

COUNCIL ACTION FORM

SUBJECT: INTERGOVERNMENTAL AGREEMENT WITH HIRTA FOR CYRIDE DIAL-A-RIDE BUS SERVICE

BACKGROUND:

Currently, CyRide has a three-year contract, with annual renewals, for the Heart of Iowa Regional Transit Authority (HIRTA) to provide door-to-door transportation for CyRide's disabled customers. The service provided is called Dial-A-Ride (DAR), and follows the requirements of the American's With Disabilities Act (ADA). This federal requirement states that a public transit system receiving federal funding is required to operate a "complementary," at least curb-to-curb, service for individuals not able to use the regular, fixed-route bus system. The HIRTA-CyRide contract for this service will expire on June 30, 2015.

Previous bids for service have resulted in no proposals received, therefore, CyRide has entered into a governmental agreement with HIRTA for the provision of Dial-A-Ride service. Without potential bidders for the service and the current contract expiring shortly, CyRide has two options for the provision of DAR service during the 2015-2016 budget year: contract with HIRTA or directly operate service. The annual estimated cost to contract with HIRTA is approximately \$202,000, based on anticipated ridership demand and a 4% rate increase from current year's rates. This increase is the same percentages as the last two years as detailed below.

| Type of Rate | 2014-2015 Rate | 2015-2016 Rate | % Change |
|---|---------------------------|---------------------------|-----------------|
| Per Trip Rate (weekdays) | \$13.04 | \$13.56 | 4.0% |
| Hourly Rate (Weekday evenings and weekends) | \$43.87 | \$45.62 | 4.0% |

If CyRide directly operated service this next year, the cost is anticipated to be between \$500,000 and \$600,000 due to the need to purchase capital and CyRide's higher operational cost.

The terms proposed for a three year contract with HIRTA are identical to the previous contract, except for new term dates, the additional of new federal requirements, and corrected contract language.

The contracts were also approved by the Transit Board of Trustees on April 30, 2015.

ALTERNATIVES:

1. Approve a new three-year contract with Heart of Iowa Regional Transit Agency for the 2015-2016 budget year at approximately a 4% increase in rates.
2. Table action on the CyRide-HIRTA new contract to provide additional information to the Transit Board of Trustees, as requested.
3. Do not enter into a new contract for Dial-A-Ride service and begin directly operating service on July 1, 2015.

MANAGER'S RECOMMENDED ACTION:

The provision of DAR service by HIRTA provides a win-win situation for both organizations. CyRide fulfills its federal transit obligations for complementary paratransit service at a lower cost than it could provide service. HIRTA is able to more efficiently provide service within the County by combining DAR and County trips and ultimately provide more service within the city/county. .

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract for Dial-A-Ride services with the Heart of Iowa Regional Transit Agency.