

COUNCIL ACTION FORM

SUBJECT: CYRIDE-HIRTA CONTRACT RENEWAL FOR DIAL-A-RIDE SERVICE

BACKGROUND:

In May 2012, CyRide and the City of Ames entered into a three-year contract, with annual renewals, for the Heart of Iowa Regional Transit Association (HIRTA) to provide Dial-A-Ride (DAR) service as required by the Americans With Disabilities Act on behalf of CyRide. HIRTA began operation of DAR service on July 2, 2012. The current contract expires on June 30, 2013, unless it is renewed on July 1, 2013.

CyRide staff began discussions with HIRTA regarding renewal of the DAR contract for the 2013-2014 budget year. As a result of these discussions, HIRTA provided a letter mutually agreeing to a second year, with approximately a 4% increase in rates. **The agreement allows for annual increases with notification and agreement by CyRide/City of Ames.** A comparison of current year's rates versus the proposed rates is described in the table below.

HIRTA Contract Rates for DAR Service

Rate Category	2012-2013 Budget Rate	2013-2014 Budget Rate	% Change
Weekday Trips	\$12.06 per trip	\$12.55 per trip	4.0%
Weeknight Trips	\$40.56 per hour	\$42.15 per hour	3.9%
Weekend Trips	\$40.56 per hour	\$42.15 per hour	3.9%

The above increases are within industry standards for transit operating contracts. The cost per hour and trip is lower than CyRide's cost to provide the service. CyRide's cost to provide the same service would be \$50,000 - \$80,000 more to the City of Ames. Thus **HIRTA is a more economical way to provide this service to residents.**

The budget for FY 2012/13 is \$164,000. Through the end of March, 2013, only \$91,496 was drawn down for this service. The expenditures are currently tracking lower than FY 2011/12 when the actual for the year was \$162,556. **The budget for FY 2013/14 assumed a rate increase over FY 2012/13 of around 5%** and was set at \$172,000.

Customer Satisfaction Update

In reviewing customer comments received from DAR passengers, the first six months of service generated a number of customer comments including:

- Difficulty in reaching a dispatcher to schedule/cancel a trip
- Customers being late to appointments
- Dispatcher/Scheduler confusion on DAR service requirements

- Missing customer trips
- Frustration with the customer's driver

CyRide staff has worked with HIRTA staff to address each comment received, and through this discussion, HIRTA has modified their telephone service to improve timeliness of telephone calls, worked with their dispatchers and schedulers to better understand the location of buildings on Iowa State University's campus, provided additional training to dispatchers/schedulers on the difference between DAR service and HIRTA's own programs, and adjusted staffing to address service concerns. Since January 2013, the number of customer complaints has been reduced dramatically from several complaints per week to an average of less than one per month. HIRTA staff has worked very hard to address issues with their operation of DAR service.

As a result, CyRide staff requests consideration of extending the CyRide-HIRTA Dial-A-Ride contract for the 2013-2014 budget year.

The Transit Board of Trustees approved the HIRTA contract extension at their May 9, 2013 meeting.

ALTERNATIVES:

1. Approve a contract extension with Heart of Iowa Regional Transit Association for the 2013-2014 budget year at approximately a 4% increase in rates.
2. Do not enter into a contract extension with HIRTA for Dial-A-Ride service, which will require CyRide to begin directly operating service on July 1, 2013.

MANAGER'S RECOMMENDED ACTION:

While there have been challenges with the DAR service this last year, HIRTA has systematically made improvements to their service to address customer concerns. Additionally, operation of DAR service by **HIRTA provides the most economical delivery of service** within the community by combining DAR and HIRTA program services, as opposed to separate, at times duplicative services.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby entering into a contract extension with HIRTA to provide Dial-A-Ride service beginning July 1, 2013.