

The Ames Transit Agency Board of Trustees met on August 26, 2014 at 8:00 a.m. in the CyRide Conference room. President Murrell called the meeting to order at 8:05 a.m. Present: Trustees Madden, Goodman, Haila, Abbas, Murrell and Schainker.

APPROVAL OF MINUTES: Trustee Haila made a motion to approve the July 30, 2014 Transit Board meeting minutes as presented. Motion seconded by Trustee Madden. (Ayes: Five. Nays: None. Motion carried.)

PUBLIC COMMENTS: No public comments.

OPERATING DEMONSTRATION PROJECT UPDATE: Director Kyras explained that staff had begun exploring the idea of working with a private bus operator to determine if a collaborative project could be beneficial to both organizations. She further explained that CIT (Central Iowa Transit) had purchased two transit-style buses, which are similar to CyRide buses. Further, that since CyRide was struggling in keeping pace with its growth, there might be an opportunity to use these buses in CyRide's daily service. She indicated that any discussion of collaboration at this time centered on a demonstration project only to see if the concept could be successful.

Director Kyras summarized the initial project concept as follows:

- Route - Operating service on the Cardinal Route
- Two buses - Only one CIT bus is equipped with a wheelchair lift so CyRide would lease one bus to CIT to operate this service for CyRide, as CyRide's fleet is fully accessible.
 - a) Lease arrangement would be \$50 dollars a day
 - b) Bus must be stored inside
 - c) Maintenance would be completed by CyRide employees and CIT would pay for the cost of repairs
 - d) Damage to CyRide would be repaired by CyRide; paid by CIT
- CIT's buses would need to be equipped with the same equipment as CyRide buses, with CyRide providing the equipment at no cost, but CIT paying for their installation. Exception is the farebox as the Cardinal route is a free circulator route and does not need a farebox.
- Insurance would be the same as in the HIRTA and Durham contracts.

She then explained the driver requirements being discussed as part of the demonstration project and FTA requirements included in the packet of information at the board meeting.

Director Kyras inquired as to whether board members believed that the demonstration project was worth pursuing further. Trustee Haila asked staff's perspective and comfort

level in contracting with an outside company for part of CyRide's service. Director Kyras shared that she believes, in concept, it would be a beneficial project for CyRide as it would reduce the number of drivers and buses CyRide would need to provide service and house more buses inside at a time when the facility is challenged to keep pace with its growth. However, she indicated that it requires more administrative time to monitor the contract and make sure that a contractor is providing a quality service that also meets all FTA requirements. It also allows more opportunities for mistakes due to the loss of direct control over this portion of its operations.

Trustees Goodman and Schainker shared that they thought it was a good idea to proceed in further studying the collaboration. Trustee Schainker asked about the signage and how passengers would know the CIT bus was a CyRide bus. Director Kyras indicated that this was one of the details that would need to be worked through prior to making a decision on the service, but she indicated that signage in the front window of the bus could indicate it was part of CyRide's service. Magnetic signage on the side of the buses was also discussed.

Director Kyras shared that the next step would be to complete a financial analysis, comparing CIT's costs to CyRide's operating and capital costs.

Trustee Haila asked if staff knew why CIT might be interested in providing this service for CyRide. Director Kyras responded that it provides a reliable, steady source of income that keeps its buses busy for a portion of each weekday.

Trustee Goodman shared that he believes that the project is a good idea and is interested in the additional information that staff will prepare, especially the total net value to CyRide.

Trustee Haila indicated that, from the capital side, it is a significant benefit as it requires two less CyRide buses and the buses operated by CIT would need to be stored inside, per the current discussions, where CyRide buses are parked outside.

By consensus, Trustees reconfirmed their approval to continue the demonstration project to contract with a private firm to operate two of their transit buses in CyRide service.

Trustee Schainker indicated that because the project was a short-term demonstration project with CIT, the local purchasing requirement to bid service could be waived by the Ames City Council. Director Kyras acknowledged that if the demonstration project continued past the demonstration period, that it would need to be bid.

ISU-GSB-TRANSIT BOARD DISCUSSION SUMMARY: Director Kyras shared with board members a summary of the information presented and discussed at the joint ISU-GSB-Transit

Board committee meeting. Trustees Murrell and Madden were present at the meeting held on August 4, 2014.

Director Kyras briefly shared the following material provided to the committee via a PowerPoint presentation:

- CyRide ridership history and projections;
- Funding history-three-party local dollars, as well as state and federal dollars
- CyRide's GSB Trust Fund history and projections
- CyRide bus and facility needs

She indicated that at the close of the presentation she shared with the committee the following question that the Transit Board had been contemplating. "Does the university, students and transit board desire to continue to grow and finance CyRide's system to meet increasing ridership demand (status quo) or is the group interested in investigating ways to reduce ridership and control its growth in light of increasing enrollment (service reduction).

She shared a summary of the group's discussion as follows:

- The group felt the presentation was helpful, but believes that they do not have a complete understanding of the situation and were uncomfortable in recommending any course of action until they had a better understanding of CyRide's services and how a recommendation could impact that service.
- There was a lengthy discussion on current student fee levels, the GSB Trust Fund balance and a question of what the fee would need to raise to in the future to keep current levels of service.
- There was a lengthy discussion on the pros and con's of possible alternatives that could be implemented to control ridership growth at peak times, such as evening classes, weekend classes, staggered class times, etc.
- Some members of the group felt strongly that the flow of traffic on Osborn Drive needed a study to determine how to make the street feel safer to students as they moved through the corridor.

As a result of the discussions, Director Kyras shared that the following actions were agreed upon by the committee, with information to be provided for the group's next meeting to be set in September 2014. First was a financial analysis to determine how much students fees would need to raise to address CyRide needs into the future. Staff recommends looking at three scenario's for this analysis:

- 1) 100% of additional costs to keep pace with the growth provided by students/ISU
- 2) 90% of the additional costs provided by ISU/students, 10% by the City
- 3) Additional costs allocated by current three-party shares (63% students, 11% ISU and 26% City)

Transit board members asked what the farebox revenue was before Fare Free. Tom Davenport, CyRide's Transit Coordinator, shared that prior to the Students Fare Free funding structure, that revenue from the farebox was about \$750,000 and now it is about \$250,000.

Trustee Madden provided history on ISU's portion of CyRide funding. He indicated that the original ISU share was calculated based on the cost to provide bus transportation to the Vet Med complex so that students had free transportation to this area of campus.

The second action step identified by the committee was for GSB to seek input from students on bus service and specifically on options that might be acceptable to students that would result in lower peak ridership periods. GSB would hold open forums during the fall to gain this input with CyRide staff providing a presentation at these meetings on the status of CyRide and needs.

President Murrell said a meeting had been held with students and more would be scheduled to help the group better understand the situation. When the group feels it has enough information, Director Kyras will be asked to attend to answer questions.

Trustee Madden shared that Iowa State's Administration does not have a lot of enthusiasm to restructure classes as a solution to CyRide's ridership peaks. Further, he shared another concern that ISU is examining regarding congestion on Osborn Dr. He indicated that ISU has monitored the types of vehicles that pass through the Osborn Drive gates and over 60% of the traffic on this street is buses. He indicated that eliminating ISU vehicles and delivery vehicles would only affect 1.5% and 2% of the vehicles going through the gates as most ISU service vehicles try to avoid the peak hours on campus.

The third committee action item was to hire a consultant to evaluate the options the students determined were feasible and to develop a plan the community could implement.

Trustee Goodman shared his thought that the conversation regarding CyRide funding has been ongoing for over a year and that budget discussions would soon begin without a resolution on the three funding partners "fair share." As a result, he offered that in light of ISU enrollment increases, the Transit Board agree on a different percentage split between the three parties than has been the past/current funding model. He suggested a 90% student/ISU and 10% city share for all new services. He indicated that these percentages could be discussed, possibly 85%/15%, but that the transit board needed to address this issue shortly.

The discussion then turned toward what a fair percentage split could be. Director Kyras shared that, under the fare free system, every student is paying to use the service, whether they use it or not. Trustee Schinker pointed out that residents are paying in the same manner through their property taxes for transit. A question was raised whether the City's property tax component for transit was in line with other metropolitan areas. Director Kyras explained that a comparison of this rate would need to include the service level provided for the dollars generated.

Trustee Abbas shared his thoughts that Ames was just ranked as one of the best college towns to live in and that CyRide was a part of what made the city a great place to live. He shared a concern that this funding/service level discussion was potentially taking a step back from this community asset in a way that would make CyRide less successful.

Trustee Schainker said it is difficult to adjust CyRide revenues with a major portion of this revenue being generated through fees as opposed to when customers board the bus. He believes that CyRide's ridership growth is as a result of providing unlimited access to CyRide services for a flat rate as opposed to paying for each ride when it is used. He further shared that this funding structure inhibits CyRide's ability to cover its costs without having to significantly increase student fees.

Trustee Haila shared that CyRide has an aging fleet, and as a result, he questions whether the current funding model will allow for the system to cover its operating and capital costs into the future. He offered a funding alternative where students on campus pay a certain fee and that off campus students pay a higher fee – making it more of a distance-based fee structure.

Trustee Goodman agreed CyRide is a great asset to the community and suggested that student representatives should talk to their fellow students about the real costs in an effort to come to agreement on how much each party should contribute to paying for CyRide services. He further shared his concerns about the Transit Board's approval of additional services in the 2014-2015 budget and the ability to year-after-year keep pace with CyRide's growth.

Trustee Schainker shared a concern about how student fees are funneled into CyRide's operating budget. He stated that when enrollment is higher than anticipated, the additional fee dollars are added to CyRide's GSB Trust Fund instead of the operating budget, making it difficult to provide the correct level of service for the increased number of students. Trustee Madden pointed out that this has been addressed after-the fact through the Fee Committee. Trustee Schainker shared that he believes there is a better way to address this issue so that funds are available when they are needed to provide the correct level of service.

Director Kyras reminded the transit board that this year, instead of budgeting a baseline increase, staff predicted the cost of service based on ISU's enrollment predictions for the 2014-2015 school year. She indicated that the predictions used would most likely still be low compared to more recent enrollment numbers.

Trustee Goodman shared that he was not ready to hire a consultant to study the impact of alternatives that could modify ridership levels. President Murrell agreed, but shared that the GSB President was interested in a consultant study on Osborn Drive.

The discussion turned toward traffic on Osborn Drive. Director Kyras shared that she was not surprised by the percentage of buses on this street and thought it would be higher than 63% found through ISU's analysis since CyRide provides 46,000 rides per day. She indicated that it takes a lot of buses to provide this level of service. Trustee Haila asked how many rides were

provided on the Orange Route from the commuter lot. Tom Davenport, CyRide's Transit Coordinator, indicated that this route provided between 12,000 – 14,000 rides per day and that approximately 850 bus trips go through Osborn Drive each weekday.

Director Kyras recommended that staff develop a five-year capital and operating budget with varying funding partner levels for new services so that future conversations regarding CyRide's funding could be based upon data.

Trustee Madden raised a question to other board members as to the goal of the ISU-GSB-Transit Board committee - reduce ridership or finance the transit system. Trustee Goodman stated that he believed that a focus should be to "get rid of the silly rides", but does not want to eliminate needed rides. He believes that unlimited rides are going to be unsustainable into the future.

Trustee Madden shared that technology is available for gathering data that would allow for off campus students to be charged a different fee. He further stated that it was a good discussion to engage in over this next year to determine a longer-term solution. He indicated that engagement of the student leadership and graduate students, which is a growing portion of student enrollment, was important.

Trustee Madden shared that students will have to determine, through their meetings, what level of service they want and how to pay for it. He indicated that the pressures on CyRide will continue with the Research Park development and other developments as well as areas like South Duff where students want better access by CyRide.

TRANSIT DIRECTOR'S REPORT:

- Triennial Review was the fourth review since becoming an urban area over 50,000. The audit reviews everything from system's operations, procurement, maintenance, fare structure to confirm everything complies with federal regulations. The review committee found no deficiencies in CyRide's program. This is only the third transit system in their region in eight years to achieve this finding. Trustee Haila commended CyRide staff for a glowing review and felt something should be done, such as a Press Release or a Council Proclamation, to acknowledge CyRide.
- Copper Beech contract is completed and Director Kyras was able to secure a three year contract commitment from the developer, with the option for CyRide to opt out each year. Also, the second and third year cost increases will be based on actual cost, with notification by January 1 of each year, or a maximum of 2.5% per year.
- At the request of the Transit Board, Director Kyras met with ASSET staff to begin planning for a meeting to discuss HIRTA services. Director Kyras shared ASSET staff's request for a meeting with the board, or several members of the board, to share ASSET's perspective on HIRTA services as opposed to scheduling a larger group meeting at this time.

Trustee Schainker shared his thoughts that the transit board members responsibility was to provide Dial-A-Ride service that met ADA requirements, as opposed to a larger community discussion about all HIRTA services. Trustee Goodman shared that he feels there is reason for a conversation regarding HIRTA to set expectations on the way clients are being treated.

Trustee Goodman asked Director Kyras to provide more information on the purpose of the smaller group meeting. Director Kyras indicated that the ASSET staff works more directly with the human service agencies and that they believe they can provide board members with a balanced perspective on the issue, which is more difficult to do in a larger group setting. Trustee Goodman agreed to be one of the transit board members to attend the meeting with ASSET staff. Trustee Haila agreed to be the other transit board member. Director Kyras will schedule a meeting outside of the board meeting with Deb Schildroth, Melissa Mundt and Jean Kresse to meet with the Transit Board representatives.

SET TIME AND PLACE OF NEXT MEETING: September 30 at 8:00 a.m. Dates for October and December meetings are Thursday, October 30, 8:00 a.m. and Thursday, December 4, 8:00 a.m.

Meeting adjourned at 9:32 a.m.

Zachary Murrell, President

Joanne Van Dyke, Recording Secretary