



DEPARTMENT OF TRANSPORTATION

URBAN MASS TRANSPORTATION ADMINISTRATION

NEWS

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A cooperative agreement in which a public transit authority contracts some transit services to a private taxicab operator has been reached in Delaware, marking the first instance of such cooperation in the nation. The formal agreement was established as a condition to a \$556,240 grant to the Delaware Authority for Specialized Transportation (DAST) by the U.S. Department of Transportation's Urban Mass Transportation Administration (UMTA).

DAST, a public nonprofit organization established in 1974 to serve Delaware's elderly and handicapped residents who cannot use regular mass transit, operates by contracting with various public and private health and service agencies to provide transportation services for them on a statewide basis. State social service agencies refer clients to DAST for transportation and there is no charge to clients for the service.

Under terms of the agreement between DAST and Yellow Cab of Delaware, Inc., and Diamond Cab of Delaware, Inc., DAST will use the existing taxi services to transport clients when it is more cost-effective to do so. For purposes of determination of cost effectiveness, DAST and the taxi companies will employ the same accounting principles in calculating the direct and indirect costs. Where cost-effective taxicab services cannot be secured, DAST will provide specialized transportation for ambulatory as well as handicapped and non-ambulatory clients.

The agreement, according to Robert E. Patricelli, UMTA Administrator, "reflects UMTA's desire to encourage to the maximum extent feasible the participation of private enterprise in the development and implementation of Federally-assisted urban trans-

portation programs. "

"It is against UMTA's policy to subsidize publicly-owned mass transportation systems or nonprofit organizations in competition with existing private operators when such operators are willing and able to provide the required transportation services in an economic manner," Administrator Patricelli said. "Local taxi operators must be offered full opportunity to bid for the provision of local paratransit services. If they can offer such services on a cost-effective basis, they should be given the right to provide them under contract with the public or non-profit body."

DAST had sent requests for proposals to 56 private taxi, charter and public carriers in Delaware to give them the opportunity to participate in supplemental transport of elderly, handicapped and other clients. The joint Yellow Cab/Diamond Cab proposal was accepted by DAST and the supplemental service provided by the joint operation began in March, 1976. At present, the taxi operators are providing service to about 20 percent of the ambulatory DAST clients.

Although there were no Section 16(b)(2) applications submitted to UMTA by the State of Delaware in fiscal year 1975, DAST officials expect that any 16(b)(2) programs in the State would be coordinated with ongoing DAST services. (UMTA awards such grants to private nonprofit organizations to help them provide special transportation services to elderly and handicapped persons pursuant to Section 16(b)(2) of the Urban Mass Transportation Act of 1964, as amended by the National Mass Transit Assistance Act of 1974.)

The \$556,240 grant awarded to DAST provides Federal assistance for the purchase of 20 new 20-passenger buses specially equipped to accommodate wheelchair users, a major DAST client group. It also assists the purchase of 10 new nine to 11-passenger vans, 36 two-way radios and related office and maintenance equipment. This UMTA grant enables DAST to equip 67 percent of its vehicles with wheelchair access capabilities, in keeping with its primary intent to provide transportation for non-ambulatory persons.

A local source for additional information is Mr. Thomas M. Povlitz, Executive Director, Delaware Authority for Specialized Transportation, P.O. Box 265, Wilmington, Delaware 19899, (302) 571-2995. (UMTA Project No. DE-03-0003).