

AGENDA ITEM SUMMARY

January 16, 2018

City Council

STAFF

Kaley Zeisel, Transfort Capital Planning/Grant Compliance Mgr
Chris Van Hall, Legal

SUBJECT

First Reading of Ordinance No. 012, 2018, Appropriating Unanticipated Revenue in the Transit Services Fund for Contractual Paratransit Services for the City of Loveland Transit (COLT) and Transit Manager Services Pursuant to Two Intergovernmental Agreements with Loveland.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate funds to cover the costs of entering into two intergovernmental agreements (IGA) with Loveland, which costs will be reimbursed by Loveland. The first IGA provides paratransit service for COLT under the current Dial-A-Ride contract (the Paratransit IGA), the costs of which will be reimbursed monthly to the City of Fort Collins by the City of Loveland, COLT. The second IGA supplies a contractual employee to COLT to act as the COLT Transit Operations Manager under the supervision of the City of Fort Collins, Transfort (the Transit Management IGA). The costs will be reimbursed to the City of Fort Collins by the City of Loveland monthly.

The City Manager approved and signed both agreements. Pursuant to City Code Section 1-22 the City Manager has the authority to enter into both IGAs because the IGAs do not require the direct, monetary payment of more than \$5,000 from the City, after reimbursement from Loveland, and the City Manager has determined that the IGAs do not entail significant policy decisions.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

The City is entering into two intergovernmental agreements with the City of Loveland. (**Attachment 1**) This request is to appropriate the funding necessary for the two IGAs.

In 2014, Transfort and COLT collaborated on a joint procurement for contracted paratransit service. COLT is executing the option to have its paratransit service delivered by the paratransit contractor. Through an intergovernmental agreement between the City of Fort Collins and the City of Loveland, Transfort will oversee the paratransit contractor on behalf of Loveland beginning in 2018, in accordance with the Paratransit IGA .

Under the Transit Management IGA, the City, through Transfort, will provide and oversee one contracted employee to manage transit operations in Loveland and will provide other support services for COLT.

CITY FINANCIAL IMPACTS

Paratransit

Under the Para-Transit Management IGA, all costs incurred by COLT for services provided by the contractor will be paid upfront by Transfort. In addition, COLT agrees to pay Fort Collins \$3,100 annually for its administration of the contract. COLT will be invoiced monthly to reimburse costs; therefore, the financial impacts of this agreement will be negligible. The breakdown of estimated expenditures by Transfort is as follows:

- Monthly cost to provide COLT call center operations in 2018 is \$4,502, for a total annual cost of \$54,024.
- Based on 2016 ridership and predetermined contract pricing, Transfort staff has estimated the cost of providing paratransit services to COLT in 2018 will be approximately \$324,808 (for the purposes of this estimation, ridership levels were kept static; however, Loveland does report a 34% increase in rides from 2013 to 2016).

	2016 Ridership	2018 Cost (per trip)	Estimated Cost
Ambulatory	8032	\$31.00	\$248,992
Non-Ambulatory	1872	\$40.50	\$75,816
Totals	9904	--	\$324,808

- Total annual cost increase to add COLT services to the existing paratransit contract will be approximately \$378,832. As agreed upon in the Paratransit IGA, Transfort will pay the contractor directly for services provided and then bill COLT monthly to recover costs.

Transit Manager

Under the Transit Management IGA, the City of Fort Collins will provide a contractual management position, along with the requisite supervision for that position. Salary and benefits will be paid out of Transit Services Fund. The City of Loveland will reimburse 100% of the cost, in addition to a 2.5% administrative fee. The total annual cost to the City of Loveland will be \$108,000, which will be invoiced monthly at \$9,000 per month.

Because the City of Fort Collins will be reimbursed fully for providing the service plus a small administrative fee, this agreement will be nominally revenue positive. The total appropriation for expense requested is \$484,198 with anticipated revenue of \$489,932 to cover the expense.

ATTACHMENTS

1. Memo to Council, November 8, 2017 (PDF)



MEMORANDUM

DATE: November 8, 2017

TO: Mayor Troxell and City Councilmembers

THRU: Darin Atteberry, City Manager 
Jeff Mihelich, Deputy City Manager
Laurie Kadrich, Planning, Development & Transportation Director 
Kurt Ravenschlag, Transfort and Parking Services General Manager 

FROM: Craig Dubin, Transfort-Parking Communications & Administration Manager 

RE: Loveland Paratransit and Transit Manager Intergovernmental Agreements

The purpose of this memo is to update Council on the status of recent coordination efforts culminating in two proposed Intergovernmental Agreements (IGA) between City of Fort Collins and City of Loveland:

- 1) Agreement Between the City of Loveland, City of Fort Collins, and Shamrock Taxi for Paratransit Services (attached, substantially in the form as Exhibit A, the "Paratransit IGA"); and
- 2) Intergovernmental Agreement Between the City of Loveland and City of Fort Collins for Transit Manager Services (attached, substantially in the form as Exhibit B, the "Transit Manager IGA").

This memo is informational only to help address potential questions from constituents.

Background

Paratransit IGA

In 2014, Transfort and City of Loveland Transit (COLT) collaborated on a joint procurement for contracted paratransit service. COLT decided to delay the execution of their option to participate in the agreement. In early 2017, City of Loveland Public Works staff requested assistance from Transfort staff to execute that option. Transfort will administer the paratransit service for Loveland under the Paratransit IGA.

Transit Manager IGA

COLT has had difficulty recruiting a qualified transit manager for over four years. There is currently limited depth of knowledge or expertise within COLT staff to manage the operation. City of Loveland Public Works staff is requesting, through the proposed Transit Manager IGA,

that Transfort staff provide and manage one Full Time Equivalency (FTE) employee to manage transit operations in Loveland and provide other support services for COLT.

These IGAs are being executed by the City Manager pursuant to City Code Section 1-22(b)(1) because they do not involve the direct, monetary payment of five thousand dollars (\$5,000) or more and the City Manager has determined the IGAs do not entail any significant policy considerations.

ORDINANCE NO. 012, 2018
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE TRANSIT SERVICES FUND
FOR CONTRACTED PARATRANSIT SERVICES FOR THE CITY OF LOVELAND
TRANSIT (COLT) AND TRANSIT MANAGER SERVICES PURSUANT TO TWO
INTERGOVERNMENTAL AGREEMENTS WITH LOVELAND

WHEREAS, Loveland operates public transportation service (including paratransit service) known as City of Loveland Transit (“COLT”) within the transit service area of the City of Loveland; and

WHEREAS, Fort Collins operates its own public transportation service, including Transfort, paratransit service and the regional FLEX bus service, within and beyond the transit service area of the City of Fort Collins, which is a larger and more complex transit service than COLT; and

WHEREAS, the City is entering into two intergovernmental agreements (“IGA”) with the City of Loveland; and

WHEREAS, the first IGA is pursuant to a joint procurement for contracted paratransit service where the City will provide paratransit services for COLT under the current Dial-A-Ride contract (the “Paratransit IGA”); and

WHEREAS, under the second IGA, the City will supply a contractual employee to Loveland to act as the COLT Transit Operations Manager under the supervision of the City and other support services (the “Transit Manager IGA”); and

WHEREAS, the City will pay all costs incurred to provide services under the Paratransit IGA up front and then COLT will be invoiced monthly to reimburse these costs to the City; and

WHEREAS, the current costs associated with the Paratransit IGA are estimated at \$378,832 for 2018; and

WHEREAS, the City will also pay all costs incurred to provide services under the Transit Manger IGA up front and then COLT will reimburse the City all costs, in addition to a 2.5% administrative fee; and

WHEREAS, the current costs associated with the Transit Manager IGA, which includes the salary and benefits costs for the transit manager position, are estimated at \$105,366 for 2018; and

WHEREAS, Article V, Section 9, of the City Charter permits the City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff has determined that the appropriation of the revenue as described herein will not cause the total amount appropriated in the Transit Services Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during any fiscal year; and

WHEREAS, this appropriation and the IGAs benefit public health, safety, and welfare of the citizens of Fort Collins and serve the public purposes of enhancing regional connectivity and efficiency of transportation services provided by COLT and the Fort Collins public transportation service.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated for expenditure of unanticipated revenue in the Transit Services Fund the sum of FOUR HUNDRED EIGHTY-FOUR THOUSAND ONE HUNDRED NINETY-EIGHT DOLLARS (\$484,198) for paratransit services and Transit Manager Services to be provided to the City of Loveland.

Introduced, considered favorably on first reading, and ordered published this 16th day of January, A.D. 2018, and to be presented for final passage on the 6th day of February, A.D. 2018.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 6th day of February, A.D. 2018.

Mayor

ATTEST:

City Clerk