

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

September 29, 2008

The Ames Transit Agency Board of Trustees met on September 29, 2008 at 8:00 a.m. in CyRide's conference room. The meeting was called to order at 8:01 a.m. by President Anders. Trustees in attendance: Madden, Popken and Munoz. Absent: Trustee Schainker.

APPROVAL OF MINUTES: Trustee Madden made a motion to approve the minutes from the August 29, 2008 Ames Transit Agency Board of Trustees meeting. Trustee Hayek seconded. (Motion carried unanimously).

PUBLIC COMMENTS: No public comments.

2008-2009 BUDGET STATUS: Director Kyras relayed her concern regarding the current budget in light of high fuel prices. She explained that CyRide's budget was based on an average fuel price for the 2008-2009 fiscal year of \$2.90, which was high last fall when budgets were prepared. Two months into the 2008-2009 fiscal year, CyRide is averaging \$3.61 per gallon. This additional expense is estimated to increase the fuel line item from \$858,500 to \$1.1 million dollars, which is an increase of 31.8% over the original budget amount.

CyRide staff has reviewed the operating and capital budgets to develop a plan to minimize the effect of the added expense without significantly decreasing the operating closing balance of \$874,462. The Director indicated that the purpose of this agenda item was to gain the transit board's perspective on options presented to the board at the meeting. These options include varying operating closing balances and budget savings.

Methods to achieve the required budget savings were presented to the board. CyRide's staff recommendation is to reduce the closing balance to 12% combined with a one time only reduction in capital purchases of \$213,000 and administrative expenses by \$68,848 for a combined total of \$294,848. The board discussed this recommendation indicating that the purpose of the operating closing balance was for situations currently being faced – unexpectedly high fuel prices. Therefore, they indicated that reducing the closing balance to 12% was reasonable in light of these expenses. The board indicated a discomfort in reducing expenses by expending less on capital. The Director indicated that the next agenda item addressed how staff believes this could be accomplished, for one year only, and not put the transit system in a capital deficit position.

FLEET PLANNING: Director Kyras explained to the board that, as part of its capital planning process, staff determines its need for bus replacements. Further, that CyRide's current policy is to replace three buses each year with new transit buses. During this year's review, the effect of this policy was analyzed to

determine if it was accomplishing its fleet replacement needs. This analysis found that CyRide must replace 28 buses in its large bus fleet in the next 3 to 4 years because of their extreme age and poor condition.

As a result of this analysis, CyRide staff determined that the maximum number of buses that could be replaced under the existing policy was 9 – 12 buses; therefore, an alternative plan was developed for the purchase of used buses over the next three years. This plan would include the purchase of buses from southern states that could run for another 6- 10 years and would be in significantly better condition than the CyRide buses they would be replacing. It was explained to the board that by purchasing better used buses, CyRide could stretch its capital dollars farther and replace a significant portion of its fleet in the next several years. It was further explained that the maintenance department is in the process of identifying quality used buses to purchase and believes that by January it will be able to identify specific vehicles for purchase. The estimated cost to purchase used buses is \$4,999 with the total cost to refurbish the vehicles to CyRide bus standards would be \$34,199.

CyRide's Director explained the numerous benefits of purchasing newer, used buses for CyRide's fleet.

- Estimated savings of \$45,000 for fuel (from 2.5 – 3 miles per gallon to 4 – 4.5 miles per gallon)
- Greatly reducing pollutants
- Non air conditioned buses will be replaced with air conditioned buses
- CyRide buses will be 100% wheelchair-equipped
- Buses would be equipped with destination and camera equipment

Additionally, CyRide has the opportunity to replace one support vehicle earlier than planned. It is a six year old minivan that is used for supervisory transportation, a relief vehicle for drivers and for administrative transportation. CyRide can purchase an E85 flex-fueled Chevy Impala for the cost of \$19,788.07. It is estimated that the operating cost of this new vehicle would be half of the current cost of the minivan.

Trustee Madden made a motion to approve the modifications to the Capital Improvement Plan and to provide purchase authority for used 40' buses and one support vehicle. Motion seconded by Trustee Popken. (Motion carried unanimously.)

FY2009 MARKETING PLAN: Director Kyras reviewed the activities with the transit board that were approved in CyRide's Iowa Clean Air Attainment funding grant. The purpose of this grant was to market CyRide services to the greater Ames area. CyRide was approved for a two-year grant providing \$31,300 per year with expenditures of the funds beginning as early as October 1, 2008. Director Kyras explained that at the September board meeting, CyRide staff presented its initial

thoughts regarding expenditure of these grant funds. Based on input provided at this meeting, staff developed a formal Marketing Plan that will guide education and information activities of the transit system over the next several years. A Power Point presentation prepared by Barbara Neal was presented to the transit board for further discussion and suggestions on the six marketing strategies identified.

The transit board provided additional suggestions regarding the marketing plan: continued use of CyRide's logo in promotional material, but incorporating "green" aspects as well; provided departments/names for contacts regarding student interns to assist with the plan; the need to targeting low income residents; encouragement to partner with the Chamber on these activities; and the process needed for timely mailing information to students.

BUS STOP IMPROVEMENT PLAN: Director Kyras explained to the board that staff had developed a Bus Stop Improvement Plan that would guide how staff would spend the federal dollars committed to this effort. She explained that in the existing budget \$40,000 had been committed to improving bus stops and another \$50,000 the following fiscal year. Transit Planner, Shari Atwood presented a PowerPoint presentation that identified the number of stops in CyRide's system as well as the criteria used to prioritize which locations should be addressed first in an overall improvement to its bus stops. She further explained that bus stop improvements were placed in either a "Major Bus Stop Improvement" or "Minor Bus Stop Improvement" category. She then provided the board with the list of major and minor bus stop locations that staff recommended proceeding with in the next several years.

Trustee Madden offered an idea to consider to off-set the cost of the improvement by generating advertising revenue from transit benches or shelters. He indicated that this might an appropriate time to revisit this issue. Trustee Popken expressed a concern regarding newspapers at bus stops and the aesthetic this created. Director Kyras indicated that this had been an ongoing issue and one that had legal ramifications. The Director will work with the City Attorney to determine if the municipal code can be tighten to avoid some the current issues.

Director Kyras indicated that the next step in implementing improvements at these stops would be to work with university and city staff to develop a specific plan at each site.

TRANSIT DIRECTOR'S REPORT - SEPTEMBER 2008:

Highlights from the report were:

- Citizen satisfaction survey indicated a 2% increase in satisfaction from 91% to 93%.
- 67% indicated CyRide service should be funded at the current level; 23% indicated City should spend more and 10% indicated less funding.
- Federal legislation is possible to aid transit systems in paying for fuel.
- Director attended a DMAMPO meeting to discuss potential for service between Ames and Des Moines.
- Labor negotiations have begun and will continue for the next few months. Impact of the final agreement will be included in next fiscal year's budget beginning July of 2009.
- Director Kyras has been unable to reach Adam Manuel who represents PB America's for the Facilities Study. Information will be available at the October board meeting.
- Airport shuttle bids for service between Ames and Des Moines have been received, which are considerably higher than last year. Director Kyras will contact the firms to determine the reason for the large increase. CyRide staff will bring back additional information at the October transit board meeting.

SET TIME AND PLACE OF NEXT MEETING: Next transit board meeting will be held on October 29, at 8:00 a.m.

ADJOURN: Meeting adjourned at 9:25 a.m.