]		25.5
19	Metrolink Free Fare Program (paid by Metro)		2.7
20	**Subtotal Proposition C**	**$**	**187.4**
21			
22	**Total Local Funds**	**$**	**203.2**
23	**Local Carryover or Non-Metro Funds**		
24	Passenger Fares & Misc. Income	$	12.8
25	Facilties Development & Construction Fund (Non-Metro)		15.2
26	**Subtotal Local Carryover/Non-Metro Funds**	**$**	**27.9**
27			
28	**Total FY26 Local Funds**	**$**	**231.1**
29			
30	**Total Revenues**	**$**	**370.8**

Note: Totals may not add up because of rounding

[1] Operating & Capital - portions of these funds maybe replaced with federal STBG Program funds

Access Services Fiscal Year 2026 Proposed Budget

June 2025 | Finance, Budget and Audit Committee

Metro

Proposed Budget

	Access Services	FY25 Adopted	FY26 Proposed	$ Change	% Change	Notes
	Expenses ($ in millions)					
1	Direct Transportation	$ 259.9	$ 281.6	$ 21.7	8.3%	Forecasted trip demand is 3%, 4.2% increase in cost per trip and increase in auto liability insurance
2	Contracted Support	15.0	15.7	0.7	4.7%	Projected increase in new eligibility applicants
3	Management/Administration	16.3	18.5	2.2	13.7%	Normal annual adjustments influenced by CPI, COLA and legal expenses
4	**Total Operating Costs**	291.2	315.8	24.6	8.5%	
5	Capital Rolling Stock - Prior Year	16.3	-	-	0.0%	All replacement vehicles delivered
6	Capital Rolling Stock - New	22.3	37.1	14.8	66.4%	Replace 248 vehicles over 250,000 miles
7	Capital Construction/Non-Metro Funds	8.0	15.2	7.2	90.0%	Antelope Valley and Compton Facility Development
9	**Total Capital Program**	46.6	52.3	5.7	12.1%	
10	**Total Expenses**	**$ 337.8**	**$ 368.1**	**$ 30.3**	**9.0%**	

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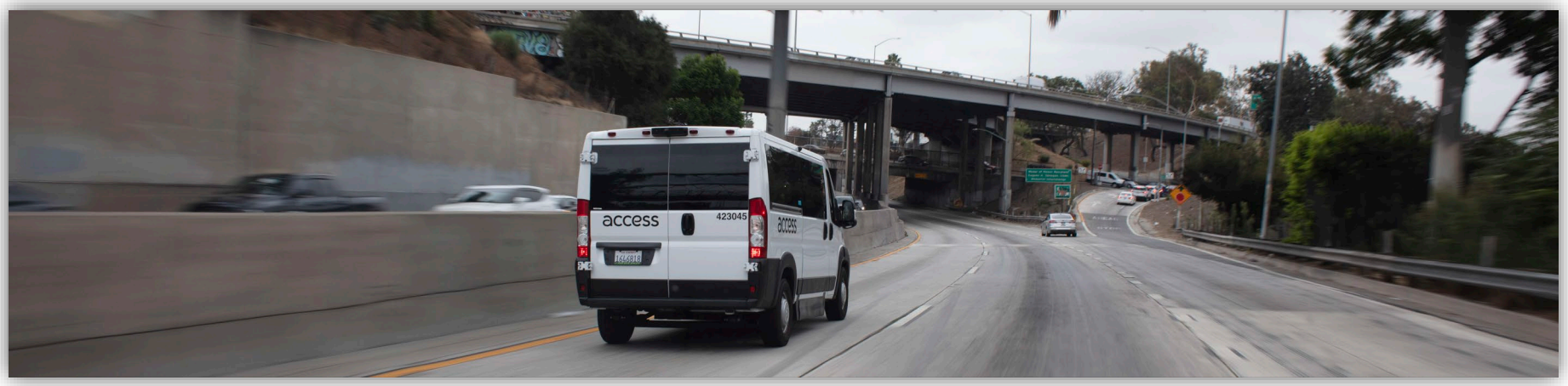

Proposed Funding Request

	FY26 ACCESS SERVICES ADA PROGRAM		
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Service Performance

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*Statistical data through April 2025

Access Services

FY25 Accomplishments

- Initiated development of 5-year Strategic Plan (FY 2026 - FY 2030)
- Obtained additional funding for Access-owned operations & maintenance facilities
- Concluded Flex pilot program (using Uber) in Southern Region
- Acquired first two electric vehicles for pilot demonstration

FY26 Initiatives

- Continue collaboration with Metro on:
  - GME Accessibility Committee & LA28 for 2028 Olympic & Paralympic games
  - FIFA World Cup
  - Seek federal funding for facility legacy project in Southern region
- Integrate/test electric vehicles in Eastern & Southern regions
- Continue development of Antelope Valley & Southern region paratransit facilities
- Provide results of customer technology survey available in FY26
- Issue RFP in West Central region for paratransit service

Access Services - Recommendations

A. APPROVING local funding request for Access Services (Access) in an amount not to exceed $203,170,329 for FY26. This amount includes:

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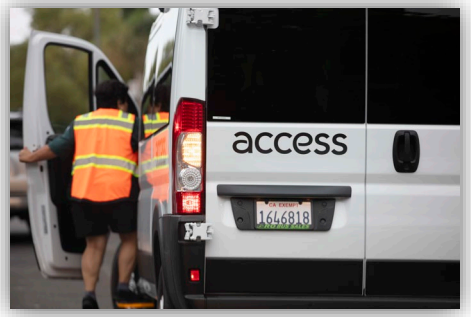
B. AUTHORIZING the Chief Executive Officer (CEO) to negotiate and execute all necessary agreements to implement the above funding program.