

STATEMENT OF JULIA CASTILLO

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BEFORE THE SUBCOMMITTEE ON HIGHWAYS AND TRANSIT OF THE HOUSE OF REPRESENTATIVES' TRANSPORTATION AND INFRASTRUCTURE COMMITTEE

SEPTEMBER 5, 2018

Mr. Chairman, Ranking Member Holmes-Norton and Members of the Subcommittee:

My name is Julia Castillo and I have been the Executive Director of the Heart of Iowa Regional Transit Agency, better known as HIRTA, for eight years. I also serve on the National Rural Transit Assistance Program Review Board and as Treasurer on the Iowa Public Transit Association Board.

As the Executive Director of a rural transit system, it is with great appreciation and honor to be selected, on behalf of the Community Transportation Association of America, to appear before you today regarding innovations in public transportation in rural communities.

The state of Iowa has 35 community and public transportation systems serving all 99 counties. We have 16 rural and 19 urban transit providers, which are the only entities eligible to receive public transit investment administered by the Iowa DOT Office of Public Transit (OPT). The Iowa DOT issued *TransPlan 77* further defining the concept of regional transit systems as being multicounty regions based on the governor's sub-state planning regions, which is an innovative approach to public transit dating back to 1977. HIRTA is the designated public transit system for region 11, responsible for serving the counties of Boone, Dallas, Jasper, Madison, Marion, Story and Warren. Our service area is unique in that we are the only regional transit system in Iowa serving a circle around the Des Moines metropolitan area. Our service area ranges from our smallest county spanning 554 square miles to our largest covering 730 square miles, and populations from 16,013 to 97,502 with a some counties slightly declining in population while

others grow. Unlike urban areas, when rural population decreases, the need for mobility grows, due to increased isolation.

Our agency was established in 1981, and when I became the Executive Director in 2010, there was only two of us employed at HIRTA. Historically, we had contracted our transit services with local non-profit agencies, working with a contractor in each county we serve. Our Board is comprised of one county supervisor from each of the counties we serve, and our 2010 Board election brought major changes in leadership. In 2011, just six months into my position, five of seven board members were new to HIRTA. I recognized the great opportunity to begin initiating change. By October 2011, HIRTA began operating service directly in Jasper County, and hired drivers for the first time. In 2012, we were the first transit system in central Iowa to hire a Mobility Manager, and added direct service in Story county. Today, we only contract in two of our seven counties, and we have more than 90 employees. None of this growth would have been possible if not for a Board of Directors who made the decision to invest in the future of HIRTA, and allowed us to grow and implement innovative programs, technology, and approaches to making us the transportation option of choice in our region.

HIRTA has a fleet of 84 fully-accessible vehicles, which includes 18-, 16- and 12- passenger buses, as well as minivans and MV1's, which serve two-to-four people. Our newest additions are ProMasters, which can transport up to nine people. We provide approximately 300,000 trips per year, traveling over 1.3 million miles, which can be a challenging task as Iowa has the second oldest fleet of public transit vehicles in the United States.

The demographics we service are as varied as the places we go: 60 percent are people with disabilities (including those 60 and older); 13 percent are seniors and 27 percent is general public, which includes Head Start, preschool, k-12 school riders and anyone under age 60. We provide both long-distance and in-town services, which are broken out as 33 percent program services; 12 percent medical and hospital releases; 11 percent employment; 8 percent education; 4 percent congregate meal programs, adult daycare and shopping trips, and 27

percent for other reasons. HIRTA also stands on its safety record, with our 87 drivers having provided more than 41,000 trips, traveled 218,000 miles and worked 14,000 since our last preventable incident.

As with many rural transit systems, we have a limited number of staff, and most wear many hats, covering a variety of tasks and skills. It is a challenge to plan for the future, when we are just trying to get through the daily tasks of ensuring safe, on-time and reliable service. We focus on keeping customers happy, while working within the rules and regulations encompassing public transportation. It can be challenging to dedicate time and staff to thinking about the future, with a variety of new programs, services, technology and innovations to consider. However, I believe it is imperative for rural transit systems to plan, educate and invest in our future, or we will fall even further behind our urban counterparts. People who live in more rural areas need the same types of services as those in urban areas and even though it may be more challenging and sometimes more expensive, we need to find ways in which to efficiently meet those needs so their independence, freedom, quality of life and ability to grow and prosper where they live is not compromised. This is where innovation and technology come together to play a vital role.

We also need to be aware of how our industry is changing based on economics, technology, education and other factors. Those in their 80s and 90s are using smart technology and social media more than ever before. Rural America must realize our demographics resemble a collage of people from all different walks of life, ages, ethnicities and abilities, and they require a variety of ways to receive information and services. Status quo is no longer good enough and those who don't continue to plan and advance, will see their services decline, which will have a negative impact, not only on those we serve, but the communities as a whole. Innovations in rural transit systems may look different, and may not even appear from first glance to be innovative. However, staff and funding is very different and much smaller than urban communities. Our innovative success may be smaller, and not as glamorous, but they should

not go unnoticed, because to those we serve and those who work to in rural transit, they are significant.

As we began the process of looking at where we were in 2011, and where we needed to be, I pulled a small team together, and began to look at what we do well, what we could do better and what resources and products are available for us to improve. The state of Iowa wanted to partially fund Mobility Management positions in 2012, so we hopped on board, secured funding, and were on our way to growing and being innovative in how we interacted and secured partnerships with community agencies and businesses. We developed a Transportation Advisory Group (TAG) in each of our counties, and began discussing transit improvements and unmet needs. Through this process we created a partnership with Goodwill Career Connections, secured a State Transit Assistance (STA) grant from the Iowa Department of Transportation, Office of Public Transit, and began the *Employment Initiative* which allowed us to provide free rides to and from work for 30 days to anyone reentering the workforce in Jasper county. We then expanded the initiative into Warren county the following year. Our Mobility Coordinator created a travel training program and cultivated partnerships allowing us to provide free trips to farmers' markets and food pantries, as part of the Hunger Coalition, helping to improve access to healthy food and reduce food deserts. Other collaborations emerged with the Veterans Administration, Legal Aid, ESL classes and IMPACT (which manages programs like Low Income Home Energy Assistance Program).

It is great to live in a multimodal society, which means having great transportation options. In rural areas, those options are generally fewer, and sometimes non-existent. *HIRTA Now* was started because there was a need for same-day service, where people don't have to reserve their trip 24 hours in advance. They can call any time of the day and we will pick them up and take them where they need to go. It is more efficient and easier with advanced notice for transit providers, however, people don't live in advance. Sometimes things happen, and people need a ride now – not tomorrow – and since most rural areas do not have Uber or Lyft, or even

taxis, HIRTA decided we could provide this type of service, and cater to more people because our small vehicles all have ramps, so we could also serve those who use mobility devices.

We also began to look at how we connected with people outside the vehicle, and those who didn't use our service. Our first step into social media was to develop a more user-friendly website. We kept it simple and yet informative, with pictures and up-to-date news about what is happening at HIRTA. We currently average over 2,000 unique visitors per week. Then we branched into the world of Facebook, where we focus on our customers and what is of interest to them. We have continued to grow this part of our social media, averaging 11,300 reaches per month. We actively use Twitter too, however, this form of social media is directed more toward agencies, government, businesses and individuals interested in rural transit as a whole. Daily service announcements are rare, but tweets about our value to the community, the economy, funding or benefits of transit are the main focus. On Twitter, we average over 11,000 impressions a month. Most recently we began using Instagram as a platform to showcase our outreach and marketing efforts. Some may say social media is not very innovative. However, it is not common for rural transit systems to have a website, Facebook, Twitter or Instagram account, and the rationale is often 'the majority of the people we serve, aren't on those platforms'. That line of thinking is getting further and further from the reality of how people receive information today.

Our Operations team conveyed ways we could enhance service to our customers and streamline it for our staff. Over the past five years, we have invested in and secured additional funds to implement the following, innovative solutions:

- Notification Module, which automatically calls people at a specified time to remind them of their upcoming trip, reducing costly and inefficient no-shows;
- Maintenance Module, which allows HIRTA staff to proactively track and manage maintenance on all of our vehicles through real-time updates, and notifications when a vehicle experiences a problem while en-route;

- Audio and Video Surveillance cameras in all vehicles, not only ensuring greater safety and providing examples for improved driver training, but also reducing our insurance expenses by recording our drivers' actions during accidents;
- Centralized Scheduling and Dispatch, which offers improved efficiency along with continuity in our operating procedures and customer service;
- Tablets for drivers, replacing paper manifests, which are more efficient, economical and sustainable;
- Electronic pre/post-trips have replaced paper forms; and
- Dedicated one staff person to be responsible for safety and training. We have invested in a demand-response training program, and various other trainings, such and Drug and Alcohol awareness. All drivers are now required to go through these training programs, pass a written test and undertake behind-the-wheel training. If someone doesn't pass, they have to take the training again before they are allowed to drive.

Our newest and most expensive project, which launched last month, is a smartphone app and online payment option known as *Amble*. We are the only rural transit system in the U.S. that has implemented both of these options at the same time, and only one of three using the online payment feature. We are committed to bringing in technology for use across all of our customer demographics. Before launching, we did a trial run for four months using eight people, from all walks of life, ages, disabilities and genders. Each of them consistently used the app to better their transit experience. They managed their own trips, including scheduling, cancelling and reviewing. It is very important we not limit people by any preconceived biases, so we offer options to ensure those we serve have choices for what best fits into their life. We are also focused on safety, and therefore it was important to have a secure way of paying without cash or tickets.

Do rural transit systems take time for strategic planning? HIRTA had not undertaken one in 36 years. It may not sound innovative, however, I am a firm believer if we don't know what our

goals are, we will never know if we are reaching them. In 2017 we developed a 10-year working strategic plan, so we would work toward goals such as achieving outstanding customer experiences, ensuring our safety culture, maintaining organizational viability and improved connectivity. I even changed my monthly Executive Director report to the HIRTA board, which lists our ten goals and everything reported falls into one of those categories. It helps keep me on track and updates the board on the living and working plan.

We are now developing and anticipate implementing the following innovations this fiscal year:

- *HIRTAworks*, a vanpool service for commuters, getting them to the factories and large employers in our most rural areas.
- *HIRTAJoblink*, a commuter shuttle getting employees to jobs in our rural areas. We've been working with refugee service programs, and also have employers as well as city and county officials working together to make this happen. This is an economic need and stakeholders see the impact it will make in their communities.
- Our first deviated fixed-route in the City of Newton, which is highly supported by the City and the county's TAG. Deviated fixed-route service is a hybrid option that allows us to run a conventional fixed-route bus line, but deviate off the route for up to $\frac{3}{4}$ of a mile to provide door-to-door service for eligible passengers, avoiding the cost of creating a complimentary paratransit operation to serve people with disabilities along the route.

Providing rural transit is different than providing transit in urban areas. Both have challenges and barriers, some the same, but several are unique to operating in large geographic areas with much less population density. One challenge is having a facility conducive to housing the operations, and more importantly, the vehicles and maintenance. Many rural agencies, like HIRTA, operate out of various leased buildings or office spaces, with no indoor storage for vehicles. Some smaller agencies actually have drivers take the bus and park it at their private home for the night. Having vehicles sit out in the elements, whether it be excessive heat, rain, hail, or extreme cold and snow, ages the vehicles' exteriors and interiors. The excessive wear

shortens the life of the vehicle, as well as, increases failures and repair costs. Whatever capital resources we have available we devote to our vehicle fleet to maintain our service levels. A new, centralized facility hasn't been possible with our budgetary constraints. The end result is vehicles which do not look aesthetically pleasing and reduce the public perception and image of public transit. To a customer, rusty vehicles equate to old and unsafe. For the transit system, this means money, which could be used to maintain or enhance services, goes into maintenance. This is one undeniable contrast in public transit infrastructure between urban and rural communities.

Rural systems in Iowa have historically provided, not only Non-Emergency Medical Transportation (NEMT), but also trips supported by Medicaid waivers through Iowa's Medicaid program. Over the past two years, the state has hired Managed Care Organizations (MCOs) to handle both types of transportation. Late last year, with less than 30 days of notice, we were told the MCO's would no longer pay for Supported Community Living (SCL) transportation, and that SCL facilities would be responsible to pay for transit services. Many of them could not afford to pay, so in 6 months, HIRTA took a loss of \$900,000. We were simply not given enough notice to prepare for how the change would affect our bottom-line. Fortunately, we had already been working on new types of services to implement, so what we have lost in Medicaid funding, we hope to be able to partially recoup by implementing new services. But, to be clear, if rural transit agencies can no longer access Medicaid-supported contract trips as allowable matching funds for federal Section 5311 rural transportation programs, millions of dollars of Section 5311 funds could be left on the table due to lacking matching funds.

Iowa's rural systems have the second-oldest fleet of vehicles in the United States, so we – unfortunately – spend a large portion of our operating funds on maintenance. Vehicle repairs are necessary in order to meet the needs of our customers. It is not unusual for us to operate ten-plus year-old, light-duty buses with over 300,000 miles on them. The useful life of a light-duty bus, as defined by FTA is four years. We have discussed purchasing more fuel-efficient vehicles, or even autonomous vehicle, and what it would look like for our rural communities.

Even though we are intrigued and curious about how we could implement these types of vehicles, the immediate barriers are purchasing cost and maintenance of the vehicles. Paying a 20 percent local match on new vehicles requires planning, saving and/or applying for grants. For vehicles with increased price tags, it would take even longer to secure additional funding. Also we do not have a transit facility, which means we don't have a maintenance facility. We work with local private garages and mechanics. Additional barriers would include ensuring a local maintenance vendor has the expertise to work on these new types of vehicles. Rural transit providers like ours need technical assistance and peer examples to embrace and implement these new technologies, while federal legislation on autonomous vehicles needs careful consideration by Congress to ensure these vehicles are accessible, safe, convenient and affordable for all Americans in communities large and small.

Another stark difference is with staffing, whether drivers or office staff. Rural systems – which typically transport a large number of people with mobility devices, and provide door-to-door services – are often unable to pay their drivers a living wage. The majority of drivers we employ are part-time retirees who are 65 or older. Rural areas have qualified people we could hire, who could grow with our agencies, if we could afford to pay them a living wage and offer full-time employment with benefits. The reality is, current levels of federal and state funding for rural systems are not enough to allow us to hire full-time drivers, and in many cases, do not allow us to hire enough staff to handle all the duties of running a transit system. It is not unusual for administrative staff to also hop in a bus and pick people up as a driver, or schedule and dispatch will-call trips. It is highly unlikely this would happen in New York, Chicago or even in a smaller city, like Des Moines.

In closing, our responsibility as rural transit systems is to stay in the know, keep up with industry standards, look for and secure additional funding sources, determine what technology makes sense to enhance the customer experience and allow staff to operate most efficiently. We set goals, take chances and most importantly, through it all, develop partnerships, communicate, collect feedback and never give-up. We all know community and public

transportation industry is changing. The vehicles and technology we use may evolve, however, people will always need to get somewhere. Rural transit systems need to rise to the occasion and be innovative and forward-thinking to best serve the people in our communities. However, there are costs, and we need sustainable public funding to help us innovate. We are not asking for a gold-star transit facility that would look great to tourist or business professionals. We are simply asking for a fair and equitable share of funding so that those who choose to live more remotely can have access to services, vehicles and facilities that suit their way of living, as much as urban transit providers try to meet the needs of those in cities.

HIRTA will continue working to remain on the forefront and keep up with what is happening in the communities we serve. We will also follow what is happening in urban areas too, because people, no matter where they live, deserve to have the safest, most affordable and reliable public transit service available.