

#15

JUN 12 2008



MEMORANDUM

Public Works Department – Memo No. TN-08-26

DATE: JUNE 12, 2008

TO: MAYOR & COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
R.J. ZEDER, PUBLIC WORKS DIRECTOR
DANIEL W. COOK, DEPUTY PUBLIC WORKS DIRECTOR

FROM: MIKE NORMAND, TRANSPORTATION SERVICES & PLANNING
MANAGER

SUBJECT: RESOLUTION NO. 4185 - APPROVING AN INTERGOVERNMENTAL AGREEMENT (IGA) WITH THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY (RPTA) FOR ALTERNATIVE TRANSPORTATION SERVICES (CAB COUPON PROGRAM) FOR SENIOR CITIZENS AND PERSONS WITH DISABILITIES FOR FY 2008/09 IN AN AMOUNT NOT TO EXCEED \$50,000.

RECOMMENDATION: Staff recommends that Council pass and adopt Resolution No. 4185 approving an Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for Alternative Transportation Services (Cab Coupon Program) for senior citizens and persons with disabilities for FY 2008/09 in an amount not to exceed \$50,000.

BACKGROUND AND DISCUSSION: The City of Chandler initiated a subsidized taxicab coupon program with the Regional Public Transportation Authority (RPTA) in FY 2006/07 on a trial basis and continued in FY 2007/08. Staff recommends continuing the Cab Coupon Program through FY 2008/09 in an amount not to exceed \$50,000.

This program, modeled after successful cab subsidy programs in Mesa and Scottsdale, provides subsidized taxicab coupons for Chandler residents that are eligible for dial-a-ride services. The program is intended to provide additional transportation options for senior citizens and persons with disabilities at a lower cost than traditional dial-a-ride service. Under this program, participants purchase coupon booklets at a nominal co-pay of \$2.50 for one book, valued at \$10. The coupons can then be applied toward the fares of participating cab companies. Coupons can be purchased by calling Valley Metro for those who qualify. Participants have utilized 827 cab

trips through March 2008, providing an estimated savings to the City of \$29,242 over the cost of traditional Dial-a-Ride.

TRANSPORTATION COMMISSION: This agreement was reviewed at the May 21, 2008 meeting of the Transportation Commission and recommended for approval by a vote of 7-0.

FINANCIAL IMPLICATIONS:

Net City Cost: \$50,000
Savings: N/A
Long Term Costs: N/A

Fund Source:

| <u>Acct. No:</u> | <u>Fund Name</u> | <u>Program Name</u> | <u>Funds</u> |
|--------------------|--------------------------------|---------------------|--------------|
| 216.3340.0000.5219 | Local Transportation (Lottery) | Transit Operations | \$50,000 |

PROPOSED MOTION: Move that the City Council pass and adopt Resolution No. 4185, approving an Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for Alternative Transportation Services (Cab Coupon Program) for senior citizens and persons with disabilities for FY 2008/09 in an amount not to exceed \$50,000.

Attachments: Resolution No.4185
Intergovernmental Agreement

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4185 was duly passed and adopted by the City council of the City of Chandler, Arizona, at a regular meeting held on the ____ day of ____, 2008, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

**INTERGOVERNMENTAL
AGREEMENT AMENDMENT**

**THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
AND
CITY OF CHANDLER**

CONTRACT No. 118-33-2009

(Funding Agreement – Alternative Transportation Services 08-09)

As of the 1st day of July 2008, this amends the following items of the Intergovernmental Agreement entered into between the City of Chandler and the RPTA, dated the July 1, 2007.

The following section is hereby amended and added to that section of the agreement entered into July 1, 2007.

SECTION 1. UNDERTAKINGS OF THE PARTIES

CITY's Obligations. CITY shall:

B.

2. City shall pay its appropriate local share for costs of this program as defined in Schedule A
3. The City shall pay invoices received from RPTA within thirty (30) days of receipt.

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

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

By: _____
Boyd W. Dunn
Mayor

By: _____
David A. Boggs
Executive Director

ATTEST: _____
Chandler City Clerk

ATTEST: _____
Jon Medwin
Contracts and Procurement Manager

ATTEST: _____
Christopher Curcio
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 Chandler

Attorney for RPTA

SCHEDULE A

The City of Chandler agrees to participate and financially support the Alternative Transportation Services program for Fiscal Year 2008-2009. The City of Chandler shall fund this project in the amount of **\$50,000.00** for the period July 1, 2008-June 30, 2009. The City of Chandler will pay for this project in twelve (12) monthly installments of **\$4,166.66**. Payment of invoices shall become due within thirty (30) calendar days after the receipt of an invoice from RPTA.

East Valley Ride Choice FY 08-09
Veolia's Ride Choice Budget

| Revenue | Mesa | Chandler | Gilbert | Tempe | TOTAL |
|--|------------------|-----------------|-----------------|-----------------|------------------|
| Cities Contribution | \$350,000 | \$50,000 | \$20,000 | \$50,000 | \$470,000 |
| Passenger Cost to Purchase Taxi Coupons (\$0.25 per \$1.00 coupon) | \$30,526 | \$9,616 | \$3,846 | \$9,616 | \$53,604 |
| Total Revenue | \$380,526 | \$59,616 | \$23,846 | \$59,616 | \$523,604 |
| Expenses | | | | | |
| Maximum Taxi Company Bill* | \$117,653 | \$37,063 | \$14,825 | \$37,063 | \$206,604 |
| Payments to Participants for Mileage Reimbursement | 105,000 | X | X | X | 105,000 |
| Total Reimbursement to Taxi Companies or Participants | \$222,653 | \$37,063 | \$14,825 | \$37,063 | \$311,604 |
| Veolia Administrative Costs | \$141,489 | \$20,213 | \$8,085 | \$20,213 | \$190,000 |
| Total Veolia Administrative Costs | \$141,489 | \$20,213 | \$8,085 | \$20,213 | \$190,000 |
| RPTA Costs | \$16,383 | \$2,340 | \$936 | \$2,340 | \$22,000 |
| Total Administrative Costs | \$157,872 | \$22,553 | \$9,021 | \$22,553 | \$212,000 |
| Total Expenses | \$380,526 | \$59,616 | \$23,846 | \$59,616 | \$523,604 |

Current Veolia Amin costs July to April less \$6,000 startup costs
 149,639.91
 \$188,546 estimated using above actual costs plus 5% increase
 \$190,000
 \$16,643 RPTA's budgeted admin costs
 \$5,197 RPTA's budgeted overhead costs
 \$21,840
 \$523,604
 81.84% % of cab coupons redeemed FY 08
 74.50% % of cab coupons redeemed FY 07

| | | | | | |
|--|-------|-------|-------|-------|-------|
| *We estimate 70% of the Taxi Coupons purchased will be redeemed. | | | | | |
| % Expenses for Transportation Services | 58.5% | 62.2% | 62.2% | 62.2% | 59.5% |
| % Expenses for Administrative Services | 41.5% | 37.8% | 37.8% | 37.8% | 40.5% |

| Administrative Costs Distribution based on City's Contributions | Mesa | Chandler | Gilbert | Tempe | TOTAL |
|---|---------|----------|---------|--------|---------|
| Budgeted Taxi Coupons Available | 168,076 | 52,947 | 21,179 | 52,947 | 295,149 |

| | | | | | |
|---------|---------|--------|---------|---------|---------|
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | -\$0.01 |
| 76.01 | (52.98) | 178.80 | (52.98) | | |
| 0 | | | | | 70% |
| 454 | 7133 | 4439 | 5971 | | |
| 117,653 | 37,063 | 14,825 | 37,063 | 206,604 | |
| 50,423 | 15,884 | 6,354 | 15,884 | 88,545 | |
| 70.00% | 70.00% | 70.00% | 70.00% | 70.00% | |
| 74.47% | 10.64% | 4.26% | 10.64% | 100.00% | |
| 74.47% | 10.64% | 4.26% | 10.64% | 100.00% | |

| | Mesa | Chandler | Gilbert | Tempe | TOTAL |
|--|---------|----------|---------|--------|---------|
| Budgeted Available Cab Coupons Distrib | 171,475 | 59,941 | 23,754 | 56,259 | 311,429 |
| FY 08 Estimate of Cab Coupons Distrib | 162,907 | 9,187 | 411 | 3,540 | 176,045 |

miles 201,924
 \$105,000.00

RPTA COSTS

| | |
|-----------------|----------|
| Salaries | \$12,275 |
| Fringe Benefits | \$4,368 |
| Overhead | \$5,197 |
| | \$21,840 |
| Graphics | \$75,000 |

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.