

## AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

June 1, 2009

The Ames Transit Agency Board of Trustees met on May 1, 2009 at 8:00 a.m. in the conference room at CyRide. The meeting was called to order at 8:02 a.m. by President Anders. Trustees in attendance: Schainker, Madden, Pinegar, and Popken. Absent: Trustee Heilman. Public in Attendance: Kathy Wellik, ISU Transportation Services.

**APPROVAL OF MINUTES:** Trustee Madden made a motion to adopt the minutes as presented from the May 1, 2009 meeting. Motion seconded by Trustee Schainker. (Motion carried unanimously).

**PUBLIC COMMENTS:** No public comments.

**AIRPORT SHUTTLE SERVICE:** Director Kyras provided the transit board with background information on the Airport Shuttle Service. During the May 1 transit board meeting, rates for CyRide services were adopted excluding the Airport Shuttle route. The transit board decided to wait until August to set the Airport Shuttle rates based upon the bids from a Request for Proposal (RFP) process. Meanwhile, Larry Logeman, Owner of Executive Express - a privately owned transportation company, approached CyRide expressing interest in beginning service between Ames and the Des Moines Airport. Mr. Logeman requested to speak to CyRide's board and was subsequently invited to attend the next transit board meeting to discuss this possibility.

Director Kyras introduced Larry Logeman, owner of Executive Express who addressed the transit board on the possibility of operating an airport shuttle service from Ames to Des Moines. Executive Express is in its 30<sup>th</sup> year of operation and has a great deal of expertise as an airport shuttle company. Executive Express, based in St. Cloud, MN, was purchased in 2004 providing full-service transportation for more than 40 cities in Minnesota. Eighty-five percent of Executive Express business is transportation from universities and colleges to the Minneapolis Airport. They also provide private charters for small sport teams and same day package delivery service because of their close proximity to the interstate.

Executive Express is a 24-hour, seven day a week business, which would be extended to Iowa, Ames and Iowa State University. Executive Express currently has 43 employees of which 37 are drivers and a fleet of 15 vehicles. Most of their drivers work 3 – 4 days a week, with six or seven who choose this as their full time job. Executive Express' first driver punches in at 3:30 in the morning and with the technology, drivers can view the latest manifest for their passengers for their schedule.

Executive Express' interest in Iowa came about a couple of years ago when the company realized the need for transportation to and from the Des Moines Airport. This past fall, Executive Express began exploring the option of expanding the business to Iowa. Discussions ensued between Executive Express and surrounding area travel agents on whether the service would be supported if it

was established and received many positive responses. Upon discussions with the Des Moines Airport personnel, a business site location is currently available within the baggage claim area of the Des Moines Airport terminal beside several rental car agencies. Finally, Mr. Logeman met with CyRide staff and ISU's Transportation Department regarding the impact of Executive Express operating a daily private service as opposed to individuals leasing vehicles from ISU and/or taking Cyride's Airport Shuttle service which has been working but not fully meeting all the needs within the community.

Mr. Logeman demonstrated the schedule reservation process from their website for Minnesota communities. Online reservations can be made up to an hour before departure time; after that, reservations are made by calling the office. Transportation costs can be charged through the university billing process with invoices submitted bi-weekly if authorized by the university. Generally, transportation operates every two hours up to 8 trips each day beginning at 4:30 in the morning to coincide with the most popular Minneapolis airport flight times.

Drivers are responsible for monitoring flight times and transferring passengers to the next departure if flights are delayed. However, shuttles will wait only 15 minutes for delayed flights to respect the timeliness for other passengers. With this expectation, the last trip of the day is a challenge in the event of delays as passengers would then be transferred to the first shuttle of the next morning.

The Airport Shuttle service operated by CyRide is critical to the success of the Executive Express operation as two services can not be supported in the community. Most days, Executive Express will not be making money so the Iowa State University break trips are essential to the success of the service.

Mr. Logeman addressed the following questions and concerns from transit board members.

- What type of fare structure would be proposed? Fares proposed for the Ames area would be \$26 one way and \$40 round trip. Base fares would fluctuate with fuel surcharges. When an individual coordinates/books a roundtrip for 3 or more individuals on the same ticket, the rates would be discounted further.
- What regulations does Executive Express fall within? Executive Express follows regulations of three different entities in Minnesota and would follow all motor vehicle requirements within Iowa. Drivers perform pre/post inspection of their vehicle for every trip and report any safety issues to management. The state inspects this paperwork for every vehicle each year therefore, documentation of these efforts is priority for employees.
- Would Executive Express synchronize with CyRide's routes for a park and ride? Would the shuttle be open for the casual shopper to get to Des Moines? Executive Express would open with a minimum of two stops in the Ames area: Iowa State's Memorial Union and a motel/hotel as relationships often manifest from travelers needing overnight lodging and/or safe parking while traveling. A stop could be added in the

downtown Des Moines area but the service is primarily service to/from the airport.

- Would Door-to-Door service be available? Door to door service is an extra fee of \$10 on top of the base fare. Many times, a charter trip would be provided for a large group (of students) and be dedicated for that group. The capacity of the vehicle would be 14 passengers with smaller Sprinters buses at 11. The 14-passenger vehicle pulls a cart behind the vehicle for luggage storage while Sprinters buses carry theirs in the back of the vehicle.

Additional information provided at the meeting includes:

- Executive Express plans to provide airport service to a new market of approximately 20 cities in Iowa: Fort Dodge, Ankeny, Iowa Falls, Boone, Jefferson, etc.
- One concern expressed was that Iowa State's break times would coincide with other university/colleges making it difficult for unanticipated demand to be met in Ames. Mr. Logeman explained that there has only been one time in five years when every Executive Express vehicle was being used for transportation. He also stated that scheduling 8 trips a day, as opposed to CyRide's 3-4 trips, helps spread passengers out throughout the day. However, there would be an emergency backup system in place to eliminate this concern.
- Mr. Logeman will be scheduling a meeting with Iowa State to discuss marketing/education opportunities of the airport service as it is significantly different than CyRide's previous break only service. CyRide will post an Executive Express link on their website to market the service as Iowa State students are accustomed to searching CyRide's site for airport transportation.
- Iowa State University would prefer not to allow billing through the university at this time for this airport service as it is not affiliated directly with the university and does not wish to be a collection agency. Mr. Logeman explained that while this is not mandatory, the university can receive a discount/commission for allowing students to access their service in this manner.
- It is the driver's responsibility to monitor flights; however, fluff time is built into schedule for traffic, accidents and bad weather. A bus could leave 15 minutes late and still get to its destination on time. A bus will not leave more than 15 minutes late at any given time.
- Concern was expressed about the large number of International students arriving in August and January and the possibility of not having enough vehicles to provide transportation for them. Executive Express will be able to dispatch additional vehicles from Minnesota to Iowa and passengers will have the option to walk on and pay at their terminal location in the Des Moines Airport. However, walk-ons do not have rights over someone that has a paid reservation.
- If CyRide opts not to continue its Airport Shuttle route, Executive Express service is expected to begin in mid-July to August 1. In the interim, Executive Express will meet with ISU personnel, a realtor to find an Ames

office and hire a branch manager. Executive Express will also join the Ames Chamber of Commerce and partner with the Ames Convention and Visitors Bureau to make it easier for international travel.

- Executive Express will coordinate boarding locations in the Ames and Des Moines communities which will synchronize with transit stops.

Director Kyras asked for direction from the transit board regarding the possibility of not offering the Airport Shuttle route this year in light of the new proposed privately operated service by Executive Express. The three options provided to the board include: 1) Not continuing the Airport Shuttle service (i.e. Request for Proposals for Airport Shuttle Service not requested this summer) but working with Executive Express for a smooth transition of a new privately operated expanded service; 2) Continue to provide the airport shuttle service in the 2009-2010 school year and 3) Step away without coordination.

Trustee Schainker made a motion to adopt Alternative #1 for the CyRide staff to work with Executive Express to ensure a smooth transition of the same level of capacity on airport service before and after ISU breaks. Motion seconded by Trustee Popken. (Motion carried unanimously.)

**FACILITY CONSTRUCTION – CONTRACT AWARD:** Director Kyras discussed the board's action taken to date on the facility's reconstruction plans and specifications for two additional construction projects funded by the State. This construction was for a steam-cleaning area and HVAC within the shop area. She then presented the results from the bidding process identifying four companies bidding on the project. Welker Construction Co. was the low bidder at \$423,570. She then recommended awarding the contract to Welker.

Trustee Schainker asked since the bid was so low, what happens to the money left in this grant. Director Kyras said funding would be returned to the Iowa Department of Transportation at the end of the project, but not until the project is final and all change orders, if needed, are complete.

Trustee Madden made the motion to approve the award of construction contract as recommended by staff to Welker Construction. Trustee Popken second the motion. (Motion carried unanimously.)

**FEDERAL GRANT APPLICATIONS:** Each year, CyRide submits a federal grant application to the Federal Transit Administration for 5307 formula funding and Small Transit Intensive Cities (STIC) funding. This year's funding level represents an 8.6% increase. The Director briefly explained the different types of federal funding. Formula 5307 funding is based solely on population and population density of an Urbanized Area (UZA). STIC funds are allocated to UZA's between 50,000 and 200,000 in population that operate at a level of transit service equal or above the industry average level for UZA's with populations 200,000 – 999,999. There are six STIC categories and CyRide has received five of the six categories in the past, but last year CyRide only met four. CyRide fell short again this year of meeting the fifth criteria but CyRide's federal STIC funding increased by \$60,821 over the 2008-2009 funding level. Director Kyras

explained that the board needed to approve a grant application with the dollars identified to help support CyRide's operations.

Trustee Popken made a motion to approve authorizing the Transit Director to execute and file a Section 5307 grant application in the amount of \$1,442,590 to the Federal Transit Administration. Motion seconded by Trustee Schainker. (Motion carried unanimously.).

**GRANT OPPORTUNITIES:** Director Kyras informed the transit board that there were two additional grant opportunities as a result of stimulus funding for which CyRide could apply for funding. The projects eligible within each grant and discussions of each are relayed below:

RIDE (Reduce Iowa's Diesel Exhaust) – Projects that reduce diesel exhaust are eligible under Iowa's Department of Natural Resources (DNR) program created out of ARRA funding. Approximately \$1.73 million is available under RIDE for distribution with grant applications due June 29, 2009.

CyRide identified two projects that must be completed by July 2010 if approved for RIDE funding:

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- Upgrading two of the seven diesel buses ordered in March to hybrid vehicles
- Incremental cost to upgrade CyRide's biodiesel usage from B5 to B20 (B2 to B5 in the colder weather) for a ten month period.

TIGER (Transportation Investments Generating Economic Recovery) – Intermodal Facility projects are eligible under this grant opportunity that has \$1.5 billion available nationally of ARRA funding for capital projects serving various transportation modes. Grants applications are due September 15, 2009.

TIGER has a minimum funding request of \$20 million; however, a waiver for smaller projects may be granted for national/regional projects of importance. The primary criterion for TIGER is job creation. Long term results are required which includes improving the condition of existing transportation facilities, contributing to the economic competitiveness of the US, improving the quality of living and working environments, improving energy efficiency, and improving the safety of US transportation facilities.

Secondary selection criteria are innovative strategies to obtain long-term outcomes and projects that demonstrate strong collaboration among a broad range of participants.

Director Kyras met, and discussed the possibility of completing this grant application by the deadline, with ISU's Facilities Planning and Management team, Cathy Brown, Dean Morton, and Jerry Stewart. Submission by August 15 has been encouraged by Washington, DC sources. ISU's team agrees it is possible to meet the deadline if an outside consultant could be hired to assist staff in completing the information required for the grant. A budget of \$100,000 was identified for this effort. Specific tasks of the consultant include: site

selection, programming concepts, costs (federal and local share), business plan, joint development plan and consultation with the FTA regarding on the business plan. Director Kyras requested direction from the transit board on whether it desired to move forward with this project under the TIGER grant application.

The Transit Board discussed the merits of the projects to place within the grant application and consultant funding needed for the Intermodal project. Trustee Madden indicated that the Intermodal study could be funded as it had in the past by the three entities – City of Ames, ISU and CyRide. Director Kyras indicated that if a TIGER grant was not submitted or funded, the “normal” process in securing federal funding could take numerous years to complete with funding for a feasibility study, then design and finally construction funding.

Trustee Popken inquired about whether applying for this grant would create a problem for the Congressional delegation since CyRide has already asked for funding under the FY2010 appropriations process for this project? Director Kyras indicated that in discussions with the Congressman’s staff, it did not and his staff was supportive of preparing the grant application. She then asked the board’s opinion on whether this was the right time to move the project forward realizing that \$100,000 of local funding is required for the study.

The question was also asked about whether the deadline could be realized if construction funding was secured for the project. Director Kyras indicated that a small group (Cathy Brown, Dean Morton, Jerry Stewart, Mark Miller and herself) had met and indicated that with the consultant’s help, it could be completed by the ARRA deadline. CyRide would be the conduit and is willing to do whatever the greater community wishes. Trustee Anders suggested this facility could be a logical transfer site or hub for CyRide and a critical component of its larger network. Director Kyras indicated the proposed campustown site location would be difficult to operate as a transfer location. She indicated this hub aspect depended on the location selected which will involve community input. She also indicated that if transfers could not occur for all of CyRide’s routes, an additional route from this facility could connect the Intermodal with the rest of CyRide’s system.

Tom Davenport indicated that CyRide would be ending the year with a healthy closing balance due to lower fuel prices and would be able to afford one-third of the consultant’s cost. Additional questions about the operation of the facility such as who would own the facility, and operate it were discussed. Director Kyras indicated that this study would identify the answers to these questions. Trustee Madden indicated that he was Intrigued with prospect of federal funding for this project but the site selection might be an issue. He indicated that it could play a valuable role in the campus town revitalization process.

Trustee Madden indicated that if the cost for hiring consultants is \$100,000, the University would be willing to explore a three way split: University, City, and CyRide. Trustee Madden indicated the University is willing to explore hiring the consultants because of the short timeframe and need to expedite the procurement process to meet this deadline. Director Kyras indicated that the

consultant hiring process would be faster and more efficient if conducted by the University to avoid federal regulations if conducted through CyRide. Director Kyras indicated that the TIGER funds would be allocated in February of 2010, if approved, and the community would then have two years to complete construction of the project. Several decisions will need to be made through the study such as the percent of federal funding requested, business plan, review by regional FTA staff, and concern over the percentage share in light of the substantial parking component.

If the transit board is comfortable moving forward with this grant application, a meeting of the smaller steering group will be held on June 5. Trustee Schainker suggested City Traffic Engineer, Damian Pregitzer, be involved with the discussion. Trustee Madden asked if the University put in a third of the funding study, could Transit and the City afford a third each? Director Kyras said CyRide's budget would be able to pay a third and Trustees Schainker and Popken thought the City Council would approve.

Trustee Madden made a motion for CyRide staff to continue moving forward with applying for both grants with the possibility of funding the Intermodal Feasibility study. Seconded by Trustee Popken. (Motion carried unanimously.)

**QUARTERLY OPERATIONS REPORT:** Information for third quarter, January – March, indicated an overall higher ridership of +7.8%, increasing year-to-date by +5.7%. Farebox revenue increased by +9.6% from the third quarter of last year and +12.4% for the first three quarters of the year. Additionally, Safety and Training expenses were higher.

Major mechanical problems increased from 15 to 23 occurrences over the third quarter which is being discussed by maintenance personnel on a monthly basis. The issues are not similar in nature or respective to any fleet type but staff is intently trying to identify any possible trends.

Drivers have improved coming to work late with a -13.8% decline. Preventable accidents rose considerably resulting from a number of small facility accidents.

Dial-A-Ride numbers declined for the quarter, -11.4% and year-to-date -7.0%, but farebox revenue increased for the quarter +2.7% and year-to-date +52.2%.

Moonlight Express ridership increased for the quarter but overall is -2.4% lower year-to-date.

**TRANSIT DIRECTOR'S REPORT:** Summer Fare Free ridership increased significantly compared to the same days in 2008. Staff will keep the board updated of ridership as the summer progresses.

CyRide staff spent a significant amount of time developing Federal Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grant proposals with CyRide having two projects, 12 hybrid bus upgrades and 4 articulated buses, which was submitted May 22, 2009. Results from this grant will be announced no later than September 30, 2009.

**SET TIME AND PLACE OF NEXT MEETING:** Future transit board meetings scheduled are: July 29 at 8:00 a.m. in the CyRide Conference Room.

**ADJOURN:** Meeting adjourned at 9:39 a.m.