

COOPERATIVE AGREEMENT NO. C-1-3446

BETWEEN

ORANGE COUNTY TRANSPORTATION AUTHORITY

AND

COUNTY OF ORANGE

FOR

SENIOR NON-EMERGENCY MEDICAL TRANSPORTATION PROGRAM

THIS COOPERATIVE AGREEMENT (Agreement) is effective this _____ day of _____, 20____ (“Effective Date”), by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange California 92863-1584, a public corporation of the State of California (herein referred to as “AUTHORITY”) and the County of Orange, a political subdivision of the State of California (hereinafter referred to as “COUNTY”) each individually known as “Party” and collectively known as the “Parties”.

RECITALS:

WHEREAS, COUNTY is desirous of providing non-emergency medical transportation services for seniors; and

WHEREAS, COUNTY currently allocates Tobacco Settlement Revenue funds to support a Senior Non-Emergency Medical Transportation (SNEMT) program; and

WHEREAS, this Cooperative Agreement defines the roles and responsibilities of AUTHORITY and COUNTY in the provision of Renewed Measure M (M2) funds to support the COUNTY’s SNEMT program (“Program”); and

WHEREAS, AUTHORITY and COUNTY agree to comply with all relevant elements of Orange County Local Transportation Authority Ordinance No. 3;

WHEREAS, AUTHORITY and COUNTY agree to comply with all elements of the M2 Project U Senior Non-Emergency Medical Transportation Funding Guidelines (SNEMT Guidelines); and

WHEREAS, AUTHORITY’s Board of Directors approved this Agreement on May 24, 2021;

1 **NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and COUNTY as
2 follows:

3 **ARTICLE 1. COMPLETE AGREEMENT**

4 A. This Agreement, including any attachments incorporated herein and made applicable by
5 reference, constitutes the complete and exclusive statement of the term(s) and condition(s) of this
6 Agreement between AUTHORITY and COUNTY and it supersedes all prior representations,
7 understandings, and communications. The invalidity in whole or in part of any term or condition of this
8 Agreement shall not affect the validity of other term(s) or condition(s) of this Agreement. The above
9 referenced Recitals are true and correct and are incorporated by reference herein.

10 B. AUTHORITY's failure to insist on any instance(s) of COUNTY's performance of any term(s)
11 or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of AUTHORITY's
12 right to such performance or to future performance of such term(s) or condition(s), and COUNTY's
13 obligation in respect thereto shall continue in full force and effect. Changes to any portion of this
14 Agreement shall not be binding upon AUTHORITY except when specifically confirmed in writing by an
15 authorized representative of AUTHORITY by way of a written amendment to this Agreement and issued
16 in accordance with the provisions of this Agreement.

17 C. COUNTY's failure to insist on any instance(s) of AUTHORITY's performance of any term(s)
18 or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of COUNTY's right
19 to such performance or to future performance of such term(s) or condition(s), and AUTHORITY's
20 obligation in respect thereto shall continue in full force and effect. Changes to any portion of this
21 Agreement shall not be binding upon COUNTY except when specifically confirmed in writing by an
22 authorized representative of COUNTY by way of a written amendment to this Agreement and issued in
23 accordance with the provisions of this Agreement.

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ARTICLE 2. RESPONSIBILITIES OF AUTHORITY

A. AUTHORITY agrees to provide funds per the SNEMT Guidelines as specified in Exhibit A:

1. AUTHORITY will provide funds for the Program which are specified in Exhibit B, entitled "Orange County Local Transportation Authority Ordinance No. 3" at no less than the Tobacco Settlement Revenue (TSR) funds annually expended by COUNTY and no greater than one percent (1%) of M2 net sales tax revenue plus any accrued interest.

2. AUTHORITY will provide funds to the COUNTY on a bi-monthly basis based on actual sales tax receipts.

B. AUTHORITY agrees that Net Revenues, as defined in Orange County Local Transportation Authority Ordinance No. 3, allocated shall be expended or encumbered by the COUNTY within three (3) years of receipt. AUTHORITY may grant an extension to the three (3)-year limit, but extensions shall not be granted beyond a total of five (5) years from the date of the initial funding allocation.

C. In the event the time limits for use of Net Revenues are not satisfied, then any retained Net Revenues that were allocated to COUNTY and interest earned thereon shall be returned to AUTHORITY and these Net Revenues and interest earned thereon shall be available for allocation to any project within the same source program at the discretion of AUTHORITY.

ARTICLE 3. RESPONSIBILITIES OF COUNTY

A. COUNTY agrees that all funds received from AUTHORITY as specified in Article 2. A. above will be used exclusively for providing Program services. Indirect charges that are necessary for the provision of services are allowable expenditures. Allocation of indirect expenses must be based on a reasonable and defensible methodology. COUNTY must provide supporting documentation for all indirect charges assessed.

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1 B. AUTHORITY's obligation to provide funds under Article 2. A. is contingent upon COUNTY
2 funding Program services in an annual amount equal to the same percentage of TSR funding as of
3 November 2006 as specified in Exhibit C, entitled "Senior Non-Emergency Medical Transportation
4 Program Renewed Measure M Maintenance of Effort".

5 C. COUNTY agrees that services provided under the SNEMT Program are available to
6 individuals sixty (60) years of age and older.

7 1. COUNTY may implement SNEMT trip prioritization on a quarterly basis as
8 specified in Exhibit D, entitled "Senior Non-Emergency Medical Transportation Program, Proposed M2
9 Funding, Client Priority Criteria" should SNEMT actual expenditures exceed available program funding.

10 D. COUNTY agrees to provide AUTHORITY with quarterly summary reports of the
11 COUNTY's SNEMT Program. COUNTY shall submit a quarterly summary report within forty-five (45)
12 days from the end of each quarter as specified in Exhibit E, entitled "Senior Non-Emergency Medical
13 Transportation (SNEMT) Program Quarterly Report", included in this Agreement, which is
14 incorporated into and made part of this Agreement.

15 E. COUNTY agrees to comply with all elements of the SNEMT Guidelines as specified in
16 Exhibit A.

17 F. COUNTY agrees that Net Revenues allocated shall be expended or encumbered within
18 three (3) years of receipt. AUTHORITY may grant an extension to the three-year limit, but extensions
19 shall not be granted beyond a total of five years from the date of the initial funding allocation.

20 G. In the event the time limits for use of Net Revenues are not satisfied, any retained Net
21 Revenues that were allocated to COUNTY and interest earned thereon shall be returned to AUTHORITY
22 and these Net Revenues and interest earned thereon shall be available for allocation to any project within
23 the same source program at the discretion of AUTHORITY.

24 H. COUNTY may contract with a third-party service provider to provide Program services
25 provided that:

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1 1. Contractor is selected using a competitive procurement process; and

2 2. Wheelchair accessible vehicles are available and used when requested.

3 I. COUNTY shall procure and maintain insurance coverage during the entire term of this
4 Agreement. Proof of coverage may include commercial insurance, permissible self-insurance or
5 coverage as provided through a joints powers pool, subject to AUTHORITY review and acceptance.

6 COUNTY shall provide the following insurance coverage:

7 1. Commercial General Liability, to include Products/Completed Operations,
8 Independent Contractors', Contractual Liability, and Personal Injury Liability, and Property Damage with
9 a minimum limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate;

10 2. Automobile Liability Insurance to include owned, hired and non-owned autos with
11 a combined single limit of \$1,000,000 each accident;

12 3. Workers' Compensation with limits as required by the State of California including
13 a waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or agents; and

14 4. Employers' Liability with minimum limits of \$1,000,000 per accident, \$1,000,000
15 policy limit-disease, and \$1,000,000 policy limit employee-disease.

16 J. Proof of such coverage, in the form of an insurance company issued policy endorsement
17 and a broker-issued insurance certificate, must be received by AUTHORITY prior to commencement of
18 any work. Proof of insurance coverage must be received by AUTHORITY within ten (10) calendar days
19 from the effective date of this Agreement with AUTHORITY, its officers, directors, employees and agents
20 designated as additional insured on the general and automobile liability. Such insurance shall be primary
21 and non-contributive to any insurance or self-insurance maintained by AUTHORITY. COUNTY shall also
22 include in each subcontract the stipulation that subcontractor shall maintain coverage in the amounts
23 required as provided in this Agreement. Subcontractors will be required to include AUTHORITY and other
24 project stakeholders as (an) additional insured(s) on the commercial general liability, auto, and excess
25 liability policies.

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1 K. COUNTY shall include on the face of the Certificate of Insurance the Cooperative
2 Agreement Number C-1-3446; and, the Associate Contract Administrator's Name, Luis Martinez.

3 L. Any Contactors COUNTY procure to perform the Program services must meet the
4 following insurance coverage:

5 1. Commercial General Liability, to include Products/Completed Operations,
6 Independent Contractors', Contractual Liability, and Personal Injury Liability, and Property Damage with
7 a minimum limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate.

8 2. Automobile Liability Insurance to include owned, hired and non-owned autos with
9 a combined single minimum limit of \$1,000,000 each accident;

10 3. Workers' Compensation with limits as required by the State of California including
11 a waiver of subrogation in favor of AUTHORITY, its officers, directors, employees or agents; and

12 4. Employers' Liability with minimum limits of \$1,000,000.

13 M. Expenditure Report. Adopt an annual Expenditure Report to account for Net Revenues
14 and funds expended by the COUNTY which satisfy the Maintenance of Effort requirements. The
15 Expenditure Report shall be submitted by the end of six (6) months following the end of the COUNTY's
16 fiscal year and include the following:

17 1. All Net Revenue fund balances and interest earned.

18 2. Expenditures identified by type (i.e. capital, operations, administration, etc.) and
19 program or project.

20 **ARTICLE 4. TERM OF AGREEMENT**

21 A. This Agreement shall commence July 1, 2021 and shall continue in full force and effect
22 through June 30, 2026 (Initial Term), unless earlier terminated or extended as provided in this Agreement.

23 B. AUTHORITY, at its sole discretion, may elect to extend the term of this Agreement up to an
24 additional five (5) years, commencing July 1, 2026, and continuing through June 30, 2031 (Option Term),
25 and thereupon require COUNTY to continue to provide services, and otherwise perform, in accordance
26 with Exhibit A.

C. AUTHORITY’s election to extend the Agreement beyond the Initial Term shall not diminish its right to terminate the Agreement for AUTHORITY’s convenience or COUNTY’s default as provided elsewhere in this Agreement. The “maximum term” of this Agreement shall be the period extending from commencement through June 30, 2031, which period encompasses the Initial Term and Option Term.

ARTICLE 5. NOTICES

All notices pertaining to this Agreement and any communications from the PARTIES may be made by delivery of said notices in person or by depositing said notices in the U.S. Mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

| To COUNTY: | To AUTHORITY: |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| County of Orange | Orange County Transportation Authority |
| 1300 South Grand Avenue Building B Santa Ana, CA 92705 | 550 South Main Street P. O. Box 14184 Orange, CA 92863-1584 |
| Attention: Ericka Danczak Director, Office on Aging/VSO Tel: (714) 480-6456 <i>Email: ericka.danczak@occr.ocgov.com</i> | Attention: Luis Martinez Associate Contract Administrator Tel: (714) 560-5767 <i>Email: lmartinez1@octa.net</i> |

ARTICLE 6. FEDERAL, STATE AND LOCAL LAWS

AUTHORITY and COUNTY agree that in performance of their obligations under this Agreement, they shall comply with all applicable federal, California state and local laws, statutes and ordinances and all lawful orders, rules and regulations promulgated thereunder.

ARTICLE 7. ORDER OF PRECEDENCE

Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence:
 (1) the provisions of this Agreement, including all exhibits; (2) all other documents, if any, cited herein or incorporated by reference.

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ARTICLE 8. AUDIT AND INSPECTION OF RECORDS

COUNTY shall provide AUTHORITY, or other agents of AUTHORITY, such access to COUNTY's accounting books, program records, payroll documents and facilities as AUTHORITY deems necessary. COUNTY shall maintain such books, records, data and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during COUNTY's performance hereunder and for a period of five (5) years from the date of final payment by COUNTY. AUTHORITY's right to audit books and records directly related to this Agreement shall also extend to all first-tier subcontractors. COUNTY shall permit any of the foregoing parties to reproduce documents by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

ARTICLE 9. TERMINATION

AUTHORITY or COUNTY may, for its own convenience, terminate this Agreement at any time in whole or in part by giving the other PARTY written notice thereof of not less than thirty (30) days in advance of the specified date of termination.

ARTICLE 10. INDEMNIFICATION

A. COUNTY shall indemnify, defend and hold harmless AUTHORITY, its officers, directors, employees and agents from and against any and all claims (including attorney's fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by the negligent acts, omissions, or willful misconduct by COUNTY, its officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of the performance of this Agreement .

B. COUNTY shall maintain adequate levels of Insurance, or self-insurance to assure full indemnification of AUTHORITY.

C. As a funding source, AUTHORITY shall not be liable for any claims or losses arising from COUNTY as a result of using the fund.

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ARTICLE 11. ALCOHOL AND DRUG POLICY

A. COUNTY agrees to establish and implement an alcohol and drug program that complies with 41 U.S.C. sections 701-707, (the Drug Free Workplace Act of 1988), which is attached to this Agreement as Exhibit F. COUNTY agrees to produce any documentation necessary to establish its compliance with sections 701-707.

B. Failure to comply with this Article may result in nonpayment or termination of this Agreement.

ARTICLE 12. FORCE MAJEURE

Either PARTY shall be excused from performing its obligations under this Agreement during the time and extent that it is prevented from performing by a cause beyond its control, including, but not limited to: any incidence of fire, flood; acts of God; commandeering of material products, plants or facilities by the federal state or local government; national fuel shortage; or a material act of omission by the other PARTY; when satisfactory evidence of such cause is presented to the other PARTY, and provided further that such nonperformance is unforeseeable, beyond the control and is not due to the fault or negligence of the PARTY not performing.

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1 **IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement No. C-1-3446 to be
2 executed as of the date of the last signature below.

3 **COUNTY OF ORANGE**

ORANGE COUNTY TRANSPORTATION AUTHORITY

4
5 By: _____
6 Dylan Wright
7 Director, OC Community Services

By: _____
Darrell E. Johnson
Chief Executive Officer

8 **ATTEST:**

APPROVED AS TO FORM:

9
10 By: _____
11 Ericka Danczak
12 Director, Office on Aging/VSO

By:  _____
James M. Donich
General Counsel

13 **APPROVED AS TO FORM**

APPROVAL RECOMMENDED:

14
15 By: John Cleveland
16 John Cleveland
17 County Counsel

By: _____
Beth McCormick
Executive Director, Operations

18 **APPROVAL RECOMMENDED:**

19
20
21 By: _____
22 Jennifer L. Bergener
23 Chief Operating Officer, Operations/
24 Deputy Chief Executive Officer

25 *bm*

26 *MB*



M2 Project U

Senior Non-Emergency Medical Transportation Funding Guidelines

May 2021

1.0 Overview

The Measure M2 (M2) Project U – Senior Non-Emergency Medical Transportation (SNEMT) Program provides funding to support the Orange County Office on Aging program which provides non-emergency medical transportation service for seniors such as trips to doctor and dental appointments, therapy, dialysis, and pharmacy visits. M2 Project U SNEMT Program (Program) funding was established to continue and expand the existing program which has been funded with Tobacco Settlement Revenue (TSR) funds since 2003. The County Office on Aging administers the program which is operated through contract service providers.

The purpose of these guidelines is to provide procedures that assist in the administration of funding for the SNEMT program. **OCTA is responsible for ensuring the provisions outlined out in these guidelines are followed.**

2.0 Objectives

- To enhance the existing Orange County SNEMT Program.
- To sustain the SNEMT Program by providing funds which augment declining TSR revenue.
- To provide non-emergency medical transportation for seniors as an alternative to OCTA ACCESS paratransit service.

3.0 Eligibility Requirements & Maintenance of Effort

The County must satisfy all M2 eligibility criteria to receive the formula allocation for this program.

The Maintenance of Effort requirement, as specified in the M2 Ordinance, indicates that the County shall continue to fund Program services in an annual amount equal to the same percentage of the total annual TSR funds received by the County as of November 2006. In Fiscal Year 2006-07, the TSR percentage allocated to the Program was 5.27 percent of the overall TSR received by the County.

The County is required to enter into a cooperative agreement with OCTA to provide senior non-emergency medical transportation and to adhere to strict funding guidelines required by the M2 Ordinance.



4.0 Annual Maintenance of Effort Verification

The County must submit to OCTA an annual verification of the Program budget with supporting documentation to confirm the allocation of at least 5.27 percent of TSR funding to the Program as required by the M2 Ordinance.

Annual documentation submitted to OCTA should confirm budgeted TSR funding for the current fiscal year and actual TSR funding for the prior fiscal year.

5.0 Funding Allocation Method & Distribution

Funding for the Program is identified as no less than the TSR funds annually expended and no greater than one percent of M2 net sales tax revenues plus accrued interest. Funding allocations are based on actual sales tax receipts. Funding will be distributed on a bi-monthly basis and must be expended within three years of receipt. OCTA may grant an extension beyond the three-year limitation; however, an extension may not exceed five years from the date of the initial funding allocation. The County must submit a justification letter requesting an extension beyond the three-year limitation for review and approval by OCTA at least 90 days prior to the end of the third year from the date of receipt of funds. Requests for an extension must include a plan of expenditure.

Program earned interest must be spent on transportation activities consistent with Program eligible expenses. Interest revenues must be expended within three years of receipt.

In the event the time limits for use of Program funds are not satisfied, any retained Program funds, including interest, shall be returned to OCTA.

6.0 Service Guidelines

SNEMT services are limited to non-emergency medical trips available to individuals 60 years of age and older.

The County is responsible for establishing Program guidelines, operational policies, and administering and monitoring the provision of Program services.

The County may initiate trip prioritization if actual expenditures exceed, or are within 75 percent of, the amount of TSR and M2 funding dedicated to the program (Attachment A). **Trip prioritization refers to the ability of the County to limit trips to life sustaining trips including chemotherapy and dialysis. Trips not considered life sustaining will occur only after all life sustaining trips have been provided.**



7.0 Eligible Expenses

The County shall ensure M2 funds and earned interest are used exclusively for eligible direct program-related expenses which may include contract service providers, staff time, Program supplies and materials, marketing materials and community outreach. The County shall ensure all Program costs are fair and reasonable. Administrative costs are allowed and considered eligible program expenses consistent with the County's approved cost allocation plan. All Program expenses are subject to audit.

8.0 Program Revenue

The County must ensure their service contractors maintain adequate procedures for collecting and reporting Program revenue, including fees, donations and cash fares.

9.0 Reporting

The County is required to submit quarterly reports using a reporting template provided by OCTA. The County shall also be required to maintain supporting documentation, as specified by OCTA, to substantiate quarterly reporting data. Required reporting data may include, but is not limited to, the following:

- Quarterly TSR-Funded Trips
- Quarterly M2-Funded Trips
- Total Quarterly Trips
- Cumulative Total Trips
- Quarterly Program Operating Cost
- Quarterly OCTA Contribution
- Quarterly County Contribution
- Cumulative OCTA Contribution
- Cumulative County Contribution
- Program Monitoring Activities

Reports are due within 45 days from the end of each quarter. Failure to meet the established reporting deadline for two consecutive quarters during the fiscal year may result in a reduction of funding and/or other sanctions to be determined.



10.0 Audits & Inspection of Records

M2 funding is subject to audit. The County shall maintain program documentation and records for a period of no less than five years, including documentation evidencing the County's oversight and monitoring of contractors providing services under the Program. Program documents and records, including but not limited to contractor invoices, payroll records, trip sheets, and other program-related expenses, shall be available for review by OCTA SNEMT Program funding administrators, auditors, and authorized agents upon request. The County must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined by the OCTA Board of Directors. Audits shall be conducted by the OCTA Internal Audit Department, or other authorized agent, as determined by OCTA.

**Orange County Local Transportation Authority
Ordinance No. 3 pages B-15 through - B-16**

1 Extensions to Metrolink projects to provide effective and user-friendly connections to
2 Metrolink services and bus transit systems.

3 2. To be eligible to receive Net Revenues for Transit Extension to
4 Metrolink projects, an Eligible Jurisdiction must execute a written agreement with the
5 Authority regarding the respective roles and responsibilities pertaining to construction,
6 ownership, operation and maintenance of the Transit Extension to Metrolink project.

7 3. Allocations of Net Revenues shall be determined pursuant to a
8 countywide competitive procedure adopted by the Authority. This procedure shall include
9 an evaluation process and methodology applied equally to all candidate Transit Extension
10 to Metrolink projects. Eligible Jurisdictions shall be consulted by the Authority in the
11 development of the evaluation process and methodology.

12 B. Metrolink Gateways.

13 1. The Authority may provide technical assistance, transportation
14 planning and engineering resources for an Eligible Jurisdiction to assist in designing
15 Regional Transit Gateway facilities to provide for effective and user-friendly connections to
16 the Metrolink system and other transit services.

17 2. To be eligible to receive Net Revenues for Regional Gateway
18 projects, an Eligible Jurisdiction must execute a written agreement with the Authority
19 regarding the respective roles and responsibilities pertaining to construction, ownership,
20 operation and maintenance of the Regional Gateway facility.

21 3. Allocations of Net Revenues shall be determined pursuant to a
22 countywide competitive procedure adopted by the Authority. This procedure shall include
23 an evaluation process and methodology applied equally to all candidate Regional Gateway
24 projects. Eligible Jurisdictions shall be consulted by the Authority in the development of the
25 evaluation process and methodology.

26 C. Mobility Choices for Seniors and Persons with Disabilities.

27 1. An Eligible Jurisdiction may contract with another entity to
28 perform all or part of a Mobility Choices for Seniors and Persons with Disabilities project.

1 2. A senior is a person age sixty years or older.

2 3. Allocations.

3 a. One percent (1%) of the Net Revenues shall be allocated
4 to the County to augment existing senior non-emergency medical transportation services
5 funded with Tobacco Settlement funds as of the effective date of the Ordinance. The
6 County shall continue to fund these services in an annual amount equal to the same
7 percentage of the total annual Tobacco Settlement funds received by the County. The Net
8 Revenues shall be annually allocated to the County in an amount no less than the Tobacco
9 Settlement funds annually expended by the County for these services and no greater than
10 one percent of net revenues plus any accrued interest.

11 b. One percent (1%) of the Net Revenues shall be allocated
12 to continue and expand the existing Senior Mobility Program provided by the Authority.
13 The allocations shall be determined pursuant to criteria and requirements for the Senior
14 Mobility Program adopted by the Authority.

15 c. One and forty-seven hundredths percent (1.47%) of the
16 Net Revenues shall be allocated to partially fund bus and ACCESS fares for seniors and
17 persons with disabilities in an amount equal to the percentage of partial funding of fares for
18 seniors and persons with disabilities as of the effective date of the Ordinance, and to
19 partially fund train and other transit service fares for seniors and persons with disabilities in
20 amounts as determined by the Authority.

21 d. In the event any Net Revenues to be allocated for seniors
22 and persons with disabilities pursuant to the requirements of subsections a, b and c above
23 remain after the requirements are satisfied then the remaining Net Revenues shall be
24 allocated for other transit programs or projects for seniors and persons with disabilities as
25 determined by the Authority.

26 D. Community Based Transit/Circulators.

27 1. The Authority may provide technical assistance, transportation
28 planning, procurement and operations resources for an Eligible Jurisdiction to assist in

SENIOR NON-EMERGENCY MEDICAL TRANSPORTATION PROGRAM
RENEWED MEASURE M MAINTENANCE OF EFFORT

According to Orange County Local Transportation Authority Ordinance No. 3, Renewed Measure M (M2) indicates that the County shall be allocated one percent (1%) of the Net Revenues to augment existing Senior Non-Emergency Medical Transportation (SNEMT) services funded with Tobacco Settlement Revenue (TSR) funds. The Net Revenue shall be annually allocated to the County in an amount no less than the TSR funds annually expended by the County for these services and no greater than one percent of net revenue plus any accrued interest.

The Maintenance of Effort (MOE) requirement indicates that the County shall continue to fund the SNEMT program services in an annual amount equal to the same percentage of the total annual Tobacco Settlement Revenue funds (TSR) received by the County as of November 2006.

In FY 2006-07, the TSR percentage allocated to the SNEMT program was 5.27% of the overall TSR received by the County. To meet the MOE requirement, the County shall continue to fund these services annually at an amount no less than 5.27% of the total annual TSR funds received by the County.



405 W. 5TH STREET, 7TH FLOOR
SANTA ANA, CA 92701
www.ocalthinfo.com

OFFICE OF THE DIRECTOR

April 19, 2021

Orange County Transportation Authority
Jack Garate, Paratransit Services Department Manager
550 South Main Street
P.O. Box 14184
Orange, CA 92868

RE: Senior Non-Emergency Medical Transportation (SNEMT) program

Dear Mr. Garate,

The purpose of this letter to confirm that the County of Orange provides the maintenance of effort funds to the Orange County Transportation Authority Measure M2 funds for the Senior Non-Emergency Medical Transportation (SNEMT) program.

The Maintenance of Effort (MOE) required by Measure M2 is provided by the County of Orange based upon an annual amount equal to the same percentage of the total Tobacco Settlement Revenue (TSR) funds received by the County as of November 2006. In FY 2006-07, the TSR percentage allocated to the SNEMT program was 5.27%. To date, the County has annually met, or exceeded, this MOE requirement.

In FY 2019-20, the total amount of new TSR funds received by the County was \$29,606,734. Of that amount, \$1,665,887 in new TSR funds was allocated to the SNEMT program for FY 2019-20, representing at least 5.27% of overall County receipts.

The total amount of TSR budgeted for SNEMT in FY 2019-20 was \$2,703,710; this included \$1,037,823 in unspent funds from prior years' allocations available to fund the program at a higher level, as needed. These TSR allocations meet 100% of the MOE required by the County for the SNEMT program. At the end of FY 2019-20, the actual TSR funded SNEMT program expenditures were \$1,465,777.

Senior Non-Emergency Medical Transportation (SNEMT) program

April 15, 2021

Page 2 of 2

Please feel free to reach out to Dee Dee Franks, HCA Financial Services Manager, at (714) 834-5363 should you have any questions or require additional information.

Sincerely,

DocuSigned by:

AFEE619990EB464...

Clayton Chau MD, PhD
Director/County Health Officer

CC:DF

**SENIOR NON-EMERGENCY MEDICAL TRANSPORTATION PROGRAM
PROPOSED M2 FUNDING
CLIENT PRIORITY CRITERIA**

Starting in April 2011, the Senior Non-Emergency Medical Transportation Program (SNEMT) will benefit from increased funding provided by Renewed Measure M (M2). As such, The Office on Aging will expand the program to include all persons age 60 and older. However, with the combination of a rapidly growing 60+ population and long-term uncertainties related to the funding sources for this program, it is necessary to develop procedures to prioritize trips to ensure the program stays within available revenue sources.

M2 funding for the SNEMT program will be made available on a bi-monthly basis. Total funding allocations will be based on actual sales tax receipts. The Office on Aging will be required to submit quarterly reporting with trip data and budget-to-actual program expenditures. If actual expenditures submitted on the quarterly report are 75% or more of the amount of funding dedicated to the program (MOE + M2 revenues) then the Office on Aging will have authorization to prioritize trips.

If the Office on Aging believes it is necessary to begin trip prioritization, they shall provide OCTA with a Notice of Intent for Trip Prioritization within 30 days and shall explain the reasoning for initiating trip prioritization. Trip prioritization will include the flexibility to leverage trips with other transportation resources to maximize program services and ensure that SNEMT serves as many seniors as possible. An example of leveraging trips with other resources is as follows: a client requiring trip services to chemotherapy may utilize other specialized transportation services to the medical appointment destination and utilize SNEMT transportation services for the return trip.

Once trip prioritization has been activated, it will remain in effect through the end of the same fiscal year in which the activation occurred. At the end of the fiscal year and based on information provided in the quarterly report, the need for prioritization will be reevaluated by the Office on Aging to determine if deactivation of prioritization is appropriate. It is important to note that if sufficient funding is available, all eligible older adults will be served, even if trip prioritization is still activated the following criteria will be utilized for SNEMT trip prioritization

PRIORITY CATEGORIES

Priority 1: Individuals who are:

Age 60 and over, at or below 50% of the Area Median Income, have no other access to specialized transportation services and in need of the following medically related trips:

- o Need for life sustaining medical care such as dialysis, chemotherapy, radiation treatment
- o Multi-system failure or conditions requiring immediate medical supervision/care, e.g. diabetes, heart disease, Chronic Obstructive Pulmonary Disease (COPD)
- o Surgery or non-elective (immediate need) procedure

Priority 2: Individuals who are:

Age 60 and over in need of the following medically related trips:

- o Need for life sustaining medical care such as dialysis, chemotherapy, radiation treatment
- o Multi-system failure or conditions requiring immediate medical supervision/care, e.g. diabetes, heart disease, Chronic Obstructive Pulmonary Disease (COPD)
- o Surgery or non-elective (immediate need) procedure

Priority 3: Individuals who are:

Age 60 and over, at or below 50% of the Area Median Income, have no other access to specialized transportation services and are in need of the following medically related trips:

- o Rehab/Physical Therapy with a physical therapist
- o Dental
- o Elective procedures
- o Vision
- o All other non-urgent medical appointments

Priority 4: Individuals who are:

Age 60 and over in need of the following medically related trips:

- Rehab/Physical Therapy with a physical therapist
- Dental
- Elective procedures
- Vision
- All other non-urgent medical appointments

Priority 5: Individuals who are:

Age 60 and over in need of the following medically related trips:

- Health education
- Disease management



Senior Non-Emergency Medical Transportation (SNEMT) Quarterly Report

Reporting Period: _____ Quarter: _____ FY: _____

| Trip Category | Quarterly M2 Trips | Quarterly M2 Costs | Quarterly TSR Trips | Quarterly TSR Costs | Quarterly Denials | Total Year-to-Date Trips | Total Year-to-Date Costs | Year-to-Date Denials |
|---------------|--------------------|--------------------|---------------------|---------------------|-------------------|--------------------------|--------------------------|----------------------|
| Standard | - | | | \$ - | - | - | \$ - | - |
| Priority 1 | - | | | - | - | - | - | - |
| Priority 2 | - | | | - | - | - | - | - |
| Priority 3 | - | | | - | - | - | - | - |
| Priority 4 | - | | | - | - | - | - | - |
| Priority 5 | - | | | - | - | - | - | - |
| Total | - | | | \$ - | - | - | \$ - | - |

Summary

| Year-to-Date | Year-to-Date Actuals | Year-to-Date Budget | Year-to-Date Variance |
|-----------------------------------|----------------------|---------------------|-----------------------|
| Local Match* | \$ - | \$ - | \$ - |
| M2 | - | - | - |
| Total | \$ - | \$ - | \$ - |
| Prioritization Threshold** | | | 0% |

Factors:

*Local Match requirement based on FY2006-07 SNEMT funding allocation percentage of 5.27%

** Threshold of 75%+ (Actuals as a percentage of Total Budget) prompts prioritization measures



DRUG-FREE WORKPLACE ACT OF 1988

THE FEDERAL LAW

This law, enacted November 1988, with subsequent modification in 1994 by the Federal Acquisition Streamlining Act, (*raising the contractor amount from \$25,000 to \$100,000*), requires compliance by all organizations contracting with any U. S. Federal agency in the amount of \$100,000 or more that does not involve the acquisition of commercial goods via a procurement contract or purchase order, and is performed in whole in the United States. It also requires that *all* organizations receiving federal grants, regardless of amount granted, maintain a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988. The Law further requires that all *individual* contractors and grant recipients, regardless of dollar amount/value of the contract or grant, comply with the Law.

Certification that this requirement is being met must be done in the following manner:

By publishing a statement informing all covered employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the covered workplace, and what actions will be taken against employees in the event of violations of such statement.

By providing **ALL** covered employees with a copy of the above-described statement, including the information that as a condition of employment on the Federal contract or grant, the employee must abide by the terms and conditions of the policy statement.

For Federal contractors this encompasses employees involved in the performance of the contract. For Federal grantees all employees must come under this requirement as the act includes all "direct charge" employees (those whose services are directly & explicitly paid for by grant funds), and "indirect charge" employees (members of grantee's organization who perform support or overhead functions related to the grant and for which the Federal Government pays its share of expenses under the grant program).

Among "indirect charge" employees, those whose impact or involvement is insignificant to the performance of the grant are exempted from coverage. Any other person, who is on the grantee's payroll and works in any activity under the grant, even if not paid from grant funds, is also considered to be an employee.

Temporary personnel and consultants who are on the grantee's payroll are covered. Similar workers, who are not on the grantee's payroll, but on the payroll of contractors working for the grantee, are not covered even if physical place of employment is in the grantee's workplace.

By establishing a continuing, drug-free awareness program to inform employees of the dangers of drug abuse; the company's drug-free workplace policy; the penalties for drug abuse violations occurring in the workplace; the availability of any drug counseling, rehabilitation, and/or employee assistance plans offered through the employer.

By requiring each employee directly involved in the work of the contract or grant to notify the employer of any criminal drug statute conviction for a violation occurring in the workplace not less than five (5) calendar days after such conviction.

By notifying the Federal agency with which the employer has the contract or grant of any such conviction within ten (10) days after being notified by an employee or any other person with knowledge of a conviction.

By requiring the imposition of sanctions or remedial measures, including termination, for an employee convicted of a drug abuse violation in the workplace. These sanctions may be participation in a drug rehabilitation program if so stated in the company policy.

By continuing to make a "good-faith" effort to comply with all of the requirements as set forth in the Drug-Free Workplace Act.

All employers covered by the law are subject to suspension of payments, termination of the contract or grant, suspension or debarment if the head of the contracting or granting organization determines that the employer has made any type of false certification to the contracting or grant office, has not fulfilled the requirements of the law, or has excessive drug violation convictions in the workplace. Penalties may also be imposed upon those employing a number of individuals convicted of criminal drug offenses as this demonstrates a lack of good faith effort to provide a drug-free workplace. The contract or grant officer may determine the number on a case-by-case basis. Employers who are debarred are ineligible for other Federal contracts or grants for up to five (5) years. Compliance may be audited by the Federal agency administering the contract or grant.

The Drug-free Workplace Act does not require employers to establish an employee assistance program (EAP) or to implement drug testing as a part of the program.

Source: Federal Registers April 11, 1988 & May 25, 1990 & the Federal Acquisition Streamlining Act of 1994 (FASA).