

AMES TRANSIT AGENCY BOARD OF TRUSTEES
CYRIDE CONFERENCE ROOM

January 17, 2013

1. CALL TO ORDER: 5:30 P.M.
2. Approval of December 10, 2012 Minutes
3. Public Comments
4. Intermodal Remaining Dollars Update
5. Discussion with Public Art Commission Representative Regarding Intermodal Artwork
6. 2013-2014 Budget Approval
7. Five Year Capital Improvement Plan Approval
8. Future of Fuel Contracting
9. Transit Director's Report
10. Set Time and Place of Next Meeting
 - February 14, 2013 – 5:30 pm
 - March 11, 2013 – 5:15 pm
 - April 11, 2013 – 5:30 pm
 - May 9, 2013 – 5:30 pm
11. Adjourn

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

December 10, 2012

The Ames Transit Agency Board of Trustees met on December 10, 2012 in the CyRide Conference room. President Anders called the meeting to order at 5:22 p.m. with Trustees Anders, Madden, Rediske, and Wacha. Absent Trustees Leines and Schainker.

APPROVAL OF MINUTES: Trustee Madden made a motion for approval of the November 15, 2012 and December 3, 2012 minutes. Motion was seconded by Trustee Rediske. Motion carried.

PUBLIC COMMENTS: None. Public in attendance, Ames Tribune reporter, James Heggen.

2013-2014 BUDGET INFORMATION: Director Kyras presented the budget assumptions and two local funding partner options prepared, based on discussions with the Transit Board in the past several Transit Board meetings.

Trustee Schainker arrived at 5:32pm.

Director Kyras provided a year-to-date status of the current budget, based upon actual revenue and expenses from July through November 2012.

- Expenses are 5 – 5.4% lower.
- Fuel budgeted at \$3.50 gallon, with actual costs averaging \$3.45. The estimated year-end fuel savings is \$16,000.
- Parts savings is estimated at \$15,000 due to the newer bus fleet.
- Wages and benefits are expected to be over budget at year-end between \$123,000 - \$160,000. She indicated that this was expected in light of higher ISU enrollment and resulting ridership. The Government of the Student Body will provide 100% of the revenue to cover the additional, budgeted expenses.

Revenues are near the projected, budgeted dollar for the same period at 0.3% year-to-date.

- State funding dollars are \$28,000 higher, a 6.7% increase. CyRide receives state funding as a result of the sale of new cars.
- Farebox and pass sales are 16.2% higher than the adopted budget.
- Remaining revenues are in line as projected.

Closing balances:

- Operating balance is expected to increase from \$827,958 to \$948,362, leaving an 11.2% fund balance.
- Capital balance increased to \$266,785 due to a delay in the facility's construction project.
- GSB Trust Fund is anticipated to have an ending balance of \$980,495, which includes NextBus and fare increase expenditures.

Director Kyras explained the following assumptions that were built into the 2013-2014 budget proposal:

- Increase in health insurance by 8%, \$39,685 impact over the current year.
- IPERS increase from 8.67% to 8.93%, \$11,400 impact.
- Payroll expenses will increase 6.5% as a result of wage increases and additional service, \$207,500 impact.
- Fuel is currently budgeted at \$3.50 and will increase to \$3.75 under the 2013-2014 budget, increasing the budget by \$80,000.

Capital funding will decrease by 100% as a result of federal policy changes and an 18% increase in federal operating dollars. State funding is anticipated to increase by \$22,000 next year. The budget assumes that \$800,000 from the operating budget will be transferred to the capital budget to replace a portion of the lost federal capital dollars.

Director Kyras also explained that included in the budget was repayment of the Iowa DOT (IDOT) revolving loan for local share on an Intermodal Facility grant. The loan is for \$87,500, with scheduled payments of \$17,500 per year over a five-year period, with 2013-2014 being the third year. The installments of \$17,500 are split equally between the City and ISU.

The two budget options for local funding shares were presented based on directions from the Transit Board at previous meetings. These options are based on no new services, but current service levels at next year's cost. The two options are: even local funding partner shares at 5% and uneven shares at 2.6% for the city and ISU with the balance contributed by the Government of the Student Body (GSB). She indicated that both options increased total expenses by 5.9% and reduce the closing balance to 9.4%. Director Kyras included a Three Party History chart on the annual percentage increases between the local funding partners over the past ten years.

At the November transit board meeting, the transit board asked CyRide staff to determine the cost of new service options to be considered along with the budget as follows:

- Sunday Blue route to 20-minute headway between Friley to S. Duff at a cost of \$9,625, local percentage increase, 0.2%.
- 6A Brown (Towers) cost of \$46,400, local percentage increase of .8%.
- Impact of 2013-2014 enrollment with 10 additional hours of service daily at a cost of \$39,675, local percentage increase, 0.7%.

Trustee Schainker asked for clarification on the 5.9% increase in expenses in the 2013-2014 budget asking if the GSB was paying 100% of this cost of the increased service in the 2012-2013 budget in the 2013-2014 budget as well, and what the actual cost would be. Director Kyras said the actual cost for the additional service would not be known until the end of the year. Currently, the cost for additional service is estimated to be \$180,000 and if the transit board asks for this inclusion next year, the cost would need to increase to \$207,500 to include wage increases.

Trustee Madden indicated that state budgets were proposed to increase 2.6% and that he believed that ISU would not see a decline in ISU admissions next year. He indicated that the GSB Trust Fund would then continue to grow some and that the one-time costs for NextBus have been taken out of the current balance number. Further, he indicated that ISU enrollment predictions shows flat enrollment. Therefore, with student fees that come to CyRide not increasing next year and the Board of Regents agreeing to not raise in-state tuition, he believes the GSB Trust Fund balance will start to decline. Director Kyras agreed and indicated that the 2017-2018 GSB Trust Fund projection was lowered to \$407,922 as a result of these projected declines. Trustee Madden suggested, before the budget is finalized, it would be a good idea to meet with the Fee Committee and the GSB to inform them of what might happen and what is proposed on the two budget options. Trustee Madden suggested it would be a good idea to table this decision until January and have this discussion with the students. Director Kyras said that tabling this action was an option, but that the City's Code states the budget is to be approved by January 21st of each year. She indicated that the next transit board meeting was tentatively scheduled for January 17, the week the students return to ISU.

Trustee Schainker asked how CyRide completes this process. Director Kyras responded that CyRide staff typically gives a presentation on the options in December of each year at the Transit Board meeting, and then there are additional conversations, outside of the meeting, among the board members or with GSB via the student representatives on the board, and then the Transit Board approves an option at the January Transit Board meeting.

Trustee Madden mentioned ISU staff met with freshman students to inquire about how they have adapted and asked for positive and negative comments in their transition to college. Students expressed their satisfaction with CyRide, but expressed buses were too crowded and would like fewer passengers on the buses. Director Kyras indicated this is the impact of the increased enrollment, more people on existing buses. She indicated CyRide's standard is no more than 60 people per bus, consistently, before an additional bus is scheduled to relieve the overcrowding.

Director Kyras told the Transit Board that fuel did not go up as CyRide staff had expected, \$3.45 is the fuel contracted price and the market rate is currently closer to \$3.25. CyRide does not anticipate a big increase in fuel prices so she believes the budget assumption is reasonable and is hoping that budget savings in this line item can be achieved next year. Trustee Madden indicated that he would call a meeting of the Special Fee Committee and CyRide could then present this information to that group.

Trustee Schainker asked if the \$207,000 was part of the budget or if it was only for this year that the GSB picked up the additional hours of service at 100%. Director Kyras indicated that it currently was allocated based on the three-party agreement where each group shared in the costs as opposed to only GSB.

Trustee Madden would like CyRide staff to collect one piece of data to help with the budget decision. He would like CyRide staff to look at the ridership to gain some sense on who is riding, residents of Ames or ISU students. He indicated that costing this out

would be very helpful in the decision-making process. Trustee Rediske indicated that GSB and students understand that the additional services are as a result of enrollment increases. Trustee Madden indicated that two of the six buildings to be constructed at Frederiksen Court should be completed by next fall and would increase the number of students in this area by 200. Director Kyras said that because the buildings will be constructed on the south side, CyRide staff believes the impact to CyRide will not be significant as students are closer to campus and would be more inclined to walk as opposed to taking the bus.

Trustee Wacha thought the Transit Board should consider establishing some type of ordinance for new apartment complexes by stating CyRide will provide a certain amount or level of service and anything above this, the developers would have to pay for the additional cost for this service. This would be similar to additional service provided to the residents at the Towers, when ISU Residence Department paid for the additional service. A city ordinance, for example, might read for every 150 beds there would be some additional cost for the developers. Trustee Wacha asked if CyRide knew of other transit agencies in college or university town where service is provided to apartment complexes. Students do not always think about riding the bus when they move into an apartment complex.

Director Kyras said that, in the past, one developer in Ames had hired CIT, Central Iowa Transit, to provide transportation for their residents. She also indicated that she attends City DRC meetings (Development Review Committee) and that options have been discussed with developers in the past; however, they have not shown interest in contributing to these costs. Director Kyras said the ordinance would take Transit Board and City Council action. Director Kyras indicated that staff could research this; but that off-hand, she was not aware of any such policies in place in other areas. She also shared with the Transit Board the discussions she had had with the middle-school developer.

Trustee Wacha made a motion to ask CyRide staff to complete research on how other university towns do in this situation and investigate the possibility of the developer paying for increased service for large rental properties. Trustee Schainker seconded the motion. (Ayes: Five. Nays: None. Motion carried.)

Trustee Schainker made a motion to table the 2013-2014 budget. The alternatives were a 5% increase from each of the three funding entities, Iowa State University, the City of Ames, and the ISU GSB or a 2.6% increase from the City and Iowa State University, and a 6.5% increase from the GSB and take final action at the January 2013 Transit Board meeting. Motion seconded by Trustee Rediske. (Ayes: Five. Nays: None. Motion carried.)

TRANSIT ADVERTISING POLICY REVIEW: Director Kyras recapped the steps that were taken from the November 15, 2012 Transit Board meeting, where board members reviewed the draft of the Transit Advertising Policy, until the current meeting. The five sections that were changed or eliminated from the first draft of the policy were included in the board packet, highlighted in red, and were:

- Section 2.01 (c) was vague and eliminated all together.

- Section 3.01 (a) – the language referring to disrespectful advertising was not needed and deleted as the Assistant City Attorney believes ads that fall into this category can be addressed in Section 3.01 (c).
- Section 3.01(h) – the language was revised to include only illegal or unlawful use of firearms.
- Section 3.03 – this section on public service announcements was revised to provide more clarity to this section.
- Section 4.02 - will include the transit board president as a member of the appeal committee.

The Transit Advertising policy still allows political ads and religious ads, but requires a disclaimer on the ad that CyRide does not endorse what is being advertised.

Trustee Wacha made a motion to approve the Transit Advertising policy as presented. Motion seconded by Trustee Madden. (Ayes: Five. Nays: None. Motion carried.)

The Transit Board discussed if tobacco, alcohol and marijuana were excluded under the policy and if this needed to be added. Director Kyras mentioned an illegal substance is located in Section 3.01 (d). If marijuana becomes legal, this would be allowed. She further clarified how the advertisement review process would occur. The Transit Director would review the advertisements and deny requests that she believes would not follow the new policy. If the advertiser disagreed, they would then appeal it to the Transit Board Committee.

Trustee Madden asked if the board could change their mind. Trustee Madden said the University recently had a problem where an image resembled ISU's logo, and was interpreted as the University endorsing their ad, but Trustee Madden said they have the ability to say "no" when it is time for the ad to be renewed. Director Kyras indicated that the Assistant City Attorney had indicated that the policy needed to be applied consistently, but that the board could modify the policy anytime in the future.

Trustee Madden indicated that he would like to have additional language added to Section 2.01 stating that the Transit Board has the ability to change their mind after the advertisement is or has been on CyRide buses and are requesting renewal. Director Kyras indicated the Assistant City Attorney had indicated that that could not be done and consistently apply the policy. She indicated that the policy would need to be changed to address the issue.

Trustee Schainker asked Director Kyras to find out how long CyRide's contracted advertising firm would enter into a contract.

Trustee Madden left at 6:12pm.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN INFORMATION: Director Kyras told the Transit Board, if approved in the plan, CyRide staff will begin procuring the items in the first year of the plan after July 1, 2013, with the remaining four years being included in future Capital Improvement Plans.

Purchases in the 2013-2014 budget would be:

- Three buses that were currently in a grant, \$207,570 in local share
- Building expansion, \$505,195 local share
- Fuel shut-off system, \$36,000 local share. CyRide's previous insurance company requested this protection when they did an audit of the building. If purchased, the fueling system would automatically shut off if there was a fire in the building.
- Computer purchase - six, \$12,000 local share
- Shop equipment, \$50,000 local share. Information provided in the transit board packet.
- Bus stop improvements, \$9,200 local share. Shelter design completed and new shelters will be replacing existing bus shelters. Bus shelters removed will be installed at other bus stop locations.

Remaining four years are primarily bus purchases that CyRide hopes to secure through grants or through IDOT allocations. Local share for these purchases is \$819,965, based on \$800,000 being transferred annually from the operating budget.

Trustee Schainker made a motion to defer approval until the January 2013 Transit Board meeting. Motion seconded by Trustee Wacha. (Ayes: Four. Nays: None. Motioned carried.)

ORANGE ROUTE STUDY CONSULTANT SELECTION APPROVAL: Director Kyras briefly recapped the purpose of the Orange Route Study. She indicated that the study is funded with a federal grant at 80% and local share of 20%. CyRide received three proposals to complete the study and an evaluation team of five members, consisting of CyRide and City of Ames staff, evaluated the proposals based on their technical merit and price.

After the team reviewed the technical merit, URS Corporation had the highest score and was unanimously ranked as #1 by all evaluators. After adding their price proposals to the evaluation, URS remained the top selection for the study. While their price was the highest of the three, there was less than \$4,000 (less than 2% difference) in the proposals received.

Trustee Madden made a motion that since the local match and federal dollars are there, this one-time cost will provide CyRide staff with beneficial information to work with a route that is problematic and help manage the CyRide bus system. Trustee Rediske seconded the motion. (Ayes: Four. Nays: None. Motion carried.)

Director Kyras indicated that the study group to guide this study will include: ISU students, ISU Parking Division, ISU Facility Planning & Management, City, CyRide staff, and CyRide bus driver.

TRANSIT DIRECTOR'S REPORT:

- Director Kyras indicated that Nextbus had notified CyRide in December that it would be unable to switch out the AT & T modems operating from the buses to Verizon modems in December as required by the project. NextBus indicated there was a delay with

Verizon because the tracking units on the buses need to be tested and Verizon cannot complete this test until mid-March. CyRide is concerned that it is experiencing “dead spots” in coverage. As a result, CyRide staff will need to evaluate the project to determine when it believes it is working well enough to “go live.”

- There are several new housing developments being developed in the next several years - Frederiksen Court (discussed earlier in the meeting), Grove Apartment expansion project and the new complex on Maricopa. Each will have an impact on CyRide service. The worst case scenario for CyRide is that, in total, these developments could add another 300,000 rides across the transit system.
- The status of the articulated bus is that a CyRide mechanic is scheduled to inspect the two vehicles the week of December 17, 2012, with delivery over the holidays.

SET TIME AND PLACE OF NEXT MEETING: January 17, 2013 at 5:30pm.

February 7, 2013 transit board meeting was rescheduled to Monday, February 4, 2013 at 5:30pm to approve “only” the building expansion bids scheduled to come in January 31, 2013.

The date for another transit board meeting for early February will be determined at a later date and board members will be notified.

Meeting adjourned at 6:30pm

Robert Anders, President

Joanne Van Dyke, Recording Secretary

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees
FROM: Sheri Kyras
DATE: January 17, 2013
SUBJECT: INTERMODAL REMAINING DOLLARS

BACKGROUND: The Intermodal Facility was opened in two phases over the summer of 2012 – July 1, 2012 for the terminal area and August 11, 2012 for the parking. Since these dates, the contractor has been working on punch list items, completion of the bike trail and several additional enhancements to the project such as additional signage. The project was constructed under budget; however, the Intermodal grant was a federal stimulus grant intended to create jobs within the community. As a result, the goal, as communicated by the Federal Transit Administration, has been to utilize all grant funds on the project. The grant funding for the facility will expire on September 30, 2013.

INFORMATION: The attached budget identifies the possible remaining dollars in the grant, subject to correctly estimating the sales tax refund provided from the State of Iowa. Assuming CyRide receives 95% of the requested refund of \$158,698.31, the project will receive \$150,698.31 to spend toward the remainder of the project. Some of these funds have been committed toward the enhancement of the project by Iowa State University to add fiber to the project, which will allow for camera and electronically-locking doors at the facility. The result is that approximately \$89,831.77 in project funding is currently uncommitted, if all grant funding is utilized. The activities in green indicate estimated funds or expenses.

Activity	Balance To Pay
Beginning Balance as of Pay Application #19	\$442,788.00
Sales Tax Refund (est.)	+\$150,698.31
Weitz Contract (Retainage and Remaining Expenses)	-\$397,840.53
Neumann Monson Fee (Architect)	-\$12,889.70
ISU Fee (Project/Construction Management)	-\$7,226.00
ISU Fiber Project (est.)	-\$85,000.00
Balance Available	\$89,831.77

CyRide has identified three areas where these dollars could be utilized to either improve the facility or reimburse agencies for time spent on the project.

Expense Item

Estimated Cost

- | | |
|--|---------------------|
| • CyRide Project Management Reimbursement | \$50,000 - \$60,000 |
| • Intermodal Equipment (Snow and leaf blowers, etc.) | \$2,500 |
| • Art piece | \$15,000 |

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: January 17, 2013

SUBJECT: DISCUSSION WITH PUBLIC ART COMMISSION REPRESENTATIVE REGARDING INTERMODAL ARTWORK

BACKGROUND: In the spring/summer of 2012, the City of Ames Public Art Commission solicited artwork commissioning an artist's sculpture to be located at the Intermodal Facility for a three-year period. The proposal stated that the Commission would pay the artist, through the City of Ames budget, \$3,000. An interagency committee reviewed the art pieces submitted and selected three pieces for further consideration. After several months, it was determined that all three pieces were either not available or did not meet certain criteria.

The Intermodal Facility has an 8' by 8' lighted concrete pad that was constructed as part of the project to display an art piece. The Federal Transit Administration encourages art in transit projects and there was some discussion of using any remaining grant dollars to purchase the piece selected by the Commission last year.

The Intermodal Facility grant expires on September 30, 2013 and all funds must be spent and paid by that date as well as the grant closed out.

INFORMATION: The Public Art Commission is seeking Transit Board direction on if/how to proceed with selection of an art piece for the Intermodal Facility. A representative from the Public Art Commission will be present at the Transit Board meeting to discuss the options available.

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: January 17, 2013

SUBJECT: 2013-2014 BUDGET APPROVAL

BACKGROUND: CyRide staff annually develops preliminary budget proposals for consideration by the Transit Board of Trustees at their December meeting. These budgets reflect anticipated revenues and expenses for the next budget year beginning in July of the following year. Under the Intergovernmental Agreement between Iowa State University, the Government of the Student Body (GSB) and the City of Ames, the Transit Board of Trustees is required to approve a budget by January 21 of each year.

INFORMATION: This report will be divided into two sections as follows:

- FY2012/13 Budget Status
- FY2013/14 Budget Options

FY2012/13 Budget Status

The 2012/13 budget, year-to-date, has experienced lower expenses (-5.4%) and slightly higher revenues (+0.3%). The line items contributing to these changes are described below.

Expenses

Expenses are lower, due primarily to lower-than-budgeted fuel expenses. The 2012/13 budget priced fuel at \$3.50 per gallon. Fuel costs to date have averaged \$3.45 per gallon. If this trend continues, CyRide is anticipated to have a \$16,000 savings in this line item.

Parts expenditures are lower year-to-date as a result of CyRide's reduced average fleet age. It is anticipated that this line item will be at least \$15,000 lower than the adopted budget.

Fixed route wages and benefits are 3% higher due to the additional buses and drivers that have been needed to operate more service due to CyRide's ridership increase. This line item is estimated to be \$123,000 - \$160,000 over budget; however, GSB increased CyRide's budget up

to \$238,500 to address this increase. Therefore, there will be no impact on the budget as a result of these expenses. Two semester-end adjustments will be made to address this expenditure.

All other expenses are relatively close to the budgeted expenses in 2012/13.

Revenue

On the revenue side, two categories are experiencing significantly higher revenue:

1. **State Funding** – 6.7% higher than budgeted year-to-date.
2. **Farebox/Pass Sales** - Farebox/Pass revenue continues its higher trend and is 12.3% over the amended budget and 16.2% over last year as compared in November 2011, prior to the fare increase in January 2012.

All other revenues are relatively close to the budgeted dollars.

Closing Balances

CyRide has three closing balances: operating, GSB Trust Fund and capital. The following summarizes current and projected balances for the 2012/13 budget year.

Operating Balance - At the current time, the operating closing balance is anticipated to increase from the adopted amount of \$827,958 to \$948,365, increasing to an 11.2% fund balance.

Capital Balance – Currently, the capital closing balance is anticipated to increase from the adopted balance of \$44,598 to \$266,785 as a result of a six-month delay in the facility expansion project scheduled to begin in the spring of 2013. The increased fund balance will be utilized for the project in the 2013/14 budget year.

GSB Trust Fund Balance – The 2012/13 budget is projected to end the fiscal year with a \$980,495 balance. This includes the NextBus vehicle tracking commitment and the student's share of the fare increase for the 2012/13 budget.

2013/14 Operating Budget Request

Budget Assumptions –

In the 2013/14 budget development, the following major assumptions were incorporated into each of the budget options discussed below.

- **Health Insurance** - The price of health insurance will increase 8% next year, increasing expenses by \$39,685.

- **IPERS Employer Contribution** – All CyRide employees are covered under the IPERS State Retirement Plan. The employer contribution will be increasing from 8.67% to 8.93%, which will increase operating expenses by \$11,400 in the 2013/14 budget.
- **Payroll Expenses** - Overall payroll expenses will increase 6.5% from the 2012/13 adopted to 2013/14 requested budget due to higher driver staffing levels to address increased ridership demands. This expense will increase by \$207,500. This represents the additional services paid for by GBS in the 2012/13 budget to address ridership increases, but now included in CyRide’s 2013/14 operating budget as the baseline level of service.
- **Fuel** – Fuel is budgeted at \$3.75 per gallon, an increase from the 2012/13 adopted budget of \$.25 per gallon. This represents a 7.1% increase in this line item, raising expenses by \$80,000.
- **Federal/State Funding** – The FY2013/14 budget anticipates increased federal operating funding at \$2,092,533 representing an 18.8% increase and a 100% decrease in capital funding representing an annual loss of \$2.5 million in capital funding. State funding is anticipated to increase by \$22,000 from \$578,000 in the 2012/13 adopted budget to \$600,000 in the 2013/14 requested budget.
- **Funds Transferred to Capital** – The 2013/14 budget reflects a transfer of \$800,000 to the capital fund to purchase buses, shop equipment, etc. This is a return to past year’s levels in light of no federal capital support in at least the next several years.
- **State Revolving Loan Repayment** – In 2010, CyRide received a state loan in the amount of \$87,500 as local match to an Intermodal Facility design grant. The terms of the loan require repayment over 5 years at \$17,500 per year. The 2013/14 budget year represents the third year of this local repayment. The repayment is equally divided between the City of Ames and Iowa State University funding partners at an annual cost of \$8,750 each.

FY2012/13 Budget Options -

Through the Board of Trustee’s discussions in November, staff was directed to prepare two budget options for consideration at the December board meeting as follows:

- **Option 1 - Baseline with Even Funding Shares** – Current service levels continued into the 2013/14 budget year with each funding partners share increasing by 5%.
- **Option 2 – Baseline with Uneven Funding Shares** – Current service levels continued into the 2013/14 budget year with the City of Ames and ISU’s share at 2.6% and GSB’s share at 6.5%.

The impact each of these options has on the expenses of the funding partners is detailed below.

Budget Impact

Option	Operating Expenses	City Funding (including loan)	ISU Funding (including loan)	GSB Funding
Current (adopted) Expenses/Funding Shares	\$8,285,462	\$1,472,409	\$650,622	\$3,499,053
1 – Baseline – Even Shares	\$8,771,391	\$1,545,592	\$682,715	\$3,674,006
Dollar Change	\$485,929	\$73,183	\$32,093	\$174,953
Percent Change	+5.9%	+5.0%	+5.0%	+5.0%
Closing Balance	9.4%			
2 – Baseline – Uneven Shares	\$8,771,391	\$1,510,464	\$667,311	\$3,726,491
Dollar Change	\$485,929	\$38,055	\$16,689	\$227,438
Percent Change	+5.9%	+2.6%	+2.6%	+6.44%
Closing Balance	9.4%			

Both alternatives do not increase service levels in the 2013/14 budget at a time when the community is growing. The attached service increase alternatives were developed at the board's direction for consideration. If any of these services are desired, they would increase the budgets attached and chart reflected above.

Since the December Transit Board Meeting, and at the request of the Transit Board in December 2012, CyRide staff has met with the ISU Special Student Fee and Tuition Committee (SSFTC) to discuss the options with the committee and gain their thoughts on options 1, 2 and a third option, where GSB would continue to pay for 100% of the increased 2012-2013 service level in the 2013-2014 budget as well. The following chart provides the impact of this option on the three funding partners.

3 – Baseline – Uneven Shares/GSB Pay For Add'l Services	\$8,771,391	\$1,472,409	\$650,622	\$3,499,053
Dollar Change	\$485,929	\$31,398	\$13,769	\$235,062
Percent Change	+5.9%	+2.15%	+2.15%	+6.72%
Closing Balance	9.4%			

After discussion by the SSFTC committee, there was a consensus that the group believes either Option 1 or 2 would be reasonable. There was some discussion that the increased student

enrollment was a large factor in the additional expenses CyRide was incurring so that it was logical that the GSB share might be higher than the City or ISU.

ALTERNATIVES:

1. Approve **Option #2** to provide existing service levels next year with uneven local funding partner shares.
2. Approve **Option #1** to provide existing service levels next year with even local funding partner shares.
3. Approve **Option #3** to provide existing service levels next year with uneven local funding partner shares including 100% funding by GSB for additional 2012-2013 services that would be continued into 2013-2014.
4. Approve another option based on Transit Board priorities.

RECOMMENDATION:

The Transit Director recommends alternative #1 to provide uneven local funding partner shares that reflect higher funding levels from GSB as a result of higher enrollment, creating higher ridership for CyRide. This option was endorsed as an acceptable option by the ISU Special Student Fee and Tuition Committee and places the additional cost of providing transit service on the ridership segment experiencing significant growth and creating higher CyRide ridership.

CYRIDE THREE PARTY REVENUE HISTORY

REVENUE HISTORY AS A PERCENTAGE OF YEARLY REVENUES

YEAR	CITY	ISU	GSB
1981-82	37.3%	13.8%	48.9%
1982-83	39.0%	15.9%	45.1%
1983-84	36.8%	15.1%	48.1%
1984-85	36.8%	15.1%	48.1%
1985-86	34.3%	14.0%	51.7%
1986-87	34.3%	14.0%	51.7%
1987-88	34.3%	14.0%	51.7%
1988-89	34.0%	13.9%	52.1%
1989-90	34.0%	13.9%	52.1%
1990-91	33.7%	14.3%	52.0%
1991-92	33.7%	14.3%	52.0%
1992-93	33.7%	14.3%	52.0%
1993-94	32.4%	13.8%	53.8%
1994-95	32.4%	13.8%	53.8%
1995-96	32.4%	13.8%	53.8%
1996-97	32.6%	13.9%	53.5%
1997-98	31.7%	14.9%	53.4%
1998-99	32.4%	14.7%	52.9%
1999-2000	32.4%	14.7%	52.9%
2000-01	32.4%	14.7%	52.9%
2001-02	30.5%	13.8%	55.6%
2002-03	24.6%	10.8%	64.5%
2003-04	24.1%	10.6%	65.3%
2004-05	24.3%	10.7%	65.0%
2005-06	26.2%	11.5%	62.3%
2006-07	26.2%	11.5%	62.3%
2007-08	26.9%	11.8%	61.3%
2008-09	26.9%	11.8%	61.3%
2009-10	26.9%	11.8%	61.3%
2010-11	26.8%	11.8%	61.4%
2011-12	26.4%	11.6%	62.0%
2012-13	26.1%	11.5%	62.4%
2013-14	26.1%	11.5%	62.4%
Average	28.6%	12.4%	59.0%

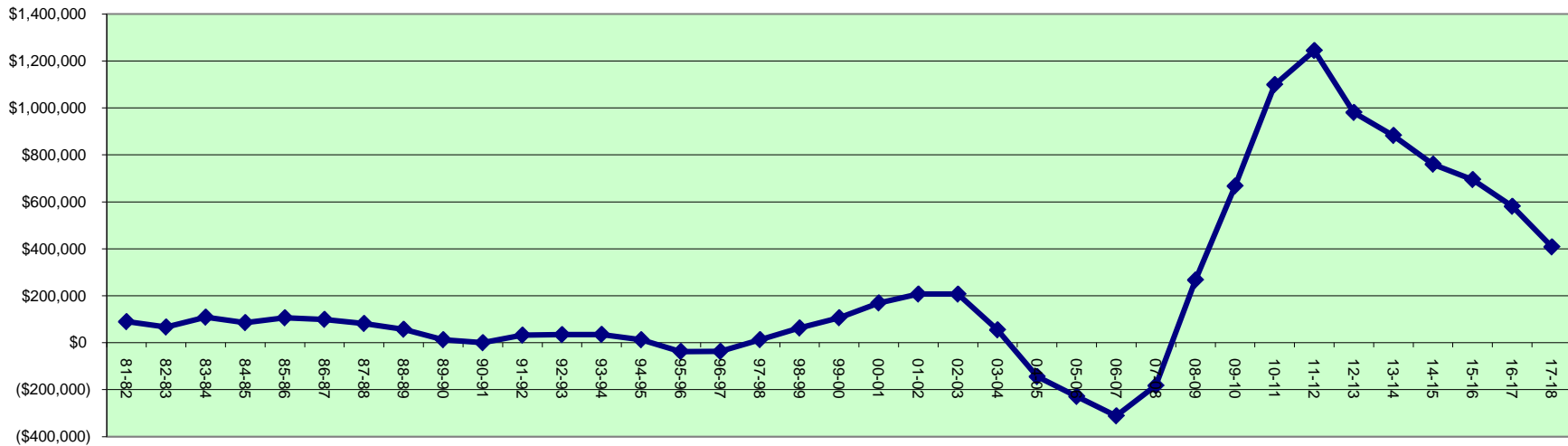
ANNUAL PERCENTAGE INCREASES

YEAR	CITY	ISU	GSB
1982-83	13.4%	25.0%	0.0%
1983-84	5.6%	6.4%	19.3%
1984-85	0.0%	0.0%	0.0%
1985-86	0.0%	0.0%	15.4%
1986-87	10.0%	10.0%	10.0%
1987-88	3.1%	3.1%	3.1%
1988-89	3.6%	3.6%	5.4%
1989-90	4.0%	4.0%	4.0%
1990-91	1.2%	5.2%	1.9%
1991-92	4.4%	4.4%	4.4%
1992-93	2.4%	2.4%	2.4%
1993-94	7.0%	7.0%	14.9%
1994-95	5.5%	5.5%	5.5%
1995-96	4.0%	4.0%	4.0%
1996-97	6.8%	6.8%	5.4%
1997-98	4.5%	15.4%	7.5%
1998-99	9.7%	5.7%	6.0%
1999-2000	6.0%	6.0%	6.0%
2000-01	7.5%	7.5%	7.5%
2001-02	7.5%	7.5%	20.1%
2002-03	7.5%	4.0%	54.7%
2003-04	10.6%	10.6%	14.2%
2004-05	3.1%	3.1%	1.8%
2005-06	10.0%	10.0%	-1.9%
2006-07	6.1%	6.1%	6.1%
2007-08	5.9%	5.9%	1.4%
2008-09	5.8%	5.8%	5.8%
2009-10	5.0%	5.0%	5.0%
2010-11	3.5%	3.5%	3.8%
2011-12	4.0%	4.0%	6.5%
2012-13	7.0%	7.0%	9.2%
2013-14	5.0%	5.0%	5.0%
Average	5.6%	6.3%	8.1%

GSB Fees and Trust Fund Summary

CAPITAL & OPERATIONS	5.8% Actual 08-09	5.0% Actual 09-10	3.8% Actual 10-11	4.0% Actual 11-12	4.0% Adopted 12-13	5.0% Projected 13-14	5.0% Projected 14-15	5.0% Projected 15-16	5.0% Projected 16-17	5.0% Projected 17-18
Budgeted Revenue	\$2,760,265	\$2,898,278	\$3,008,413	\$3,204,263	\$3,499,053	\$3,674,006	\$3,857,706	\$4,050,591	\$4,253,121	\$4,465,777
Actual Revenue	\$3,023,287	\$3,290,692	\$3,432,423	\$3,339,076	\$3,649,053	\$3,661,575	\$3,822,663	\$3,977,490	\$4,132,317	\$4,287,144
Surplus/(Deficit)	\$263,022	\$392,414	\$424,010	\$134,813	\$150,000	(\$12,431)	(\$35,043)	(\$73,101)	(\$120,804)	(\$178,633)
TRUST FUND										
Opening Balance	(\$182,848)	\$267,129	\$667,188	\$1,099,162	\$1,244,080	\$980,495	\$882,494	\$760,106	\$694,606	\$580,748
Interest	\$806	\$7,645	\$7,964	\$10,105	\$13,200	\$10,600	\$8,825	\$7,601	\$6,946	\$5,807
Payments	\$186,149			Next Bus	(\$266,785)	(\$96,170)	(\$96,170)			
Transfers In (Out)	\$263,022	\$392,414	\$424,010	\$134,813	\$150,000	(\$12,431)	(\$35,043)	(\$73,101)	(\$120,804)	(\$178,633)
Ending Balance	\$267,129	\$667,188	\$1,099,162	\$1,244,080	\$980,495	\$882,494	\$760,106	\$694,606	\$580,748	\$407,922
% of Budgeted Revenue	9.7%	23.0%	36.5%	38.8%	25.0%	23.4%	19.2%	17.1%	13.7%	9.1%
Increase	\$3.85	\$2.41	\$0.00	\$0.00	\$0.00	\$0.00	\$2.64	\$2.64	\$2.64	\$2.64
Total Fees	\$60.20	\$62.61	\$62.61	\$62.61	\$62.61	\$62.61	\$65.25	\$67.90	\$70.54	\$73.18
Increase %	6.8%	4.0%	0.0%	0.0%	0.0%	0.0%	4.2%	4.1%	3.9%	3.7%
Student Semester FTEs	50,221	52,559	54,822	53,331	58,282	58,482	58,582	58,582	58,582	58,582

GSB Trust Fund Balance



BUDGET ANALYSIS - Operations FY2014

Base Line - 5% from each Local Party

Option 1

01/14/13	10:21 AM	09-10	10-11	11-12	12-13	12-13	13-14	% Chg.	% Chg.	% Chg.	% Chg.
		Actual	Actual	Actual	Adopt	Amend	Request	Am/Ad	Am/Act	Req./Ad.	Req./Am.
FIXED ROUTE											
550-1221	Operations	\$3,841,975	\$4,097,972	\$4,245,653	\$4,317,216	\$4,480,882	\$4,640,020	3.8%	5.5%	7.5%	3.6%
550-1222	Maintenance	\$1,580,087	\$1,762,603	\$1,863,033	\$2,099,567	\$2,075,325	\$2,187,445	-1.2%	11.4%	4.2%	5.4%
FIXED ROUTE TOTAL		\$5,422,062	\$5,860,574	\$6,108,686	\$6,416,783	\$6,556,207	\$6,827,465	2.2%	7.3%	6.4%	4.1%
DIAL-A-RIDE											
550-1341	Operations	\$136,855	\$142,717	\$172,077	\$163,621	\$173,742	\$181,951	6.2%	1.0%	11.2%	4.7%
550-1342	Maintenance	\$0	\$0	\$0	\$0	\$0	\$0				
DIAL-A-RIDE TOTAL		\$136,855	\$142,717	\$172,077	\$163,621	\$173,742	\$181,951	6.2%	1.0%	11.2%	4.7%
ADMINISTRATION/SUPPORT											
550-1101	Administration	\$1,037,847	\$1,014,818	\$1,059,330	\$1,097,469	\$1,104,885	\$1,138,569	0.7%	4.3%	3.7%	3.0%
550-1102	Safety/Training	\$197,822	\$212,768	\$211,616	\$224,865	\$223,340	\$229,360	-0.7%	5.5%	2.0%	2.7%
550-1103	Promotion	\$13,540	\$20,461	\$14,443	\$7,400	\$5,000	\$5,000	-32.4%	-65.4%	-32.4%	0.0%
550-1105	Bldg/Grounds	\$331,339	\$291,784	\$311,369	\$375,324	\$377,998	\$389,046	0.7%	21.4%	3.7%	2.9%
ADMIN/SUPPORT TOTAL		\$1,580,548	\$1,539,830	\$1,596,759	\$1,705,058	\$1,711,223	\$1,761,975	0.4%	7.2%	3.3%	3.0%
FINANCE ADJUSTMENTS		\$15,890	\$27,835	\$86,312							
TOTAL OPERATING EXPENSES		\$7,155,355	\$7,570,957	\$7,963,833	\$8,285,462	\$8,441,172	\$8,771,391	1.9%	6.0%	5.9%	3.9%
TRANSFER TO GSB TRUST		\$392,414	\$424,305	\$134,814	\$75,000	\$150,000	\$60,000				
TRANSFER TO CAPITAL FUND		\$713,000	\$632,000	\$208,812	\$378,801	\$378,801	\$800,000				
TOTAL USED		\$8,260,769	\$8,627,261	\$8,307,459	\$8,739,263	\$8,969,973	\$9,631,391	2.6%	8.0%	10.2%	7.4%
OPENING BALANCE		\$1,105,687	\$847,294	\$563,240	\$658,411	\$786,976	\$948,365	19.5%	39.7%	44.0%	20.5%
OPERATING REVENUE		\$8,002,376	\$8,343,207	\$8,531,195	\$8,908,810	\$9,131,362	\$9,503,469	2.5%	7.0%	6.7%	4.1%
TOTAL AVAILABLE		\$9,108,063	\$9,190,501	\$9,094,435	\$9,567,221	\$9,918,338	\$10,451,834	3.7%	9.1%	9.2%	5.4%
CLOSING BALANCE		\$847,294	\$563,240	\$786,976	\$827,958	\$948,365	\$820,443	14.5%	20.5%	-0.9%	-13.5%
Closing/Operating		11.8%	7.4%	9.9%	10.0%	11.2%	9.4%				
REVENUE/EXPENSE RATIO		111.8%	110.2%	107.1%	107.5%	108.2%	108.3%				

OPERATING FUND BALANCE	\$847,294	\$563,240	\$786,976	\$827,958	\$948,365	\$820,443
CAPITAL FUND BALANCE	\$1,213,853	\$1,491,769	\$1,643,813	\$44,598	\$266,785	\$96,170
TRUST FUND BALANCE	\$667,188	\$1,099,162	\$1,325,474	\$1,223,054	\$1,063,054	\$1,038,750
INTERMODAL BALANCE			\$0	\$0	\$0	\$0
TRANSIT FUND BALANCE	\$2,728,335	\$3,154,171	\$3,756,262	\$2,095,610	\$2,278,204	\$1,955,363

FY2014

City	\$ 1,536,842
ISU	\$ 673,965
GSB	\$ 3,674,006

BUDGET ANALYSIS - Operations FY2014

Base Line - 2.6% City and ISU, 6.5% GSB

Option 2

01/14/13	10:21 AM	09-10	10-11	11-12	12-13	12-13	13-14	% Chg.	% Chg.	% Chg.	% Chg.
		Actual	Actual	Actual	Adopt	Amend	Request	Am/Ad	Am/Act	Req./Ad.	Req./Am.
FIXED ROUTE											
550-1221	Operations	\$3,841,975	\$4,097,972	\$4,245,653	\$4,317,216	\$4,480,882	\$4,640,020	3.8%	5.5%	7.5%	3.6%
550-1222	Maintenance	\$1,580,087	\$1,762,603	\$1,863,033	\$2,099,567	\$2,075,325	\$2,187,445	-1.2%	11.4%	4.2%	5.4%
FIXED ROUTE TOTAL		\$5,422,062	\$5,860,574	\$6,108,686	\$6,416,783	\$6,556,207	\$6,827,465	2.2%	7.3%	6.4%	4.1%
DIAL-A-RIDE											
550-1341	Operations	\$136,855	\$142,717	\$172,077	\$163,621	\$173,742	\$181,951	6.2%	1.0%	11.2%	4.7%
550-1342	Maintenance	\$0	\$0	\$0	\$0	\$0	\$0				
DIAL-A-RIDE TOTAL		\$136,855	\$142,717	\$172,077	\$163,621	\$173,742	\$181,951	6.2%	1.0%	11.2%	4.7%
ADMINISTRATION/SUPPORT											
550-1101	Administration	\$1,037,847	\$1,014,818	\$1,059,330	\$1,097,469	\$1,104,885	\$1,138,569	0.7%	4.3%	3.7%	3.0%
550-1102	Safety/Training	\$197,822	\$212,768	\$211,616	\$224,865	\$223,340	\$229,360	-0.7%	5.5%	2.0%	2.7%
550-1103	Promotion	\$13,540	\$20,461	\$14,443	\$7,400	\$5,000	\$5,000	-32.4%	-65.4%	-32.4%	0.0%
550-1105	Bldg/Grounds	\$331,339	\$291,784	\$311,369	\$375,324	\$377,998	\$389,046	0.7%	21.4%	3.7%	2.9%
ADMIN/SUPPORT TOTAL		\$1,580,548	\$1,539,830	\$1,596,759	\$1,705,058	\$1,711,223	\$1,761,975	0.4%	7.2%	3.3%	3.0%
FINANCE ADJUSTMENTS		\$15,890	\$27,835	\$86,312							
TOTAL OPERATING EXPENSES		\$7,155,355	\$7,570,957	\$7,963,833	\$8,285,462	\$8,441,172	\$8,771,391	1.9%	6.0%	5.9%	3.9%
TRANSFER TO GSB TRUST		\$392,414	\$424,305	\$134,814	\$75,000	\$150,000	\$60,000				
TRANSFER TO CAPITAL FUND		\$713,000	\$632,000	\$208,812	\$378,801	\$378,801	\$800,000				
TOTAL USED		\$8,260,769	\$8,627,261	\$8,307,459	\$8,739,263	\$8,969,973	\$9,631,391	2.6%	8.0%	10.2%	7.4%
OPENING BALANCE		\$1,105,687	\$847,294	\$563,240	\$658,411	\$786,976	\$948,365	19.5%	39.7%	44.0%	20.5%
OPERATING REVENUE		\$8,002,376	\$8,343,207	\$8,531,195	\$8,908,810	\$9,131,362	\$9,503,469	2.5%	7.0%	6.7%	4.1%
TOTAL AVAILABLE		\$9,108,063	\$9,190,501	\$9,094,435	\$9,567,221	\$9,918,338	\$10,451,834	3.7%	9.1%	9.2%	5.4%
CLOSING BALANCE		\$847,294	\$563,240	\$786,976	\$827,958	\$948,365	\$820,443	14.5%	20.5%	-0.9%	-13.5%
Closing/Operating		11.8%	7.4%	9.9%	10.0%	11.2%	9.4%				
REVENUE/EXPENSE RATIO		111.8%	110.2%	107.1%	107.5%	108.2%	108.3%				

OPERATING FUND BALANCE	\$847,294	\$563,240	\$786,976	\$827,958	\$948,365	\$820,443
CAPITAL FUND BALANCE	\$1,213,853	\$1,491,769	\$1,643,813	\$44,598	\$266,785	\$96,170
TRUST FUND BALANCE	\$667,188	\$1,099,162	\$1,325,474	\$1,223,054	\$1,063,054	\$1,038,750
INTERMODAL BALANCE			\$0	\$0	\$0	\$0
TRANSIT FUND BALANCE	\$2,728,335	\$3,154,171	\$3,756,262	\$2,095,610	\$2,278,204	\$1,955,363

FY2014

City	\$ 1,501,714
ISU	\$ 658,561
GSB	\$ 3,726,491

Estimates of Service Costs - FY2013

Marginal Costs (FY13)

\$1.73 Per Mile
\$32.07 Per Hour

Sunday Blue Route to 20 Minute Headway Friley to S Duff

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.
11:56 AM	6:25 PM	6.5	10	6.5	65.0	30	\$3,370	\$6,255	\$9,625	
										0.2%
									\$9,625	

6A Towers

ISU Residence currently pays \$46,400

M-F 5:40pm-9:15pm, Sat/Sun 11:00am-2:15pm, 6:00pm-8:15pm

\$46,400	0.8%
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Impact of 2013-2014 Enrollment

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.
		5.0	15	3.5	52.5	158	\$14,336	\$25,339	\$39,675	
										0.7%
									\$39,675	

Sunday Blue Route to 20 Minute Headway Entire Route

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.
11:31 AM	6:04 PM	6.6	5	14.7	73.5	30	\$3,811	\$6,351	\$10,162	
12:11 PM	6:44 PM	6.6	5	14.7	73.5	30	\$3,811	\$6,351	\$10,162	
										0.4%
									\$20,323	

DMACC

Monday-Thursday ISU Class Days

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.	
5:13 PM	6:30 PM	1.3	1	12.1	12.1	127	\$2,656	\$5,296	\$7,951		
8:40 PM	9:35 PM	0.9	1	12.1	12.1	127	\$2,656	\$3,666	\$6,322		
							254	\$ 5,312	\$ 8,962	\$14,273	0.3%

Summer Cardinal

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.
7:10 AM	5:27 PM	10.3	31	2.8	86.8	69	\$10,351	\$22,796	\$33,147	
										0.6%
									\$33,147	

Yellow Weeknights

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.
7:00 PM	10:05 PM	3.1	5	7.2	36.0	258	\$16,053	\$25,653	\$41,706	
										0.7%
									\$41,706	

S. 16th

Monday-Friday all Year

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.	
7:00 AM	9:00 PM	14.0	21	7.0	147.0	160	\$40,650	\$71,847	\$112,497		
							Days	Pass.	Fare		
							160	10	\$ 1.00	\$ 1,600	
									\$110,897	2.0%	

Brown to Research Park Evenings

Out	In	Hours	Trips	Mi./Trip	Miles	Days	Maint.	Payroll	Expense	Local \$ Incr.
6:40 PM	9:00 PM	2.3	4	15.7	62.8	160	\$17,366	\$11,804	\$29,170	
										0.5%
									\$29,170	

**CyRide 5 Year Pro Forma
Revision 2**

Operations	FY13	Incr.	FY14	Incr.	FY15	Incr.	FY16	Incr.	FY17	Incr.	FY18
Beginning Balance	\$ 786,976		\$ 947,866		\$ 819,944		\$ 757,174		\$ 737,759		\$ 874,222
State Operating	\$ 590,000	1.7%	\$ 600,000	2.0%	\$ 612,000	2.0%	\$ 624,240	2.0%	\$ 636,725	2.0%	\$ 649,459
FTA Operating	\$ 1,761,052	18.8%	\$ 2,092,553	3.0%	\$ 2,155,330	3.0%	\$ 2,219,989	3.0%	\$ 2,286,589	3.0%	\$ 2,355,187
ISU	\$ 641,872	5.0%	\$ 673,965	5.0%	\$ 707,664	6.2%	\$ 751,539	6.2%	\$ 798,134	6.2%	\$ 847,619
City	\$ 1,463,659	5.0%	\$ 1,536,842	5.0%	\$ 1,613,684	6.2%	\$ 1,713,732	6.2%	\$ 1,819,984	6.2%	\$ 1,932,823
GSB	\$ 3,499,053	5.0%	\$ 3,674,006	5.0%	\$ 3,857,706	6.2%	\$ 4,096,884	6.2%	\$ 4,350,890	6.2%	\$ 4,620,646
GSB for Extra Service	\$ 160,000										
Transit Contracts	\$ 293,927	2.3%	\$ 300,650	3.0%	\$ 309,670	3.0%	\$ 318,960	3.0%	\$ 328,528	3.0%	\$ 338,384
Farebox	\$ 368,500	0.1%	\$ 368,900	0.5%	\$ 370,745	0.5%	\$ 372,598	0.5%	\$ 374,461	0.5%	\$ 376,334
Advertising	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000
DOT/MPO/Int./Misc	\$ 83,300	-8.1%	\$ 76,553	0.0%	\$ 76,553	0.0%	\$ 76,553	0.0%	\$ 76,553	0.0%	\$ 76,553
Operating Revenues	\$ 8,981,363	5.1%	\$ 9,443,469	4.0%	\$ 9,823,350	4.8%	\$ 10,294,495	4.8%	\$ 10,791,865	4.9%	\$ 11,317,004
Wages	\$ 4,414,823	3.3%	\$ 4,560,643	2.8%	\$ 4,688,341	2.8%	\$ 4,819,615	2.8%	\$ 4,954,564	2.8%	\$ 5,093,292
Normal Growth	\$ 160,000	2.8%	\$ 164,480	2.8%	\$ 169,085	2.8%	\$ 173,820	2.8%	\$ 178,687	2.8%	\$ 183,690
Benefits (no Health Ins.)	\$ 811,850	2.2%	\$ 829,425	2.8%	\$ 852,649	2.8%	\$ 876,523	2.8%	\$ 901,066	2.8%	\$ 926,296
Health Insurance	\$ 497,215	8.0%	\$ 536,900	8.0%	\$ 579,852	8.0%	\$ 626,240	8.0%	\$ 676,339	8.0%	\$ 730,447
Payroll	\$ 5,883,888	3.5%	\$ 6,091,448	3.3%	\$ 6,289,928	3.3%	\$ 6,496,198	3.3%	\$ 6,710,656	3.3%	\$ 6,933,724
Next Bus						\$ 100,000	0.0%	\$ 100,000	0.0%	\$ 100,000	
Internal Services	\$ 266,532	2.2%	\$ 272,316	2.4%	\$ 278,852	2.4%	\$ 285,544	2.4%	\$ 292,397	2.4%	\$ 299,415
Insurance	\$ 213,521	6.7%	\$ 227,896	5.0%	\$ 239,291	5.0%	\$ 251,255	5.0%	\$ 263,818	5.0%	\$ 277,009
Contractual	\$ 622,006	2.5%	\$ 637,706	4.4%	\$ 665,765	4.4%	\$ 695,059	4.4%	\$ 725,641	4.4%	\$ 757,570
Commodities (no fuel)	\$ 335,725	1.9%	\$ 342,025	3.0%	\$ 352,286	3.0%	\$ 362,854	3.0%	\$ 373,740	3.0%	\$ 384,952
Fuel	\$ 1,120,000	7.1%	\$ 1,200,000	5.0%	\$ 1,260,000	5.0%	\$ 1,323,000	5.0%	\$ 1,389,150	5.0%	\$ 1,458,608
Services/Commodities	\$ 2,557,784	4.8%	\$ 2,679,943	4.3%	\$ 2,796,193	7.9%	\$ 3,017,712	4.2%	\$ 3,144,746	4.2%	\$ 3,277,553
Operating Expenses	\$ 8,441,672	3.9%	\$ 8,771,391	3.6%	\$ 9,086,121	4.7%	\$ 9,513,910	3.6%	\$ 9,855,402	3.6%	\$ 10,211,277
Capital Transfer	\$ 378,801		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000
Ending Balance	\$ 947,866	11.2%	\$ 819,944	9.3%	\$ 757,174	8.3%	\$ 737,759	7.8%	\$ 874,222	8.9%	\$ 1,179,949
											11.6%
Capital											
Beginning Balance	\$ 1,277,119		\$ 343,818		\$ 318,423		\$ 615,593		\$ (101,766)		\$ (381,246)
State/Federal	\$ 6,217,706		\$ 2,997,581		\$ 976,800		\$ -		\$ -		\$ -
5339 Formula			\$ -	3.0%	\$ -	3.0%	\$ -	3.0%	\$ -	3.0%	\$ -
ISU Parking	\$ 17,000		\$ 17,000		\$ 17,000		\$ 17,000		\$ 17,000		\$ 17,000
Interest	\$ 10,000		\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000
Capital Transfer	\$ 378,801		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000
GSB Transfer	\$ 266,785		\$ 96,170		\$ 96,170						
Capital Revenues	\$ 6,890,292		\$ 3,915,751		\$ 1,894,970		\$ 822,000		\$ 822,000		\$ 822,000
FY13 Budget	\$ 7,823,593										
Building			\$ 2,525,976		\$ 150,000		\$ 150,000		\$ 150,000		\$ 150,000
Buses (Grants)		3	\$ 1,221,000	3	\$ 1,257,630						
Buses (Local)						3	\$ 1,295,359	2	\$ 889,480	2	\$ 916,164
Shop Equipment			\$ 86,000		\$ 50,000		\$ 50,000		\$ 50,000		\$ 50,000
Computers			\$ 12,000		\$ 12,000		\$ 12,000		\$ 12,000		\$ 12,000
Support Vehicle					\$ 32,000		\$ 32,000				\$ 32,000
NextBus Operating			\$ 96,170		\$ 96,170						
Capital Expenses	\$ 7,823,593		\$ 3,941,146		\$ 1,597,800		\$ 1,539,359		\$ 1,101,480		\$ 1,160,164
Ending Balance	\$ 343,818		\$ 318,423		\$ 615,593		\$ (101,766)		\$ (381,246)		\$ (719,410)

1/14/2013 10:29 AM

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees
FROM: Sheri Kyras
DATE: January 17, 2013
SUBJECT: FIVE-YEAR CAPITAL IMPROVEMENT PLAN APPROVAL

BACKGROUND: Each year, staff develops a five-year Capital Improvement Plan (CIP) to fund needed improvements in its bus fleet and support services. This plan is incorporated into the City of Ames' Capital Improvement Plan in January of each year.

INFORMATION: The projects contained in this year's Five-Year CIP represent purchases as a result of the following factors:

- Purchases approved in or anticipated in grants
- Recommendations to reduce risk as recommended by previous insurance carrier
- Replacement of equipment at the end of its useful life
- Purchases that are needed to ensure efficient and smooth operations

If approved, CyRide staff would begin to purchase the items contained in the first year of the plan beginning July 1, 2013. The remaining years would not be purchased until the year approaches and are subject to modifications as they are more fluid in nature, as a result of funding increases/decreases. The following information details the CIP's first year purchases as well as purchases for four additional years.

First Year Purchases –

The purchase summary on the following page is recommended for procurement in the 2013/14 budget year to ensure smooth operation of the transit system and is included in each of the budget options presented in the "2013-2014 Budget Information" agenda topic. A detailed explanation of each anticipated expenditure by category is detailed after the chart.

Purchase	Federal Share		Local Share	Total Cost
	5307/5309	5310	CyRide	
Vehicle Replace.				
3-40' New Buses	\$1,013,430	\$0	\$207,570	\$1,221,000
SUBTOTAL	\$1,013,430	\$0	\$207,570	\$1,221,000
Building Expan.				
Phase 1A Expansion – Yr. 2	\$2,020,781	\$0	\$505,195	\$2,525,976
Fuel Shut-Off Sys.	\$0	\$0	\$36,000	\$36,000
SUBTOTAL	\$2,020,781	\$0	\$541,195	\$2,561,976
Shop/Office Equip				
Computers (6)	\$0	\$0	\$12,000	\$12,000
Shop Equipment	\$0	\$0	\$50,000	\$50,000
SUBTOTAL	\$0	\$0	\$62,000	\$62,000
Bus Stop Improve.				
Bus Stop Improve.	\$0	\$36,800	\$9,200	\$46,000
SUBTOTAL	\$0	\$36,800	\$9,200	\$46,000
TOTAL	\$3,034,211	\$36,800	\$819,965	\$3,890,976

After purchase of these items in 2013/14, the local capital fund closing balance is estimated to be approximately \$318,000. An updated five-year pro forma is attached that indicates, based on current capital revenue projections, the capital items for purchase and the local dollars needed to purchase these items.

The following briefly discusses each of the purchases contained in next year's budget.

Purchase New 40' Buses – CyRide has six buses approved in a federal grant. These purchases were divided into the 2013/14 and 2014/15 budget years, with three buses in the 2013/14 budget year.

Computers - CyRide would replace six computers during 2013/14.

Shop Equipment – Numerous small shop equipment are scheduled for purchase in the 2013/14 Capital Plan as follows: Custom E-Motor Mount (\$1,000), Wheel-Barrel Hoist (\$1,200), 2-Stage Snow Blower (\$1,500), Portable Steam Cleaner (\$3,000), Sign Post Installer/Remover (\$4,300), Hot Water Parts Washer (\$8,500), AC Refrigerant Reclamation System (\$7,000), Walk Behind Scrubber (\$10,000), Trailer Pressure Washer (\$12,000).

Bus Stop Improvements – This funding would improve existing bus stop locations with concrete pads, benches, shelters, and lighting to make service more convenient to its

riders. CyRide's new shelter design will be used to replace existing shelters, and some current shelters in better condition will be reused to expand CyRide's shelter program.

Building Expansion – The second year of the Phase 1A expansion project will be completed adding eleven additional bus parking spaces, flood wall/gates, raising of duct work in the original bus storage area and other building repairs. Also, the fueling system will be modified to automatically shut off if a fire is detected in the building.

Remaining Four Years (2014/15 – 2017/18):

Assumptions made for major purchases in future years of the Capital Improvement Plan include:

Bus Purchases – Representing approximately \$4.3 million dollars over the remaining 4-year period, this is CyRide's largest purchase. This investment reflects the purchase of 10 new, large buses maintaining a fleet of 75 large buses **to meet current ridership levels**.

Other Vehicle Purchases – The plan assumes replacement of two administrative and two maintenance vehicles in years 2014/15 through 2017/18 for a total cost of \$159,000.

Building Expansion – Assuming the next phase of the facility expansion is completed by 2013/14, this plan makes the assumption that CyRide would begin budgeting \$170,000 per year for a total of \$680,000 over four years as either local match or 100% funding if state or federal grants are not available. There are three remaining building expansion phases to fund as well as other major building repairs such as roof replacement.

Shop and Office Equipment – This plan assumes \$12,000 per year to upgrade computers and \$40,000 per year in shop equipment would be needed to ensure smooth operation in the administrative and maintenance areas.

Bus Stop Improvements – CyRide continues to emphasize its bus stop improvement program and has included a \$46,000 annual commitment in the plan through 2016/17 when federal dollars will be depleted.

ALTERNATIVES:

1. Approve the Five Year Capital Improvement Plan as presented.
2. Approve the Five Year Capital Improvement Plan with board modifications.
3. Do not approve the Five Year Capital Improvement Plan.

RECOMMENDATION:

The Transit Director recommends alternative #1 to approve the capital plan allowing CyRide to execute grant applications and provide the infrastructure necessary to support daily transit operations.

CYRIDE CAPITAL IMPROVEMENTS PLAN SUMMARY 2014-2018

December 2012

TRANSPORTATION - TRANSIT

PROJECT/REVENUE DESCRIPTION	TOTAL	2013/14	2014/15	2015/16	2016/17	2017/18
EXPENDITURES:						
Vehicle Replacement	5,738,633	1,221,000	1,287,630	1,325,359	949,480	955,164
Building Expansion & Modernization	3,241,976	2,561,976	170,000	170,000	170,000	170,000
Shop & Office Small Capital	270,000	62,000	52,000	52,000	52,000	52,000
Bus Stop Improvements	184,000	46,000	46,000	46,000	46,000	0
Total Expenditures	9,434,609	3,890,976	1,555,630	1,593,359	1,217,480	1,177,164
REVENUES:						
City:						
Transit Fund	5,209,365	819,965	474,997	1,556,559	1,180,680	1,177,164
Other:						
FTA - 5309	4,078,044	3,034,211	1,043,833	0	0	0
Elderly/Disabled	147,200	36,800	36,800	36,800	36,800	0
Other Subtotal	4,225,244	3,071,011	1,080,633	36,800	36,800	0
Total Revenues	9,434,609	3,890,976	1,555,630	1,593,359	1,217,480	1,177,164

VEHICLE REPLACEMENT

PROJECT STATUS: Cost Change
Delay

Scope Change

City of Ames, Iowa
Capital Improvements Plan

DESCRIPTION/JUSTIFICATION

CyRide has scheduled 2 – 3 bus replacements each year in this five-year Capital Improvement Plan. The number of vehicles is reduced from previous Capital Improvement Plans as CyRide will receive no federal capital funds for bus replacements after the 2014/15 budget year. Purchases after this date will be funded with 100% local dollars. All administrative vehicles and maintenance trucks will also be funded with 100% local dollars. These purchases are programmed as follows:

- 2013/14 – Replace 3 large buses (\$1,221,000)
- 2014/15 – Replace 3 large buses (1,257,630); replace administrative vehicle 906 - Prius (\$30,000) - delayed
- 2015/16 – Replace 3 large buses (\$1,295,359); replace administrative vehicle 905 - Impala (\$30,000) - delayed
- 2016/17 – Replace 2 large buses (\$889,480); replace maintenance truck 999 (\$60,000) - delayed
- 2017/18 – Replace 2 large buses (\$916,164); replace maintenance truck 007 (\$39,000) - delayed

COMMENTS

As a result of a change in federal transportation funding, CyRide will receive no federal capital grants after the purchase of 3 buses in 2013/14 and 3 buses in 2014/2015. Over the last five years, CyRide has received an average of \$2.5 million dollars per year in federal capital assistance. The impact of this reduction in funding on the Capital Improvement Plan is that several vehicle purchases have been delayed and the number of vehicles to be purchased reduced. As a result, CyRide’s average fleet age will increase in the future as five to six vehicles per year are needed annually to maintain the current average fleet age of 9.5 years.

LOCATION

FISCAL YEAR PRIORITY		2	2	2	2	2
	TOTAL	2013/14	2014/15	2015/16	2016/17	2017/18
COST:						
Large Buses - 40' New	5,579,633	1,221,000	1,257,630	1,295,359	889,480	916,164
Minibuses	0	0	0	0	0	0
Cameras	0	0	0	0	0	0
Administrative Vehicles	159,000	0	30,000	30,000	60,000	39,000
TOTAL	5,738,633	1,221,000	1,287,630	1,325,359	949,480	955,164
FINANCING:						
Transit Fund	3,681,370	207,570	243,797	1,325,359	949,480	955,164
Federal Transit Administration	2,057,263	1,013,430	1,043,833	0	0	0
TOTAL	5,738,633	1,221,000	1,287,630	1,325,359	949,480	955,164

PROGRAM - ACTIVITY:

Transportation – Transit

DEPARTMENT:

CyRide

ACCOUNT NO.

552-1159-439

552-1165-439

BUILDING EXPANSION & MODERNIZATION**PROJECT STATUS:** Delayed NewCity of Ames, Iowa
Capital Improvements Plan**DESCRIPTION/JUSTIFICATION**

In 2013/14, CyRide will complete work begun in 2012/13 to expand its facilities. This expansion consists of building additional bus storage (eleven more bus bays), flood protection (wall and gates), increased ceiling height to accommodate the height of the hybrid buses and structural repairs. Currently, nine buses are parked outside each night, flood protection is only available on the east end, a portion of, the north side of the facility, hybrid buses cannot travel in parts of the original building and portions of the facility are corroding as a result of the wet environment in the wash bay area. Each of these facility deficiencies will be addressed with this two-year construction process. In 2012/13, \$3,198,500 will be expended and \$2,525,976 in 2013/14. This project is funded 80% with federal/state grants and 20% local funding accumulated over several previous budgets.

Second, an actuated fuel shut off system will be installed in 2013/14 to disengage the vehicle fueling system if a fire is detected anywhere in the building (\$36,000).

In years 2014/15, 2015/16 and 2017/18, \$170,000 per year in facility needs would be addressed. These funds could be used as local match to future federal/state grants or paid with 100% local dollars if grants are not available at that time for facility needs such as roof replacement or the next phase of CyRide's Facility Master Plan expansion. The use of these funds will be determined in future capital budgets.

COMMENTS

Originally the facility construction project was to occur over the 2011/12 and 2012/13 budget years, but was delayed one year due to additional federal requirements as well as additional time that was needed to complete the design drawings and to coordinate these drawings with nearby ISU facilities.

The actuated fuel shut off system is a new project recommended through a facility safety audit conducted by the City of Ames' previous property insurance carrier.

LOCATION

FISCAL YEAR PRIORITY		TOTAL	2013/14	2014/15	2015/16	2016/17	2017/18
COST:							
Architect/Engineering		140,000	100,000	10,000	10,000	10,000	10,000
Repairs/Modifications		3,101,976	2,461,976	160,000	160,000	160,000	160,000
	TOTAL	3,241,976	2,561,976	170,000	170,000	170,000	170,000
FINANCING:							
Transit Fund		1,221,195	541,195	170,000	170,000	170,000	170,000
Federal Transit Administration		2,020,781	2,020,781	0	0	0	0
	TOTAL	3,241,976	2,561,976	170,000	170,000	170,000	170,000

CYRIDE SHOP AND OFFICE EQUIPMENT

PROJECT STATUS: Scope Change

City of Ames, Iowa
Capital Improvements Plan

DESCRIPTION/JUSTIFICATION

The 2013/14 expenditures in the shop and office areas will fund the replacement of six computers (\$12,000) and the following shop equipment:

- Custom E-Motor Mount - \$1,000
- Wheel-Barrel Hoist - \$1,200
- 2-Stage Snow Blower - \$1,500
- Portable Steam Cleaner - \$3,000
- Sign Post Installer/Remover - \$4,300
- Hot Water Parts Washer - \$8,500
- AC Refrigerant Reclamation System - \$7,000
- Walk Behind Scrubber - \$10,000
- Trailer Pressure Washer - \$12,000

The purchases scheduled for 2014/15 – 2017/18 are more generally described as: four-to-seven replacement computers to be funded each year, and approximately \$40,000 per year to fund other shop and office items identified to efficiently operate CyRide in the next five year period.

COMMENTS

Because 2014/15 – 2017/18 capital purchases in this category are smaller items where replacement need is less predictable, they have been generally described in this document. Specific needs will be identified annually to efficiently operate CyRide, and address OSHA, Department of Natural Resources, and other federal requirements as they are implemented.

LOCATION

FISCAL YEAR PRIORITY		3	3	3	3	3
	TOTAL	2013/14	2014/15	2015/16	2016/17	2017/18
COST:						
Computers	60,000	12,000	12,000	12,000	12,000	12,000
Other Shop Equipment	210,000	50,000	40,000	40,000	40,000	40,000
Other Office Equipment	0	0	0	0	0	0
TOTAL	270,000	62,000	52,000	52,000	52,000	52,000
FINANCING:						
Transit Fund	270,000	62,000	52,000	52,000	52,000	52,000
FTA - Small Transit Intensive Cities	0	0	0	0	0	0
Federal Transit Administration	0	0	0	0	0	0
TOTAL	270,000	62,000	52,000	52,000	52,000	52,000

PROGRAM - ACTIVITY:
Transportation – Transit

DEPARTMENT:
CyRide

ACCOUNT NO.
552-1159-439

BUS STOP IMPROVEMENTS

PROJECT STATUS: Scope Change

Cost Change

City of Ames, Iowa
Capital Improvements Plan

DESCRIPTION/JUSTIFICATION

One of the most frequently received customer suggestion CyRide receives is regarding the condition, or lack, of amenities at its more than 425 bus stop locations throughout the city. Therefore, over the next four year period (2013/14 through 2016/17), CyRide will install three new bus shelters (\$36,000 per year) and move two existing bus shelters to new locations each year (\$10,000 per year) thereby increasing the total number of bus shelters for CyRide’s customers. The specific locations will be identified each year based on CyRide’s ability to complete installation at sites that year and the bus stop priority list based on a previous shelter study. Funding for these shelter replacements and new locations will be funded with 80% federal dollars administered by the State of Iowa and 20% local funding from CyRide’s budget.

COMMENTS

CyRide’s new shelter design will be continued from its first prototype shelter located at Dickenson and Mortensen.

Previous Capital Improvement Plans anticipated spending \$50,000 per year on a new shelter program for the foreseeable future. With the reduction in federal funding, CyRide will not be able to continue this improvement program past 2016/17, will be installing three instead of five new shelters per year, will move current shelters in better condition to new locations to expand its shelter program and will need to reduce the annual amount to \$46,000 per year.

LOCATION

FISCAL YEAR PRIORITY		4	4	4	4	4
	TOTAL	2013/14	2014/15	2015/16	2016/17	2017/18
COST:						
Pads, Benches, Shelters	184,000	46,000	46,000	46,000	46,000	0
TOTAL	184,000	46,000	46,000	46,000	46,000	0
FINANCING:						
Transit Fund	36,800	9,200	9,200	9,200	9,200	0
Federal 5310 Grants	147,200	36,800	36,800	36,800	36,800	0
TOTAL	184,000	46,000	46,000	46,000	46,000	0
PROGRAM - ACTIVITY:		DEPARTMENT:	ACCOUNT NO.			
Transportation – Transit		CyRide	552-1150	552-1154		
			552-1157	552-1163		

**CyRide 5 Year Pro Forma
Revision 2**

Operations	FY13	Incr.	FY14	Incr.	FY15	Incr.	FY16	Incr.	FY17	Incr.	FY18
Beginning Balance	\$ 786,976		\$ 947,866		\$ 819,944		\$ 757,174		\$ 737,759		\$ 874,222
State Operating	\$ 590,000	1.7%	\$ 600,000	2.0%	\$ 612,000	2.0%	\$ 624,240	2.0%	\$ 636,725	2.0%	\$ 649,459
FTA Operating	\$ 1,761,052	18.8%	\$ 2,092,553	3.0%	\$ 2,155,330	3.0%	\$ 2,219,989	3.0%	\$ 2,286,589	3.0%	\$ 2,355,187
ISU	\$ 641,872	5.0%	\$ 673,965	5.0%	\$ 707,664	6.2%	\$ 751,539	6.2%	\$ 798,134	6.2%	\$ 847,619
City	\$ 1,463,659	5.0%	\$ 1,536,842	5.0%	\$ 1,613,684	6.2%	\$ 1,713,732	6.2%	\$ 1,819,984	6.2%	\$ 1,932,823
GSB	\$ 3,499,053	5.0%	\$ 3,674,006	5.0%	\$ 3,857,706	6.2%	\$ 4,096,884	6.2%	\$ 4,350,890	6.2%	\$ 4,620,646
GSB for Extra Service	\$ 160,000										
Transit Contracts	\$ 293,927	2.3%	\$ 300,650	3.0%	\$ 309,670	3.0%	\$ 318,960	3.0%	\$ 328,528	3.0%	\$ 338,384
Farebox	\$ 368,500	0.1%	\$ 368,900	0.5%	\$ 370,745	0.5%	\$ 372,598	0.5%	\$ 374,461	0.5%	\$ 376,334
Advertising	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000	0.0%	\$ 120,000
DOT/MPO/Int./Misc	\$ 83,300	-8.1%	\$ 76,553	0.0%	\$ 76,553	0.0%	\$ 76,553	0.0%	\$ 76,553	0.0%	\$ 76,553
Operating Revenues	\$ 8,981,363	5.1%	\$ 9,443,469	4.0%	\$ 9,823,350	4.8%	\$ 10,294,495	4.8%	\$ 10,791,865	4.9%	\$ 11,317,004
Wages	\$ 4,414,823	3.3%	\$ 4,560,643	2.8%	\$ 4,688,341	2.8%	\$ 4,819,615	2.8%	\$ 4,954,564	2.8%	\$ 5,093,292
Normal Growth	\$ 160,000	2.8%	\$ 164,480	2.8%	\$ 169,085	2.8%	\$ 173,820	2.8%	\$ 178,687	2.8%	\$ 183,690
Benefits (no Health Ins.)	\$ 811,850	2.2%	\$ 829,425	2.8%	\$ 852,649	2.8%	\$ 876,523	2.8%	\$ 901,066	2.8%	\$ 926,296
Health Insurance	\$ 497,215	8.0%	\$ 536,900	8.0%	\$ 579,852	8.0%	\$ 626,240	8.0%	\$ 676,339	8.0%	\$ 730,447
Payroll	\$ 5,883,888	3.5%	\$ 6,091,448	3.3%	\$ 6,289,928	3.3%	\$ 6,496,198	3.3%	\$ 6,710,656	3.3%	\$ 6,933,724
Next Bus						\$ 100,000	0.0%	\$ 100,000	0.0%	\$ 100,000	
Internal Services	\$ 266,532	2.2%	\$ 272,316	2.4%	\$ 278,852	2.4%	\$ 285,544	2.4%	\$ 292,397	2.4%	\$ 299,415
Insurance	\$ 213,521	6.7%	\$ 227,896	5.0%	\$ 239,291	5.0%	\$ 251,255	5.0%	\$ 263,818	5.0%	\$ 277,009
Contractual	\$ 622,006	2.5%	\$ 637,706	4.4%	\$ 665,765	4.4%	\$ 695,059	4.4%	\$ 725,641	4.4%	\$ 757,570
Commodities (no fuel)	\$ 335,725	1.9%	\$ 342,025	3.0%	\$ 352,286	3.0%	\$ 362,854	3.0%	\$ 373,740	3.0%	\$ 384,952
Fuel	\$ 1,120,000	7.1%	\$ 1,200,000	5.0%	\$ 1,260,000	5.0%	\$ 1,323,000	5.0%	\$ 1,389,150	5.0%	\$ 1,458,608
Services/Commodities	\$ 2,557,784	4.8%	\$ 2,679,943	4.3%	\$ 2,796,193	7.9%	\$ 3,017,712	4.2%	\$ 3,144,746	4.2%	\$ 3,277,553
Operating Expenses	\$ 8,441,672	3.9%	\$ 8,771,391	3.6%	\$ 9,086,121	4.7%	\$ 9,513,910	3.6%	\$ 9,855,402	3.6%	\$ 10,211,277
Capital Transfer	\$ 378,801		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000
Ending Balance	\$ 947,866	11.2%	\$ 819,944	9.3%	\$ 757,174	8.3%	\$ 737,759	7.8%	\$ 874,222	8.9%	\$ 1,179,949
											11.6%
Capital											
Beginning Balance	\$ 1,277,119		\$ 343,818		\$ 318,423		\$ 615,593		\$ (101,766)		\$ (381,246)
State/Federal	\$ 6,217,706		\$ 2,997,581		\$ 976,800		\$ -		\$ -		\$ -
5339 Formula			\$ -	3.0%	\$ -	3.0%	\$ -	3.0%	\$ -	3.0%	\$ -
ISU Parking	\$ 17,000		\$ 17,000		\$ 17,000		\$ 17,000		\$ 17,000		\$ 17,000
Interest	\$ 10,000		\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000
Capital Transfer	\$ 378,801		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000		\$ 800,000
GSB Transfer	\$ 266,785		\$ 96,170		\$ 96,170						
Capital Revenues	\$ 6,890,292		\$ 3,915,751		\$ 1,894,970		\$ 822,000		\$ 822,000		\$ 822,000
FY13 Budget	\$ 7,823,593										
Building			\$ 2,525,976		\$ 150,000		\$ 150,000		\$ 150,000		\$ 150,000
Buses (Grants)		3	\$ 1,221,000	3	\$ 1,257,630						
Buses (Local)						3	\$ 1,295,359	2	\$ 889,480	2	\$ 916,164
Shop Equipment			\$ 86,000		\$ 50,000		\$ 50,000		\$ 50,000		\$ 50,000
Computers			\$ 12,000		\$ 12,000		\$ 12,000		\$ 12,000		\$ 12,000
Support Vehicle					\$ 32,000		\$ 32,000				\$ 32,000
NextBus Operating			\$ 96,170		\$ 96,170						
Capital Expenses	\$ 7,823,593		\$ 3,941,146		\$ 1,597,800		\$ 1,539,359		\$ 1,101,480		\$ 1,160,164
Ending Balance	\$ 343,818		\$ 318,423		\$ 615,593		\$ (101,766)		\$ (381,246)		\$ (719,410)

1/14/2013 10:29 AM

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: January 17, 2013

SUBJECT: FUTURE OF FUEL CONTRACTING

BACKGROUND: For the past three years, CyRide has purchased a portion of its fuel under contracts in an effort to stabilize and possibly gain financial benefits from this type of fuel purchasing method. The decision to switch to this type of purchasing arrangement was a direct response to the volatile fuel market in 2007/08 when prices increased from \$2.00 to \$4.00 per gallon in a short span of time. After several experiences, CyRide staff has identified April through March, excluding the months of June and July, as the best months for contracting, based on the quantity of fuel purchased and the volatility of fuel during these months. Historically, the prime time to enter into fuel contracts to gain the best price is in February/March, just prior to the farming session and summer driving season where larger large amounts of fuel are utilized.

INFORMATION: CyRide has entered into four fuel contracts from 2009 through 2012, with mixed financial results as follows:

Time Period	Savings/Additional Expense
May 2009 – December 2009	+\$35,239.99
March 2010 – December 2010 (est.)	(\$5,000.00)
August 2011 – March 2012	+\$18,401.69
May 2012 – March 2013 (partial)	(\$29,971.23)
TOTAL	\$18,670.45

In each contract, CyRide was able to stabilize fuel expenses and provide better budget projections, ensuring that this larger cost in CyRide’s operating budget remains within budget. Therefore, one of the two goals in its fuel contracting program (budget stabilization) has been achieved. The second goal of financial savings, overall, has been met (savings of \$18,670.45); however, half of the fuel contracts have resulted in more dollars being spent under a contract than the market rate.

With these mixed results, CyRide staff is seeking Transit Board guidance on the future direction of CyRide's fuel contracting program. Typically, the Transit Board in January or February of each year approves entering into a new contract based on certain criteria. If CyRide desires to continue this method of purchasing fuel, staff would need to begin this process shortly. The following section describes the process and proposal, if the Transit Board desires to enter into another fuel contract.

Fuel Contracting Process and Proposal

CyRide staff and the Transit Board of Trustee's establish a guideline for fuel contracting that commits no more than 70% of its total annual fuel usage (210,000 of the approximately 320,000 total gallons) to purchases under a contracting method. The remaining approximately 30% is purchased at a fixed price + mark-up/deduct on the market rate, which is also bid at the time contract bids are received.

The process used to purchase fuel under a contract method is slightly different than normal purchases as decisions need to be made immediately upon receipt of bids, which does not provide time to gain approval from the Transit Board or City Council. Staff has worked with the City of Ames Purchasing Department and developed a method to procure fuel that does not violate city or state purchasing requirements. Specifically, the following process would be followed:

- Enter into contracts for up to 4, two-month period, which would extend through November/December 2013.
- Gain approval from the Transit Board and City Council for a total fuel contract price **not to exceed** \$619,500 for 4, two-month contracts, for up to 168,000 gallons of fuel. (The not-to-exceed amount for the fuel contract bid is calculated based on 42,000 gallons multiplied by the 2012/13 budget price per gallon of \$3.50 per gallon and 126,000 gallons multiplied by the 2013/14 budget price per gallon of \$3.75.)
- In conjunction with the City of Ames Purchasing Department, prepare a Request for Proposal for fuel contracts due to the City in February or March 2013.
- At the time the bids are received, award up to 4, two-month contracts to the lowest bidder that does not exceed the approved total amount and that it is believed will benefit CyRide.
- In April 2012, report to the Transit Board the bid results and resulting award, if any.

This shorter contracting period (four contracts versus five in past bids) will allow CyRide to adjust its contracting schedule to take advantage of a change in when the best pricing can be achieved. The best time historically has been in February/March of each year; however, this last year the best months were December/January.

ALTERNATIVES:

1. Approve up to 4, two-month fuel contracts at a total price not to exceed \$618,500 and accept fixed rate + mark-up/deduct for the remainder of CyRide's fuel purchases.
2. Do not enter into a contract at this time and request staff to develop additional proposals.
3. Do not enter into a contract and instead purchase fuel at the time it is needed at the market rate.

RECOMMENDATION:

The Transit Director recommends alternative #1 to solicit bids for a portion of CyRide's fuel requirements under a contract and the remainder under fixed rate + markup/deduct, thereby stabilizing fuel expenses in a portion of the next budget year. Once bids are received, CyRide staff will be able to determine if the bids reasonably reflect the current market for 2013 and then determine if any or all four contracts should be purchased.

Transit Director's Report

January 2013

1. NextBus Update

CyRide staff has been working with NextBus representatives to determine the signal coverage of its currently installed AT & T vehicle tracking system, to determine if there are issues where the NextBus information cannot be received. (CyRide's purchasing proposal required a Verizon-based system, which will not be available until at least March 2013.) After analysis by NextBus based on data gathered from the current system, there were no "dead spots" found in the AT & T system. As a result, staff is working toward a February 1, 2013 launch date for this system.

There are two issues that are currently being addressed prior to the launch date. First, CyRide's web service has not completed updating its homepage to include a new "button" that will take customers to the page that links them to this system. It is hoped that this will be completed prior to Feb. 1. If not, the system will be launched without this feature and customers will be able to gain access through the NextBus website. Second, NextBus is working on system programming that will accurately predict vehicle times on CyRide's 30+ "extra" buses that help the scheduled buses. These extra buses purposely operate behind or ahead of these scheduled buses. If this is not modified, it could mislead customers into believing that a scheduled bus is early or late.

CyRide has offered to demonstrate the system to GSB prior to February 1 and is waiting to hear back whether this would be beneficial for the students and able to be included in their meetings.

2. Disadvantaged Business Enterprise (DBE)

The federal government requires transit systems receiving federal funds to follow guidelines to try to achieve higher contract participation levels for individuals/firms considered to be Disadvantaged Business Enterprises. New regulations became effective on October 1, 2012 and transit systems were given until April 1, 2013 to complete new documentation on their DBE programs. CyRide will complete this documentation by the end of January, and as required, will need Transit Board approval of the document. This will be placed on the February Transit Board agenda.

3. New Elementary School

The Ames School District is currently designing a new Elementary School on Miller Ave. in west Ames. This location is approximately one block north of CyRide's Purple Route terminus. This route ends at Miller and Mortensen in an intersection designed to be wider (equivalent to a turnaround), in order for CyRide to turn its bus around without having to operate on residential streets. With the additional traffic on Mortensen traveling to the

new school, CyRide will not be able to safely make this “u-turn” in the middle of the intersection once the school is built. Therefore, CyRide, through the City’s Development Review Committee process, has requested use of the School Districts’ bus turnaround to end the Purple route once the school is built. The Purple route operates three morning and three afternoon trips each weekday.

4. Facility Construction Schedule

CyRide released a bid for its facility construction project on January 3, 2013 with a bid due date of January 31, 2013. Just prior to this release, CyRide staff became aware that Iowa State University had also selected January 31, 2013 as the bid due date for the Fredricksen Court construction project. As a result, CyRide moved its bid due date back to February 6, 2013 so that more contractors will potentially be able to participate in CyRide’s project. As a result, the City Council is legally obligated to award the contract by the February 12, 2013 Council meeting. CyRide’s next Transit Board meeting (after discovering that a quorum would be impossible between Feb. 6 – 12), is scheduled for February 14, 2013. Therefore, the City Council’s action on February 12 will be subject to the Transit Board’s approval on February 14, 2013.

February

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
				Transit Board Meeting – 5:30pm		
17	18	19	20	21	22	23
		← Sheri to	→ Washington DC			
24	25	26	27	28	2013	