

**COUNCIL ACTION FORM**

**SUBJECT:  CYRIDE CONTRACT FOR DIAL-A-RIDE SERVICE**

**BACKGROUND:**

CyRide entered into a three-year contract beginning in 2005 with Heartland Senior Services (HSS) for the provision of Dial-A-Ride service serving disabled residents of Ames. This service is required by the federal government as part of the Americans With Disabilities Act to provide complimentary, door-to-door bus service for persons with disabilities. Until 2005, CyRide had provided this service in-house; however, it was deemed to be mutually beneficial to both organizations to contract this service.

The three-year contract is set to expire on June 30, 2008; however, Federal Transit Administration regulations allow transit systems to enter into a five-year contract for services. Therefore, in working with legal counsel it was determined to be most beneficial for CyRide to extend the existing contract an additional two years as opposed to rebidding the contract. The main reason for this decision was based upon the limited availability of contractors to provide this service. The last bid in 2005 garnered a single bid from HSS.

There are several modifications to the contract (attached) which are detailed below:

1. **Duration:** Extension to June 30, 2010 with an annual renewal.
2. **Compensation:**   Weekday Rates:  
                          2008-2009 rate - \$10.30 per passenger trip  
                          2009-2010 rate - \$10.60 per passenger trip  
  
                          Weekend Rates:  
                          2008-2009 rate - \$35.00 per hour  
                          2009-2010 rate - \$36.00 per hour

Current rates paid to HSS for weekdays are \$10.00 per passenger trip and weekends \$34.00 per hour. The existing contract also has a fuel surcharge amendment that addresses fuel volatility that would continue under the contract extension. A surcharge is levied for fuel prices above \$2.30 per gallon.

3. **Bus Use Agreement:** Last fall, the Transit Board and City Council approved the purchase and lease of a vehicle to HSS for the provision of CyRide's Dial-A-Ride service. This contract incorporates terms and conditions for the use and

maintenance of this vehicle. The following briefly summarizes the highlights of these terms.

- CyRide will purchase and have the vehicle painted white, provide maintenance services on the vehicle, billed at CyRide's direct cost.
- HSS will equip the vehicle, follow CyRide's maintenance program, wash the bus daily in the winter using CyRide's washer, allow only drivers with CDL licenses and properly trained to operate the vehicle, and insure the vehicle.

This contract was approved by the Heartland Senior Services Board of Directors on April 28, 2008 and the CyRide Transit Board of Trustees on June 2, 2008.

**ALTERNATIVES:**

1. Approve a contract extension with Heartland Senior Services through June 2010 for the provision of CyRide's Dial-A-Ride service and for the vehicle use conditions established for this service.
2. Modify terms of the contract extension per City Council priorities.
3. Refer the contract to staff for further development.

**MANAGER'S RECOMMENDED ACTION:**

Contracting with Heartland Senior Services has been a cost-effective way to provide door-to-door bus service to the Community's persons with disabilities. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract extension and terms for use of a CyRide vehicle for Dial-a-Ride service.