

OPERATIONAL MODES FOR HUMAN SERVICES TRANSPORTATION

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16. Abstract <p>The study was designed to examine UMTA 16 (b) (2) applications and to assess the stated needs, problems, and overall agency potential in the light of established provisions in the legislation which govern programs provided under Section 16 (b) (2) of the Urban Mass Transportation Act of 1964 as amended.</p> <p>Specific objectives of the study included the following: (1) To document all reliable data required by the general application for capital assistance funding under UMTA Section 16 (b) (2) of the Urban Mass Transportation Act as amended; (2) To delineate specific needs and problems of agencies and public/private paratransit operators relative to transportation requirements of their client groups; (3) To provide an assessment of basic impediments to the application approval process; and (4) To provide data on the problems which may be prove useful for state and federal policymakers in decisionmaking and future planning.</p> <p>Both operational and legal impediments are examined in the report; needs and problems experienced by applicant agencies in relation to securing "sign-off" from private/public paratransit operators are documented; existing transit services are outlined and inadequacy in services are noted. Based upon the findings of the report, a series of alternatives are offered; and specific recommendations are made relative to the effectiveness of the program and the need for monitoring and evaluation of UMTA 16 (b) (2) project efforts.</p>			
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EXECUTIVE SUMMARY

This study was designed to examine UMTA 16b(2) applications and to discuss the stated needs, problems, and overall agency potential in the light of established provisions in the legislation which governing programs provided for in the Urban Mass Transportation Act of 1964 as amended. It should be noted that the application for capital assistance funding for private non-profit corporations to provide transportation services for elderly and handicapped requires general information on the applicant organization, a description of the proposed transportation project, types of services to be provided, and project justification. In the latter instance, applicant organizations are required to describe the benefits to be derived from the project for the elderly and handicapped users; identify shortcomings of existing services (both public and private); and describe the transportation services being provided elderly and handicapped persons by applicant, including days and hours of service, passengers, frequency, fares. In addition, documentation of service and interagency agreements, or unsuccessful coordination efforts are required.

The general approach used in the study involved a review of the applications submitted to the State Designate Agency by five (5) non-profit social service agencies; an assessment of agency needs and problems; and, based on the problems delineated (which included an objection of the proposed services by a local private paratransit operator), the conduct of a negotiated settlement between the agencies involved. Careful consideration was given to the Paratransit Brokerage Program, developed by

Metropolitan Transit Authority (MTA), during the discussions and deliberations involving applicant agencies and Greater Houston Transportation Company (Yellow Cab Company). Local, regional, and state transportation officials and representatives were involved in much of the discussions and deliberations. Data were also collected on current mobility requirements of client groups served by the agencies; problems encountered in their clients' use of transit service by the Yellow Cab Company, and cost-related variables. These data were used to evaluate, in as much depth as feasible, the applications submitted by the agencies and the proposed transportation services to be offered.

The main purpose of the evaluation was to provide transportation policy makers with the basic data necessary for them to make decisions wisely. Several determinations had to be made relative to UMTA 16b(2) projects. First, it was necessary to determine whether applicant agencies met the eligibility requirements of the UMTA 16b(2) legislation. Second, policy makers had to evaluate the merits of UMTA 16b(2) program relative to the problems and issues which have arisen since its inception. Consideration was also given to examining alternatives to the program. Fourth, some decisions had to be made concerning the relevancy of "sign-off" where private paratransit operators engage in contractual relationships with public agencies to assist in coordination efforts.

In the course of evaluating the existing UMTA 16b(2) provisions data have been provided on certain impediments to effective administration and supervision of programs supported by federal funds. There is need to direct some attention to legislation which will provide for the consolidation of funding from a variety of federal sources so as to enhance truly cooperative efforts; and to prevent the continual operation of diverse, uncoordinated, and, in some instances, duplicated transit service delivery.

Special objectives of the study include: (1) To document all reliable data required by the general application for capital assistance funding under Section 16b(2) of the Urban Mass Transportation Act of 1964 as amended; (2) To delineate specific needs and problems of agencies and public/private paratransit operators relative to transportation requirements of their client groups; (3) To provide an assessment of basic impediments to the application approval process; and (4) To provide data on the problems which may be useful for state and federal policy makers in decisionmaking and future policy planning.

Based on the findings of the study, the following observations should be noted:

The five (5) applicant agencies have satisfied all requirements for capital assistance funds under Section 16b(2) of the Urban Mass Transportation Act of 1964 as amended.

Despite the fact that agencies may theoretically meet all eligibility requirements for capital assistance funding under UMTA 16b(2), one stipulation which requires a "sign-off" from private paratransit operators. The sign-off provision renders all previous requirements relatively inoperative, and, therefore, serves as the sole impediment to the application approval process unless the State Designate Agency chooses to overrule or ignore objections voiced by a representative of the Yellow Cab Company.

Requests by applicant agencies for vehicles to transport elderly and handicapped persons are based on critical needs. While the Yellow Cab Company and other public and private paratransit operators provide services for the population in the Houston metropolitan area, a mere observance of the traffic congestion situation in Houston would suggest that there is need for greater emphasis on forms of mass transit whether it be by taxicab companies, vanpooling, or other forms of mass transit. To be sure, no evidence was found to support any claim to considerable competition by the applicant agencies, particularly when it is shown that the costs to client groups range from free service to "token" minimum costs for less than \$3.00 for a round trip. The Yellow Cab Company has indicated that, as a profit-making organization, it cannot provide services at the costs cited by the agencies.

The dilemma in which the State Designate Agency finds itself each time application are submitted, can be resolved only if the Greater Houston Transportation Company (Yellow Cab Company) changes its position and cooperates with the agencies or the "sign-off" provision is eliminated or disregarded. In the absence of this, the situation will continue to be a stalemate. Some contradiction was found in the positions articulated by representatives of the Yellow Cab Company and earlier statements made in a letter to the Urban Planning Engineer of the Houston Urban Project Office dated August 9, 1978, the Special Services Manager for Greater Houston Transportation Company states: . . . "I have decided to oppose all current applications for vehicles in Harris County I believe that the current coordination activity being undertaken by the City of Houston and the length of vehicle delivery time will make these vehicles unnecessary. I am still willing to discuss with any applicants, current transportation problems and attempt to provide service for them (Sic)."

In a more recent statement, the position of the Company shifted somewhat from the earlier statement. The Yellow Cab Company is now desirous of having the applicant agencies lease the vehicles to it. It is inconceivable that any agency, whether public or private, would enter into a lease agreement on vehicles it has not acquired or to make a commitment to same. A more feasible approach would have been for the Yellow Cab Company to establish rapport with applicant agencies to the point of possible leasing vehicles to them for service or to work with MTA, H-GAC, the SDH&PT and all other non-profit agencies in efforts to develop mutual arrangements, thereby paving the way for equitable service provisions based on each agency's needs. To antagonize private non-profit corporations by withholding "sign-off" while at the same time to be dependent upon these same agencies for effective coordination arrangements seems to be a position that is untenable.

Finally, the State Designate Agency may want to exercise one of several options relative to the resolution of future issues surrounding UMTA 16b(2) applications. The possible alternatives include the following:

1. *The State Designate Agency may want to continue to adhere to the "sign-off" provisions as a means of protecting the interests of public and private paratransit operators. If this course of action is pursued, opposing parties, not the State Designate Agency, such as Yellow Cab Company would exercise greater power over the "application approval process" than the State because of their obvious ability to VETO all applications.*
2. *That the State Designate Agency, in conjunction with the opposing public and private paratransit operators, could recommend to the U. S. Department of Transportation's Urban Mass Transportation Administration that UMTA Section 16b(2) program be abolished or revised to reflect*

alternatives to the "sign-off" provisions, allowing the State to exercise its power to approve applications if evidence is clearly presented which contradicts the position of the opposing public and private paratransit operators.

3. That the State Designate Agency recommends that the UMTA 16b(2) program be abolished because of specific obstacles which it presents relative to the profit-making capabilities of public and private paratransit operators. In this instance, evidence would have to be presented which would show that the program failed to work in urbanized areas. Because of the conflicts in the past, there is little documentation in this regard. Only a few of the non-profit agencies have received vehicles. This, in itself, is not sufficient evidence to prove that the program will not work.
4. Based on the adamant position taken by Greater Houston Transportation Company (Yellow Cab Company), that the State Designate Agency, upon approval from UMTA, discontinue the UMTA Section 16b(2) program. There is little need to send out applications to non-profit agencies on an annual basis if the position of the Yellow Cab Company remains the same. It does little to sustain confidence in the program or the credibility of the State Designate Agency if the applications are distributed to agencies when they know as well as Yellow Cab Company, there is no means by which they can receive capital assistance funds, given the stated position of Greater Houston Transportation Company (Yellow Cab Company). If this alternative is pursued, then the State Designate Agency as well as the Urban Mass Transportation Administration (DOT) will have to provide ample explanation and documentation of the rationale for discontinuing the program and why funds have not been dispensed to applicant agencies from Harris County who were approved for capital assistance funding with a "sign-off"; and evidence to support the position taken by the State Designate Agency in refusing to approve the applications and concrete data to support Yellow Cab Company's opposition to the agencies' applications to provide transportation service for elderly and handicapped persons in the Houston Metropolitan Area.
5. The State Designate Agency, upon a review of the facts in the cases, could overrule the objections of the Yellow Cab Company and transmit applications to the Urban Mass Transportation Administration for their perusal and decision.

6. *That the State Designate Agency and/or the Urban Mass Transportation inform all private non-profit agencies, in writing, that the UMTA Section 16b(2) program will be re-evaluated because of basic legal and administrative impediments to its implementation.*

SECTION I - INTRODUCTION

In recent years, numerous attempts have been made to build stronger linkages among different transportation programs in order to accomplish greater consistency between the policies and plans of related programs; greater efficiency through reduction of duplication and consolidation of transit activities; better services by coordinated planning at the delivery level. Efforts have been made to delineate gaps in the range of available services; and to incorporate more simplicity and rationality in the service system. The need to coordinate and build linkages among programs geared toward serving the needs of the elderly, handicapped, and economically disadvantaged population has become an important part of the programmatic and legislative initiatives of transportation programs funded by public and private sources.

This project is designed to examine a selected number of grant applications submitted under Section 16b(2) of the Urban Mass Transportation Act of 1964 as amended. Consideration will be given to the stated needs, problems, and overall potential for possible approval for funding by the Texas Department of Highways and Public Transportation. The research undertaken is based upon an agenda of guidelines established through legislative mandate and reinforced by certain regulations imposed through amendment and assurances of the State Designate Agency. Thus, the study attempts to achieve the following objectives:

To document reliable data required by the general application for capital assistance funding under Section 16b(2) of the Urban Mass Transportation Act of 1964 as amended;

To address the specific needs and problems of agencies relative to the transportation requirements of their client groups;

To provide an assessment of basic impediments to the application process; and

Based on the data presented, to provide suggestions and recommendations which may be useful to state and federal officials in future policy planning and decision-making.

LEGISLATIVE OVERVIEW AND STATEMENT OF PROBLEM

Legislative Overview

The concept of "transportation service coordination" or service integration activities has encountered many barriers which appear to adversely affect the initiation of relatively stable interagency linkages and cooperative efforts by various public and private human services providers. In order to address problems associated with the lack of coordination among public and private transit operators, it is necessary to review and assess the state of affairs and legislative initiatives relative to programs for the transportation disadvantaged market.

Special transportation assistance is currently provided for individuals comprising a disadvantaged market -- the elderly, handicapped, and economically disadvantaged -- in the United States through a variety of programs at the federal, state, and local levels of government. Through special legislation, funds have been earmarked for certain client groups through specialized transportation services according to criteria which

are more diverse than uniform in their overall requirements (Kirby and McGillivray, 1977). The major sources of funding are under the Urban Mass Transportation Act of 1964 as amended and the Federal-Aid Highway Act of 1973. According to a report published by the Transportation Research Board, most but not all of these funds are earmarked for urban transportation systems.

The Urban Mass Transportation Act of 1964 as amended provides assistance to public transit systems in urban areas. The program makes provisions for improving public transit patronized by riders comprising a disadvantaged market -- the elderly, handicapped, and economically disadvantaged. There are several different sources of federal financial assistance within the Act. A brief review of selected sections of the Act follows (TRB Report #39, 1976):

1.0 Section 3 - Capital Grants

Grants and loans are available to states or local public agencies within a state and funds may be used for purchase of land as well as vehicles and supporting facilities. To be eligible for funds, a project must be in an urban area.

1.1 Section 5 - Capital and Operating Assistance Formula Grants

The National Mass Transportation Assistance Act of 1974 (NMTA) passed the Senate on November 21, 1974. NMTA established an \$11.8 billion six-year Urban Mass Transit Capital and Operating Program. The Act also established an \$11.3 billion six-year program and an additional \$500 million program for non-urbanized areas. Such non-urbanized areas included cities, towns, and rural places with less than 50,000 population. Funds were made available for planning and program development activities, demonstration activities, vehicle acquisition and other capital investments in support of general or special transit services,

including those services provided for elderly, handicapped, and other transit-dependent persons.

Of the \$11.3 billion provided by the Act, \$3,975 billion was distributed by formula (TRB Report #39, 1976, 37) for use in either mass transit capital or operating programs. The balance of the funds were to be distributed to cities for major mass transit capital projects on a categorical basis. The formula-based "entitlement" stipulated that projects financed under Section 5 must charge elderly and handicapped persons half the regular peak hour rate during the off-peak period.

The distribution formula is based equally on two variables relative to the share of funds: population size and population density. The federal matching share for funds used for capital purposes is up to 80 percent and for operating purposes, up to 50 percent, according to a 1976 TRB publication. Under the program guidelines, funds to cover operating deficits are available to providers of elderly and handicapped transportation services.

1.2 Section 6 - Research Development and Demonstration Projects

Authorization was given to conduct a broad range of research development, and demonstration projects in urban mass transportation. Under the provision of Section 6, work agreements may be made "with other federal departments and agencies. Funds are restricted to demonstration projects only, and they cannot be viewed as a basis for continuous project funding."

1.3 Section 9 - Technical Studies

Direct grants are available for technical studies. The grants are restricted to states or local public agencies within a state and each project must relate to a "program for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the area." Technical studies may be conducted on existing transportation systems or preparation for new ones. Funds may also be used to study how to coordinate or link public transit system services with elderly and other transportation-disadvantaged individuals.

1.4 Capital Assistance Program for Private Nonprofit Organizations (Section 16b(2))

A total of \$22 million was distributed in FY 76 by formula, to State agencies designated by the Governor to help private nonprofit organizations provide for the special needs of elderly and handicapped persons in urbanized and non-urbanized areas where existing or proposed services for public and private transit operators are not adequate. Local private nonprofit organizations must prepare and submit applications to the State in which they are located. The State is responsible for (a) selecting 16b(2) applications and (b) submitting a consolidated single Statewide application to UMTA on behalf of all selected applicants.

The grant applications which have been scrutinized for problems and stated needs in this study were submitted under Section 16b(2) of the Urban Mass Transportation Act as amended. This section of the Act provides for capital assistance funds to private, nonprofit corporations and associations for the specific purpose indicated in Paragraph 1.4 above. The United States Department of Transportation (Urban Mass Transportation Administration) has set aside a specific amount of funds for each state and requested the Governor of each state to designate a State agency to manage the program. In Texas, then Governor Dolph Briscoe designated the Texas Department of Highways and Public Transportation as the State agency to manage the UMTA 16b(2) program. The initial guidelines were transmitted by UMTA to the State governors in June 1974. Upon receipt of the guidelines, many states sought clarification of the rules governing the program.

In February, 1976 the Department of Transportation, Urban Mass Transportation Administration issued a news release which provided summary

information about non-urbanized area transit assistance available from the Urban Mass Transportation Administration. Several aspects of the UMTA program in non-urbanized and urbanized areas alike have created some problems relative to the approval of applications for funding. Two major provisions of the project requirements which appear to have posed problems for state designate agencies in their approval process are those which are designed to protect private interests and to insure efficient integrated local transit programs through coordinated efforts between public and private human service providers.

To protect the interests of private transit and paratransit operators, UMTA requires that these operators be given a fair and timely opportunity to participate to the maximum extent feasible in the development of the local transportation program and in the provision of transportation services. An additional requirement is that public and private social service organizations in each service area should be encouraged to coordinate their transportation services into a consolidated program. The requirement also advised that these same entities should become involved in the formulation, implementation, and evaluation of local transit development programs and, to the extent possible, use their resources to help manage and finance the overall program.

Another provision in the UMTA regulations requires that all projects funded must also satisfy certain Federal requirements in areas such as civil rights.

On January 30, 1979 certain procedures were outlined for 16b(2) capital assistance grants for private nonprofit organizations to transport the elderly and handicapped. The requirements for project coordination and the protection of existing operators were operationalized to include somewhat more specific conditions undergirding the application process. Each applicant nonprofit organization was required to:

Obtain individual sign-offs from each public and private transit and paratransit operator in the service area stating that the services he is providing or prepared to provide are not designed to meet the special needs of elderly and handicapped persons within the service area; OR

In the event this procedure is impractical, issue a public notice describing the services it intends to offer to meet the special needs of elderly and handicapped persons within the service area. The notice should invite any interested public or private paratransit operator within the service area to comment on the proposed services by sending written notice to the designated State agency and the local applicant within 30 days. In providing this public notice, the applicant shall make a good faith effort to notify all public and private agencies and operators which he believes might be interested in commenting on their proposed service.

Each local project application for 16b(2) shall include copies of the operator sign-offs; OR a copy of the public notice AND the comments received thereon.

Each UMTA 16b(2) application from a private non-profit organization forwarded to the State Designate Agency and UMTA for final approval must be accompanied by a State finding that: (1) the services provided or offered to be provided by existing public or private transit or paratransit operators are to meet the special needs of elderly and handicapped persons

within the service area; and (2) private transit and paratransit operators have been afforded a fair and timely opportunity to participate to the maximum extent feasible in the development of the transportation program and in the provision of the proposed special transportation services for the elderly and handicapped persons (DOT, UMTA, January 30, 1976).

STATEMENT OF THE PROBLEM

FY 76 and FY 77 applications have been submitted by nonprofit corporations and associations under the provisions of UMTA 16b(2) for capital assistance funds to purchase vehicles for transporting elderly and handicapped persons. The most recent applicants (FY 77), as did the previous ones, have encountered difficulty in getting one paratransit operator (Greater Houston Transportation Company or what is commonly known as The Yellow Cab Company) to honor their requests for individual "sign-offs" on applications.

The problem of "sign-off" has posed problems for social service agencies, particularly as related to their capacities to meet the special needs of elderly and handicapped persons for whom mass transportation services have been planned and designed.

In order to understand more clearly the problems and stated needs of the non-profit applicant agencies, a profile of each has been provided which includes the stated purpose of the organization, types of services provided, the client groups served, eligibility and service requirements. The applicant agency profiles follow:

UNITED CEREBRAL PALSY OF TEXAS GULF COAST, INC., is a non-profit agency concerned with the improvement of health, welfare and social conditions of the cerebral palsied individual and his family. The types of services offered by the agency include client locator status program, health education, information and referral, life enrichment and adaptive skills training program, personal growth, development and adjustment services.

Individuals may apply at the agency in writing or by telephone. The eligibility requirements of the agency vary according to the program. All cerebral palsied or probable diagnosis of CP receive services through the client locator status program, information and referral, and health education components. The Life Enrichment and Adaptive Skills Training Program provides services to CP clients beginning at age 14; the Personal Growth, Development and Adjustment Services component provides coordinated sets of activities for 3 year olds through adult cerebral palsied.

The United Cerebral Palsy of Texas Gulf Coast, Inc. serves Harris and twelve (12) surrounding counties. No fees are required of the client service groups.

MARTIN LUTHER KING, JR. COMMUNITY CENTER, is a voluntary non-profit agency whose purpose is to encourage, develop, and promote the welfare of the total community. The Center offers consumer education, day care, basic education, performing arts, recreation and sports activities, personal growth, development and adjustment services, runaway house, political awareness, student support services, and related activities.

Services are available to elderly citizens and other individuals of the Model neighborhoods. Children of working Model Neighborhood mothers, between the ages of 1 and 6 years are eligible for day care services; basic education and vocational programs are provided for 16-18 year olds; student support services are also available for 16 year old individuals and above. No fees are charged for the services provided to residents of the areas.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION (YWCA) is a United Fund-affiliated woman's membership organization affiliated with the YWCA of the United States and the world. The agency provides a wide range of services and programs with special concern for the needs and interest of girls and women but including boys

and men in many of its activities. The purpose is to draw together women and girls of diverse background religiously, racially, economically so that they can work jointly to achieve dignity, freedom, justice and peace for all peoples; and that their own lives will be enriched by a new understanding, meaningful experiences and relationships.

The types of services offered by the YWCA include: Transportation and related services that meet the expressed needs of elderly citizens; joint services to handicapped persons; Y-ETTES and Y-TEEN groups for individuals between the ages of 12 and 17 years; basic education and preschool enrichment programs for children from 4-6 years of age; continuing education for persons 15 years of age and over; informal education for the involvement of women and girls in community leadership activities; emergency referral services; personal growth, development and adjustment services, physical education and athletics, student support services, and metropolitan resources involving the recruitment, training, and placing of volunteers -- primarily women -- throughout the YWCA.

Individuals and groups interested in the services offered may apply in person, in writing, and by telephone. The fee policy includes membership dues and specialized service fees. The YWCA serves all of Harris County, with a large proportion of its branches located in geographic areas of the central city in such locations as Third Ward, Anderson-Magnolia Park, Southwest Houston and Harris County, Northwest Houston, and Downtown/Central City.

ANCHOR HOUSE NEIGHBORHOOD CENTER is a non-profit corporation. The purposes which guide the agency include the following: (1) to plan, organize, promote, administer, coordinate, and evaluate programs of service to culturally or economically disadvantaged persons in urban neighborhoods in the Houston metropolitan area. The services include, but are not limited to physical health services, mental health services, child-day-care services, educational services and cultural enrichment services.

Located in Houston's central city, Anchor House Neighborhood Service Center provides transportation services to hospitals, doctor visits, senior citizen shopping, meals, aid in handling personal affairs and business, arts and crafts and recreation. The services are available to elderly and physically handicapped persons alike. Only minimal fees are assessed for some specific services rendered.

GOLDEN AGE HOBBY HOUSE, INC. is a private non-profit agency established for the purpose of providing multipurpose day care services for senior citizens. Services are provided for the elderly and handicapped persons living in the inner city of Houston. As a multipurpose senior citizens center, the agency provides transportation services to and from community resource agencies, to and from medical facilities, doctors' offices, shopping trips and field trips. Other activities of the center include arts and crafts, recreational activities for elderly and handicapped persons, and a variety of community activities.

The Center is unique in its provisions for day care services for elderly persons. It also provides hot meals on the site and operates a "Meals-on-Wheels" Program to serve the needs of elderly persons confined to their homes. More than 80 elderly persons benefit from these services per day, the majority of which are Black Americans.

Users of the services of Golden Age Hobby House must be 60 years of age and older. No fees are charged for the services provided.

As indicated from information contained in the profiles of the various applicant agencies, several factors affect public/private cooperative provisions for human services transportation. The most important factor relative to the five (5) applicant agencies under consideration now is "cost." In addition to cost, there are other impediments to program coordination and implementation.

IMPEDIMENTS TO PROGRAM IMPLEMENTATION

Several impediments exist relative to coordinating human services transportation programs and resources and implementing the provisions set forth in Section 16b(2) of the Urban Mass Transportation Act as amended. Kirby and Tolson (1977) analyze the major constraints and problems in a

paper presented to the 55th Annual Meeting of the Transportation Research Board. A brief review of the concerns articulated in the paper include the following:

Multiple Funding Sources. In 1976 a publication of the U.S. Department of Health, Education, and Welfare identified over 60 federal human service programs allowing expenditures for transportation services. A variety of other programs are operated and funded by state and local governments and organizations. The funds providing assistance for transportation services are earmarked for special trips to special services, ranging from movement to "Meals-on-Wheels" sites to medical care, church, recreation and social activities. Kirby and Tolson (1977) further note that "...the actual expenditures on transportation services under the programs are rarely accumulated as separate items." This poses some problems when it becomes necessary to estimate the level of funding for transportation projects and to develop a coordinated plan for comprehensive transit service delivery.

Table 1 contains some major federal funds which are now being used by a variety of agencies to provide transportation for older Americans as of October, 1974.

Eligibility Restrictions. Public transportation services are limited to those which qualify as "mass transportation services (services which are shared-ride and available to the public on a regular and continuing basis) under the DOT program for elderly and handicapped. Other federal programs also restrict transportation assistance to certain kinds of trips, such as those to and from medical or educational facilities (DHEW Report, 1976).

Other restrictions relate to the kinds of organizations which can receive assistance and provide the services. Section 16b(2) of the Urban Mass Transportation Act as amended contains provisions for assistance to private non-profit corporations and associations without the labor protection conditions which are required under other sections of the Act (Kirby and Tolson, 1977). Over \$20 million was disbursed under Section 16b(2) to 1,031 non-profit agencies for equipment to be used in providing transportation services to the restricted population segments -- the elderly and handicapped. Public transit systems and private, "for-profit" taxicab operators and other paratransit operators are not eligible to receive funds under UMTA Section 16b(2).

The funds available for private, non-profit agencies are restricted to capital assistance. No operating funds are available to the providers of human services transportation. Private, non-profit agencies can purchase vehicles and other equipment. They cannot, however, secure funding for operating the very equipment purchased with UMTA Section 16b(2) funds. In contrast to this restriction, the Medicaid Program (as late as 1976), TITLE XIX of the Social Security Act prohibits the use of funds for equipment purchase, but allows the purchase of taxi or transit services for medical trips.

The aforementioned constraints are further magnified by other external factors inherent in the diversity of agency services, efficiency of agency operations, the diverse needs of service clientele, and the general level of transit service delivery. While the profiles of the five (5) applicant agencies under evaluation in this study show similarities in the services provided, great diversity exists in the nature, origin and destination of the trips made in behalf of client groups.

Kirby and Tolson (1977), as did Tye (1973) discuss legislative impediments to efficiency in transportation programs. Kirby and others, for example, note that:

As currently constituted and administered, programs providing transportation assistance to the elderly and handicapped contain a number of impediments to efficient service provision. Some of these impediments are a result of language in the legislation authorizing the programs, and can be removed only through legislative amendments (emphasis added). Other impediments are a result of administrative practices....and can be modified by administrative agencies responsible for the programs.

LEGISLATIVE IMPEDIMENTS AND LEGAL IMPLICATIONS

Legislative Impediments

One of the legislative impediments which appear to adversely affect the successful implementation of transportation programs for elderly and handicapped persons is the restrictive use of funds. For instance, funds are set aside for capital assistance rather than assistance for operating expenses. This means that funds are available for the purchase of vehicles and other capital equipment. Again, the Kirby and Tolson study notes that "this kind of earmarking is usually justified on the grounds that allowing funds to be used for operating assistance could result in inefficient operating practices and increased labor costs. Tye (1973) in his study of "The Capital Grant as a Subsidy Device..." argues that capital assistance tends to encourage over-expenditure on new capital equipment and neglect of preventive maintenance. He agrees with Kirby and Tolson that since "capital assistance allows for more state and local funds and farebox revenues to be used for operating expenses, the possibility of operating inefficiency and labor cost escalation is greatly enhanced.

Other studies on transportation assistance funds raise the issue of efficiency also. Restrictions placed on transportation assistance funds by "provider-type" is believed to be another constraint relative to efficiency in service delivery. The UMTA 16b(2) legislation provides for the disbursement of funds to private, non-profit corporations and associations only after other transit and paratransit providers (such as bus

and taxicab operators) have been found unable to provide adequate services for the elderly and handicapped. In many cases, little evidence is available concerning the organizational capabilities of the agencies themselves or the providers deemed inefficient in their service provisions for elderly and handicapped persons.

The residual effects of fund restrictions, as stipulated in UMTA 16b(2) legislation, have been protests from transit and taxicab operators such as the Greater Houston Transportation Company (Yellow Cab). To be sure, the restrictions on funds under the legislation prevent existing transit and taxicab operators from receiving public financial assistance. Transit and taxicab operators have expressed concerns about non-profit providers, indicating once the agencies get into the transportation business they may very well compete with them or weaken their financial conditions.

Legal Analysis of Issues

The pertinent parts of Section 1612 of the Urban Mass Transportation Act as amended have been reviewed earlier in this report. For sake of brevity, these provisions will not be repeated in this section. Instead, some consideration will be given to an analysis of the legal implications of the legislations.

Section 1612 is the compilation of additions and amendments of UMTA of 1964. Section 16, which was the original addition to UMTA of 1964, was enacted as Publ. L. 91-453, Section 8 (October 15, 1970), 84 Stat. 967, covered inter alia, capital assistance grants for

for transportation of the elderly and handicapped to state and local public bodies and agencies only. Little, if any legislative history is available to this addition because this section was changed before it was ultimately enacted. Section 16 was later amended by Congress by Pub. L. 93-87, Title III, paragraph 301 (g), August 13, 1973, 87 Stat, 295 and is contained in the Highway Act of 1973. The purpose of this amendment, inter alia, is to provide additional funds, on a permissive basis, for furnishing mass transit services to meet the special needs of the elderly and handicapped, H. R. Rep. No. 93-118, 93d Cong., 1st Sess. 2, reprinted in (1973) U.S. Code Cong. and Ad. News 1859, 1921.

The most relevant portions of the 1974 amendments provide for the participation of state governors to improve and coordinate all forms of transportation within urbanized areas as a condition of receiving federal funds. This change was necessitated by the lack of coordination that often existed in urban areas between state transportation agencies and regional comprehensive planning agencies which has previously supervised the transportation projects (C.R. Mo. 93-1228, Con., 2nd Sess. 3, reprinted in (1974) U.S. Code Cong. and Ad News 7299).

Federal assistance to mass transportation programs is administered by the Secretary of Transportation, pursuant to the Reorganization Plan No. 2 of 1968 (33 F. R. 6925, 82 Stat. 1369). All of the powers of the Secretary of Transportation pertaining to

federal assistance to urban mass transportation systems have been delegated to UMTA. Under Section 1604b(2) of UMTA, the Governor of Texas must designate a recipient to receive and dispense the federal funds and, accordingly, the Texas Department of Highways and Public Transportation was selected to perform these functions.

The Texas Department of Highways and Public Transportation has promulgated certain regulations governing the procedure for making applications for public assistance grants by private, non-profit organizations and associations under Section 1612. Among the specific requirements each applicant must meet is the following condition:

Prospective applicants must make every effort to obtain individual sign-offs from each public and private transit and paratransit operator in the service area stating that the services they are providing or are prepared to provide are not designed to meet the special needs of elderly and handicapped (emphasis added) within the service area.

The procedure outlined above requires the applicant agencies to submit letters from the operators in the service area along with the applications. If any transit or paratransit operator refuses to sign-off, as is currently the case with five (5) applicant organizations in Houston, such action will result in an impasse with regard to any further consideration of the application. In the past, specific strategies have been used in efforts to resolve the problems stemming from the refusal to sign-off.

From a legal perspective, it appears that there should be some recourse in the courts. Litigation under Sec. 1612 has consisted of a few challenges to Section (a) by various handicapped groups and individuals.

Some examples include the case of *Snowden v. Birmingham-Jefferson v. County Transit Authority*, 407 F. Supp. 394 (N.D. Alabama, 1975); *United Handicapped Federation v. Andre*, 409 Supp. 1297 (D. Minn. 1976); and *Bartel v. Biernat*, 405 F. Supp. 1012 (E.D. Wisc. 1975). The major issue in each of the cases cited was whether adequate precautions had been taken to safeguard the rights of the handicapped in the grants made to public agencies under Section 1612 (a). The issues of "sign-off" for public transit and private paratransit operators did not surface in these cases. The issue of the extent to which a "failure to sign-off" jeopardized the rights of the elderly and handicapped failed to emerge also.

There is evidence which suggests several relatively conclusive positions. One position which has been clearly demonstrated is that the sign-off requirement creates a deadlock situation; that the same requirement is more of a creature of administrative regulations than a mandate of UMTA 16b(2) capital assistance for private non-profit organizations to transport the elderly and handicapped specifically address project coordination and protection for existing operators. This issuance promulgated revised procedures for the continuation of the specialized program initiated in FY 75 under the provision of Section 16b(2) of UMTA as amended.

Guidelines for project coordination and protection of existing operators provide options rather than mandates for applicant agencies seeking 16b(2). On page 10 of the regulations, the following options are provided:

- (1) *Each applicant organization shall obtain individual sign-offs from each public and private transit and paratransit operator in the service area stating that the services he (it) is providing or is prepared to provide are not designed to meet the special needs of the elderly and handicapped persons within the service area; OR*
- (2) *in the event this procedure is impractical, issue a public notice describing the services it intends to offer to meet the special needs of elderly and handicapped persons within the service area. The notice should invite any interested public or private transit or paratransit operator within the service area to comment on the proposed services by sending a written notice to the designated State agency and the local applicant within 30 days.*

These regulations do not appear to restrict applicant agencies to individual sign-offs. Rather, they suggest that to the extent feasible, applicants must coordinate the planning and operation of special services for the elderly and handicapped persons with interested agencies; that if individual sign-offs, as a procedure, proves impractical (which appears to be the case with the Greater Houston Transportation Company), the applicant shall make a good faith effort to notify all public and private agencies and operators. The sign-off or notice requirement put potentially affected and interested parties on notice, and provide the opportunity for comments. These provisions ensure that administrative decisions will not be made without consideration for the rights and interests of public transit and private paratransit operators. They do not specifically lend themselves to veto powers by the opposing parties. FY 76 procedures clearly state that "each local project application for 16b(2) funds shall include copies of the operator sign-offs; OR a copy of the public notice

and the comments received thereon." The decisions on applications rest not with the protesting operators or providers of transportation services for elderly and handicapped persons but with the State Designate Agency. Applications must be evaluated on the basis of the evidence presented by both the applicant agencies and the comments received from other providers or operators in the service area. Once the State completes its findings, a decision is made on the merits of each case. If the applications meet the requirements previously described, applications from private non-profit organizations are forwarded to UMTA for approval.

In order to adequately assess the state of affairs relative to the five (5) agencies who have submitted applications under the FY 77 programs, each application was examined relative to the problem expressed, stated needs and services relative to client groups and eligibility for capital assistance grants.

METHODOLOGY OF THE STUDY

This report synthesizes the data contained in agency applications according to established guidelines of the Urban Mass Transportation Act of 1964 as amended and criteria or assurances set forth by the State Designate Agency. The data for the study were obtained from individual and group interviews with the private, non-profit applicant agencies and the Greater Houston Transportation Company, a private corporation organized and existing under the laws of the State of Texas. Group discussions were held with the applicant agencies, the staff of the Urban Resources Center

in Texas Southern University and representatives from the Texas Department of Highways and Public Transportation (the State Designate Agency), the Houston-Galveston Area Council of Governments (regional agency); and the Metropolitan Transit Authority of Houston and Harris County. Selected data from the transcribed proceedings serve as a basis for many of the recommendations made. A careful review of stated needs of agencies, justification for the project, client groups served, and program goals was also made. The contents of the "signed" agreement for project coordination by the five (5) applicant agencies were also analyzed.

Each of the agency applications was reviewed, and the findings contained in the proposals submitted were synthesized according to a general framework of evaluation for determining project eligibility requirements. All agencies involved in the problem, as previously described, were visited to gather additional data on client groups, projected transit service needs, program costs, and general attitudes on user versus provider subsidies and coordination potential. Once these data were accumulated, a strategy of negotiation was employed on an individual and collective basis.

Some caution must be exercised in interpreting the findings: the study did not adopt a uniform conceptualization of problems, needs, and goals at the outset because of variations in the needs of the elderly and handicapped, particularly as related to physical disabilities; and (2) routing and scheduling data on the clients served were collected for only two agencies, making it difficult to draw any conclusions relative to the efficacy of some proposed alternatives which will be

discussed in the next portion of the report. The routing and scheduling files of the other agencies were not conducive to yielding the kind of data necessary for an appropriate analysis of costs, sources of funding, making it difficult to ascertain needed data on travel characteristics. Given these constraints on the assessment made, the findings of the report are stated not as conclusions about coordination or service integration problems but tentative propositions that may assist administrators of the UMTA 16b(2) program at the local, state, and federal level in making policy decisions on specialized transit programs for improving the mobility of the elderly and handicapped.

SECTION II - ANALYSIS AND FINDINGS

A careful evaluation of the requirements for Section 16b(2) applications of the Urban Mass Transportation Act of 1964 as amended reveals that complex interrelationships and narrow parameters within which policymakers must work. This summary of findings aims to characterize, through a series of criteria-supported propositions, the nature of the controversy involving applicants and a private paratransit operator and to outline implications for transportation decisionmakers in analyzing and reviewing alternative courses of action. The findings and recommendations will be based on the available documented evidence.

A review of the applications of the private, non-profit organizations (Anchor House, Golden Age Hobby House, United Cerebral Palsy, Inc., Martin Luther King, Jr. Community Center and the Young Women's Christian Association) shows clearly that these agencies have met all fundamental requirements of FY 76 procedures as outlined in a communication from the United States Department of Transportation, Urban Mass Transportation Administration. A survey taken by the Urban Resources Center in Texas Southern University provides some justification for the projects to be served by the vehicles requested; that the agencies are reaching elderly and handicapped people who are in greatest need -- the infirm, the poor, and the very old. As a means of verification, interviewers were given data contained in each of the applications.

They were asked to visit and observe each of the agency's programs and to document findings. Table 2 provides details on the project justification and stated needs of the applicant agencies.

To extend the evaluation further, the applications were assessed in terms of the specific requirements for UMTA 16b(2) applications. For sake of brevity, the criteria utilized by the State Designate Agency in its decision-making functions have been re-stated in the form of propositions. The information contained under each proposition describes the status of the applications and actions taken. This approach to evaluation and analysis is collective in its orientation and, therefore, represents summary data on all five (5) applicant organizations. Requirements for approval include:

PROPOSITION 1: *That the services or offered to be provided by existing public or private transit or paratransit operators are unavailable, insufficient or inappropriate to meet the special needs of elderly and handicapped persons within the service area...*

From available evidence collected, the services to be provided by the five (5) applicant agencies are unavailable to client groups served by these organizations. There are several factors which tend to adversely affect the availability of services by the Greater Houston Transportation Company (Yellow Cab). The most important problems associated with service delivery by the opposing private paratransit operator (Yellow Cab) include the following: (1) Cost -- a substantial proportion of the clients served by the agencies are both elderly or handicapped and poor. Most

Table 2

PROJECT JUSTIFICATION AND STATED NEEDS

PROJECT NAME: ANCHOR HOUSE NEIGHBORHOOD CENTER

BENEFITS TO BE DERIVED FROM PROJECT: To provide the aged individuals and handicapped with direct social services and activities that will improve and secure their standard of living by increasing the level of independence and self esteem of these individuals.

SHORTCOMINGS OF EXISTING SERVICES: The existing agencies do not have a specialized transportation program for Senior Citizens that will meet their total needs; such as public transit; who do not have direct routes to Hospitals and Doctors' offices that these individuals have to use. Due to the lack of mobility of the aged persons getting to and from public transportation sites it presents a problem. No other agency offers this type of proposed service.

CURRENT SERVICES PROVIDED BY AGENCY: We are carrying the elderly and handicapped on Field Trips, Grocery Shopping on Fridays only. Transportation to Fourth Ward and West End Clinic; St. Joseph; Jefferson Davis Hospital (no charge) from 9-5 P.M. daily. Also pick-up services to the Center for meals and Crafts.

CURRENT SERVICES PROVIDED BY OTHER AGENCIES: HouTran bus services which requires the user to pay and transfer at least once between destinations; plus the waiting period between busses. Due to the high crime rate in this community Taxi services are very poor and expensive. The Welfare Buses have too much area to cover along with a (24) hour advance notice which in most cases will not fit the need of the individual's immediate situation.

Table 2 (Continued)

PROJECT JUSTIFICATION AND STATED NEEDS

PROJECT NAME: GOLDEN AGE HOBBY HOUSE OF HOUSTON, INC.

BENEFITS TO BE DERIVED FROM PROJECT: The elderly and handicapped elderly users, 60 years of age and older shall benefit from the following transportation services: To and from community resource agencies; to and from medical facilities; doctors' offices; shopping trips and field trips.

SHORTCOMINGS OF EXISTING SERVICES: There is a large concentration of elderly persons in the Third Ward area, and there is evidence of a lack of coordination and high rising cost for transportation for the elderly. The taxi-cab service is ineffective because of the inability of our clientele to pay fares. NCDCA does not provide transportation for field trips. Medicaide transportation service is only provided for welfare recipients to and from medical facilities. All medical trips are scheduled in advance.

CURRENT SERVICES PROVIDED BY AGENCY: One van and a bus have been used for transporting elderly and handicapped elderly; field trips and shopping trips are curtailed because funds are needed to repair or replace the van and bus formerly used by Golden Age Hobby House for this purpose. Fifty passengers are transported to and from the center daily by NCDCA, Monday through Friday, at 8:30 A.M. and 1:30 P.M. There is no charge for this service.

CURRENT SERVICES PROVIDED BY OTHER AGENCIES: NCDCA is presently providing transportation to and from the Project facility, five (5) days a week. There is no charge for this service because NCDCA has a contract with the Area Agency on Aging (Title III funds) to provide transportation to and from senior centers.

Medicaide transportation only provides services to welfare recipients for the purpose of receiving medical treatments.

Table 2 (Continued)

PROJECT JUSTIFICATION AND STATED NEEDS

PROJECT NAME: MARTIN LUTHER KING, JR. COMMUNITY CENTER

BENEFITS TO BE DERIVED FROM PROJECT: This project will provide an immediate response service emergency and non-emergency transportation for the elderly and handicapped when needed as opposed to when transportation is available to and from the Doctors Office, Hospital, Clinic, Food Stamp Office and Shopping.

SHORTCOMINGS OF EXISTING SERVICES: The existing non-emergency transportation services only operates from 8:00 A.M. to 5:00 P.M., Monday through Friday. Services must be requested 48 hours in advance. The bus routes and schedules are such that they work a hardship on the elderly. Provided transportation is too expensive for persons on fixed incomes. This project will afford free pick-up transportation to the elderly in the area at the time that it is needed to coincide with our Senior Workshop enrollees.

CURRENT SERVICES PROVIDED BY AGENCY: The agency through Social Services provides transportation to the Doctor, recreation, field trips, seminars. Seniors Day Out, Shows, Voter Registration and Voter Education.

CURRENT SERVICES PROVIDED BY OTHER AGENCIES: American Cancer Society, American Red Cross, Golden Age Hobby House, Gulf Coast Community Services, Harris County Senior Citizens, Harris County Department of Social Services, Neighborhood Centers, Texas Department of Human Resources, HouTran, and Pick-Me-Up.

Table 2 (Continued)

PROJECT JUSTIFICATION AND STATED NEEDS

PROJECT NAME: UNITED CEREBRAL PALSY OF TEXAS GULF COAST, INC.

BENEFITS TO BE DERIVED FROM PROJECT: To teach self-help skills moderately to severely involved adult handicapped persons and keep them occupied each project day. We provide programs for the handicapped where no other program exist.

SHORTCOMINGS OF EXISTING SERVICES: Existing routes by public or private companies are not available on a door-to-door basis, except for a fee. Clients cannot afford available transportation costs due to their only income being SSI. We do not charge for transportation.

CURRENT SERVICES PROVIDED BY AGENCY: We provide transportation to and from project Monday through Thursday. Pick up from 8:00 A.M. to 9:30 A.M. Return 2:30 to 4:00 P.M. We do not charge fares since clients cannot afford to pay.

CURRENT SERVICES PROVIDED BY OTHER AGENCIES: No other agency provides transportation on a no-cost basis.

Table 2 (Continued)

PROJECT JUSTIFICATION AND STATED NEEDS

PROJECT NAME: YOUNG WOMEN'S CHRISTIAN ASSOCIATION

BENEFITS TO BE DERIVED FROM PROJECT: Classes in exercise and yoga (includes wheel chair participants) book reviews, cultural-educational trips and outings and weekly shopping trips. Programs are operating at 2 YWCA branches. For the majority of the program and those waiting to enroll participation depends upon the availability of transportation. Similar programs for the blind could also be extended.

SHORTCOMINGS OF EXISTING SERVICES: HouTran lines pass within one block of branch located at 3515 Allen Parkway, however, bus lines are not so conveniently located by many participants' homes. HouTran lines stop in front of branch located at 1102 Campbell Road but again, lines are not so conveniently located by many participants' homes.

Taxi cab service is available; however, boarding and exiting, weather conditions, seating availability, etc. prevent regular use.

CURRENT SERVICES PROVIDED BY AGENCY: Branch van is used with limitation. Services to elderly and handicapped are periodically interrupted for programs that have higher priority and need to use the van.

CURRENT SERVICES PROVIDED BY OTHER AGENCIES: One class (7-10 individuals) participating in program at Lighthouse for the Blind is transported to a branch for class. All agencies listed were contacted. Those which provide transportation serve a specific group which does not include YWCA participants.

of the individuals served by Anchor House Neighborhood Center, located in one of the lowest income areas in the central city of Houston, for instance, are below the poverty level in income; the client groups served by Golden Age Hobby House and the Martin Luther King, Jr. Community Center are elderly and on fixed income. Some variations exist in the client groups served by United Cerebral Palsy, Inc., and the Young Women's Christian Association, but the variations are more in degree rather than kind. United Cerebral Palsy, Inc., serves moderately to severely handicapped on a no-cost basis; the YWCA serves a substantial number of persons of all groups, charging minimal fees. The former agencies are more severely restricted relative to cost because they are dependent upon contributions and grants for subsidies for transportation services. In short, the inability to pay by the client groups is due to their lower economic status and physical disability.

A detail examination of specific "case study" projects considered representative of the types of transit services provided revealed that both generalized and specialized services were provided to client groups. The Greater Houston Transportation Company, as a private corporation, provides limited services to elderly and handicapped persons through contractual arrangements. Specialized care for institutional and non-institutional clients such as the visually impaired, acute or chronic conditions, persons having spinal chord injuries (the severe cerebral palsied) are not being served by the Greater Houston Transportation Company. While some provisions have been made through a contractual

arrangement with the Metropolitan Transit Authority through the METROLIFT AND TRANSPORTATION BROKERAGE PROGRAM, the services do not provide special personnel for assisting the severely impaired elderly and handicapped clients. (See: Exhibit A)

There are intangible cost factors also. Client groups served by the applicant agencies indicated that many of the drivers of vehicles operated by the Greater Houston Transportation Company are insensitive to their plight; some are hostile; and a large proportion will refuse to provide services if longer trips or more expensive services are needed by the general public. There were reported instances of drivers refusing elderly and handicapped patients if a call was relayed on the dispatcher for a more prosperous trip to the Intercontinental Airport of Houston, Hobby Airport, and other outlying areas in the region. Several clients reported that drivers of taxicabs are reluctant to serve elderly, handicapped, and others in the inner city (inside Loop 610) because of fears of being robbed; others alleged prejudicial actions against this select group.

As indicated in Table 2, existing services are not available on a door-to-door basis, except for a fee. As reported by United Cerebral Palsy, Inc., clients cannot afford available transportation costs due to the fact that the only source of income was from Social Security. Other agencies who have used Yellow Cab Company services reported that they were dissatisfied with the services; or the services are unavailable or inappropriate. If the METROLIFT program is considered, not only are

fees involved, but many of the elderly poor cannot afford it. A further consideration reveals that applicant agencies have agreed to coordinate their services with the Metropolitan Transit Authority (MTA) and other agencies. The signed agreement has been included in the Appendices. The coordination agreement is evidence of the willingness of the applicant agencies to coordinate rather than duplicate their services. As indicated in the document, the agreement will be in effect during the vehicle life of the UMTA 16b(2) vehicles received by the parties, and will no longer remain binding once the vehicles are no longer in the possession of the agencies.

The Houston urban area now spreads out over 6,955 square miles in half a dozen counties (540.9 miles in the city itself). The metropolitan region of Houston is one of the largest in the nation. Neither the existing transit service delivery system of the Greater Houston Transportation Company nor the recently established Metropolitan Transit Authority (MTA) can serve the needs of the elderly save the Metrolift Program -- a program which the agencies have already agreed to utilize through the coordination agreement signed. Slightly more than 1,000 taxicab permits have been issued in the Houston area to serve a population in excess of 2.1 million people, which gives a ratio of one taxicab to every 2,000 Houston area residents. The METROLIFT program which began operation in Houston (inside of Loop 610) on April 9, 1979 is a specialized transportation service. This program has only fourteen (14) vans to serve elderly and handicapped persons residing inside the 610 Loop. A recent news release (Houston Chronicle, April 8, 1979) described it this way:

METROLIFT, a special transportation service for persons who cannot use regular buses, goes into operation Monday. The service, funded by the Metropolitan Transit Authority, uses special vans equipped with wheelchair lifts that are operated by the Greater Houston Transportation Company which also operates Yellow Cab...Trips within a single bus fare zone within Loop 610 will cost 50 cents per trip, and the maximum charge for a one-way trip will be \$1 (one dollar)...

It should be noted that the METROLIFT program (which will be described in more detail later) is funded by the Metropolitan Transit Authority (MTA), a rapid transit authority created under the laws of the State of Texas. It appears that if the applicant agencies agreed to coordinate services with MTA, then the agreement binds the contractor/sub-contractor as well, because Greater Houston Transportation Company (Yellow Cab Company) is the provider of services for MTA. In a signed agreement, dated March 15, 1979, MTA and Greater Houston Transportation Company entered into an arrangement to provide paratransit services:

...WHEREAS, the MTA desires to provide transportation to handicapped, elderly and transportation-disadvantaged persons;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. The Provider (GHT) agrees to provide transportation services in accordance with the scope of services which is attached hereto as Exhibit "A" (hereinafter "Paratransit services")....

The scope of service of the agreement ranges from driver training courses, service orientation, sensitivity and passenger assistance, and defensive driving; to efficiency, monitoring, and inspection by the MTA. The pricing structure involve vehicles operating at \$12/vehicle hours daily, at an estimated 31,104 hours per year at a cost of more than \$757,693 for two years. Of this total, \$373,248 will devoted to

the project for the first year; \$384,445 during the second year of the project. According to the agreement, the Greater Houston Transportation Company provides nine (9) vehicles during weekdays, but only three (3) vehicles at the same cost per vehicle hour during weekends and holidays. While the program -- to which the applicant agencies have agreed to work with -- has merits, the operation of three vehicles on weekends and holidays will be insufficient in terms of the needs of elderly and handicapped persons from a variety of private, non-profit organizations. Low income persons, blacks and browns in particular, place great value on being able to visit relatives, engage in recreation, and attend church services. The reduction in the number of vehicles providing services during weekends and holidays severely restricts the mobility of these groups, particularly since many of the elderly and handicapped persons are of different religious denominations and attend services at a variety of churches in the Houston area. One characteristic of the black elderly is that although they may move from their old neighborhoods, they retain religious status in the more traditional churches located inside and outside of Loop 610 or they frequently attend church services with elderly friends living in all parts of the city.

PROPOSITION 2: *To the extent feasible, applicants for 16b(2) funds must coordinate the planning and operation of special services for the elderly and handicapped persons with interested agencies and transit operators.*

As indicated earlier, all applicant agencies have signed a "Coordination Agreement" with the Houston-Galveston Area Council of

Governments and the Metropolitan Transit Authority. The first phase of the coordination plan began in mid-1978. The Yellow Cab Company signed a contract with the Metropolitan Transit Authority on March 15, 1979 to provide intake, routing, scheduling, and operation for the Paratransit Brokerage Program designed to transport elderly and handicapped persons in Houston. The first year of the routing and scheduling contract will cost MTA an estimated \$62,284; the second year costs amounted to \$65,365. Specific guidelines designed to serve as the basis for procedures in the Paratransit Brokerage Program clearly show interrelationships which serve to buttress the kind of service linkages that would make Yellow Cab Company's refusal to sign off questionable because of the obvious need for cooperation from agencies serving potential clients of the program.

While details of routing and scheduling are left up to Greater Houston Transportation (Yellow Cab Company), certain provisions of the contract indicate monitoring, evaluation, and approval procedures to be carried out by the Director of Program Development of MTA or a designee, including the option to make changes. Specific procedures for Routing and Scheduling (R/S) include the following:

MTA will provide Greater Houston Transportation Company (Yellow Cab Company) a list of eligible programs contracting for service, noting any constraints imposed under the program. Each program will establish its screening requirements, and Routing/Scheduling (herein after referred to as R/S) will accommodate those requirements in the initial telephone screening. Two possible procedures will be used for screening: One would be a list of clients eligible under the program; the other a list of clients not eligible under the program. It is assumed that in the latter instance,

eligible clients will be selected from an unclassified list of potential clients, since the contract is designed to serve elderly, handicapped, and the economically disadvantaged.

All clients must have scrip tickets to ride the service, and R/S should make them aware of this requirement.

R/S will take requests from 8:00 a.m. to 5:00 p.m. Monday through Friday. Weekend trips must be scheduled and arrangements made on Friday. Personnel will be provided during hours of operation to provide information and to deal with service problems.

Routing and scheduling will be handled according to procedures developed by Greater Houston Transportation Company (Yellow Cab Company); while scheduling efficiency will be evaluated by MTA through an evaluation of vehicle activity, utilization, and service demand. The contractual arrangement between MTA and Greater Houston Transportation Company also requires that any problems with scheduling efficiencies will be identified by MTA and passed along to R/S. "Together, an improvement program will be developed and progress monitored," according to the agreement signed and dated March 15, 1979. This latter statement clearly attests to the kind of cooperative arrangement that symbolizes a cooperative, inter-agency agreement which would tend to make objections to current UMTA 16b(2) applications unnecessary since the agencies involved have agreed to coordinate services with the Metropolitan Transit Authority (MTA).

PROPOSITION 3: *That private transit and paratransit operators have been afforded a fair and timely opportunity to participate to the maximum extent feasible in the development of the transportation program and in the provision of the proposed special transportation services for the elderly and handicapped persons.*

Greater Houston Transportation Company (Yellow Cab Company) has been given the opportunity to discuss the programs of the five agencies who have applied for capital assistance funds. In a meeting on March 14, 1979 at the Thurgood Marshall School of Law on the Texas Southern University campus, representatives of the Greater Houston Transportation Company, the Metropolitan Transit Authority, the Texas Department of Highways and Public Transportation, the Houston-Galveston Area Council of Government, St. Elizabeth Hospital (as a supporter of the applications of the agencies); and the five (5) applicant agencies (Anchor House Neighborhood Center, Martin Luther King, Jr. Community Center, Golden Age Hobby House, the Young Women's Christian Association, and United Cerebral Palsy, Inc.) were provided the opportunity to discuss the stated needs of the agencies, problems relative to transportation, and the rationale for the position taken by Greater Houston Transportation Company. In addition, a representative from the Metropolitan Transit Authority (MTA) outlined the requirements of the Paratransit Brokerage Program (Metrolift) and explained the procedures involved. An alternative Transportation Brokerage Concept was presented by the staff of the Urban Resources Center in Texas Southern University. Both advantages, disadvantages, estimated costs for operating such a system, the estimated number of personnel needs, and related data were presented to the groups attending the session.

Representatives of the applicant agencies expressed their concern about the complication and delay of the application process, and indicated their dissatisfaction with Greater Houston Transportation

Company (Yellow Cab Company) for blocking the program. Jim Connolly, special services manager of Greater Houston Transportation Company, indicated that company policies had changed because "the agencies did not live up to the FY 1976 coordination agreement signed by Yellow Cab Company and the applicant agencies. A careful review of the facts, however, indicates that only one agency has received vehicles under the FY 1976 program. This vehicle arrived only two months prior to the meeting of March 14, 1979, and the receiving agency has indicated a willingness to participate in the Paratransit Brokerage Program (referred to as Metrolift).

The position taken by the Greater Houston Transportation Company (Yellow Cab Company) is outlined in a letter sent to the Texas Department of Highways and Public Transportation dated August 9, 1978. The Special Services Manager, Jim Connolly wrote:

Since our meeting on May 3, 1978, in your office, I have evaluated the UMTA Section 16b(2) program in relation to our area. I have decided to oppose all current applications for vehicles in Harris County. I believe that the current coordination activity being undertaken by the City of Houston and the length of vehicle delivery time will make these vehicles unnecessary...

Since August 9, 1978, a referendum creating a Metropolitan Transit Authority has been approved by the voters of Houston and a select number of areas in Harris County. The transit program for the City of Houston -- to which Connolly refers -- has been combined to form a Paratransit Brokerage Program which is part of the regional transit plan for MTA. The Greater Houston Transportation Company signed an agreement to provide transportation services for elderly and handicapped persons with MTA,

receiving bulk of the funds available for the program. Can Greater Houston Transportation Company exercise VETO powers over the same agencies who have agreed to coordinate with MTA? While the Court is the vehicle for providing the legal answer; the Federal government must critically consider the broader implications of the discretionary powers being exercised by Greater Houston Transportation Company (Yellow Cab Company). Are the powers being exercised monopolistic in the sense that even where cooperation is pledged, a private paratransit operator chooses to withhold "sign-offs"?

The applicants have completed the requirements for the application process with confidence in the Urban Mass Transportation Administration (a federal agency) and its capital assistance provisions under Section 16b(2). Until such time as the Federal government decides to alter or abolish the program, the applications should be approved by the State Designate Agency and forwarded to UMTA for approval. If the Yellow Cab Company wants to protest and, by doing so, deny urgent transportation service to the more than 100,000 elderly and handicapped persons in Harris County, then let the protest be filed with the final authority for approval -- the Urban Mass Transportation Administration in the U.S. Department of Transportation. There is strong evidence to support the belief that if Greater Houston Transportation Company (Yellow Cab Company) files its protest, particularly since they hold contracts with MTA, it will adversely affect the Yellow Cab Company not the State Designate Agency.

The applicant agencies received a positive response from all public and private agencies who are providers of public transportation in the proposed service area. Yellow Cab Company is the only agency that responded negatively to the applications despite the fact that the Company holds the bulk of all taxicab permits granted by the City of Houston. It is inconceivable that with this kind of "monopoly" on service permits that the five (5) applicant agencies in question would jeopardize the business of the Company. The City of Houston; indeed, the Metropolitan Transit Authority, voiced support for the applications, provided that the applicants coordinate with the MTA's Transportation Brokerage Program which has now been launched in an effort to serve the elderly and handicapped in a cost-effective manner. With the contracts granted to Greater Houston Transportation by MTA, Yellow Cab Company has been "afforded a fair and timely opportunity to participate to the maximum extent feasible in the development and operation of the transportation program and in the provision of ...special transportation services for the elderly and handicapped persons." (Emphasis added).

PROPOSITION 4: *That each applicant non-profit organization shall obtain individual sign-offs from each public and private transit and paratransit operators in the service area stating that the services (he) it is providing or is prepared to provide are not designed to meet the special needs of elderly and handicapped persons within the service area OR*

That in the event this procedure is impractical, issue a public notice describing the services it intends to offer to meet the special needs of elderly and handicapped persons within the service area. The

notice should invite any interested public or private transit or paratransit operator within the service area to comment on the proposed services by sending written notice to the designated State agency and the local applicant within 30 days.

As indicated earlier, each applicant obtained individual sign-offs from each public and private transit and paratransit operator in the service area, with the exception of Yellow Cab Company. The applicant agencies signed a coordination agreement with the City of Houston (now MTA) and received MTA's endorsement for the applications. Since Greater Houston Transportation Company (Yellow Cab Company) has entered into an agreement with MTA to provide services for elderly and handicapped persons, it is believed to be both legal and moral for MTA to insist that Yellow Cab Company withdraw its objections to the requests for capital assistance funds to purchase vehicles to transport elderly and handicapped persons. The agreement, signed by Greater Houston Transportation and MTA officials, to provide transportation-disadvantaged persons (hereinafter referred to as "Paratransit Services") should negate the need for a sign-off from Yellow Cab Company now and in the future or at least until such time as the contractual arrangement expires. The agreement between the Metropolitan Transit Authority of Houston, Texas (the "MTA") and Greater Houston Transportation Company (the "Company"), a private corporation organized and existing under the laws of the State of Texas; owner of Yellow Cab Company, is on file in the MTA offices for inspection.

Inasmuch as the FY 1977 UMTA 16b(2) applications have been held up for more than a year and the letter opposing the applications filed by Yellow Cab Company was written prior to the agreements executed March 15, 1979 between MTA and the Company, applicant agencies published a legal notice in the Houston Post on April 7, 1979 to solicit comments from the Yellow Cab Company relative to their applications. In a joint announcement, the agencies indicated that they had made application for capital assistance funding under Section 16b(2) of the Urban Mass Transportation Act of 1964 as amended. The purpose of this notice was to elicit a response from Yellow Cab Company in an effort to determine whether the Company's policies had changed since receiving contracts from the Metropolitan Transit Authority (MTA) to provide services to elderly, handicapped, and transportation-disadvantaged persons; and because the applicant agency representatives had signed an agreement "to coordinate transportation services provided with vehicles received under Section 16b(2) of the Urban Mass Transportation Act of 1964 as amended." The agreement was signed by representatives from applicant agencies during the period, August 25-28, 1978. The provisions of the agreement bind the parties (applicant agencies) in the coordination arrangement until the said agencies are no longer in possession of such vehicles.

In publishing the legal notice, the applicant agencies were making a good faith effort to notify all public and private agencies and paratransit operators of the proposed service. The applicants were also providing the opportunity for Yellow Cab Company and MTA for the

region -- developments which have occurred since objections were articulated by Yellow Cab Company last year. As of this date, Yellow Cab Company did respond, in writing, to the five (5) applicant agencies who are the parties mentioned in the public notice.

GENERAL OBSERVATIONS

Several observations should be made. First, the statutes authorizing and governing mass transportation programs and the Urban Mass Transportation Administration (UMTA), as well as other statutory materials relevant to mass transportation and government operations, were in response to the need to provide additional assistance for the development of comprehensive and coordinated mass transportation systems both public and private, in metropolitan and other urban areas. More specifically, Section 1612 addressed the special needs of the elderly and handicapped -- needs that were obviously not being served by existing public and private transit and paratransit systems. The Metrolift Program of MTA, though yet in its infancy, has the potential for coordinating comprehensive transit service programs. The contract with MTA for the operation of the Metrolift Program is the Yellow Cab Company, and, as such, this concern becomes the coordinating umbrella agency for routing and scheduling services under the provisions of MTA's Paratransit Brokerage Program. Objections by Yellow Cab Company relative to coordination, therefore, appear to be groundless because of the contractual arrangement with MTA and pledges to coordinate from the applicant agencies.

The negotiations which took place between the applicant agencies Yellow Cab Company, MTA, and representatives of the State Department of Highways and Public Transportation of Texas did not yield the expected results. These negotiations, however, occurred prior to the granting of the contract to Yellow Cab Company by the Board of the Metropolitan Transit Authority (MTA).

Of even greater importance are the documented evidence concerning the applicant agencies' willingness to cooperate and coordinate services with MTA who contracted with Greater Houston Transportation Company (Yellow Cab Company). Although the representative from Yellow Cab Company accepted the contract for Metrolift service, the individual has failed to contact or meet with various administrators of the applicant agencies to negotiate the kinds of services the new program provides.

There are issues which extend beyond the purely administrative or coordinative purposes of the UMTA 16b(2) program. In purely theoretical terms, one can assume that a program similar to UMTA 16b(2) can adversely affect the profit capabilities of private paratransit operators such as Yellow Cab Company. Looking beyond this purely theoretical consideration, however, is the realization that these agencies do not have the managerial or administrative capabilities to operate services beyond that required for their select clientele. The reality of the situation is that generally the socioeconomic status of the potential users, the limited service offered on weekends by the Metrolift Program, the unique needs of the clientele served (including the general handicapped and the elderly handicapped), the timidity and reluctance of elderly persons of

strangers, the low cost assessed to clients by virtue of their lower socioeconomic status, irregularities in time of day for trips, and other specialized mobility requirements combine to challenge Yellow Cab Company's objections to vehicle acquisition; to underscore its need to develop greater rapport with non-profit corporation so that future cooperative efforts will be made less difficult.

In a communication dated July 2, 1979, the applicant agencies (Golden Age Hobby House, Anchor House, Martin Luther King, Jr. Community Center, Young Women's Christian Association) submitted a proposal to Greater Houston Transportation Company with the following stipulations: (1) THAT the agencies would serve only elderly and handicapped citizens that comprise their clientele; (2) THAT the services provided for clients would be a demand-responsive type of service, and would be restricted to their current service areas and/or program activities; and (3) THAT the services to be provided would not extend beyond the individuals currently served; THAT any requests for services beyond those currently served by the agencies would be referred to Metrolift or Yellow Cab Company or other transit providers in the area.

On August 17, 1979, a representative from Greater Houston Transportation Company (operators of Yellow Cab Company) met with the Project Director and a legal consultant to review a counter-proposal (See Exhibits in the Appendices) drafted by the Greater Houston Transportation Company. The proposal contained many of the

stipulations contained in the communication of July 2, 1979.

On August 20, 1979, an agreement was reached between Yellow Cab Company and applicant agencies and the "sign-off" was granted by Greater Houston Transportation Company.

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APPENDICES:

- . BEESON-DAVIS-WEGMANN MODEL
- . PARATRANSIT BROKERAGE PROGRAM
- . TABLE 1

BEESON-DAVIS-WEGMANN

M O D E L

of A

TRANSPORTATION BROKERAGE PROJECT

VIA SOCIAL SERVICE AGENCIES

PRELIMINARY REPORT

PHASE I

(SDH&PT STUDY #7-26D-79-1063)

URBAN RESOURCES CENTER

TEXAS SOUTHERN UNIVERSITY

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ABSTRACT

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- IV. Components of the Broker
 - A. Estimated Salaries
- V. The Implementation of the Brokerage System by Phases
- VI. Advantages and Disadvantages
- VII. Conclusion

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INTRODUCTION

A recent report on the transportation problem in Houston and the potential impact of the Carter Administration's proposed gas rationing program revealed some interesting facts about the City and its transit needs. (Houston Post, March 1, 1979.). The Houston urban area spreads out over 6,955 square miles in half a dozen counties. There are more than 540.9 square miles in the City proper. This makes Houston one of the largest metropolitan regions in the country, and indeed, the world, according to the report.

Urban sprawl has been a watchword of development in the City since 1950. A philosophy of almost unlimited metropolitan growth and Texas' liberal annexation laws have combined to extend the suburbs of Houston almost endlessly. The 1970 Census of Houston, for instance, showed residential density to be only 2,570 persons per square mile. It is currently estimated at a little less than 3,000. This compares with 26,343 persons per square mile in New York City, 15,864 in San Francisco; 15,126 in Chicago, and less than 15,000 in Boston, Detroit, and Los Angeles. The land area in Houston is large, and because of rapid sprawling growth in the metropolitan area, consideration must be given to the development and maintenance of primary and secondary transit networks. Consequently, subsidiary transit networks that address the special demand/supply problems experienced by social service agencies and other groups or individuals must be given careful study and consideration.

This report provides an assessment of a subsidiary transit network via the "brokerage concept." The Transportation Brokerage Concept is designed to provide better service for the clients of social service agencies. It specifically seeks to coordinate programs of the providers of human services transportation. Included in this report is a brief description of how a Transportation Brokerage Concept Model proposes to operate; what the components of the system are, the plan for coordination, the phases by which the system should be implemented, the advantages and disadvantages of the overall system.

The terminology used to describe the system's operation has been defined for purposes of greater clarity and understanding. Additionally, job requirements and responsibilities are described in abbreviated form. Although all advantages and disadvantages have not been delineated, the more important considerations needed in negotiating and collaborating with potential users of the concept -- the potential problems and benefits -- have been included.

OVERVIEW OF THE TRANSPORTATION BROKERAGE CONCEPT

Before the crux of this report is examined, it is crucial that each reader has a clear understanding of the Transportation Brokerage Concept. In the broadest sense, this concept is concerned with developing a transportation system that utilizes various modes of transportation that will achieve the objectives of both the buyers and sellers of transportation services. The author of the Knoxville Transportation Brokerage Project defines the concept as "being designed to establish an independent agency to promote and coordinate all modes of transportation. The broker would not promote one mode of transportation over another, but would promote all modes in order that the broad objectives of the community could be met. Through this agency, each individual agency requesting service would be provided a series of transportation alternatives that would permit the desired level of service at the lowest possible cost. . ." (Beeson, 1977, p. 3).

Closer exploration of the above definition reveals that the word "coordination" is the foundation of this concept. Unfortunately, past experiences reveal that coordination and consolidation are frequently used interchangeably despite the fact they represent vastly different levels of cooperative effort and activities. Therefore, it is necessary to define the concept of coordination as well as provide definitions for consolidation and cooperation that will prevent any interchange in the use of these terms relative to the Transportation Brokerage Concept. Basically, the concept of coordination is "a process of bringing together indivi-

duals or groups of individuals, with the differences in freedom of transportation action defined in terms of a scale ranging from the lowest arrangements to the most restrictive" (DHEW, 1977, p. 12). Using the above meaning the following definitions were formulated:

COOPERATION reflects the acting or working together of individuals or agencies in some loose association or cooperative way in which their individual transportation identification is retained.

COORDINATION is taken to mean the bringing together in some sort of common action, or acting together in a concerted way, to provide for the smooth interaction of separate transportation units within a program or system. In coordination, primary concern is in tapping the benefits of a unified system through joint action as a group. Coordination may come in the form of common funds, equipment or facilities; but members or agencies remain in a loose association and preserve their transportation identity.

CONSOLIDATION is taken to mean the joining together or merging of transportation services for mutual advantage. In the context of this report, we will use consolidation when we refer to a fully integrated system in which all individual units or individuals have been combined or consolidated into one integrated transportation system and individual transportation identity is no longer possible (DHEW, 1977, p. 12).

Now that the above set of working definitions has been given, each reader can better understand that the Brokerage Concept as well as the concept of coordination reflect "a degree of agreement and joint action in which there is some common sharing of funds, facilities or equipment by agencies but in which agency transport identity is preserved" (DHEW, p. 13, 1977).

The Rationale for Transportation Brokerage Concept

In order to visualize the critical need for developing a Transportation Brokerage Concept responsive to social service agencies, one must examine the difficulties agencies experience when attempting to provide adequate transportation for their clientele.

The initial difficulty involves recording the necessary data to determine how effective their transportation program is operating. Another major concern includes securing qualified drivers if the agency is operating its own vehicles. In addition to securing qualified drivers, each agency has the problem of maintaining the vehicles they are operating. Along with maintaining the vehicles, agencies must deal with the problem of obtaining insurance to cover the individuals utilizing their transit program. Moreover, agencies do not have adequate means of dispatching vehicles to service immediate demand-response trips. However, some agencies solicit transit service from existing systems who, in essence, lack the operational sensitivity that is needed to serve clients of social service agencies. In short, transportation systems of social service agencies, at present, are basically operated like primary and secondary networks of a generalized transit system; even though they service categories of population groups that have particular transit needs.

The Transportation Brokerage Design

In order for one to understand the mechanics of the transportation brokerage concept, two basic operations of the systems design must be described. (See Figure 1)

Operation Flow

- (1) The funding agencies (social service) request that the broker coordinate transportation service for their clients.

- (2) Each agency's clients call in requests for transit service to the broker 24 hours in advance, although the system can be flexible enough to handle immediate demand-response trips.
- (3) The broker contacts the transportation provider and he dispatches the appropriate vehicle to service the type of client requesting service.

Cash Flow

- (1) Each participating funding agency provides their share of funds so that the brokerage concept can continue operating effectively.
- (2) The broker provides each funding agency with tokens to distribute to their clients in return for the funds received.
- (3) The clients then give these tokens to the transportation providers when using the transit system.
- (4) The provider returns these tokens to the broker for cash.

Components of the Broker

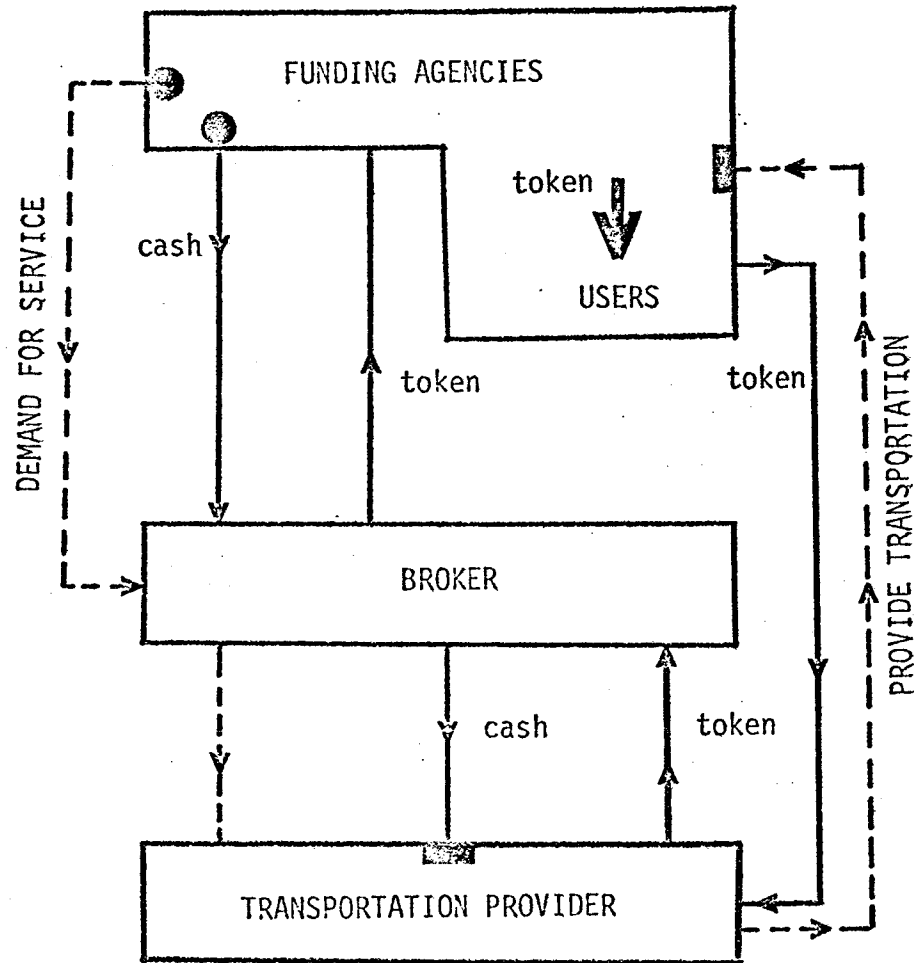
Even though the following components will not be implemented at the same time, it is necessary to have an overview of the entire internal organizational structure of the broker. (See Figure 2-3).

Director - A full time transportation practitioner that will be responsible for the overall operation of the system.

Legal and Insurance Staff - Initially, these positions will be full-time until the system begins operating; then, they will be used on a retainer basis. The insurance staff will be responsible for determining, securing, and handling necessary policies to cover the various accidents that may occur while the brokerage system is in operation.

Secretary and Assistants - Responsible for conducting all clerical office procedures.

Project Coordinator-Operations - This full-time employee is responsible for coordinating the operation section of the brokerage system. These



Operational Flow -----

Cash Flow -----

Beginning ●

End ■

Figure 1
Service Flow Chart

sections include telephone inquiries, public relation/promotion, marketing, accounting, routing and scheduling, and computer services. The coordinator should be one who has extensive executive management experience in general management, merchandising, sales management and marketing.

Inquiry Operations Coordinator - The basic requirements include handling all incoming phone inquiries and assisting callers with commuting problems. Additional responsibilities involve the preparation of all incoming survey forms for the computer and the distribution of resulting output. Most of all, the individual in this capacity has to be able to communicate over the phone and be able to keep track of many details.

Public Relations and Promotion - The person assigned to this position is responsible for informing the general public, business community media associations and governmental organizations about the system and its importance to the community. Also, he must be experienced in public relations/promotion, and media advertising.

Computer Coordinator - These responsibilities require matching the various modes of transportation with the specific needs of the callers. In addition, there is a need to process all data coming from research and evaluation, marketing and accounting, routing and scheduling, and all other data that require computerized computations.

Marketing and Accounting - These areas will require the following, respectively: (1) Sell the system's existing service in the short run so that it can obtain funds needed to keep the system viable; and redirect the system's resources to develop new services which will better serve the social service agencies evolving needs in the long run; (2) Maintain an accurate report of the systems fiscal operations.

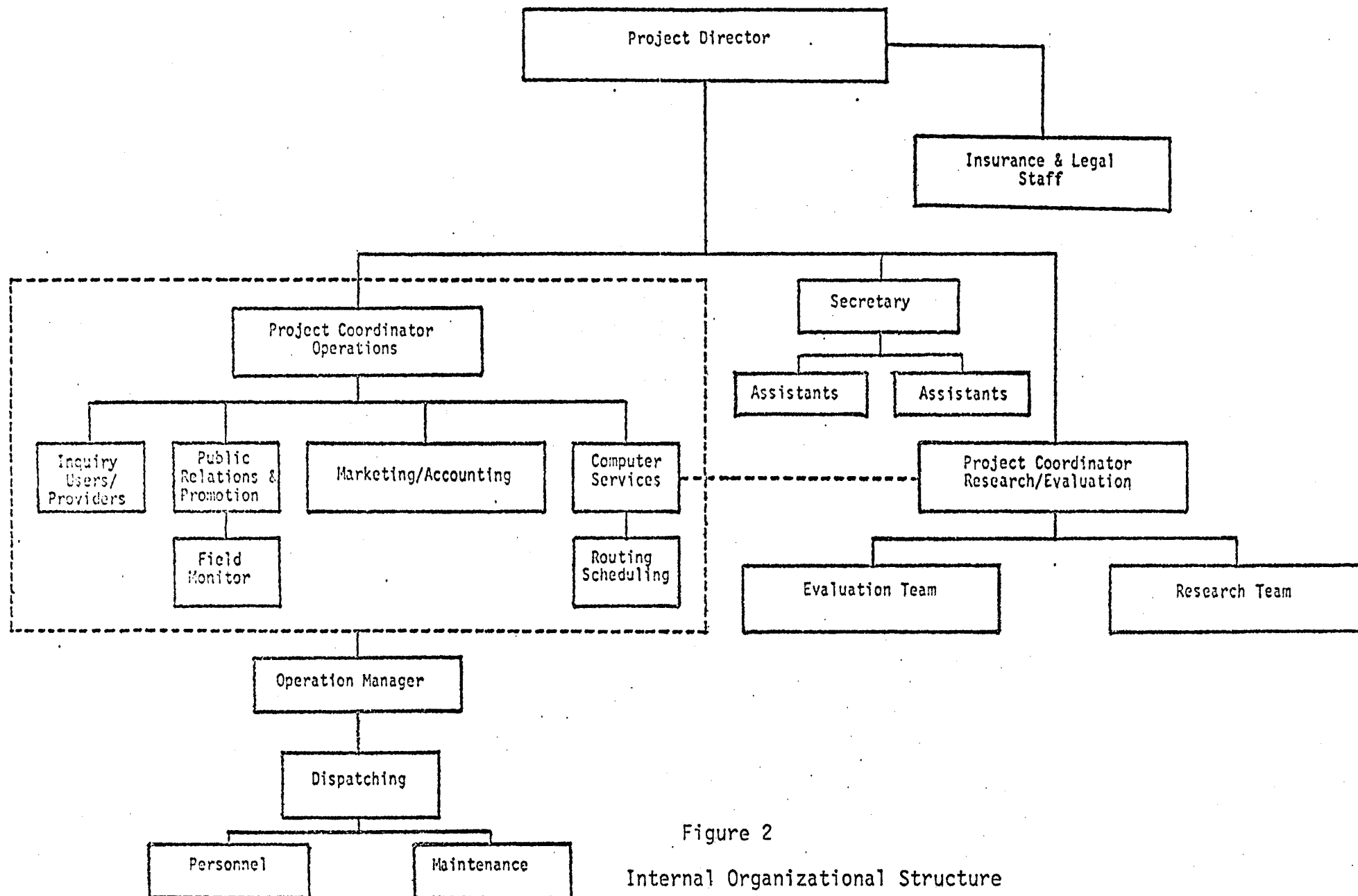


Figure 2
Internal Organizational Structure

Estimated Salaries for Initial Employees

<u>TITLE</u>	<u>Annual Income in Thousands</u>	<u>No. of Employees</u>
Project Director	30 - 40	1
Insurance & Legal Staff	open	
Project Coordinator (operation)	22 - 28	1
Inquiry Service	9 - 10	2
Public Relations & Promotion	13 - 16	1
Field Monitor	9 - 13	1
Computer Services (Director)	19 - 23	1
Accountant	14 - 17	1
Operation Manager	13 - 16	1
Assistant (dispatching)	6 - 9	1
Secretary (Administrative)	10 - 14	1
Project Coordinator (research/ evaluation)	12 - 16	1
Evaluation & Research Teams (3 each)	9 - 10	6
TOTAL	220 - 272	

Note: Salaries for this type of system generally constitute 70 percent of the total expenditures. The operating expenditures were not estimated due to insufficient data.

Figure 3

Routing and Scheduling - The primary objective of this area is working with the social service agencies to obtain data and determine viable routes and schedules to effectively service each agency clientele. In addition, experience in reading maps and developing routes and time schedules is necessary.

Field Monitor - This position requires making personal contact with the users, providers, and drivers to solve the various problems that may arise.

Project Coordinator (Research/Evaluation) - This person will serve as chief supervisor and coordinator of all research activities for the Broker. Also, he must show evidence of research capability through problem solving techniques, ability to work productively in a close interdisciplinary environment, and show initiative in new research development.

Evaluation/Research Team - These teams will develop, design, and implement various models suggested by the project coordinator so that the brokerage system is permitted to maintain maximum flexibility and quality service.

Operation Manager (Personnel/Maintenance) - The purpose of this position is to provide the broker with some auxillary vehicles and personnel to respond to emergency calls and monitor the dispatching of all request for service. The vehicles used to answer demand-response calls will be those presently being operated by the participating agencies.

The Implementation of the Brokerage System by Phases

PHASE I

- (1) Develop a legal agreement between all participating funding agencies to pool their resources (i.e., money, etc.) allotted for transportation to employ a transportation broker;
- (2) Identify an independent agency that is willing to perform all the functions of a transportation broker;

- (3) Develop an agreement between the funding agencies and the broker. This agreement will involve a definition of what the transit needs of the agencies are, the funds available to meet the needs, the constraints under which the funds may be disbursed, and clear definition of the level of accountability of all parties involved; and
- (4) The broker develops a legal agreement with a group of transportation providers willing to meet the transit needs of the agencies.

After all agreements have been confirmed, phase two will begin with the establishment of the physical and staff components of the broker.

PHASE II

- (1) The brokers initial step is to employ a project director;
- (2) The project director's first responsibility is to staff the top operational management positions;
- (3) The operational management personnel will collect the following data:
 - (a) Develop origin destination patterns of each agency clientele;
 - (b) Identify the providers that can best service the patterns identified;
 - (c) Identify the type of clientele that each agency services;
 - (d) Obtain insurance policies that will cover all users of the system;
and
 - (e) Develop routes and schedules via the origin-destination patterns of the system clientele and the flexibility of the providers.

The final step is to staff the remaining positions.

PHASE III

This phase will only be involved with shifting the responsibility of transporting the users from the agencies to the broker.

Advantages and Disadvantages

Now that an overview of the broker has been given, one must specify advantages and disadvantages of the brokerage system.

ADVANTAGES

- Each agency will have coordinated transportation audits to help determine the cost of providing service;
- Each agency will have alternative transportation arrangements for providing more effective service at a lower cost to the agencies;
- The agencies can collectively negotiate with various suppliers;
- The agencies can obtain insurance to meet their specific needs;
- The broker will manage the contracts between the agencies and potential suppliers;
- The broker will determine ways in which volunteers can be used to meet the agencies needs; and
- The broker will develop an effective dispatching process or assume the dispatching function directly.

DISADVANTAGES

- User Restrictions: Efforts to coordinate social programs or pool transportation facilities are frequently frustrated by user restrictions. Many social agency programs cannot serve all groups, and legislation is frequently designed to serve only special groups, so that merging the transportation demands of a number of agencies and programs is difficult. Differences in age, income, or location requirements may make agencies resistant to any combination of effort with other agencies because of the difficulties of allocating costs and designing an operational system. Though no statutory prohibitions may exist, the categorical nature of the programs coupled with the regulations certainly inhibits coordination.
- Franchise and Labor Negotiations: If projects are run by public transit companies, project costs would be higher than if the projects were run independently, primarily due to wage level differences. In addition, in many cases, operation of a transportation service for older Americans or other transport-disadvantaged persons using public transit facilities and net-

works may require franchise modification and conflicts with taxi operators, especially if demand-responsive services are being contemplated. These difficulties become more important when fares are being considered, because fare approval and franchise authority for specific services and routes is likely to be required from a public utility commission or equivalent body.

For social agencies (mainly concerned with providing social services) these roadblocks seem insurmountable and not worth the effort. The difficulties of obtaining a new franchise, negotiating a labor agreement (perhaps for changes in wages, or more critically, operating practices that would permit "hands on" personalized service) -- all seem far more difficult than setting up a small project with a few vehicles providing service to their own clients at the agency's convenience and within its control.

-Transit Planning and Operations: Transit planning and operations in the past have traditionally been organized around the commuting work trip with very little attention given to the needs of the elderly and other special groups. There has been little motivation on the part of public transit to plan and provide these special services except as recent legislation and pressure has forced some re-examination of the issue. Cooperative effort with social agencies whose requirements are for personalized transport appears too difficult to implement and peripheral to transit's major task -- though there has been somewhat more recent interest in considering the problems of the elderly and the handicapped.

-Institutional Mismatches: One of the significant problems of coordination is the considerable mismatch between the major social and transportation agencies. Essentially, transportation agencies at all jurisdictional levels are required to coordinate with one another to avoid duplication and conserve energy resources. However, transportation programs and social programs are not often required to coordinate with each other, so it is not surprising that coordination between them does not occur. Though some state

Departments of Transportation are taking a more active role to initiate cooperative effort between themselves and human service agencies. These are still exceptions. (DHEW, 1977, pp. 18-19).

Even though the disadvantages may appear insurmountable, the transit situation has become so tragic that it is absolutely necessary that subsidiary systems like the brokerage concept be incorporated into our highly technological transportation network.

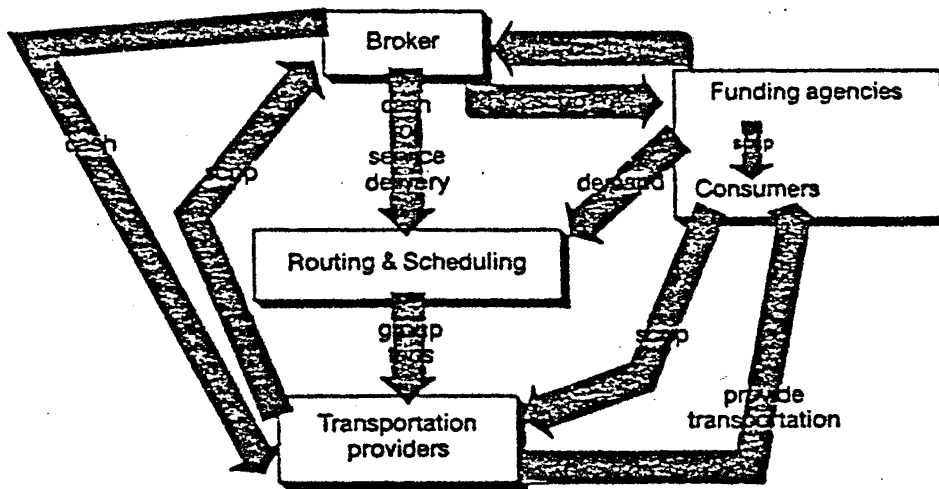
CONCLUSION

Although this concept is still in early stages of development when compared to the standard modes of transporting people, it has the potential of solving many of today's transportation problems. Because of its inherent flexibility, this concept will address service quality and specific accessibility for communities and groups who have not been well served by the primary systems. Consequently, the development of the this concept will contribute to the elimination of irregular travel patterns, clarification of general and specialized transit needs, and enhance greater coordination and consolidation. Thus, the development of this concept is one step in providing the foundation for innovative coordination, modification of traditional transit regulations, and magnification of a consumer-oriented approach to today's generalized transit systems.

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THE TRANSPORTATION BROKERAGE SYSTEM



The Paratransit Brokerage Program is a coordination effort to bring efficiencies of scale to the provision of special curb-to-curb transportation services in the Metropolitan Transit Authority jurisdiction. Currently there are several publicly funded programs that operate independently of one another, with the result often being costly duplication of effort both in terms of labor and capital equipment. This program will unite these funding resources with the most cost effective provider resources through centralized routing and scheduling.

The Paratransit Brokerage Program will operate as follows:

1. An agency, or group sponsored by an agency, establishes an account with the Broker (MTA). A list of eligible persons associated with each participating agency is given to the Routing and Scheduling agency (R/S), and all travel constraints or special needs of the clientele are clearly spelled out by the participants.
2. The Broker issues scrip to the agency who in turn distributes it to its clients. This distribution is the responsibility of the participating agency and may be accomplished as appropriate. This procedure, including any provision for charging a fee, will be documented and made available to the Broker.

3. Individual scrip holders will call in to R/S to make travel requests. All requests will be screened for eligibility and then travel requests will be routed. The routing will be done on a "day before" basis. Request for immediate service will be accommodated where possible, but not at the sacrifice of service quality for pre-arranged trips.
4. Transportation will be provided by the participating transportation providers. The provider will receive scrip tickets as payment for the ride and will return these to the Broker with the completed vehicle manifest.
5. Billing for transportation services will be based on total vehicle hours. These costs will be prorated to the participating sponsoring agencies, according to the ratio of agency program passenger time to total Paratransit Brokerage Program passenger time.

BILLING PROCEDURE FOR THE PARATRANSIT BROKERAGE PROGRAM

A key issue in a coordinated arrangement for special transportation services is billing. A good billing procedure must:

1. be simple and take minimal driver and processing time
2. demonstrate fiscal responsibility
3. provide and demonstrate equity for participants, both providers and funders of transportation.

In addition, it is important to demonstrate to participating agencies any efficiencies the system as a whole is providing them.

The key to these efficiencies in a coordinated transportation program lie in the ability to increase trip densities, thus increasing shared rides. Under the proposed billing system shared riding can be actuated in two ways. First, requests for service can be constrained by the funding agency to specific times or to specific areas by so instructing the Routing/Scheduling (R/S) entity. Secondly, by pooling their demand, the many individual programs can increase trip densities for the one comprehensive program.

Below is a discussion of each component involved in the cost accounting procedure:

Scrip: Scrip will serve as the medium of exchange in the Brokerage Program. All scrip will be color coded by agency with the name of the agency program printed on one side. The other side will be completed by the rider and will request their name, address, telephone, ID#, and specific trip information if desired. (See Exhibit 1). Scrip will serve to identify eligible riders as well as to verify that the rider made a trip. Distribution of scrip will be controlled by the funding agency.

Trip Manifest: A trip manifest will be prepared by R/S and will list all riders to be picked up in order of time for each vehicle for the day. (See Exhibit 2). The drivers will complete these manifests, documenting trip mileage and time, and turn these in with the collected scrip at the end of the day.

Agency Billing: Each manifest will be processed by a records clerk for billing purposes. Billing will be done on a monthly basis. The billing will be based on the total cost of providing transportation for the Brokerage Program and billed to the individual agencies on a pro rata basis with discounting for shared rides.

As discussed earlier, there are two ways to actuate shared riding. Geographical or temporal constraints to service are the prerogative of the funding agency. These constraints are the agencies fine control on the level of service and the expense, while the distribution of scrip is the major budgetary control. Shared rides within any agency program having a common origin or destination will be charged the time from the first pick-up to the last drop-off plus 20% of that time for each additional rider. Such shared rides are a function of services constraints and of forced scheduling on the part of the agency.

Shared rides will also be accomplished simply due to pooled demand between programs. These will be discounted at the end of a billing period on the basis of total passenger hours and vehicle hours.

In Exhibit 3 there are three hypothetical agencies. Agency A has been billed for a total of 50 passenger minutes. Three of the trips (10, 20, and 6 minutes) were single trips with out other Agency A clients in the vehicle. The 14 minute trip represents a shared ride by three Agency A riders that were either

coming from the same origin or going to the same destination. The trip from the first pick up to the last drop off was 10 minutes. For each additional rider (2) 20% of the trip time was added, bringing the total to 14 minutes. Agency B had a similar trip (15 minutes and three riders). The passenger time is totaled (150 minutes), and compared to total vehicle time (80 minutes). This shows 70 more minutes of passenger time than vehicle time. These 70 minutes are discounted back to the participating agencies on a pro-rata share as shown in the exhibit.

The participating agencies will receive a listing of total passenger time for the system on a monthly basis. This will include a listing of their agency's passenger time, number of trips, total system vehicle time, their savings due to shared riding, and their bill for services rendered based on cost/vehicle hour.

From this reporting format, the following operating statistics can be kept on a monthly basis:

Total passengers

Total passenger miles and hours

Total vehicles miles and hours

Dead-head miles and hours

In addition, the following statics can be calculated either directly or by sampling:

passenger miles/vehicle miles

passenger/vehicle miles

passenger hours/vehicle hours

passenger /vehicles hours

$$\text{vehicle utilization} = \frac{\text{vehicle miles (hours)}}{\text{dead-head miles (hours)}}$$

$$\text{driver productivity} = \frac{\text{vehicle hours}}{\text{payroll hours}}$$

average trip distance

average cost per trip

average cost per vehicle mile

cost per passenger mile

One additional feature that can be added into this billing system is the cost of Routing/Scheduling. Initially this cost is going to be carried by the MTA under the administration of the program. As data becomes available, cost for R/S can be calculated into each agency's share. With this development, an incentive system to increase shared riding is a real possibility. The R/S entity could be paid a percentage of those hours saved due to ride sharing, thus creating a strong incentive to improve savings through efficient routing. The specific percentage of the savings that would cover costs would be developed after more operational data is generated.

Exhibit 3 - Billing Format

Billing for the month of _____

	<u>Passenger Minutes</u>				<u>Vehicle Minutes</u>
	Agency A	Agency B	Agency C		
	10	21*	15		20
	20	20	5		25
	14*	23	5		25
	<u>6</u>	<u>6</u>	<u>5</u>		<u>10</u>
Totals	50	+	70	+	30 = 150
Billable Minutes **	26.7	+	37.3	+	16 = 80
Discount ***	23.3		32.7		14 = 70

* Shared trips within agency with either a common origin or common destination

** Billable minutes = $\frac{\text{Agency passenger minutes}}{\text{Total passenger minutes}}$ x Total vehicle minutes

*** Discount - Passenger minutes - Billable minutes

T A B L E I

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

DEPARTMENT STATUTE TITLE AND SECTION	DESCRIPTION	APPROPRIATED FUNDING LEVEL FY 74 (mils.of \$'s)	PROVIDES TRANSPORT FOR	ELDERLY SHARE	AGE COVERAGE	CAPITAL PURCHASE
A. DEPARTMENT OF HEALTH, EDUCATION & WELFARE						
1. <u>Older Americans Act</u> of 1965 as Amended Title III, All Section except 308	State and Community Programs On Aging	\$ 96	Broad Social Services	Exclusive	Planning and Service Areas	Prohibited
Title III, Sec. 308	Model Projects	\$ 5.7	Model Projects	Exclusive	Varies ³	Prohibited
Title IV, Sec. 412	Transporta- tion Study & Demonstra- tion Projects	None	Demonstration and Studies	Exclusive	Rural Emphasis ⁵	Possible ⁶
* Title VII	Elderly Nutrition	\$ 99.6	Nutrition Sites	Exclusive	Urban ⁷ Rural ⁷	Possible
* Title IX	Elderly Community Service	\$ 10	Project Activities	Exclusive	Community	Possible

* Age Restrictions

T A B L E I

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

DEPARTMENT STATUTE TITLE AND SECTION	DESCRIPTION	APPROPRIATED FUNDING LEVEL FY 74 (mils.of \$'s)	PROVIDES TRANSPORT FOR	ELDERLY SHARE	AGE COVERAGE	CAPITAL PURCHASE
2. <u>Public Health Service Act of 1944 as Amended</u> Title III, Sec. 314(d)	Comprehen- sive Health Services	\$ 90	Broad Health Services	Moderate	Community	Allowable with Approval
Title III, Sec. 314(e)	Community Health Services	\$209.1	Health Sites	Moderate	Community ⁸	
Title XII	Emergency Medical Services	\$ 27	Emergencies	Moderate	Established Service Area	
3. <u>Social Security Act of 1935 as Amended</u> Title VI	Services for Aged, blind and Disabled	\$365 (FY 73)	Approved Services ⁹	Predomi- nantly	State	Prohibited
Title XIX	Midicaid	\$5,255	Medical	Aged, Blind, Disabled, AFDC	State	Prohibited

* Age Restrictions

TABLE I

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

DEPARTMENT STATUTE TITLE AND SECTION	DESCRIPTION	APPROPRIATED FUNDING LEVEL FY 74 (mils.of \$'s)	PROVIDES TRANSPORT FOR	ELDERLY SHARE	AGE COVERAGE	CAPITAL PURCHASE
4. <u>Mental Retardation Facilities & Com- munity Mental Health Centers Construction Act of 1963 as Amended - Title II</u>	Mental Health Centers		Mental Health Services	Moderate	Areas of 75,000 - 200,000	Allowable
5. <u>Vocational Rehabilitation Act of 1973</u>	Vocational Rehabili- tation	\$ 700	Any vocational rehab. serv. (including medically)	Small ¹⁰	State	Allowable
6. <u>Higher Education Act of 1965 as Amended Title I, Sections 101-102</u>	Community Service	\$ 14.3	Continuing Education	Moderate	Within reach of college ¹¹	Prohibited
7. <u>Library Services and Construction Act of 1965 as Amended</u>	Library Services	\$ 44.2	Library Services	Moderate	Priority: poverty areas	Possible
8. <u>Appalachian Regional Development Act of 1965 as Amended Title II, Section 202</u>	Health Demonstra- tions	\$ 41.8	Comprehensive Health Services	Large	Counties of 13 states in	Allowable
Title III, Sec.302(e)	Research, Demo's	\$ 5.5	Demo. only		Appalachia	

* Age Restrictions

T A B L E I

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

DEPARTMENT STATUTE TITLE AND SECTION	DESCRIPTION	APPROPRIATED FUNDING LEVEL FY 74 (mils.of \$'s)	PROVIDES TRANSPORT FOR	ELDERLY SHARE	AGE COVERAGE	CAPITAL PURCHASE
B. <u>DEPARTMENT OF TRANSPORTATION***</u>						
1. <u>Urban Mass Trans- portation Act of 1964 as Amended</u>						
Section 3	Capital Grants	\$876			Urban ²⁵	Allowable
Section 6	Research & Demos	\$ 79			Urban ²⁵	Allowable
Section 9	Technical Studies	\$ 37			Urban	Allowable
Section 16(b)(2)	Grants to private non- profit bodies	\$ 20 (FY 75)	Elderly and Handicapped		Urban ²⁵	Allowable
2. <u>Federal-Aid Highway Act of 1973 Section 147</u>	Rural High- way Demon- strations	\$ 9.7 (FY '75)			Rural	Allowable Exceptional
***National Mass Transpor- tation Act of 1974.						

* Age Restrictions

T A B L E I

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

DEPARTMENT STATUTE TITLE AND SECTION	DESCRIPTION	APPROPRIATED FUNDING LEVEL FY 74 (mils.of \$'s)	PROVIDES TRANSPORT FOR	ELDERLY SHARE	AGE COVERAGE	CAPITAL PURCHASE
C. <u>DEPARTMENT OF AGRICULTURE</u> 1. <u>Consolidated Farm and Rural Development Act of 1972</u> Title III, Section 360(a)	Loans for essential community facilities	\$ 50 ¹³		Moderate	Rural up to 10,000	Allowable
D. <u>DEPARTMENT OF LABOR</u> 1. <u>Comprehensive Employment and Training Act of 1973: Title III</u>	National Older Workers Program	\$ 24	Work Duties	Exclusive	Varies: primarily city or county-wide	Prohibited
E. <u>OFFICE OF ECONOMIC OPPORTUNITY</u> 1. <u>Economic Opportunity Act of 1964 as Amended</u> Title II, Sections 212 and 221	Community Action Programs (CAP)	\$358.8 ¹⁴	Broad Social Services	Moderate	Urban or Rural	Allowable with approval ¹⁵

* Age Restrictions

T A B L E I

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

DEPARTMENT STATUTE TITLE AND SECTION	DESCRIPTION	APPROPRIATED FUNDING LEVEL FY 74 (mils.of \$'s)	PROVIDES TRANSPORT FOR	ELDERLY SHARE	AGE COVERAGE	CAPITAL PURCHASE
Title II Section 22(a)(5)	Emergency Food and Medical Services	\$ 22.4	Broad Nutrition & medical services	Substantial ¹⁶	Most are run by CAPs	Allowable ¹⁷
* Title II Section 222(a)(7)	Senior Opportuni- ties and Services	\$10.2	Broad social services	Exclusive	Urban or Rural	Possible; use 221 monies
* Title II Sections 232(a) &(e)	Research and pilot programs	\$35.6 ¹⁹	Special needs	Moderate	Rural focus	Allowable with approval

* Age Restrictions

T A B L E I

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

DEPARTMENT STATUTE TITLE AND SECTION	DESCRIPTION	APPROPRIATED FUNDING LEVEL FY 74 (mils. of \$'s)	PROVIDES TRANSPORT FOR	ELDERLY SHARE	AGE COVERAGE	CAPITAL PURCHASE
F. <u>VETERANS ADMINISTRATION</u>						
1. <u>Veteran Health Care and Expansion Act of 1973:</u> <u>Title I,</u> <u>Section 101(b)</u>	Expanded medical care	\$2,800 ²⁰	VA medical facilities	Substantial number ²¹	Nearest appropriate medical facility	Leased Vehicles allowed
G. <u>ACTION</u>						
1. <u>Domestic Volunteer Service Act of 1973</u> <u>Title II,</u> <u>Section 201</u>	Retired senior volunteer program	\$ 15	Volunteer stations	Exclusive	Community approval	Allowable with prior approval
<u>Title II,</u> <u>Section 211(a)</u>	Foster grand parents program	\$ 25	Program Duties	Exclusive	One or more communities	Allowable with prior approval
H. <u>REVENUE SHARING</u>						
1. <u>State and Local Assistance Act of 1972</u>	Revenue Sharing	\$45,970	Funds can be used for any purpose ²²	Varies by state and locality	States, local jurisdictions	Allowable

* Age Restrictions

SOURCE: Much of the data and material for this table was initially collected by Suanne Brooks of the Atlanta Regional Office of the Department of Health, Education & Welfare. This material was expanded to include a number of Acts not included in that compilation.

TABLE - LEGEND

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974

1. Plus spouse of any age.
2. The following symbols are used:
 "DOC" - Department of Commerce poverty guidelines, based on Census Bureau Statistics
 "OMB" - Office of Management and Budget poverty guidelines
 "OEO" - Office of Economic Opportunity poverty guidelines
 "SSI" - Supplemental Security Income levels
3. May be statewide or community-wide. Regulations specify that project area must have "large number" of elderly.
4. Regulations allow the elderly to qualify on any or all of four grounds:
 (1) cannot afford to eat "adequately"
 (2) lacks skills to prepare well-balanced meals
 (3) has "limited mobility"
 (4) feels lonely and rejected
5. At least 50% of projects must be in States predominantly rural.
6. AoA policy is to encourage capital purchase for demonstrations through joint DOT participation.
7. Both must have high proportion of elderly poor.
8. Since these projects originated in the Office of Economic Opportunity, most are located in areas of low-income population.
9. State services vary, and transportation is optional.
10. An estimated 2.5% of those rehabilitated are age 65+.
11. Emphasis on urban and suburban areas.
12. Has not completed high school; has limited English skills, lives in area with a culture different from his own.
13. Water and waste funded separately.
14. This was a seven-month appropriation
15. Survey of existing resources must first be taken. Equipment costing \$500 or more must have regional approval.
16. Focus is on elderly and children, although program also includes families and individuals generally.
17. But only if vehicles extend the coverage of existing service programs. Emphasis is on better use of existing vehicles.
18. For general services. For employment and volunteer services, the age requirement drops to 55+
19. This figure represents 20% of OEO "local initiative money" appropriated for a seven-month period and available for Community Action Programs. Thus, it represents not additional money, but part of the funds listed above for Title II, Sections 212 and 221.
20. Of this amount, \$29.2 million was budgeted for travel.
21. As of June 30, 1974 there were 29,265,000 veterans, of whom 2,125,000 (7.3%) were 65 years of age or older.

TABLE - LEGEND

MAJOR FEDERAL FUNDING SOURCES PROVIDING TRANSPORTATION FOR OLDER AMERICANS AS OF OCTOBER 1974 Continued

- 22. State and local governments are allowed broad use of available funds. Two of eight suggested priority categories are "Public Transportation" and "Social Services for the Poor or Aged." These two categories accounted, respectively, for 15% and 3% of funds expended in the only period thus far reported, January 1, 1972 - June 30, 1973.
- 23. Categorically needy; no upper income limit when deducting incurred medical expenses (medically needy)
- 24. Includes potentials, and formers at State option, and those having State supplemental payments. Aged potential recipients are eligible at age 60 or older.
- 25. Flexibly interpreted on a project basis but when was below 2500, not generally considered.

SPECIAL EXHIBITS

LETTER OF UNDERSTANDING

The undersigned agreement dated that _____ day of April 1979 between The Anchor House Neighborhood Center, Golden Age Hobby House of Houston, Inc., Martin Luther King, Jr. Community Center, United Cerebral Palsy of Texas Gulf Coast, Inc., and The Young Women's Christian Association of Houston ("The Agencies") and The Metropolitan Transit Authority ("MTA") is entered into with the following understanding:

- (1) That the MTA is primarily responsible for providing Public non-scheduled route transportation services for the elderly and handicapped in its service area;
- (2) That the MTA provides that service through its Metrolift program;
- (3) That MTA Metrolift Program is predicated upon the participation of both "for profit" services to be provided by The Greater Houston Transportation Co. (Greater Houston) and the "non-profit" social service agencies;
- (4) That MTA has entered a tentative agreement with Greater Houston to provide part of the service function described herein;
- (5) That MTA does not intend to contract with Greater Houston to provide exclusive services in the area described herein;
- (6) That the MTA and the agencies understand that Greater Houston's participation in providing the type of services which the 16(b) 2 applicants are proposing to deliver is limited to its participation as a contractor to the MTA for that purpose;
- (7) That Greater Houston expects the MTA to contract with non-profit social agencies to provide transportation services through the Metrolift program;
- (8) That Greater Houston is not in disagreement with the MTA or The Metrolift Program;
- (9) That the agencies agree to participate with Greater Houston in the MTA metrolift program;

- The agencies and The Metropolitan Transit Authority agree to proceed diligently and in good faith to operationalize the services described herein.

Date: _____

Date: _____

Date: _____

/s/

United Cerebral Palsy of Texas Gulf
Coast, Inc.

Date: _____

/s/

Young Women's Christian Assoc. of Houston

Date: _____

Approval: _____
MTA Representative

Date: _____

EXHIBIT A

AGREEMENT

between

The Metropolitan Transit Authority
OF HOUSTON, TEXAS

and

GREATER HOUSTON TRANSPORTATION COMPANY

SCOPE OF SERVICE

1. Each provider agency shall require its drivers to complete the driver training course. This course, given by Greater Houston Transportation Company (GHT Co.) will consist of three parts; Service Orientation, Sensitivity and Passenger Assistance, and Defense Driving.

The Service Orientation and Sensitivity and Passenger Assistance parts of the course will take 16 hours and will be held on a Friday night and the following Saturday. The Defensive Driving part of the course will not be required if the driver has taken a certified National Safety Council's Defensive Driving Course in the last twelve months. The Defensive Driving part of the course may be taken anywhere, however, GHT Co. will offer same in two 4-hour sessions on Tuesdays and the following Thursday for a nominal fee.

2. The Provider will insure that service is provided in a timely and proper fashion according to the demand outlined by the vehicle manifest. They will assure that the drivers completely fill out the manifests in an accurate and legible manner, and that these manifests are collected for transmittal to the Metropolitan Transit Authority.

3. GHT Co.

The Provider agrees to provide the service of nine van type vehicles to the Paratransit Brokerage Program under the following arrangement.

9 vehicles operating at \$12/vehicle hour weekdays.

6 vehicles
3 vehicles

6 a.m. - 6 p.m.
10 a.m. - 10 p.m.

EXHIBIT A - 2

Weekends and Holidays - vehicles operate at \$12/vehicle hour

2 vehicles	6 a.m. - 6 p.m.
1 vehicle	7 a.m. - 1 p.m. & 4 p.m. - 10 p.m.

4. The Provider will notify Routing and Scheduling of any problems, complaints, accidents, or unusual events that may occur in the provision of services.
5. The Provider will assist the Metropolitan Transit Authority in its evaluation of the services. Representatives of the Metropolitan Transit Authority will be allowed to ride in the Provider's vehicles from time to time with or without notice to the Provider as long as it does not disrupt timely service delivery.
6. The service area and pricing structure for each program under the Paratransit Brokerage Program will be provided to the driver.

EXHIBIT B

B U D G E T

GREATER HOUSTON TRANSPORTATION COMPANY

	<u>1st Year</u>	<u>2nd Year</u>
9 dedicated vehicles at	\$12/vehicle hr.	\$12.36/vehicle hr.
Total hours per year	31,104	31,104
Total Cost	\$373,248	+ \$384,445 = <u>\$757,693</u>

EXHIBIT CROUTING AND SCHEDULING (GREATER HOUSTON TRANSPORTATION CO.)

	<u>1st Year</u>	<u>2nd Year</u>
PERSONNEL		
Intake Clerks	\$18,970.00	\$19,919.00
Router	13,104.00	13,760.00
SUPPLIES AND TELEPHONE		
Telephone lines	1,296.00	1,296.00
Supplies	2,400.00	2,400.00
ROUTE TRANSMITTAL	2,400.00	2,400.00
TRAINING AND VEHICLE INSPECTION	1,170.00	1,500.00
ADMINISTRATION AND PROGRAM DEVELOPMENT		
* Program Development 37.5% of Program Manager	10,296.00	10,810.00
* Fee	5,448.00	5,720.00
* Overhead	7,200.00	7,560.00
	<u>\$62,284.00</u>	<u>\$65,365.00</u>

Company shall be reimbursed for actual costs incurred. Company shall submit to MTA on or before tenth of each month an invoice accompanied by supporting documentation as required.

* These are fixed costs to be pro-rated for the contract period.

EXHIBIT D

PROCEDURAL GUIDELINES FOR ROUTING AND SCHEDULING

1. The guidelines will serve as the basis for procedures in the Paratransit Brokerage Program. These guidelines outline the results that each procedure must accomplish. The detailed procedures themselves are left up to Routing/Scheduling (R/S). Any changes in the guidelines may come from either the MTA or R/S. R/S will be given five working days to comment on any changes made by the MTA, at which time they must be either instituted, or a written appeal made to the Director of Program Development. The final decision will be made in writing by the Director within five working days after receipt of appeal. Changes suggested by R/S must be approved in writing by the Director. The provisions of the contract between MTA and R/S will govern amendments to these guidelines.
2. The MTA will provide R/S with list of eligible programs contracting for service, noting any constraints imposed under that program. Each program will establish its screening requirements, and R/S will accommodate those requirements in the initial telephone screening. There are two possible procedures for this screening; one would be a list of clients eligible under the program, the other a list of clients not eligible. All clients must have scrip tickets to ride the service, and R/S should make them aware of this fact.

EXHIBIT D - 2

3. R/S will take requests from 8:00 a.m. to 5:00 p.m. Monday through Friday. Weekend trips must be scheduled and arrangements made on the Friday before the trip. R/S will designate an individual to be responsible for service problems on the weekend, and provide a telephone number at which this person may be reached during service hours. This person must be familiar with the program and capable of resolving problems.
4. Routing will be handled according to procedures developed by R/S. Scheduling efficiency will be evaluated by MTA through an evaluation of vehicle activity, utilization, and service demand. Any problems with scheduling efficiencies will be identified by MTA and passed along to R/S. Together, an improvement program will be developed and progress monitored.
5. The only routine data collection required by R/S will be that information required on the vehicle manifest. R/S will be responsible for insuring that these are completed and transmitted to the MTA on a weekly basis.

R/S will assist in the distribution of surveys to participating agencies from time to time. Any complaints that R/S may receive must be forwarded to the MTA as well as documentation of any service disruption or related problem.
6. R/S will be responsible for emergency service. This emergency service may be accomplished using any vehicle that can

appropriately meet the need. Emergency service is defined as service to a rider who is stranded away from home as a result of a breakdown in the system. R/S will first investigate the possibility of using another van in service. Failing this, R/S will dispatch a cab or HandiVan to serve the trip. In all instances, R/S will make every effort to insure that the stranded rider is informed of the situation and his projected pick-up time.

7. R/S and MTA will develop a vehicle check-list to use in inspection of all vehicles to be used in the service. Vehicles will be inspected once every six months, or in response to complaints of specific safety hazards; R/S will be responsible for these inspections and will bill the MTA at \$5.00/inspection. (See attached.)

8. Training:

R/S will be responsible for all training in the program. There will be a Long Course and a Short Course. The Short Course will be given to any new driver entering the system. He will then be required to take the Long Course when there are twelve drivers in the system who have not taken it.

The Long Course consists of Service Orientation, Sensitivity and Passenger Assistance, and Defensive Driving. The Service Orientation and Sensitivity and Passenger Assistance parts of

EXHIBIT D - 4

the course will take 16 hours and will be held on a Friday night and the following Saturday. The Devensive Driving part of the course will not be required if the driver has taken a certified National Safety Council's Defensive Driving Course in the last twelve months. The Defensive Driving part of the course may be taken anywhere, however, GHT Co. will offer same in two 4 - hour sessions on Tuesdays and the following Thursday.

The Short Course consists of Service Orientation and a minimum of one day vehicle in service training. The extent of necessary vehicle in service training will be determined by Program Manager for each driver candidate.

The Long Course will cost \$325 per session. The first course for this program will have no charge.

The Short Course will cost \$15 per driver.

AGENCY NAME	FEDERAL FUNDS	LOCAL FUNDS	TOTAL FUNDS	PROPOSED NO. TO BE SERVED	NO. OF VEHICLES
ANCHOR HOUSE NEIGHBORHOOD CENTER	\$20,840.00	4,410.00	\$25,250.00	800 mo.	2
GOLDEN AGE HOBBY HOUSE	\$25,032.00	6,258.00	\$31,290.00	520 mo.	2
MARTIN LUTHER KING, JR COMM. CENTER	\$ 7,644.00	1,911.00	\$ 9,555.00	616 mo.	1
UNITED CEREBRAL PALSY	\$26,124.00	6,531.00	\$32,655.00	320 mo.	2
YOUNG WOMEN'S CHRISTIAN ASSOCIATION	\$ 7,644.00	1.911.00	\$ 9,555.00	1,000 mo.	1

April 11, 1979

Mr. Oliver Stork
State Dept. of Highways &
Public Transportation
P. O. Box 187
Houston, Texas 77001

Dear Mr. Stork:

I want to take this opportunity to clarify the Metropolitan Transit Authority's position relative to the 16(b)2 Program. According to federal guidelines under the Urban Mass Transportation Act of 1964, as amended, Section 16(b)2 funds are available to private, non-profit agencies for the purchase of transit vehicles, usually vans. Agencies applying for vehicles under this capital assistance program must solicit a letter from each local provider of transportation, private and public, stating that the service the applicant plans to render with the vehicle does not duplicate pre-existing services. The purpose of the required letters is to demonstrate to UMTA that the expenditure of funds under the 16(b)2 Program is as efficient and effective as the local situation permits. The responsibility for determining the sufficiency of the 16(b)2 applications, including the matter of coordination and duplication, lies with the State Department of Highways and Public Transportation.

I understand that several 16(b)2 applications have been pending since 1977 because the required agency approval has not been received from the Greater Houston Transportation Company (Yellow Cab). Yellow Cab has refused to write a 'sign-off' letter, contending that they possess the capability to serve all transportation requirements of the 16(b)2 applicants.

I think it is important to publically state the MTA position on this matter so that it is clear to all concerned. MTA has given its approval to the application of all agencies applying to the State Department of Highways and Public Transportation under the 1977 16(b)2 Program. The condition for such approval was an

agency agreement to discuss appropriate participation in a coordinated program to be sponsored by the MTA. I am very pleased to report that this coordinated paratransit program, MetroLift began on April 9, 1979. The Metropolitan Transit Authority has taken the lead role in this unique new service. Yellow Cab is a participating agency under contract to MTA. As Broker, MTA will contract with additional agencies which operate transit vehicles for a limited clientele in order to provide one system which will serve the needs of several, smaller transportation programs. The 16(b)2 recipients certainly qualify as potential participants.

Recently the MTA took part in a meeting sponsored by the State Department of Highways and Public Transportation chaired by Naomi Lede, of the Urban Resources Center. The purpose of the meeting was to clarify the specific objections Yellow Cab Co. has with the 16(b)2 applications, and to develop a forum in which a compromise might be reached. The MTA was invited to report on the status of the paratransit brokerage program in the hope that it would serve as the medium for compromise. Unfortunately, the meeting ended with affected agencies and Yellow Cab even more firmly entrenched in their positions.

Because of this, and because the MTA has taken responsibility for improving both the effectiveness and efficiency of paratransit services in the region, I want to strongly urge that the State Department of Highways and Public Transportation overrule the objections by Yellow Cab to these 16(b)2 applicants, and that the State expedite the delivery of the pending vehicles.

I believe that the forum that Ms. Lede has created should continue in order that appropriate participation in MTA's MetroLift paratransit program by the 16(b)2 recipients might be defined. The MTA is committed to the coordination of the fragmented resources available in the community, and we also realize that coordination is only viable when it provides benefits to the participants. We do not intend to force participation when there is no demonstrable advantage to the 16(b)2 recipient agencies. These contingencies should be worked out with joint discussion between the MTA, the State and the 16(b)2 agencies.

The Metropolitan Transit Authority is looking forward to working with you and with the 16(b)2 applicants.

Sincerely,

/S/

Linda K. Cherrington
Director
Program Development

LKC:b1

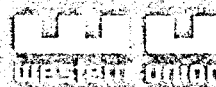
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The following articles were excluded from digitization, pending copyright clearance:

- Rodriguez, Lori (1979, August 24). 2 say more taxis could be on streets. Houston Chronicle.
- Council is asked to approve hike in taxi fares here (1979, July 25). Houston Chronicle,

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TEXAS SOUTHERN UNIVERSITY URBAN RESOURCES CENTER
3201 WHEELER
HOUSTON TX 77004

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MR JIM CONNALLY GREATER HOUSTON TRANSPORTATION COMPANY
1406 HAYS
HOUSTON TX 77009

I AM READY TO MAKE MY FINAL REPORT. I WOULD APPRECIATE IT IF YOU
WOULD SEND THE COUNTER PROPOSAL WHICH WE DISCUSSED BY TELEPHONE. I
HAVE TO MAKE THE RECOMMENDATIONS WITHIN THE NEXT SEVERAL DAYS IF I AM
TO INCLUDE IT IN MY UMPA 16B2 REPORT.

NAOMI W LEDE

15:39 EST

MGMCOMP MGM

MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645



Mailgram



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TEXAS SOUTHERN UNIVERSITY URBAN RESOURCES CENTER
3201 WHEELER
HOUSTON TX 77004

THIS MAILGRAM IS A CONFIRMATION COPY OF THE FOLLOWING MESSAGE:

7135277283 MGM TDBN HOUSTON TX 85 07-31 0339P EST

ZIP

MR GEORGE D KAMINS PRESIDENT GREATER HOUSTON TRANSPORTATION CO
1406 HAYS

HOUSTON TX 77009

THE FOLLOWING IS A COPY OF A MAILGRAM SENT TO MR JIM CONNALLY,
GREATER HOUSTON TRANSPORTATION COMPANY, 1406 HAYS, HOUSTON, TX 77009
I AM READY TO MAKE MY FINAL REPORT. I WOULD APPRECIATE IT IF YOU
WOULD SEND THE COUNTER PROPOSAL WHICH WE DISCUSSED BY TELEPHONE. I
HAVE TO MAKE THE RECOMMENDATIONS WITHIN THE NEXT SEVERAL DAYS IF I AM
TO INCLUDE IT IN MY UMPA 1682 REPORT.

NAOMI W LEDE

15141 EST

MGMCOMP MGM

AGREEMENT

AGREEMENT entered into by and between GREATER HOUSTON TRANSPORTATION COMPANY, a Texas corporation (herein called "Yellow Cab") and YWCA OF HOUSTON, INC. a non-profit social service agency (herein called "Agency").

RECITALS

A. Yellow Cab is engaged in the transportation business in Houston, Harris County, Texas, and as part of its business owns and operates specially equipped vehicles for hire for the transportation of persons.

B. Agency is a non-profit social service agency engaging in activities in Houston, Harris County, Texas, and desires to obtain one van for the purpose of transporting its clients. Agency desires to purchase the van with funds provided by the Federal Government under Section 16b(2) of the Urban Mass Transportation Act of 1964, as amended.

C. Before the funds will be made available under Section 16b(2) Yellow Cab must execute a "sign-off" letter. The stated purpose of the "sign-off" letter is to protect the interest of existing public and private transit and paratransit operators, like Yellow Cab.

D. Yellow Cab has relied on the stated purpose of the "sign-off" provision of Section 16b(2) to protect its interest, but is willing to execute a "sign-off" letter based only upon

the Agency's entering into this Agreement and making the representations and covenants herein contained.

E. Accordingly, Yellow Cab and the Agency have entered into this Agreement.

AGREEMENT

1. Agency represents and covenants that its intention is only to serve the select clients presently being serviced by the Agency in the areas where such clients are presently being served without compensation to Agency and that the Agency does not have any desire to broaden or expand the limited transportation services it presently intends to provide.

2. Agency agrees:

(a) That the Agency will serve only citizens that comprise the Agency's present service clients.

(b) That the services provided for such clients will be restricted to their current service area described in Exhibit "A" only and will be on a demand-responsive service basis, without fee or other compensation to the Agency.

(c) That the services to be provided will not extend beyond the individuals currently being served and any request for service above and beyond those currently being offered to clients will be referred to Metrolift, Yellow Cab, or some other similar transit provider in the area.

3. The Agency represents and agrees that it will only purchase one van.

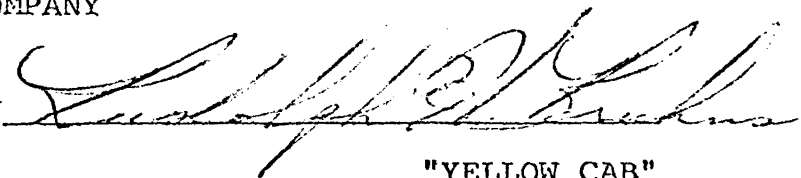
4. Agency recognizes and agrees that in the event Agency breaches any of the provisions contained in this Agreement, the nature, amount and extent of resulting damages will be difficult, if not impossible, of exact computation and calculation, and accordingly, the rights of Yellow Cab may be enforced by an injunction issued by a court of competent jurisdiction enjoining and restraining Agency from engaging in any activities or practices which constitute a breach of the applicable provisions of this Agreement. It is further understood and agreed that in the event Yellow Cab is required to maintain an action compelling compliance with the terms of this Agreement by Agency and/or for the recovery of damages, Agency shall pay any and all reasonable attorneys' fees and court costs involved in the prosecution of such action.

5. Based upon the foregoing representations, covenants and agreements made by the Agency, Yellow Cab agrees to execute and deliver the "sign-off" letter pursuant to Section 16b(2) for the Agency for one van.

EXECUTED this the 22nd day of August, 1979.

GREATER HOUSTON TRANSPORTATION
COMPANY

By



"YELLOW CAB"

YWCA OF HOUSTON, INC.

By

110

W.C.

Montgomery County

_To Woodlands



Harris County

A.C.

US 75

Katy

Houston City Limits



Fort Bend Co.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION

AGREEMENT

AGREEMENT entered into by and between GREATER HOUSTON TRANSPORTATION COMPANY, A Texas Corporation (herein called "Yellow Cab") and ANCHOR HOUSE NEIGHBORHOOD CENTER, a non-profit social service agency (herein called "Agency").

RECITALS

A. Yellow Cab is engaged in the transportation business in Houston, Harris County, Texas, and as part of its business owns and operates specially equipped vehicles for hire for the transportation of elderly and handicapped persons.

B. Agency is a non-profit social service agency engaging in activities in Houston, Harris County, Texas, and desires to obtain two vans and one station wagon for the purpose of transporting its elderly and handicapped clients. Agency desires to purchase the van and station wagon with funds provided by the Federal Government under Section 16b(2) of the Urban Mass Transportation Act of 1964, as amended.

C. Before the funds will be made available under Section 16b(2) Yellow Cab must execute a "sign-off" letter. The stated purpose of the "sign-off" letter is to protect the interest of existing public and private transit and paratransit operators, like Yellow Cab.

D. Yellow Cab has relied on the stated purpose of the "sign-off" provision of Section 16h(2) to protect its interest, but is willing to execute a "sign-off" letter based only upon

the Agency's entering into this Agreement and making the representations and covenants herein contained.

E. Accordingly, Yellow Cab and the Agency have entered into this Agreement.

AGREEMENT

1. Agency represents and covenants that its intention is only to serve the select clients presently being serviced by the Agency in the areas where such clients are presently being served without compensation to Agency and that the Agency does not have any desire to broaden or expand the limited transportation services it presently intends to provide.

2. Agency agrees:

(a) That the Agency will serve only elderly and handicapped citizens that comprise the Agency's present service clients.

(b) That the services provided for such clients will be restricted to their current service area described in Exhibit "A" only and will be on a demand-responsive service basis, without fee or other compensation to the Agency.

(c) That the services to be provided will not extend beyond the individuals currently being served and any request for service above and beyond those currently being offered to clients will be referred to Metrolift, Yellow Cab, or some other similar transit provider in the area.

3. The Agency represents and agrees that it will only purchase one van and one station wagon.

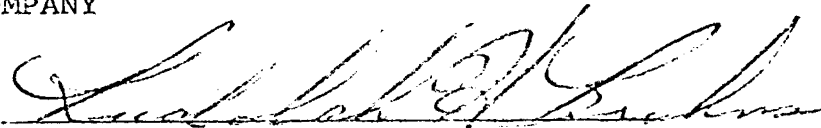
4. Agency recognizes and agrees that in the event Agency breaches any of the provisions contained in this Agreement, the nature, amount and extent of resulting damages will be difficult, if not impossible, of exact computation and calculation, and accordingly, the rights of Yellow Cab may be enforced by an injunction issued by a court of competent jurisdiction enjoining and restraining Agency from engaging in any activities or practices which constitute a breach of the applicable provisions of this Agreement. It is further understood and agreed that in the event Yellow Cab is required to maintain an action compelling compliance with the terms of this Agreement by Agency and/or for the recovery of damages, Agency shall pay any and all reasonable attorneys' fees and court costs involved in the prosecution of such action.

5. Based upon the foregoing representations, covenants and agreements made by the Agency, Yellow Cab agrees to execute and deliver the "sign-off" letter pursuant to Section 16b(2) for the Agency for one van and one station wagon.

EXECUTED this the 22nd day of August, 1979.

GREATER HOUSTON TRANSPORTATION
COMPANY

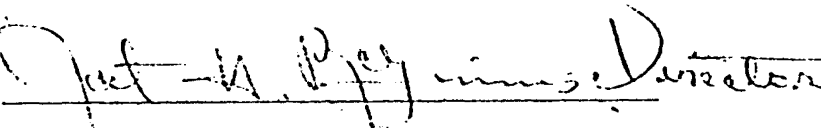
BY



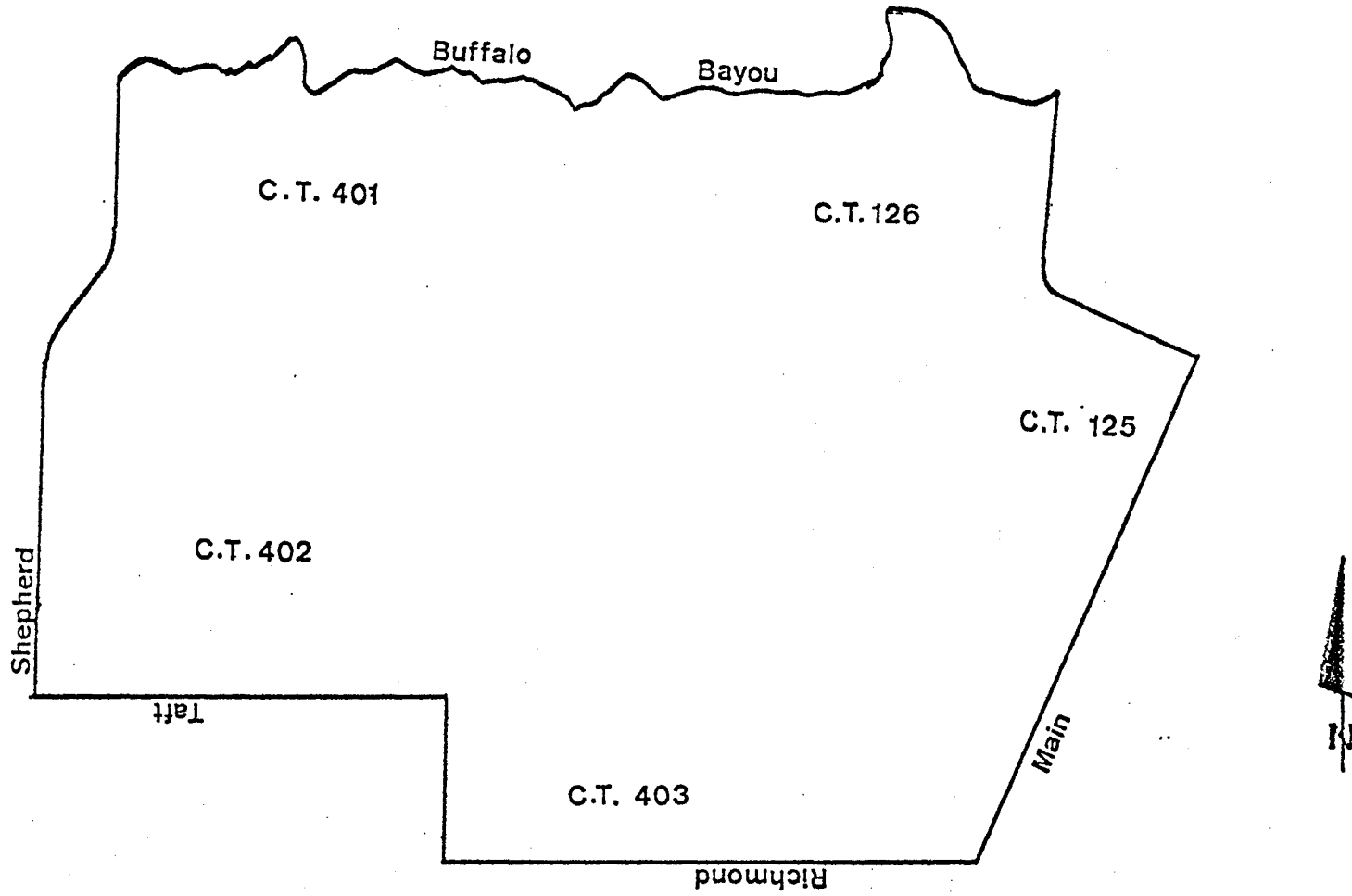
"YELLOW CAB"

ANCHOR HOUSE NEIGHBORHOOD CENTER

BY



"AGENCY"



ANCHOR HOUSE NEIGHBORHOOD CENTER

AGREEMENT entered into by and between GREATER HOUSTON TRANSPORTATION COMPANY, a Texas corporation (herein called "Yellow Cab") and MARTIN LUTHER KING, JR. COMMUNITY CENTER, a non-profit social service agency (herein called "Agency").

RECITALS

A. Yellow Cab is engaged in the transportation business in Houston, Harris County, Texas, and as part of its business owns and operates specially equipped vehicles for hire for the transportation of elderly and handicapped persons.

B. Agency is a non-profit social service agency engaging in activities in Houston, Harris County, Texas, and desires to obtain one van for the purpose of transporting its elderly and handicapped clients. Agency desires to purchase the van with funds provided by the Federal Government under Section 16b(2) of the Urban Mass Transportation Act of 1964, as amended.

C. Before the funds will be made available under Section 16b(2) Yellow Cab must execute a "sign-off" letter. The stated purpose of the "sign-off" letter is to protect the interest of existing public and private transit and paratransit operators, like Yellow Cab.

D. Yellow Cab has relied on the stated purpose of the "sign-off" provision of Section 16b(2) to protect its interest, but is willing to execute a "sign-off" letter based only upon

the Agency's entering into this Agreement and making the representations and covenants herein contained.

E. Accordingly, Yellow Cab and the Agency have entered into this Agreement.

AGREEMENT

1. Agency represents and covenants that its intention is only to serve the select clients presently being serviced by the Agency in the areas where such clients are presently being served without compensation to Agency and that the Agency does not have any desire to broaden or expand the limited transportation services it presently intends to provide.

2. Agency agrees:

(a) That the Agency will serve only elderly and handicapped citizens that comprise the Agency's present service clients.

(b) That the services provided for such clients will be restricted to their current service area described in Exhibit "A" only and will be on a demand-responsive service basis, without fee or other compensation to the Agency.

(c) That the services to be provided will not extend beyond the individuals currently being served and any request for service above and beyond those currently being offered to clients will be referred to Metrolift, Yellow Cab, or some other similar transit provider in the area.

3. The Agency represents and agrees that it will only purchase one van.

4. Agency recognizes and agrees that in the event Agency breaches any of the provisions contained in this Agreement, the nature, amount and extent of resulting damages will be difficult, if not impossible, of exact computation and calculation, and accordingly, the rights of Yellow Cab may be enforced by an injunction issued by a court of competent jurisdiction enjoining and restraining Agency from engaging in any activities or practices which constitute a breach of the applicable provisions of this Agreement. It is further understood and agreed that in the event Yellow Cab is required to maintain an action compelling compliance with the terms of this Agreement by Agency and/or for the recovery of damages, Agency shall pay any and all reasonable attorneys' fees and court costs involved in the prosecution of such action.

5. Based upon the foregoing representations, covenants and agreements made by the Agency, Yellow Cab agrees to execute and deliver the "sign-off" letter pursuant to Section 16b(2) for the Agency for one van.

EXECUTED this the 22nd day of August, 1979.

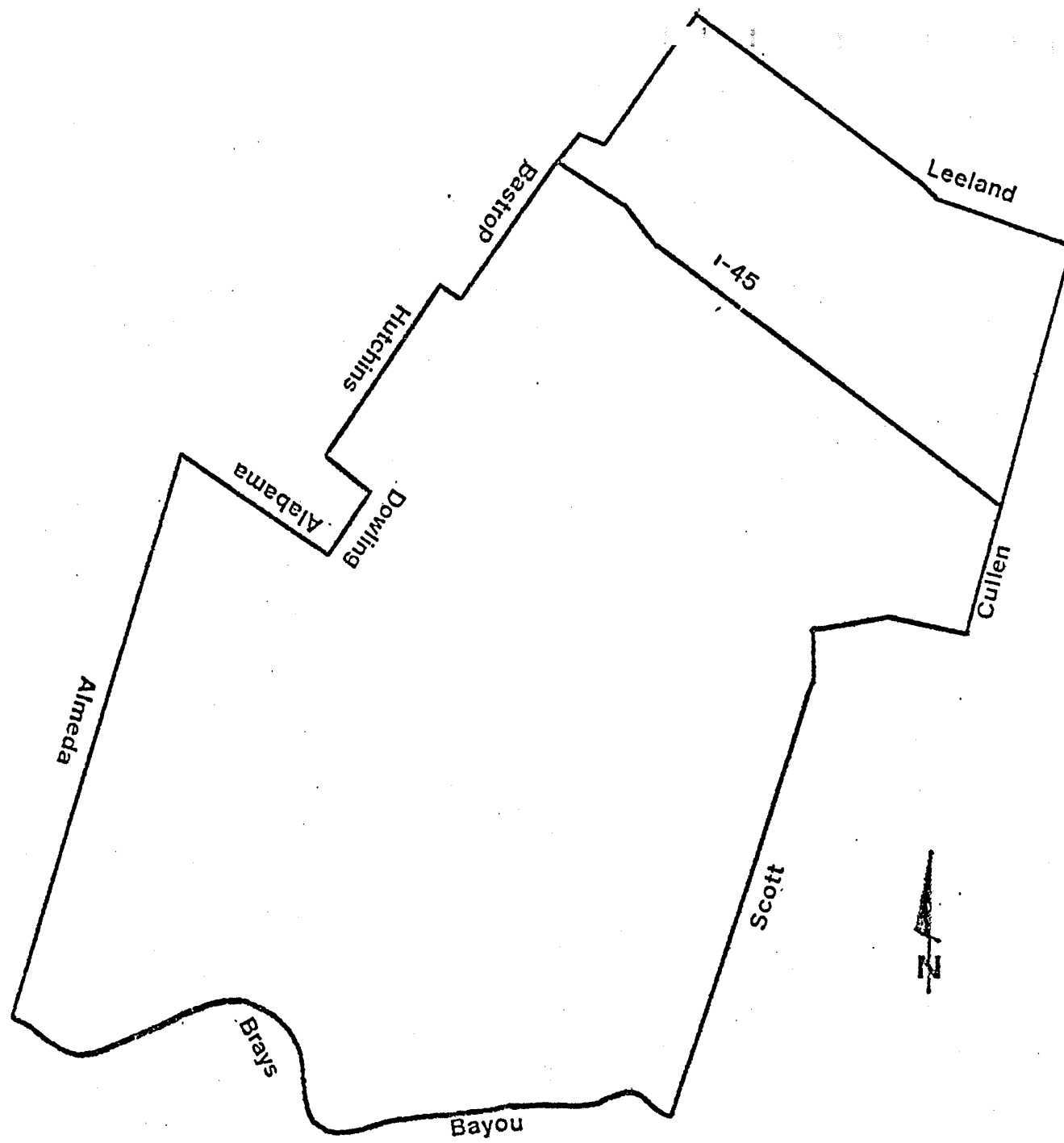
GREATER HOUSTON TRANSPORTATION
COMPANY

By 

"YELLOW CAB"

MARTIN LUTHER KING, JR. COMMUNITY
CENTER

By 



MARTIN LUTHER KING, JR. COMMUNITY CENTER

AGREEMENT

AGREEMENT entered into by and between GREATER HOUSTON TRANSPORTATION COMPANY, a Texas corporation (herein called "Yellow Cab") and GOLDEN AGE HOBBY HOUSE, a non-profit social service agency (herein called "Agency").

RECITALS

A. Yellow Cab is engaged in the transportation business in Houston, Harris County, Texas, and as part of its business owns and operates specially equipped vehicles for hire for the transportation of elderly and handicapped persons.

B. Agency is a non-profit social service agency engaging in activities in Houston, Harris County, Texas, and desires to obtain two vans for the purpose of transporting its elderly and handicapped clients. Agency desires to purchase the van with funds provided by the Federal Government under Section 16b(2) of the Urban Mass Transportation Act of 1964, as amended.

C. Before the funds will be made available under Section 16b(2) Yellow Cab must execute a "sign-off" letter. The stated purpose of the "sign-off" letter is to protect the interest of existing public and private transit and paratransit operators, like Yellow Cab.

D. Yellow Cab has relied on the stated purpose of the "sign-off" provision of Section 16b(2) to protect its interest, but is willing to execute a "sign-off" letter based only upon

the Agency's entering into this Agreement and making the representations and covenants herein contained.

E. Accordingly, Yellow Cab and the Agency have entered into this Agreement.

AGREEMENT

1. Agency represents and covenants that its intention is only to serve the select clients presently being serviced by the Agency in the areas where such clients are presently being served without compensation to Agency and that the Agency does not have any desire to broaden or expand the limited transportation services it presently intends to provide.

2. Agency agrees:

(a) That the Agency will serve only elderly and handicapped citizens that comprise the Agency's present service clients.

(b) That the services provided for such clients will be restricted to their current service area described in Exhibit "A" only and will be on a demand-responsive service basis, without fee or other compensation to the Agency.

(c) That the services to be provided will not extend beyond the individuals currently being served and any request for service above and beyond those currently being offered to clients will be referred to Metrolift, Yellow Cab, or some other similar transit provider in the area.

3. The Agency represents and agrees that it will only purchase two vans.

4. Agency recognizes and agrees that in the event Agency breaches any of the provisions contained in this Agreement, the nature, amount and extent of resulting damages will be difficult, if not impossible, of exact computation and calculation, and accordingly, the rights of Yellow Cab may be enforced by an injunction issued by a court of competent jurisdiction enjoining and restraining Agency from engaging in any activities or practices which constitute a breach of the applicable provisions of this Agreement. It is further understood and agreed that in the event Yellow Cab is required to maintain an action compelling compliance with the terms of this Agreement by Agency and/or for the recovery of damages, Agency shall pay any and all reasonable attorneys' fees and court costs involved in the prosecution of such action.

5. Based upon the foregoing representations, covenants and agreements made by the Agency, Yellow Cab agrees to execute and deliver the "sign-off" letter pursuant to Section 16b(2) for the Agency for two vans.

EXECUTED this the 22nd day of August, 1979.

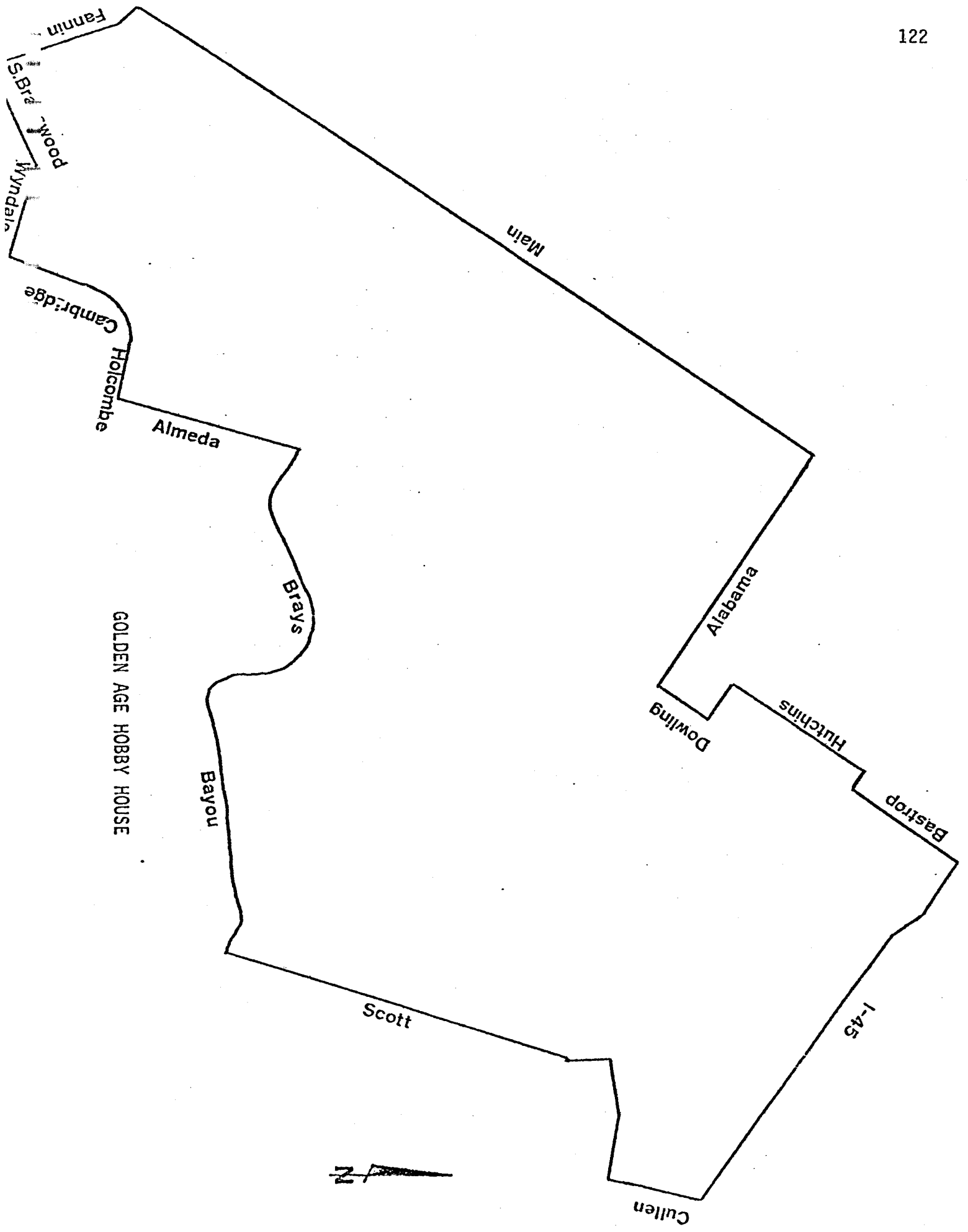
GREATER HOUSTON TRANSPORTATION
COMPANY

BY 

"YELLOW CAB"

GOLDEN AGE HOBBY HOUSE

BY 



AGREEMENT

AGREEMENT entered into by and between GREATER HOUSTON TRANSPORTATION COMPANY, a Texas corporation (herein called "Yellow Cab") and UNITED CEREBRAL PALSY OF TEXAS GULF COAST INC., a non-profit social service agency (herein called "Agency").

RECITALS

A. Yellow Cab is engaged in the transportation business in Houston, Harris County, Texas, and as part of its business owns and operates specially equipped vehicles for hire for the transportation of elderly and handicapped persons.

B. Agency is a non-profit social service agency engaging in activities in Houston, Harris County, Texas, and desires to obtain two vans for the purpose of transporting its elderly and handicapped clients. Agency desires to purchase the vans with funds provided by the Federal Government under Section 16b(2) of the Urban Mass Transportation Act 1964, as amended.

C. Before the funds will be made available under Section 16b(2) Yellow Cab must execute a "sign-off" letter. The stated purpose of the "sign-off" letter is to protect the interest of existing public and private transit and paratransit operators, like Yellow Cab.

D. Yellow Cab has relied on the stated purpose of the "sign-off" provision of Section 16b(2) to protect its interest, but is willing to execute a "sign-off" letter based only upon the Agency's

entering into this Agreement and making the representations and covenants herein contained.

E. Accordingly, Yellow Cab and the Agency have entered into this Agreement.

AGREEMENT

1. Agency represents and covenants that its intention is only to serve the select clients presently being serviced by the Agency in the areas where such clients are presently being served without compensation to Agency and that the Agency does not have any desire to broaden or expand the limited transportation services it presently intends to provide.

2. Agency agrees:

(a) That the Agency will serve only elderly and handicapped citizens that comprise the Agency's present service clients.

(b) That the services provided for such clients will be restricted to their current service area described in Exhibit "A" only and will be on a demand-responsive service basis, without fee or other compensation to the Agency.

(c) That the services to be provided will not extend beyond the individuals currently being served and any request for service above and beyond those currently being offered to clients will be referred to Metrolift, Yellow Cab, or some other similar transit provider in the area.

3. The Agency represents and agrees that it will only purchase two vans.


4. Agency recognizes and agrees that in the event Agency breaches any of the provisions contained in this Agreement, the nature, amount and extent of resulting damages will be difficult, if not impossible, of exact computation and calculation, and accordingly, the rights of Yellow Cab may be enforced by an injunction issued by a court of competent jurisdiction enjoining and restraining Agency from engaging in any activities or practices which constitute a breach of the applicable provisions of this Agreement. It is further understood and agreed that in the event Yellow Cab is required to maintain an action compelling compliance with the terms of this Agreement by Agency and/or for the recovery of damages, Agency shall pay any and all reasonable attorneys' fees and court costs involved in the prosecution of such action.

5. Based upon the foregoing representations, covenants and agreements made by the Agency, Yellow Cab agrees to execute and deliver the "sign-off" letter pursuant to Section 16b(2) for the Agency for two vans.

EXECUTED this the Eleventh day of September, 1979.

GREATER HOUSTON TRANSPORTATION COMPANY

By


"Yellow Cab"

UNITED CEREBRAL PALSY OF TEXAS GULF
COAST, INC.

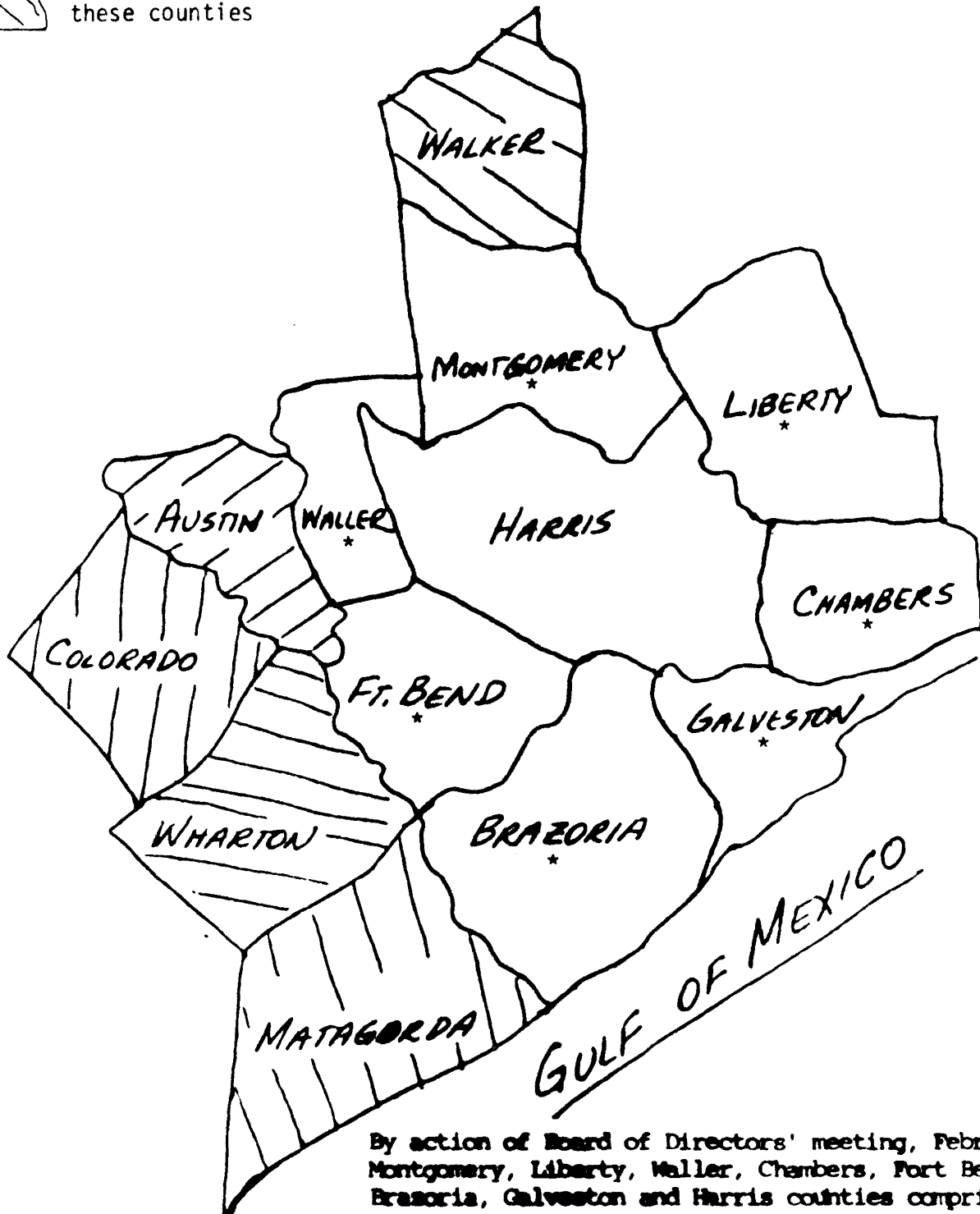
By


"Agency"

UCP OF TGC COUNTIES



United Cerebral Palsy
withdrew service from
these counties



By action of Board of Directors' meeting, February 24, 1971,
Montgomery, Liberty, Waller, Chambers, Fort Bend,
Brazoria, Galveston and Harris counties comprise the
service area of United Cerebral Palsy of Gulf Coast, Inc.

*Information referral service only.
No transportation provided in these
counties. This leaves Harris County
as the prime service area for UCP.