

OFFICE OF THE MAYOR  
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813  
PHONE: (808) 768-4141 • FAX: (808) 768-4242 • INTERNET: [www.honolulu.gov](http://www.honolulu.gov)

KIRK CALDWELL  
MAYOR

ROY K. AMEMIYA, JR.  
MANAGING DIRECTOR

GEORGETTE T. DEEMER  
DEPUTY MANAGING DIRECTOR



January 6, 2020

TM 797899

Mr. Troy Shimasaki, Acting City Auditor  
Office of the City Auditor  
1001 Kamokila Boulevard, Suite 215  
Kapolei, Hawaii 96707

Dear Mr. Shimasaki:

SUBJECT: Response to Draft Audit Report – *Follow-Up on Recommendations from Report No. 16-02, Audit of the City's Paratransit Services*

Thank you for the opportunity to provide the following comments on the draft audit report that was e-mailed on December 30, 2019. The audit has been reviewed by both the Oahu Transit Services, Inc. (OTS) and the Department of Transportation Services (DTS), and we provide the following response.

**Recommendations:**

1. *DTS should ensure that OTS complies with ADA §37.131(f), Capacity Constraints, by improving subscription management, on-time performance, trips with excessive trip times, and volume of customers travelling to agencies.*

**Response:**

- Subscription Management – Completed
- On-Time Performance – In Process
- Excessive Trip Times – In Process
- Volume of Agency Trips – In Process

Regarding the next steps identified in the draft audit report, DTS has addressed the specific capacity constraint issues identified in the 2018 Federal Transit Administration (FTA) Triennial Review. DTS has implemented updated procedures for monitoring capacity constraints, and staff from the Department's

Paratransit Operations Branch (POB) and OTS now meet on a monthly basis to discuss and actively address service-related issues, including any issues related to capacity constraints. Discussion and action items are recorded in meeting notes. The FTA's Triennial Review consultant deemed these corrective actions as sufficient. However, the FTA Office of Civil Rights has kept the finding open pending resolution of a separate recent Americans with Disabilities Act (ADA) complaint that the Office received regarding the City's paratransit phone system.

2. *DTS should ensure that OTS complies with ADA §37.131(d), Trip Purpose Restrictions, by lowering the volume of agency customers or amending the practice that prioritizes agency trips over other trips.*

**Response:**

DTS concurs with the above recommendation and will continue to pursue opportunities to reduce the volume of agency trips.

3. *DTS should ensure that OTS improves management of subscriptions by establishing formal policies, procedures, application process, and a monitoring program to ensure that subscription levels do not exceed 50 percent in any operating hour (unless there is excess capacity) as required by ADA.*

**Response:**

Completed. DTS and OTS have established appropriate policies and procedures for creating, maintaining, and cancelling TheHandi-Van subscriptions. Scheduling staff are aware of, and applying, the policy. Subscription rates are improving.

4. *Determine whether OTS tracks, reports, established performance benchmarks, and developed an action plan to mitigate trips with excessive trip times.*

**Response:**

Completed. OTS has established performance benchmarks. As of June 2019 OTS now reports performance for 8 benchmarks related to on-time performance or length of trip.

5. *Determine whether OTS established a formal Customer Satisfaction/Service Quality Program to include surveying customers or convening focus groups, as appropriate, to obtain direct customer feedback.*

**Response:**

In-process. We concur with the above recommendation and have plans to develop a customer satisfaction program and conduct a customer satisfaction survey. There is \$50,000 in the current FY2020 budget to conduct a customer survey.

6. *DTS should ensure that OTS enforces conditional eligibility restrictions. If enforcement is deemed extraneous, DTS should re-evaluate or streamline the eligibility determination process and reduce the contract amount.*

**Response:**

We concur with the above recommendation. DTS does not anticipate that there would be any cost savings to be gained through transitioning to an eligibility determination process with “Eligible” and “Not Eligible” as the two main outcomes.

We anticipated that there would be no impact to removing “Conditionally Eligible” as a paratransit eligibility outcome. We are now aware of other transit agencies that have implemented free bus rides for all conditionally eligible paratransit riders. The benefits of this approach include:

- Potential reduction in operating cost, as trips on fixed route buses are far less expensive than on paratransit.
- Reduction in paratransit trip demand with commensurate increases in capacity to serve other trips in a timely manner.
- Increased rider convenience, as fixed route bus trips do not require advanced trip reservations or cancellations.

Agencies with smart cards similar to Honolulu’s planned “HOLO” card have tracked the operational and cost benefits resulting from conditionally eligible paratransit riders who have shifted some or all of their trips to the fixed route bus system instead. These agencies offer free bus rides to conditionally eligible paratransit riders as they are able to use a bus for some of their trips, while unconditionally eligible paratransit riders have disabilities that are so severe that they are unable to ride TheBus.

We plan to explore this option once the HOLO card is successfully deployed to all TheBus and TheHandi-Van riders.

7. *Determine whether OTS developed a plan to reduce the number of No Solution Found and Unscheduled Trips.*

**Response:**

Ongoing. We are in the process of exploring the following approaches to reduce the number of No Solution Found and Unscheduled Trips by trip increasing TheHandi-Van's trip capacity and its scheduling efficiency:

- Collaborate with the Rate Commission and City Council to implement a TheHandi-Van fare increase to manage demand growth, as recommended by the City Auditor's report and the Administration's Paratransit Growth Management Study.
- Update the fleet management plans for TheBus and TheHandi-Van to match projected demand growth
- Expand the Middle Street transit facility to accommodate projected fleet expansion needs
- Explore alternatives to the existing paratransit scheduling system to increase operational efficiencies (see next item).

8. *Improve use of the Trapeze computer system by putting more of its paratransit operations on real-time and eliminating the reliance on manually amending trip runs.*

**Response:**

Ongoing. On June 5, 2019, DTS issued a Request for Information (RFI) to determine options for paratransit scheduling and dispatch software that may better meet the needs of Honolulu's paratransit system. DTS is also exploring software replacement.

9. *Determine whether the city council amended Section 13, Article 8, ROH, to separate fixed-route and paratransit operations from the mandate that the services be provided by a single operator.*

**Response:**

Completed. On September 6, 2017, the Honolulu City Council adopted Bill 68, CD2, which was codified into law as Ordinance 17-52. The ordinance allows the Department of Transportation Services to contract with a separate, private, nonprofit corporation to manage, operate, and maintain the city's paratransit service. The city currently contracts with OTS as the transit management services contractor for both TheBus and TheHandi-Van.

**Other Auditor Comments:**

- A. *A City and State Collaboration Could Maximize Paratransit Dollars Using Portland, Oregon's TriMet Model*

**Response:**

In-Process. We concur that the Portland, Oregon TriMet model of obtaining additional federal funding through Medicaid has the potential to bring added resources to TheHandi-Van operations. We support the recommendation that the Honolulu City Council introduce a resolution requesting that the State Department of Human Services and the City's Department of Transportation form a working group tasked with evaluating the TriMet model and other opportunities to leverage state and federal funds for paratransit transportation. DTS has had an initial meeting with Councilmember Tsuneyoshi to explore this approach.

- B. *A Poorly Planned Replacement Phone System Resulted in an Unreliable Paratransit Communications and Risks ADA Violation*

**Response:**

In-Process. We concur that the inconsistencies in the phone system used to take reservations, record complaints, and communicate with riders have adversely affected the city's paratransit operations. The Department of Information Technology and its telephone system vendor, Cisco, have determined that OTS should revert to a stand-alone phone system. As a result, the Department of Transportation Services is working to purchase an upgrade to the OTS Avaya phone system and transition all OTS phones to address these issues.

We appreciate the assistance of the City Auditor's office and the opportunity to respond to the draft. Should you have any questions, please contact Wes Frysztacki at 768-8303.

Warm regards,

  
Roy K. Amemiya, Jr.  
Managing Director

cc: Wes Frysztacki, Director  
Department of Transportation Services