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

File #: 2026-0245, **File Type:** Budget **Agenda Number:** 30.

FINANCE, BUDGET AND AUDIT COMMITTE
JULY 16, 2026

SUBJECT: ACCESS SERVICES FISCAL YEAR 2027 PROPOSED BUDGET

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

CONSIDER:

A. APPROVING local funding request for Access Services (Access) in an amount not to exceed $240,986,909 for FY27. This amount includes:

1. Local funds for operating and capital expenses in the amount of $238,218,046
2. Local funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of $2,768,863

B. AMENDING the FY27 Budget by $27,150,139 to fully fund Recommendation A; and

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

ISSUE

The total FY27 Americans with Disabilities Act (ADA) paratransit service budget for Los Angeles County is $380,426,951. This includes a not to exceed amount of $377,658,088 in funds for Access to support their operating and capital needs, and $2,768,863 for Metrolink's participation in Access' Free Fare Program.

The FY27 Adopted Budget included a preliminary budget for Access. The final recommended budget for Access requires $240,986,909 in local funding, requiring an additional $27,150,139 in FY27.

BACKGROUND

As the Regional Transportation Planning Authority, Metro provides funding to Access to provide regional ADA paratransit service for Metro and the 45 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 4.3 million trips serving approximately 121,000 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

Access' annual 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 passengers. The demand analysis projects over 5.3 million total passengers (Access riders, Personal Care Assistants (PCA), and guests), a 7.6% increase over FY26, resulting in over 4.3 million trips for FY27. The FY27 budget funds the projected 4.3 million trips, an 8.9% increase over FY26.

Cost Per Trip

The estimated cost per trip for FY27 is $66.43, a 2.0% increase over FY26 of $65.15. 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 cost growth in new operating contracts that will begin in the upcoming 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 FY27, Access projects fare revenues of $12.5 million, a $1.05 million or 9.1% increase over FY26.

Access customers can ride for free on fixed-route services and Metrolink within Los Angeles County through Access' Free Fare program. As part of its proposed strategic plan, Access will continue working with its regional transit partners on strategies to increase fixed-route usage by people with disabilities.

FY27 Budget Amendment

Access' total operating and capital budget is $377.6 million, a 2.6% increase from FY26. See the table in Attachment B.

Operating Costs

Direct Transportation costs cover the delivery of paratransit services in Los Angeles County. This total is $312.6 million, an 11.0% increase over FY26, driven by an 8.9% rise in paratransit trip demand and contractual CPI adjustments for paratransit service contractors. Contracted Support costs of $15.4 million include customer service, eligibility, and appeals contractors, representing a 1.9% decrease from FY26 due to fewer eligibility renewals given the change from a three-year to a five-year eligibility term. Management & Administration costs of $18.9 million include professional services, salaries, and related expenses incurred by Access. A 2.2% increase is projected in FY27 due to rising legal expenses, increased health insurance premiums, contractual CPI adjustments, and staff Cost of Living Adjustments (COLA).

Capital Program - Rolling Stock and Facilities Development & Construction

The FY27 capital program represents a total investment of $30.7 million, structured to maximize the use of available resources. This year's budget follows several years of accelerated procurement that successfully addressed major fleet needs. By strategically leveraging capital carryover funds from FY26, Access is able to fully fund its fleet replacement requirements and facility construction activities.

A total of $15.2 million is dedicated to new rolling stock to replace 105 vehicles, or approximately 14% of the total fleet. This investment builds upon the progress made in FY26, during which Access will have replaced 34% of its fleet. These units have over 250,000 miles in service-well beyond the Federal Transit Administration (FTA) replacement standard of 100,000 miles-making their replacement critical for service reliability and maintenance cost control.

Beyond the fleet, the FY27 capital budget continues to advance Access' Strategic Plan by funding the development of Access-owned operating facilities. Transitioning to Access-owned infrastructure across its six service regions is a key pillar of Access' long-term strategy to enhance long-term fiscal stability and operational effectiveness. See updates details below on the Facilities Development and Construction projects.

Southern Region Facility: As previously reported, Access has acquired a 6.09-acre property in the Southern region to develop a permanent paratransit operations and maintenance facility. This legacy project will support 1.2 million annual trips in the county's largest service area which also includes the highest concentration of Equity Focus Communities (EFCs) and accommodate increased demand for upcoming Special Events. Due to funding constraints, renovations will be completed in three phases. The project is currently out to bid, with a contract award for the first two phases expected in June 2026.

Antelope Valley Region Facility: The National Environmental Policy Act (NEPA) review for the proposed 6.8-acre facility in the City of Lancaster has been completed and the design and engineering plans are now under City review. Access plans to release an Invitation for Bids for construction services within the next few months with the goal of being fully operational by mid-2028. Construction will be funded by a congressional earmark of $3 million along with a recently awarded

$16.6 million Bus and Bus Facilities grant from the Federal Transit Administration.

Reduction in Federal Funding

Through the Southern California Association of Governments (SCAG) new regional Surface Transportation Block Grant (STBG) Program competitive process, Access requested $283.1 million for FY27 and FY28 service operations and capital funding for its Southern Region facility. Metro staff reviewed the application and ranked it as "Highly Recommended" including it in a package of ranked STBG Program projects for Los Angeles County approved by the Board in July 2025. Following the final submission, SCAG awarded Access a base amount of $131.8 million for FY27 and FY28, representing 46% of the requested amount.

Since Access did not receive the requested STBG Program funding, local funds must bridge the gap for both operations and capital programs. For FY27, the required local contribution will increase by 18.6%, rising from $203.2 million in FY26 to $241.0 million in FY27. This substantial growth places significant pressure on local funding sources. To mitigate this impact, Access will continue to pursue alternative revenue streams by seeking out competitive state and federal grants. Access has already demonstrated success in this area, recently securing a $16.6 million Federal Bus and Bus Facilities grant (the largest in its history) to fund the Antelope Valley ADA Paratransit Operations and Maintenance Facility. Access will continue to leverage similar opportunities to mitigate the burden on local resources.

FY27 Carryover Operating

Each year, Metro includes Access in the consolidated audit process to ensure it is effectively managing federal and local funds in compliance with all applicable local state, and federal guidelines. The FY25 audit identified $3,540,014 in unspent or unencumbered funds. Per the FY25 Funding Agreement, Access has the option to either return the funds to Metro or request that they be carried over to a subsequent fiscal year to be applied toward operating expenses. Access has requested the full identified balance from FY25 to be carried over into the FY27 budget.

FY27 Operating Reserve

As discussed above, Access' forecasting firm projects a 7.6% ridership increase in FY27. Metro will hold $10 million in reserve for operating costs and will make it available to Access should FY27 demand meet the ridership projections.

FY26 Performance

As of April 2026, Access has provided over 3.4 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. Access is meeting all of its KPIs in FY26. These are reported monthly, and a year-over-year comparison including data through April 2026 is available in Attachment B.

To ensure high service standards, Access establishes aggressive performance goals for its contractors. Failure to meet certain Key Performance Indicators (KPIs) requires the submission of a service improvement plan, and contractors may face liquidated damages as outlined in their agreements.

Access Update in FY26:

- Finalizing Access' 5-year Strategic Plan (FY26 - FY30)
- Obtained additional grant funding from the 2026 Bus and Bus Facilities Program for the Antelope Valley ADA Paratransit Operations and Maintenance Facility
- Awarded a new paratransit services contract for Access' West-Central region
- Awarded contract extensions for paratransit services in the Southern and Antelope Valley regions
- Collaborated with Metro on a Special Events transit services agreement for the FIFA World Cup

In FY27, Access plans to:

- Continue collaborating with Metro staff, the Games Mobility Executive Accessibility Committee and LA28 on preparation of the 2028 Olympic and Paralympic games and seeking federal funding for a legacy facility project in the Southern region
- Implement and evaluate an Instacart food delivery program pilot project. Through this pilot program, Access will provide Instacart memberships to interested customers, allowing them to conveniently schedule grocery and essential deliveries, while potentially reducing paratransit trips and regional costs.
- Present results from Access' customer satisfaction survey
- Complete an analysis of Access' electric vehicle pilot project
- Continued development of the Antelope Valley and Southern region paratransit operations and maintenance facilities
- Issue an RFP for paratransit operations and maintenance service for the San Fernando Valley which is Access' Northern 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.

DETERMINATION OF SAFETY IMPACT

This recommendation will not have an impact on safety standards at Metro.

FINANCIAL IMPACT

Access' budget for FY27 is included in Cost Center 0443, Project 410011, and Account 54001 in Metro Annual Budget for FY27 as adopted at the May 2026 Board meeting.

Impact on Budget

Access' funding will include $15,964,267 from Measure M 2% funds and $225,022,642 from Proposition C 40% funds, totaling $240,986,909. Board approval of the staff recommendation will increase the local fund amount for Access in FY27 compared to FY26 and amend the FY27 Budget accordingly. This will bridge a federal funding gap to provide mandated ADA paratransit services. Given that the region is fully funding the 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, 2025, through April 30, 2026, approximately 44% of all trips taken by 58,471 Access riders originated in EFCs.

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, February 28, 2026, which saw strong participation with over 90 guests joining via Zoom. Topics covered included the role of Access' Community Advisory Committee and Access' lost and found and package policies. Staff also introduced Access's new Instacart Grocery Delivery Pilot Program. This innovative partnership with Instacart offers riders greater flexibility and potential cost savings by providing grocery delivery as a convenient alternative to paratransit trips. The session concluded with a walk-through of the Access website, including how to make online reservations and use the popular "Where's My Ride?" application. Customers were also provided with one-on-one assistance if they had other questions and concerns. The next community meeting is planned for summer 2026.

Access continues its practice of alternating annually between technology usage and customer satisfaction assessments to better understand rider needs. For this fiscal year, Access will conduct a customer satisfaction survey in both English and Spanish via text and phone. To ensure broad accessibility, a language line service is utilized to provide translations into any requested language. The results of this survey are anticipated to be available in summer 2026.

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.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through operational activities that will benefit and further encourage transit ridership by providing high quality shared ride services between locations within ¾ of a mile of local bus routes and rail lines. 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 FY27 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

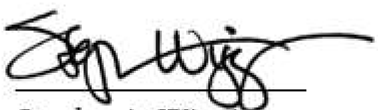
Upon approval, staff will execute an MOU for FY27 to ensure proper disbursement of funds.

ATTACHMENTS

Attachment A - FY27 Access Services ADA Program
Attachment B - Expenses & Key Performance Indicators

Prepared by: Fayma Ishaq, Senior Manager, Budget, 213-922-4925
Giovanna M. Gogreve, Senior Director, Finance, 213-922-2835
Tina Panek, Executive Officer, Finance, 213-922-4530

Reviewed by: Michelle Navarro, Chief Financial Officer (Interim), 213-922-3056



Stephanie Wiggins
Chief Executive Officer

Attachment A

	FY27 ACCESS SERVICES ADA PROGRAM		
	($ in millions)		
	EXPENSES		
1	FY27 Access Services Proposed Budget	$	377.6
2	Metrolink Free Fare Program (paid by Metro)		2.8
3	**Total Expenses**	**$**	**380.4**
4			
5	**REVENUES**		
6	**Federal Funds - Operating & Capital**		
7	STBG Program & Section 5317	$	108.9
8	Prior Year Section 5310 - Capital Rolling Stock		4.3
9	**Subtotal Federal Funds**	**$**	**113.1**
10			
11	**Local Funds - Operating & Capital**		
12	**Measure M 2%**		
13	**Subtotal Measure M**	**$**	**16.0**
14			
15	**Proposition C 40%**		
16	Operating[1]	$	193.8
17	Ridership Reserve		10.0
18	Capital Rolling Stock - New[1]		15.2
19	Avalon Facility[1]		3.3
20	Metrolink Free Fare Program (paid by Metro)		2.8
21	**Subtotal Proposition C**	**$**	**225.0**
22			
23	**Total Local Funds**	**$**	**241.0**
24	**Local Carryover and Other Funds**		
25	FY25 Audit Carryover	$	3.5
26	Passenger Fares & Misc. Income		14.8
27	Capital Construction		8.0
28	**Subtotal Local Carryover/Other Funds**	**$**	**26.3**
29			
30	**Total FY27 Local Funds**	**$**	**267.3**
31			
32	**Total Revenues**	**$**	**380.4**

Note: Totals may not add up because of rounding

[1]Operating & Capital - portions of these Proposition C funds may be replaced with federal Surface Transportation Block Grant (STBG) Program or other funds

Attachment B

FY27 Budget Amendment – Expenses

	Access Services Expenses ($ in millions)	FY26 Adopted	FY27 Proposed	$ Change	% Change
1	Direct Transportation	$ 281.6	$ 312.6	$ 31.0	11.0%
2	Contracted Support	15.7	15.4	(0.3)	-1.9%
3	Management/Administration	18.5	18.9	0.4	2.2%
4	**Total Operating Costs**	315.8	346.9	31.1	9.8%
5	Capital Rolling Stock - Prior Year	-	4.2	-	0.0%
6	Capital Rolling Stock - New	37.1	15.2	(21.9)	-59.0%
7	Capital Construction	12.0	8.0	(4.0)	-33.3%
8	Avalon Property	3.2	3.3	0.1	3.1%
9	**Total Capital Program**	52.3	30.7	(21.6)	-41.3%
10	**Total Expenses**	**$ 368.1**	**$ 377.6**	**$ 9.5**	**2.6%**

Note: Totals may not add up because of rounding

FY26 Performance – KPIs

Key Performance Indicators	Standard	FY25	FY26*
On-Time Performance	≥ 91%	**92.8%**	**91.7%**
Excessively Late Trips	≤ 0.10%	**0.02%**	**0.03%**
Excessively Long Trips	≤ 5.0%	**3.2%**	**3.0%****
Missed Trips	≤ 0.75%	**0.29%**	**0.29%**
Denials	0	2	**0**
Access to Work - On-Time Performance	≥ 94%	**96.2%**	**94%**
Average Hold Time (Reservations)	≤ 120	**56**	**54**
Calls On Hold > 5 Min (Reservations)	≤ 5%	**3.0%**	**2.8%**
Calls On Hold > 5 Min (ETA)	≤ 10%	**2.9%**	**3.4%**
Complaints Per 1,000 Trips	≤ 4.0	**1.9**	**1.8**
Preventable Incidents Rate (per 100,000 miles)	≤ 0.25	**0.22**	**0.25**
Preventable Collisions Rate (per 100,000 miles)	≤ 0.85	**0.80**	**0.75**
Mean Miles Between Major Mechanical Failures	≥ 50,000	**50,535**	**74,110**

*Data through April 2026

**Data through March 8, 2026

Access Services Fiscal Year 2027 Proposed Budget

July 2026 | Finance, Budget and Audit Committee

Metro

FY27 Proposed Budget

	Access Services	FY26 Adopted	FY27 Proposed	$ Change	% Change	Notes
	Expenses ($ in millions)					
1	Direct Transportation	$ 281.6	$ 312.6	$ 31.0	11.0%	8.9% increase in forecasted trip demand and contractual CPI adjustments
2	Contracted Support	15.7	15.4	(0.3)	-1.9%	Change in eligibility term (3 years to 5 years)
3	Management/Administration	18.5	18.9	0.4	2.2%	Annual adjustments for CPI, COLA and legal expenses
4	**Total Operating Costs**	315.8	346.9	31.1	9.8%	
5	Capital Rolling Stock - Prior Year	-	4.2	-	0.0%	Carryover for vehicles anticipated to be delivered in FY27
6	Capital Rolling Stock - New	37.1	15.2	(21.9)	-59.0%	Reduction due to accelerated fleet replacement in FY26
7	Capital Construction	12.0	8.0	(4.0)	-33.3%	Reduced expenditure levels due to delay in contract award
8	Avalon Property	3.2	3.3	0.1	3.1%	Southern Region Facility (Avalon Boulevard) Development and Construction
9	**Total Capital Program**	52.3	30.7	(21.6)	-41.3%	
10	**Total Expenses**	**$ 368.1**	**$ 377.6**	**$ 9.5**	**2.6%**	

Note: Totals may not add up because of rounding

Proposed Funding

FY27 ACCESS SERVICES ADA PROGRAM		
($ in millions)		
EXPENSES		
FY27 Access Services Proposed Budget	$	377.6
Metrolink Free Fare Program (paid by Metro)		2.8
Total Expenses	**$**	**380.4**
REVENUES		
Federal Funds - Operating & Capital		
STBG Program & Section 5317	$	108.9
Prior Year Section 5310 - Capital Rolling Stock		4.3
Subtotal Federal Funds	**$**	**113.1**
Local Funds - Operating & Capital		
Measure M 2%		
Subtotal Measure M	**$**	**16.0**
Proposition C 40%		
Operating[1]	$	193.8
Ridership Reserve		10.0
Capital Rolling Stock - New[1]		15.2
Avalon Facility[1]		3.3
Metrolink Free Fare Program (paid by Metro)		2.8
Subtotal Proposition C	**$**	**225.0**
Total Local Funds	**$**	**241.0**
Local Carryover and Other Funds		
FY25 Audit Carryover	$	3.5
Passenger Fares & Misc. Income		14.8
Capital Construction		8.0
Subtotal Local Carryover/Other Funds	**$**	**26.3**
Total FY27 Local Funds	**$**	**267.3**
Total Revenues	**$**	**380.4**

Note: Totals may not add up because of rounding

[1]Operating & Capital - portions of these Proposition C funds may be replaced with federal Surface Transportation Block Grant (STBG) Program or other funds

Service Performance

Key Performance Indicators	Standard	FY25	FY26*
On-Time Performance	≥ 91%	92.8%	91.7%
Excessively Late Trips	≤ 0.10%	0.02%	0.03%
Excessively Long Trips	≤ 5.0%	3.2%	3.0%**
Missed Trips	≤ 0.75%	0.29%	0.29%
Denials	0	2	0
Access to Work - On-Time Performance	≥ 94%	96.2%	94%
Average Hold Time (Reservations)	≤ 120	56	54
Calls On Hold > 5 Min (Reservations)	≤ 5%	3.0%	2.8%
Calls On Hold > 5 Min (ETA)	≤ 10%	2.9%	3.4%
Complaints Per 1,000 Trips	≤ 4.0	1.9	1.8
Preventable Incidents Rate (per 100,000 miles)	≤ 0.25	0.22	0.25
Preventable Collisions Rate (per 100,000 miles)	≤ 0.85	0.80	0.75
Mean Miles Between Major Mechanical Failures	≥ 50,000	50,535	74,110

*Data through April 2026

**Data through March 8, 2026

Accomplishment/Initiatives

FY26 Accomplishments

- Finalizing 5-year Strategic Plan (FY26 to FY30)
- Obtained additional funding for operations & maintenance facility
- Awarded new service contract for West-Central region and extended service contract for Southern and Antelope Valley regions
- Collaborated with Metro on a Special Events transit services agreement

FY27 Initiatives

Continue collaboration with Metro on:

- Games Mobility Executive Accessibility Committee & LA28 for 2028 Olympic & Paralympic games
- Seek federal funding for facility legacy project in Southern region

Implement and evaluate Instacart food delivery program pilot

Provide results of customer satisfaction survey

Complete an analysis of electric vehicle pilot project

Continue development of Antelope Valley & Southern region paratransit facilities

Issue RFP in San Fernando Valley - Northern region

Recommendation

A. APPROVING local funding request for Access Services (Access) in an amount not to exceed $240,986,909 for FY27. This amount includes:

   1. Local funds for operating and capital expenses in the amount of $238,218,046

   2. Local funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of $2,768,863

B. AMENDING the FY27 Budget by $27,150,139 to fully fund Recommendation A; and

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