

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

March 30, 2009

The Ames Transit Agency Board of Trustees met on March 30, 2009 at 7:00 a.m. in the conference room at CyRide. The meeting was called to order at 7:05 a.m. by President Anders. Trustees in attendance: Schainker, Madden, and Popken. Absent: Trustee Munoz and Wilson.

APPROVAL OF MINUTES: Trustee Popken made a motion to approve the minutes from the February 26, 2009 Ames Transit Agency Board of Trustees meeting. Motion seconded by Trustee Madden. (Motion carried unanimously).

PUBLIC COMMENTS: No public comments.

VEISHEA UPDATE: Director Kyras told the transit board of the activities scheduled by CyRide staff for VEISHEA activities. Several streets in and around the campus will be closed for VEISHEA activities and several detours will be posted. No funding is available this year from other sources to operate the VEISHEA parade shuttle. CyRide will have a bus in the parade to promote its service and the Fare Free for the summer months. The biggest adjustment is the Moonlight Express Service which operates from 10:30 p.m. to 3:00 a.m. CyRide personnel would like the Transit Board to consider the same request as last year, to defer collection of fares from 8:00 p.m. to 10:30 p.m. so drivers can provide better customer service for the large number of passengers. The cost to suspend this service is approximately \$200.

Trustee Madden made the motion to temporarily change CyRide's fare policy to allow free fares from 8:00 p.m. – 10:30 p.m. on April 18, 2009. Motion seconded by Trustee Popken. (Motion carried unanimously.)

FUEL PURCHASE: Director Kyras provided some background on how CyRide purchases approximately 300,000 gallon of diesel fuel each budget year. Because of the unpredictable fuel prices, CyRide staff began to explore other options to manage the fuel line item in the budget. There are two types of fuel futures, 1) Bulk purchase – a purchaser buys a bulk amount of fuel at current prices and the fuel suppliers stores the fuel until needed. 2) Contracts predict the price of fuel for the month and add a premium share onto the price per gallon. A contract is for a minimum of two months.

Asst. Director for Fleet and Facilities, Rich Leners, presented a power point on the findings and staff recommendation. Following meetings with ISU's Transportation Department, the possibility of working together with them was not probable because of the small quantity of diesel fuel purchased by ISU.

Transit systems that entered into long-term fuel contracts were based on their fuel usage and their goal for their budget with different strategies used to achieve this.

Fuel suppliers contacted by CyRide were also able to bid on its spot market purchases and found that each of these suppliers were able to bid on fuel contracts as well.

City of Ames Purchasing Department determined the various options fuel suppliers offered such as bulk fuel purchases could not be considered because not all fuel would be received when contract was signed. Without having a tangible asset, fuel could not be perceived as inventory. However, fuel contracts could be used. There are no financial risks and CyRide (City of Ames) could enter into a contract not to exceed \$504,000 with individual contract not to exceed \$3.00 per gallon. Process would be to bid the contract by April 17 and award the contract April 23.

Which contained additional information on the different types of contracts? History of the fuel purchase is that the line item is increased every year during the budgeting process. 1) Fixed Bulk – pay for something that CyRide does not have. 2) Premium on rack price. 3) Cap & Collar – most protection. 4) Rack Price – what CyRide currently does

Following a lengthy discussion, Trustee Popken made a motion to approve up to 4, 2-month fuel contracts at a total price not to exceed \$504,000 or a single 2-month contract in excess of \$3.00 per gallon. Trustee Madden seconded the motion. (Motion carried unanimously.)

TRANSIT FACILITY UPDATE: Director Kyras updated the transit board on the status of the Transit Facility. During the January transit board meeting, the board members asked the staff to furnish three additional pieces of information before the next transit board meeting which would help them in making a decision on which direction to proceed with the transit facility. 1) Five year financial plan – operating and capital; 2) what additional operating cost would be to operate from two facilities; 3) maximize existing site without parking.

Site Comparison Summary information was distributed covering staffing of second facility with results the existing site which will not have adequate bus storage space in 5 – 10 years. Satellite site will meet all anticipated bus storage needs in the next 20 years.

Current number of vehicles is 69 vehicles, with 7 stimulus buses ordered and 2 hybrids. The problem is the land constraints because there is no way to expand on current piece of property. Ridership is expected to reach 5.7 million with a fleet of 90 buses in 20 years. Nine configurations were drawn up for the existing site with the best option being pulling maintenance out of the middle of the building and adding 10 more vehicle parking spaces with additional administration.

Two options were prepared based on availability of federal funds.

Option A – based on receiving several earmarks totaling \$5 million over the course of the 5-year transportation bill with construction beginning in that last year (FY15).

Option B was based on receiving one large earmark in FY10 with construction beginning after design and construction award two years later (FY12). With each scenario, additional local funding will be required to meet funding required for the building expansion as well as keeping other capital and operating programs moving forward. The details were included with board packet for members to review.

The information for Site Plan D1a eliminates all parking spaces except for those spaces needed for visitors, handicapped individuals, and staff cars. A new section of the building was added to the site to try to maximize the amount of bus storage and maintenance areas on the existing site. This increases bus storage by ten vehicles and reconfigures the existing maintenance area for bus storage and sizes the maintenance shop to meet future fleet needs. This site plan would house 60 buses, but would not meet the projected fleet size of 85 – 95 buses in 20 years. The current site would provide CyRide with indoor bus storage for the next 5 year period with the current tight bus spacing maintained.

CyRide staff would like direction on whether to expand the facility at the current site or at a second site. CyRide currently has sufficient federal funding to begin the design phase of this project while waiting for construction funding. Reason to continue with expansion planning efforts are current funds will begin lapsing shortly if they are not obligated in a contract. Decisions on facility expansion: CyRide can take advantage of new transit funding during these economic times with a shovel-ready project. And, with the delivery of new buses in 18 months, CyRide will not have adequate bus storage facilities. Does the board wish to spend \$6 million on existing site with \$7 or \$8 million begin design which will lapse in 2012?

A lengthy discussion among board members indicated the three parties cannot afford the local match. There is a possibility CIT would have more indoor parking to rent for the additional CyRide buses. Trustee Madden pointed out with the possibility of \$41 million in budget cuts at ISU, employee positions being cut, and no salary increases, the University says no, cannot afford local match. If a satellite location is built, can the three entities meet the local match and make it.

It was decided to table the topic and have additional conversation next month. Board members need more education.

INTERMODAL FACILITY UPDATE: Director Kyras brought the board members up to date on the discussion the Ames community has had discussion on the possibility of an Intermodal Facility to centralize several transportation functions within the City. The Intermodal Facility would consist of Intercity Bus Depot which would relocate Jefferson/Burlington Trailways from east Ames.

Parking structure for 600 – 800 vehicles to allow intercity bus passenger parking and perimeter parking for campus parking for Iowa State.

Public Transit Station for CyRide's existing service or new service developed. Linking the entire community with this intermodal facility.

The total project cost is \$25 million dollars with a request for \$20 million dollars in federal Bus and Bus Facilities funding. The three parts to this would be 1) Feasibility Study; 2) Design; and 3) Construction. In discussions with the Congressional delegation discussion has had significant interest in securing some level of transit funding, which if this occurs, limits CyRide to two buses next year and 6 buses per year for the following 5 years. CyRide had anticipated being eligible for 8 large buses and 2 small buses over the next several years.

If funding is received, CyRide would be required to administer the grant(s) and coordinate the project. Also, additional requirements/documents that would need:

- Economic link either enhancing economic development or incorporating private investment
- Enhances the effectiveness of a public transportation project and relates physically or functionally or establish new/enhanced coordination between public transportation and “other” transportation
- Provide a revenue stream for transportation with oversight from transit board for life of the project
- Occupants of facility to pay a “reasonable share of the facility costs” through rental payments and other means

SUMMER FARE FREE IMPLEMENTATION: The Transit Board approved amending the 2009-10 budget to include the Summer Fare Free project that was adopted by the City Council March 3, 2009.

To implement the project includes: 1) coordination with Heartland Senior Services; 2) Marketing/Promoting the program to the community and 3), analyzing program performance. Getting the word out to the community and different shades of green and a “How to Ride Video”, Carbon footprint on CyRide website, interceptor survey, CyRide logo.

TRANSIT DIRECTOR’S REPORT – MARCH 2009:

Highlights from the report were:

CyRide was notified by the architectural firm, ASK Studio, who designed the new office building that the U.S. Green Building Council was in the process of reviewing CyRide’s LEED (Leadership in Energy and Environmental Design) documentation for the new office building. The Council had currently accepted 36 points, the Silver Certification, and has the possibility of an additional 4 points, which could give CyRide’s building a Gold Certification.

Stimulus Funding was presented in the board packet with the possibility of Federal Transit Administration indicates Iowa and ultimately individual transit systems could receive additional 100% funding in September if all previous deadlines were met. Staff will inform transit board when and if CyRide receives any of this funding.

Additional Stimulus funding on “Transit Investments and Green House Gas and Energy Reduction Grants” known as Tiger. This is a \$100 million dollar program for transit systems that reduces energy or greenhouse gases requiring a minimum application threshold of \$2 million dollars. CyRide could collaborate with other transit systems in the state and apply for the hybrid articulating buses and seven buses under this program could be funded. A grant deadline for this application is May 22.

SET TIME AND PLACE OF NEXT MEETING: Next transit board meeting will be held May1 at 11:00 a.m. in the CyRide Conference Room.

ADJOURN: Meeting adjourned at 8:50 a.m.