

COUNCIL ACTION FORM

SUBJECT: **APPROVAL OF ASSET CONTRACT WITH HIRTA**

BACKGROUND:

The Heart of Iowa Regional Transit Agency (HIRTA) is the state-appointed regional agency for the transit district that includes Story County. HIRTA had contracted with Heartland Senior Services to provide transit services in the county until July 1, 2012, when service was transferred back to HIRTA. Heartland had received funds from ASSET to enhance the transit services and provide reduced rates to certain groups of riders. Many riders use this transit service to go to and from other human services agencies in the area.

Because Heartland had indicated that service would be transferred to HIRTA, the ASSET funders allocated transportation funds but did not award contracts for 2012/13. The City allocated \$37,957 for transportation services through ASSET. ASSET staff agreed to make contract recommendations once HIRTA had one quarter's worth of ridership and cost information.

HIRTA has provided staff with information indicating that City rides cost \$10.77, County rides cost \$15.04, and rides to Iowa City cost \$120.01. Staff feels comfortable that these cost estimates are reasonable and is asking for the Council's approval to enter into a contract with HIRTA. Council should note that, although the fiscal year started several months ago, HIRTA can be reimbursed for services that have already been delivered.

ALTERNATIVES:

1. Approve a contract with HIRTA for 2012/13 in an amount not to exceed \$37,957.
2. Do not approve a contract.

MANAGER'S RECOMMENDED ACTION:

Effective transportation services are a critical component to delivering human services in the community, and transportation is one of the Council's ASSET priorities for 2012/13. City funds will be used to enhance the service the HIRTA is able to provide.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract with HIRTA for 2012/13 in an amount not to exceed \$37,957.