

**October 28, 2020**

**AMES TRANSIT AGENCY BOARD OF TRUSTEES**

The Ames Transit Agency Board of Trustees met on October 28, 2020, at 2:00 p.m. via video conference. President Schrader called the meeting to order at 2:01p.m. with Trustees Cain, Jeffrey, Ludwig, and Schainker present via video conference.

**ELECTRONIC MEETING DECLARATION:** This meeting is being held electronically because of the COVID-19 pandemic, and the Governor of Iowa's Public Health Disaster Emergency Declaration which included limits on public gatherings; therefore, it is impractical to hold an in-person meeting." (§21.8(1)(c) and §21.3)

**APPROVAL OF SEPTEMBER 23, 2020 MINUTES:** Trustee Jeffrey made a motion to adopt the September 23, 2020 transit board minutes as presented and Trustee Cain seconded the motion. (Ayes: 5 Nays: None) Motion carried.

**PUBLIC COMMENTS:** None

**FREE RIDES ON ELECTION DAY:** Director Neal asked for formal board approval of free rides on Nov. 3<sup>rd</sup> for election day. She explained that many local systems as well as national systems were offering free rides to polling locations to ease access to voting and encourage non-traditional rides. The cost has been estimated at approximately \$150. Director Neal emailed board members for their informal approval prior to the meeting and all six trustees were in favor.

The Transit Director recommended approval of Alternative #1, to allow all passengers to board for free on Election Day to help expand access to voting and generate public goodwill, at a minimal financial cost to the organization.

Trustee Cain made a motion to adopt Alternative #1, to approve allowing all passengers to ride fare-free on both fixed routes and Dial-A-Ride services on Election Day, November 3, 2020. Trustee Ludwig seconded the motion. (Ayes: 5 Nays: None) Motion carried.

**MINIBUS PURCHASE:** Director Neal reviewed the purchase of six new minibuses, which were 85% funded by the FY19 State of Iowa's Bus and Bus Facilities grant. CyRide has been working with Hogle Bus Company for estimated costs under the Iowa Department of Transportation statewide bid. Director Neal explained that the preliminary cost for each bus is \$100,975, for a total estimated cost of \$605,850; finalized pricing will be provided when final specifications are submitted to the manufacturer and the buses are being built.

The Transit Director recommended approval of Alternative #1 for the purchase of six minibuses from Hogle Bus Company at a price not to exceed \$658,200. This will allow CyRide to replace six existing buses within its minibus fleet and help CyRide meet its Transportation Asset Management (TAM) plan performance targets.

Trustee Jeffrey made a motion to adopt Alternative #1, to approve award to Hogle Bus Company of Marshalltown, Iowa, in the not to exceed amount of \$658,200 for the purchase of six new 176" wheelbase minibuses. Trustee Ludwig seconded the motion. (Ayes: 5 Nays: None) Motion carried.

**PUBLIC TRANSPORTATION AGENCY SAFETY PLAN:** Director Neal reviewed the requirements of the Public Transportation Agency Safety Plan (PTASP) that the FTA published in July 2018. CyRide is required to write and comply with an agency safety plan that contains the four Safety Management System (SMS) components with key measures and performance targets. Director Neal explained that the plan must list an Accountable Executive, which is listed as the Transit Director and a Chief Safety Officer, who reports to the Accountable Executive. The Chief Safety Office (CSO) has the authority and responsibility for the day-to-day implementation and management of the safety plan. Chris Crippen, Assistant Transit Director of Operations, is currently acting as the CSO until the position is filled in December.

The Transit Director recommended approval of Alternative #1, to approve and adopt CyRide's Public Transportation Agency Safety Plan as presented. Adoption of this alternative will reinforce CyRide's existing safety culture and help maintain compliance with FTA regulations.

Trustee Ludwig made a motion to adopt Alternative #1, to approve and adopt CyRide's Public Transportation Agency Safety Plan as presented, to be effective on October 28, 2020, to be in compliance with the Federal Transit Administration Final Rule. Trustee Jeffrey seconded the motion. (Ayes: 5 Nays: None) Motion carried.

**COVID-19 RESEARCH DEMONSTRATION PROGRAM GRANT:** Director Neal shared information about a grant opportunity, Public Transportation COVID-19 Research Demonstration Program, that the FTA released on October 5, 2020. The funding is available to support agencies develop, deploy and improve operational efficiencies during the pandemic. CyRide would like to request funding to purchase and install Automatic Passenger Counters (APCs) for the entire large bus fleet. The articulated buses in the fleet already utilize this technology for the #23 Orange circulator route. Director Neal explained how APCs could provide stop-level data and live occupancy counts to both internal and external customers by counting boarding and alighting passengers on every route. She added that live counts will assist operational efficiency, as gathering data is currently a manual process, improve response to overcrowding, provide transparency for customers when determining which trips to utilize to meet their needs, and allow more social distancing.

Director Neal explained that if the grant application is approved, the FTA requires an independent evaluator to oversee the project. CyRide has identified two project partners; Syncromatics has been identified as a project partner for the APC integration on existing equipment and Nelson Nygaard has been identified for the required independent project evaluation.

Director Neal stated that the funding for this project could be requested at a 100% federal share; however, the recommendation is the application be submitted with a 10% local match to increase competitiveness. She explained that the FY21 Capital Improvement Plan (CIP) currently has \$75,000 committed to install APCs on some of the buses and could cover the local funding needed, which is \$52,765. Director Neal added that the FTA requires submissions to be scalable if the award amount is less than requested. The minimum number of vehicles that could be equipped with the APCs is 20 and the maximum is 78.

Trustee Ludwig inquired how soon the equipment could be installed if the grant was approved. Shari Atwood, Transit Planner, stated that if the grant was approved, pre-award authorization could come as early as January 2021. She added that with an aggressive schedule, work on the project could begin as soon as April or May of 2021 and completion possibly in August 2021. Shari Atwood said that technology would need to be included in the Transportation Improvement

Plan, which the Ames Area Metropolitan Organization oversees. Trustee Jeffrey asked if the equipment could be transferred to other buses as buses are taken out of service. Keith Wilbur, Transit Technology Coordinator, answered that the equipment is modular and can be moved.

The Transit Director recommended approval of Alternative #1, to approve submitting a Public Transportation COVID-19 Research Demonstration Program grant to deploy APCs throughout the fleet and conduct an independent project evaluation.

Trustee Cain made a motion to adopt Alternative #1, to approve submitting a Public Transportation COVID-19 Research Demonstration Program grant by November 2, 2020, in the amount of \$527,651 (\$474,886 federal funding and \$52,765 local funding) for the purchase, installation, and deployment of automatic passenger counters throughout the fleet and the required independent project evaluation. Trustee Ludwig seconded the motion. (Ayes: 5 Nays: None) Motion carried.

**SUSPENSION AND DEBARMENT FY19 AUDIT FUNDING:** Director Neal shared that staff has been working with the City of Ames Finance Department regarding federal purchase requirements. She explained that for federal purchases, payments cannot be made to a party that was suspended or debarred and verification of that information must be documented prior to purchases. Director Neal stated that in FY19, an auditor found that there was no documentation noted for a locally financed fuel contract with Diamond Oil. She added that since the contract was locally funded, it was believed that documentation was not needed.

Director Neal stated that to ensure all projects are not deemed as federally funded, FTA has recommended that CyRide work with our Finance Department to modify the line item description in the budget to include salaries and wages and all federal money be applied to that specific line item. Director Neal confirmed that in past triennial reviews FTA auditors have agreed to the explanation of the designation of federal funds to salaries and wages.

**FY20 PRELIMINARY OPERATIONS FUND CLOSING BALANCE:** Director Neal stated that the information about the preliminary closing operations balance would provide guidance from the board for budget preparations. She reviewed the board's established policy of maintaining an operating closing balance between 7-10% of operating expenses; funds in excess of this percentage can be reprogrammed for additional operating or capital needs. Director Neal explained that the unaudited FY20 operations fund will have a balance of \$5,913,645. She further explained the commitments of the unaudited operations closing fund, with \$2,400,000 needed for cash flow, \$1,054,179 for the 10% reserve and \$495,620 that is committed to the Low No Battery Electric Bus local match, leaving an estimated \$1,963,922 uncommitted. Final closing balances will be available after the audit process, typically in December.

Director Neal noted although the uncommitted amount is particularly high, there is some uncertainty due to the pandemic which may have financial impact on future CyRide budgets. These include potential losses in STIC funding, funding reductions from census undercounting, decreases in ISU student enrollment, and general reductions in State and/or Federal funding. She is recommending deferring committing the balance above the 10%, except for using a portion of the uncommitted balance during the budget process. Director Neal referenced a 5-year pro forma that detailed operating and capital expenses. She explained that the proposal would use a portion of the CARES funding to reduce the local funding partner commitment and make the increase 0% for FY22, as well as reserve the funds for the 10% closing balance requirement for FY22 and offset additional local funding for capital.

Director Neal asked the board for any feedback or guidance regarding the information presented. No comments were made.

**BATTERY ELECTRIC BUS PROJECT UPDATE AND LOCAL MATCH:** Director Neal requested to move the local match of \$495,620 originally committed for the Battery Electric Bus Project to the capital fund. Since the Volkswagen Settlement Grant was received, the local funding partner commitments were reduced by \$390,000 to \$105,620. A table was reviewed that identified the funding and current commitments for the project.

Director Neal explained the progress that The Center for Transportation and the Environment (CTE) has made on the procurement, selecting the state of Virginia federally qualified contract, which has contracts with four battery electric bus manufacturers. Preliminary pricing from 3 of the manufacturers has been received, coming in over budget by approximately \$66,000-\$138,000. She said that CyRide is awaiting official approval to use Virginia's contract, which is needed from the Iowa Department of Transportation (Iowa DOT) before a contract can be awarded, due to the Iowa Volkswagen Settlement grant being used for part of the funding. Director Neal requested to keep the original \$495,620 of local commitment for the project because of the higher preliminary price and potential for increases if the Iowa DOT does not approve the usage of the Virginia contract.

The Transit Director recommended approval of Alternative #1, to proceed with movement of funds as identified from the closing balance to capital that will allow the battery-electric bus project to proceed forward without interruption.

Trustee Ludwig made a motion to adopt Alternative #1, to authorize CyRide to move \$495,620 (\$390,000 + \$105,620) from the operations fund closing balance to the capital fund, for use in the battery electric project. Trustee Jeffrey seconded the motion.

Trustee Schainker asked if the total amount that the project would be short was known. Director Neal said that the project could be short by the preliminary quote of \$138,000. She explained that Alternative #2 accounts for the local share of \$105,620 and the \$138,000 short due to the quote being higher than anticipated. She added that it would be possible that the board could have to move additional funds later if the Iowa DOT rejected the approval of the Virginia contract because the pricing would likely be higher. Trustee Schainker said that if additional funds were needed, the board could revisit moving additional funds to the project.

Trustee Ludwig withdrew his motion to adopt Alternative #1 and made a motion to approve Alternative #2, authorizing CyRide to move \$243,620 (\$138,00 + \$105,620) from the operations fund closing balance to the capital improvement budget, for use in the battery electric project. Trustee Jeffrey seconded the motion. (Ayes: 5 Nays: None) Motion carried.

**CARES ACT FUNDING:** Director Neal reviewed the Coronavirus Aid, Relief and Economic Security (CARES) Act that awarded CyRide \$7,028,297 in funding to cover operating expenses at a 100% federal share. She requested that CARES funding be used for wages only, applying \$6,000,000 in FY21 and \$1,028,297 in FY22.

Director Neal explained that expenses generally eligible under Section 5307 funding would qualify for CARES funds; she went on to explain that when the annual appropriation of section 5307 funds is used for operating expenses, it is provided at a 50% federal share with a local match of 50%. She said that redirecting the annual Section 5307 funds to capital would allow for a higher

federal share of between 80-85%, reducing the local match commitment. Director Neal added that there are several large capital projects that will require funding in the future.

The Transit Director recommended approval of Alternative #1, to immediately draw the CARES funds to allow CyRide to pay commitments and secure itself financially during this pandemic. Directing the annual formula funding to capital will allow CyRide to meet TAM plan goals and move toward a more sustainable fleet.

Trustee Ludwig made a motion to adopt Alternative #1, to authorize CyRide to use \$7,028,297 in CARES Act funding (100% federal funding) toward FY 2021 and FY 2022 operating expenses, specifically wages, and transfer \$600,000 in local funds from the closing balance to capital. Trustee Jeffrey seconded the motion. (Ayes: 5 Nays: None) Motion carried.

## **MONTHLY REPORT:**

**Special Student Fee Committee:** Director Neal met with the Special Student Fee Committee on Sept. 9<sup>th</sup> to request a \$5.00 per semester fee increase for FY22. She explained that enrollment declines, activity fee suspension, and a 0% increase in FY21 have negatively impacted the student trust fund balance and the ability to meet future budget commitments. Director Neal is providing additional information and models of the trust fund to the committee to show impacts of various funding situations. Trustee Schainker asked if there will be enough in the trust fund to cover the next year and Director Neal confirmed that trust fund will not be negative next year if the \$5 fee increase and 0% increase for the funding partners are both approved, but future years could have negative balances. There was further discussion about the pro forma model and stabilizing the trust fund with different scenarios.

Director Neal discussed the difficulty in projecting things such as future enrollment and revenues from student fees. Trustee Schainker added that when the system was redesigned, CyRide 2.0, assumed that the increases would be at 5%, so lesser funding would lessen services. Director Neal stated that post-pandemic, an outside analysis of the system will be needed. Trustee Schainker said that due to the financial situation for outlying years, the analysis would be needed by FY22/23.

**Resident Satisfaction Survey:** Results from the annual Resident Satisfaction Survey that collects information from Ames residents about City services were released. CyRide had 134 comments that contained quality feedback. Responses in the survey will provide valuable information for planning and adjusting services.

**Ridership:** Information was presented about the decline in current ridership. Current ridership is approximately 10,000 riders per day, compared to about 33,000 riders per day during the same time last year.

**HIRTA Biannual Meeting:** CyRide met with HIRTA on October 13<sup>th</sup> to review the Dial-A-Ride (DAR) paratransit service that they provide on behalf of CyRide. HIRTA reported that their ridership is down by approximately 50% due to the pandemic. It was identified that adjustments to the on-time performance measures were needed due to buses arriving early to pick up passengers, which is agreeable to the passengers. Alternative ways to survey DAR passengers was discussed, including a phone survey when a passenger calls to schedule a ride.

**New Bus Delivery:** Three new 40-foot Gillig buses were delivered this past month. The buses were funded by the Iowa Clean Air Attainment Program (ICAAP), Iowa Volkswagen Settlement Environmental Mitigation Trust Project and local share of 3% of the total cost. The buses will have cleaner emissions and lower operational cost per mile.

**Triennial Review Update:** The triennial review was delayed until January 2021 due to the pandemic. Interviews and documentation will be held virtually. Additional information has been requested and is due by December 11, 2020. Trustee Ludwig inquired about the purpose of the review. Director Neal answered that reviews are conducted to ensure federal funding is spent according to regulatory requirements.

**Fall Meeting Dates/Times:**

- November 25, 2020 at 2:00pm
- December 23, 2020 at 2:00pm

**Adjourn:** Trustee Jeffrey made a motion to approve adjourning at 2:55 pm. Trustee Ludwig seconded the motion. (Ayes: 5 Nays: None) Motion carried.

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Jacob Schrader, President

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Julie Brouard, Recording Secretary