

# Staff Summary Report



Council Meeting Date: February 5, 2009

Agenda Item Number: \_\_\_\_\_

**SUBJECT:** Requests approval of the fourth amendment to the intergovernmental agreement with the Regional Public Transportation Authority (RPTA) for purchase of paratransit services in Tempe during fiscal year 2008/2009.

**DOCUMENT NAME:** 20090205PWgj01 **TRANSPORTATION PLANNING (1101-01)**

**SUPPORTING DOCS:** Yes

**COMMENTS:** (Contract C2004-241d) Cost to Tempe is \$454,062 during fiscal year 2008/2009.

**PREPARED BY:** Greg Jordan, Transit Administrator, 858-2094

**REVIEWED BY:** Carlos de Leon, Deputy Public Works Manager, 350-8205  
Glenn Kephart, Public Works Manager, 350-8527

**LEGAL REVIEW:** Teresa Voss, Assistant City Attorney, 350-8814

**FISCAL NOTE:** Funding for this service is provided in cost center 3914 / account codes 6622.

**RECOMMENDATION:** Approve the fourth amendment to the intergovernmental agreement with the RPTA for the purchase of paratransit services.

**ADDITIONAL INFO:** Amendment #4 has four components:

1. ***Dial-a-Ride Services (\$394k)*** – In response to increases in ADA demand along with increases in labor and fuel costs, amendment #4 increases service levels and associated costs. Tempe’s estimated gross cost for dial-a-ride service is \$2,063,274, 33 percent higher than fiscal year 07/08. Tempe’s estimated net cost of \$393,768 - an 11 percent increase compared to fiscal year 07/08 - reflects offsets including Prop. 400 ADA funding (\$1.6 million), fare revenue (\$63k), and FTA funding (\$5k). Prop. 400 ADA funding covers 100 percent of the cost of ADA dial-a-ride trips.
2. ***Dial-a-Ride Interactive Voice Response System (\$5k)*** - Provides Tempe’s local match (\$5,294) to purchase interactive voice response system. RPTA has secured FTA New Freedom Grant (Section 5317) funds which cover 80 percent of the project. The system allows dial-a-ride users 24 hour access to cancel trips, receive automated trip status information, and courtesy calls when drivers are within five minutes.
3. ***Alternative Transportation Services (\$55k)*** – Provides Tempe’s local share (\$55,000) to fund taxi coupons for Tempe seniors and person’s with disabilities. This multi-city project coordinated by RPTA has a total budget of \$1.1 million, 44 percent of which is expected to be funded by FTA’s New Freedom Grant with the remainder provided by the cities relative to their participation levels.
4. ***Prop. 400 ADA Funding (\$2.2 million)*** – \$2.2 million is allocated to Tempe for ADA trips taken during fiscal year 08/09. Of this amount, \$1.6 million is earmarked to fund the cost of ADA dial-a-ride service described above. The remaining \$600k is available for future uses that involve documented ADA trips.

**INTERGOVERNMENTAL  
AGREEMENT AMENDMENT**

**CONTRACT # 169-32-2009**

As of the 1st day of July, 2008 this amends the following items of the East Valley Dial-a-Ride Agreement entered into between the City of Tempe and the RPTA, dated the 1st day of July, 2004 as amended July 1, 2005, July 1, 2006 and July 1, 2007.

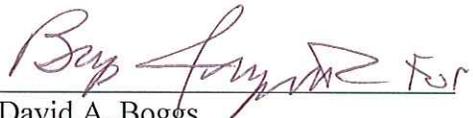
The following sections replace and supersede those sections of the agreement entered into July 1, 2004, as amended July 1, 2005, July 1, 2006 and July 1, 2007.

The attached Schedule C replaces and supersedes Schedule C entered into July 1, 2007.

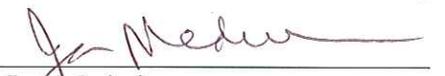
The attached Schedule D replaces and supersedes Schedule D entered into July 1, 2007.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 2008.

By: \_\_\_\_\_  
Hugh Hallman  
Mayor

By:   
David A. Boggs  
Executive Director

ATTEST: \_\_\_\_\_  
Tempe City Clerk

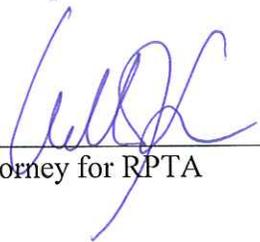
ATTEST:   
Jon Medwin  
Contracts and Procurement  
Manager

ATTEST:   
Michael Taylor  
Acting Deputy Executive Director  
Finance

**INTERGOVERNMENTAL AGREEMENT DETERMINATION**

In accordance with the requirements of A.R.S. Section 11-952(D), each of the undersigned attorneys acknowledge that: (1) they have reviewed the above Agreement on behalf of their respective clients; and, (2) as to their respective clients only, each attorney has determined that this Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona.

\_\_\_\_\_  
For the City of Tempe

  
\_\_\_\_\_  
Attorney for RPTA

## SCHEDULE C

### FINANCIAL INFORMATION

I. Sources of Project Operating Budget:  
FY 2008-2009

For the period of time July 1, 2008 through June 30, 2009, the City of Tempe will pay RPTA **\$393,768.00** for provision of East Valley Dial-a-Ride services in twelve (12) monthly installments of **\$32,814.00** and shall become due within thirty (30) calendar days after the receipt of an invoice from RPTA.

Funding for the provision of dial-a-ride services under this agreement will be proportionately allocated to City and the Other Cities based upon the number of vehicle revenue service hours (VRSH) provided in the respective city or town. VRSH shall be allocated between the cities and towns based upon the actual number of minutes vehicle(s) are located within the geographic boundaries of each city and town. VRSH shall accrue from the moment a vehicle picks-up its first passenger at the beginning of a daily shift until the vehicle drops-off its last passenger at the end of a daily shift. VRSH shall exclude any time (such as mechanical breakdown time and lunch breaks) when the vehicle is not available to provide revenue generating passenger transportation. RPTA shall maintain driver logs and/or dispatcher records showing the times at which vehicles are in service and the times at which vehicles enter and leave each city's or town's boundaries, together with all other information necessary to determine VRSH as described herein.

At the end of each quarter, RPTA will conduct a financial reconciliation of all costs of service (including any administrative fees) for informational purposes only. At the end of the fiscal year, a final reconciliation will be performed. If it is found that City has paid more than its share of the costs of service, RPTA shall refund such overpayment to City. Conversely, if City has under paid its share of the costs of services, RPTA shall bill the City for the underpayment.

II. Projected Service Level: FY 2008-2009

(For the period July 1, 2008 – June 30, 2009)

A. Revenue Hours:

Tempe: 27,908

III. Administrative Fee

Included in the estimated operating budget above, is a prorated fee of **\$100,129** charged by RPTA to administer, monitor, and market the project. The administrative fee has been divided among the cities and towns based upon the actual number of VRSH provided in each city or town. The Administrative Fee, and all service fees, will be due on a monthly basis, commencing July 1, 2008.

#### IV Interactive Voice Response System

In addition to the estimated operating Budget above the City of Tempe will provide **\$5,294.09** as its share of the local matching funds to purchase an Interactive Voice Response System (IVR) for the East Valley Dial-a-Ride. The estimated cost of the IVR is \$180,000 of which 80 percent will be paid with FTA New Freedom (Section 5317) capital funds approved for this mobility management project. The IVR will improve dial-a-ride customer service and efficiency by providing customers access 24 hours a day, seven days a week. The 24/7 access will:

- Decrease No Shows – as customers can call at any time to cancel trips and trip reminder calls can be made the night before
- Raise customer service staff productivity – as “where’s my ride” calls can be handled by the IVR and free up employees to handle more complex calls
- Improve driver efficiency by calling passengers five minutes before the vehicle arrives reducing trip delays

For the period of time July 1, 2008 through June 30, 2009, the City of Tempe will pay RPTA **\$5,294.09** for their share of the local match money to purchase an interactive Voice Response System (IVR) to be paid in twelve (12) monthly installments of **\$441.17** that shall become due within thirty (30) calendar days after the receipt of an invoice from RPTA.

**SCHEDULE C Cont.**  
**EAST VALLEY DIAL A RIDE OPERATING COST PROJECTIONS FY 08/09**

East Valley DIAL-A-RIDE  
 Operating Budget  
 FY 08/09

	Total	Chandler	Percent	Gilbert	Percent	Mesa	Percent	Scottsdale	Percent	Tempe	Percent
Boardings	244,000	25,132	10.3%	16,836	6.9%	115,168	47.2%	42,944	17.6%	43,920	18.0%
Revenue Hours	135,912	15,102	11.1%	11,615	8.5%	57,068	42.0%	24,222	17.8%	27,908	20.5%
Gross Contractor Cost	\$ 8,311,563	\$ 923,527	11.1%	\$ 710,293	8.5%	\$ 3,489,921	42.0%	\$ 1,481,264	17.8%	\$ 1,706,666	20.5%
Fuel Cost	\$ 1,001,897	\$ 111,324	11.1%	\$ 85,621	8.5%	\$ 420,684	42.0%	\$ 178,555	17.8%	\$ 205,726	20.5%
Facility Costs	\$ 247,171	\$ 27,464	11.1%	\$ 21,123	8.5%	\$ 103,784	42.0%	\$ 44,050	17.8%	\$ 50,753	20.5%
Admin. & Indirect Costs	\$ 487,635	\$ 54,183	11.1%	\$ 41,673	8.5%	\$ 204,752	42.0%	\$ 86,905	17.8%	\$ 100,129	20.5%
Gross EVDAR Svc Ops	\$ 10,048,266	\$ 1,116,498		\$ 858,709		\$ 4,219,141		\$ 1,790,775		\$ 2,063,274	
Less Fares	\$ (380,000)	\$ (39,140)	10.3%	\$ (26,220)	6.9%	\$ (179,360)	47.2%	\$ (66,880)	17.6%	\$ (68,400)	18.0%
Less PTF ADA Funds	\$ (926,528)	\$ (926,528)	86.0%	\$ (749,240)	90.0%	\$ (2,527,269)	99.4%	\$ (1,292,921)	75.0%	\$ (1,595,899)	80.0%
FTA - Assoc Cap Maint	\$ (28,000)	\$ (2,984)	11.1%	\$ (2,408)	8.5%	\$ (12,590)	42.0%	\$ (4,811)	17.8%	\$ (5,207)	20.5%
<b>Net EVDAR Svc Ops</b>	<b>\$ 9,640,266</b>	<b>\$ 147,846</b>		<b>\$ 80,841</b>		<b>\$ 1,499,922</b>		<b>\$ 426,163</b>		<b>\$ 393,768</b>	
<b>Monthly Billing</b>	<b>12,320.51</b>	<b>6,736.74</b>		<b>124,993.46</b>		<b>35,513.56</b>		<b>32,813.98</b>			

**SCHEDULE C Cont.**

The City of Tempe agrees to participate and financially support the Alternative Transportation Services program for Fiscal Year 2008-2009. The City of Tempe shall fund this project in the amount of \$55,000 for the period July 1, 2008-June 30, 2009. The City of Tempe will pay twelve (12) monthly installments of \$4,583.33. Payment of invoices shall become due within thirty (30) calendar days after the receipt of an invoice from RPTA.

**Ride Choice Program**

<u>Jurisdiction</u>	<u>Operating</u>
Maricopa County	\$ 20,000.00
Chandler	\$ 50,000.00
Gilbert	\$ 20,000.00
Mesa	\$350,000.00
Scottsdale	\$110,000.00
Tempe	\$ 55,000.00
Jurisdictional Subtotal	\$605,000.00

It is noted that RPTA is expected to receive a \$493,000 FTA New Freedom Grant which will offset capital and/or operating expenses related to this program, including the acquisition of an Interactive Voice Response program for the East Valley dial-a-ride. The costs presented in the table above represent the net costs due from City to RPTA.

**PROGRAM DESCRIPTION**

The Coupons for Cabs Program provides affordable cab service for senior citizens age 65 and over and persons with disabilities who live in Chandler, Gilbert, Mesa and Tempe. Eligible persons can purchase coupons at a significant discount. The participants can use the coupons to help pay for cab trips they take on any of the authorized cab companies.

- An application must be completed and approved before cab coupons may be purchased. Residents are asked to call (480) 962-7433 to receive an application.
- Once enrolled, a participant pays \$2.50 for a coupon book valued at \$10. Coupons have an expiration date and must be used prior to the expiration date. The expiration date is three to six months from the date of coupon purchase.
- Tempe residents can purchase 10 books per month per person (\$100 value for \$25).
- Coupons may be used for the taxi fare and the tip as well.
- For wheelchair users, mini vans from Discount Cabs are wheelchair accessible. Participants who use wheelchairs should call Discount Cab and let them know a wheelchair accessible van is needed to ensure the same rate is charged as non-accessible taxi vehicles. Otherwise, a boarding charge of approximately \$2.50 will be charged. Specialty cabs charge a boarding charge of \$25.00 or more.
- Once enrolled in the Cab Coupon Program, residents will receive a Welcome Packet that includes the list of the authorized taxi companies.

## SCHEDULE D

For the period of July 1, 2008 to June 30, 2009 it is estimated that the City of Tempe may request reimbursement from the Regional Public Transportation Authority for a maximum of \$2,165,787 for ADA Paratransit service in Tempe. This amount is contingent upon approval of RPTA's fiscal year 2008-2009 operating budget by the RPTA Board of Directors.

Reimbursements must be requested by CITY on a PTF Reimbursement Request Form, and certified by the CITY's chief financial officer or designee. RPTA will reimburse CITY within thirty (30) business days based upon availability of funds. CITY may request that reimbursements be made electronically. Wire transfers must be pre arranged through the RPTA Finance Department.

Maximum amount:

City of Tempe	<b>\$2,165,787</b>
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