



AGENDA STAFF REPORT

Control: 26001817

MEETING DATE: 09/29/2026
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): All Districts
SUBMITTING AGENCY/DEPARTMENT: County Executive Office
DEPARTMENT CONTACT PERSON(S): Kimberly Engelby, 714-834-3530
Maria Agrusa, 714-834-6889

SUBJECT: Approve Contract Amendments under Orange County Contract Cost Reduction Program

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement to form	DISCUSSION
		3 Votes Board Majority

Budgeted: N/A	Current Year Cost: See Financial Impact Section	Annual Cost: N/A
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Staffing Impact: No	Funding Source: See Financial Impact Section	Sole Source: No
Current Fiscal Year Revenue: N/A		County Audit in Last 3 years: No
Levine Act Review Completed? Yes		

Prior Board Action: 4/14/2026 # 42, 6/24/2025 #70, 4/8/2025 #S26D, 1/28/2025 #29

RECOMMENDED ACTION(S):

Approve and authorize the County Procurement Officer or Deputized designee to execute contract amendments for Contracts listed in Attachment B, under the Orange County Contract Cost Reduction Program.

SUMMARY:

Approval to execute the Contracts listed in Attachment B, under the Orange County Contract Cost Reduction Program will support the County of Orange's cost-savings initiatives and ensure transparency and standardization across all departments for this program.

BACKGROUND INFORMATION:

As local governments throughout the State of California are facing difficult economic times, innovative ideas to reduce spending and improve efficiency are critical. The County of Orange (County) is experiencing various challenges including declining revenues and state and federal budget uncertainty. As such, proactive measures are necessary to assist in managing these challenges. On January 28, 2025, the County Executive Office/County Procurement Office (CEO/CPO) was directed by Supervisor Wagner to establish and implement the Orange County Contract Cost Reduction Program (Program), offering a one or

two-year contract extension for County suppliers who are willing to offer a 10 percent or 15 percent invoice reduction. The Program includes communications to the suppliers, informing and inviting participation in the Program, and collaborating with suppliers and County departments to amend contracts, reflecting the extended term and cost reduction. This effort is consistent with cost-saving initiatives the County is currently looking for, while providing some level of stability for the County and its suppliers beyond the next fiscal year. Please see below table for prior Board action.

Board Date	Term	Maximum Obligation	Board Action
January 28, 2025	January 28, 2025, to December 31, 2026	N/A	Board of Supervisors (Board) direction to establish and implement the Orange County Contract Cost Reduction Program
April 8, 2025	April 8, 2025, to December 31, 2026	N/A	Board approved Program and Addendum A to 2024 Contract Policy Manual
June 24, 2025	June 24, 2025, to December 31, 2026	N/A	Board approved Program's additional participating contracts
April 14, 2026	April 14, 2025, to December 31, 2026	N/A	Board approved Program's additional participating contracts

CEO/CPO now requests the Board's approval of the Program's Additional Participating Service Contracts (Attachment B), which exceeds the \$200,000 annual threshold, as required pursuant to the Board's approval of the Program and Section A(5) of the approved Program.

FINANCIAL IMPACT:

Only contracts on their last term as of April 8, 2025, expiring up to December 31, 2026, are eligible for this Program. Anticipated reductions in the costs for contracted goods and/or services will be realized upon Board approval, through December 2028 as applicable. To date the County has executed 127 amendments for the Cost Reduction Program, with a potential cost savings of \$6,593,278.28. The County Procurement Office will return to the Board to provide status, participation, and the amount and type of cost-savings realized.

The contract amendments include provisions that the contracts are contingent upon the availability of funds and inclusion of sufficient funds in the budget approved by the Board for each fiscal year the contracts remain in effect or operation. In the event such funding is terminated or reduced, the County may terminate the contracts, reduce the County's maximum obligation or modify the contracts, without penalty.

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A – Addendum A to 2024 Revised Contract Policy Manual – Orange County Contract Cost Reduction Program

Attachment B - Orange County Contract Cost Reduction Program – Additional Participating Contracts (September 29, 2026)