

AMES, IOWA

June 23, 2015

The Ames Transit Agency Board of Trustees met on June 23, 2015 at 8:00 a.m. in the CyRide Conference room. President Haila called the meeting to order at 8:00 a.m. with Trustees Abbas, Teubert, Schainker, Madden, Haila and Gartin present.

APPROVAL OF MINUTES: President Haila made a correction to the Transit Director's report stating that the amount Copper Beech is to remit is \$113,000, not \$133,000.

Trustee Abbas made a motion to approve the April 30, 2015 minutes as amended and seconded by Trustee Teubert. (Ayes: Six. Nays: None.) Motion carried to approve the corrected minutes.

CYRIDE AWARDS RECOGNITION: Director Kyras shared that CyRide had an extraordinarily successful IPTA Annual Meeting and state bus rodeo the previous week. She then shared the results of the state bus rodeo by introducing, Kevin Gries, CyRide driver, who took first place in the large bus competition and will represent CyRide and the State of Iowa at the APTA National Rodeo in Charlotte, North Carolina in May of 2016, and Jason Bollman, CyRide driver, who took third place in the small bus competition. She also shared that Nathan Shimanek, CyRide driver, also took second place in the small bus competition and that CyRide was represented in three out of the six place possible bus rodeo awards.

Director Kyras then shared with board members the awards the Federal Transit Administration presented CyRide: the Award of Excellence for the highest ridership increase, 12.3%, among the large urban transit systems in the state. She stated that this award represented the hard work that all CyRide employees had made over the past year to meet the rapidly increasing needs of the community within a short period of time.

CyRide also received the State of Iowa award as the most improved transit system in the State of Iowa, with an increase in ridership and decrease in operating costs.

Trustee Madden asked what the driver's competition entailed. Jason Bollman, CyRide driver, explained to the transit board that the rodeo is a competitive, precision obstacle course where drivers drive through barrels and make various maneuvers simulating situations they encounter in daily driving. The Transit Board members congratulated the drivers on their outstanding work.

RICK SANDERS, STORY COUNTY BOARD OF SUPERVISORS PRESENTATION: President Haila introduced Rick Sanders, Supervisor with the Story County Board, who shared his transportation vision for the future and discussed his thoughts on the county's perspective regarding HIRTA services. First, he provided his insight on the transportation gaps throughout the county. He indicated that with the renovation of the

county court house and moving county jobs to Nevada, that there will be a growing need for travel between Ames and Nevada in the next several years.

The transit board asked Mr. Sanders to provide additional details about the types of service needed between the two communities - all day service or certain times only. Mr. Sanders indicated a need for morning, midday and afternoon trips. He further explained that it is a targeted population, primarily those with business in the court house. Further, he indicated that transportation between the two communities could improve affordable housing options for individuals working in Ames. Trustee Schainker asked if this type of service was possible. Director Kyras indicated that CyRide could contract with another entity for service, similar to the contract with Copper Beech for service.

Trustee Madden mentioned the vanpool service Iowa State University has, but that the demand fluctuates and that he does not know how compatible this transportation would be for these patrons to use. Further, he indicated that if the core develops along Highway 30, this type of service could support these businesses, but that the economics of a service of this type is a challenge.

The discussion then turned to the paratransit/Dial-A-Ride service provided by HIRTA. Director Kyras explained the concept behind the proposal - to add an unscheduled bus each day as a way to help keep the service within the city on time. This would, in turn, help to keep service outside of the city more timely as well. Director Kyras reminded board members that the Transit Board had approved the capital funding for this project and that the State had recently approved a portion of the operating funding. She indicated that they were still waiting to find out if United Way would be able to fund the remaining piece of the project.

Mr. Sanders shared his thought that since Heartland Senior Services contract was terminated, HIRTA had struggled in providing paratransit/Dial-A-Ride service within the county. He also indicated that he believes they have a genuine desire to improve the service and to meet individual transportation needs. He also acknowledged the number of people commuting between Ames/Nevada and Des Moines.

President Haila shared his thoughts that the paratransit/Dial-A-ride service would be an appropriate topic to discuss with CyRide's legislative partners, both federal and state representatives. Mr. Sanders agreed and used the transit issue of significantly higher federal funding for Des Moines versus Ames as an example of the type of issues that could be discussed.

The discussion returned to the need for service between Nevada and Ames. Trustee Madden asked if CyRide could provide this additional service. Director Kyras indicated that CyRide could secure the capital needed for the service and, with enough notice, could implement the service.

Mr. Sanders inquired about CyRide's budgeting process for new services. Director Kyras explained CyRide's budget process, indicating that beginning discussions in September would allow for a budget option for the Nevada to Ames service to be included for consideration in the next year's budget.

Trustee Gartin said it would be helpful if Story County could provide more detailed information regarding needs, such as an estimated number of clients that would use this service. He suggested the possibility of working with legal aid and the public defender's office regarding a survey of travel needs between the two communities.

Trustee Madden offered the possibility of, at least initially, providing some service with ISU's Help Van.

Mr. Sanders acknowledged the discussion and indicated that the two governing bodies could discuss service from Nevada to Ames through the budgeting process in the future.

INTRODUCTION OF NEW CYRIDE TRANSIT SCHEDULER/ADMINISTRATIVE ANALYST: Director Kyras reminded board members that Tom Davenport, CyRide's Transit Coordinator, had submitted his resignation, retiring effective September 30, 2015. She indicated that Rob Jennings had been hired to replace Mr. Davenport, under a new job title, "Transit Scheduler/Administrative Analyst." Director Kyras asked Mr. Jennings to provide background information regarding his job experience and education.

Rob Jennings stated that he began as a driver with CyRide in 2006 and moved to a dispatching position. Further, he indicated that he had finished his ISU degree in accounting and Transportation and Logistics/Supply Chain Management. He indicated that he has experience in accounting, employed by a John Deere dealership.

PUBLIC COMMENTS: None

CYRIDE FACILITY CONSTRUCTION ACCEPTANCE OF FINAL COMPLETION AND RELEASE OF RETAINAGE: Director Kyras shared with board members the history of the last CyRide construction project, including its improvements, original construction cost and retainage amounts of \$249,282.14. She also indicated that there was one subcontractor's claim that was resolved, all lien waivers have been received and two pay applications remain to be paid, totaling the retainage amount.

Trustee Madden made a motion to adopt Alternative #1 to accept final completion and approve final payments in the amounts of \$57,624.52 and \$192,657.62 to Henkel Construction Company for completion of the Ames Transit Agency facility construction. Trustee Abbas seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

Trustee Madden asked if CyRide staff was periodically training staff on the flood gates and ensuring that they are working correctly. Director Kyras stated CyRide knows that they work as they were inadvertently raised last year when the drains below the gates became blocked and water pooled over the gates, causing them to raise. Mr. Leners shared CyRide's standard operating procedures for flood protection, indicating that CyRide will request help from a construction company to periodically check the flood doors and gates, and staff will consistently review the facility flood plan.

FUEL CONTRACT TERMINATION FOR CONVENIENCE: Director Kyras shared with board members that CyRide is currently purchasing fuel at the market (rack) rate plus a vendor mark-up contract approved by the board in December of 2014 and awarded to REG Energy Group. However, prior to this recent award and subsequent contract, CyRide had a predetermined rate contract with Keck Energy, which sets the price throughout the year. She further explained that original the bid for this contract was for a three-year period, but when evaluating bids, it was determined that a one-year period was most advantageous to the transit system. However, the contract language for this shorter term was not reflected, resulting in CyRide currently having two fuel contract in effect simultaneously. This fact was brought to staff's attention in May 2015, approximately half way through the current REG contract. Therefore, CyRide, the City Attorney's office and City of Ames Purchasing Department developed a plan that would be fair, and provide benefit to both parties. This plan will terminate the contract for convenience with REG upon approval by the Transit Board and City Council, with remaining purchases for the calendar year with Keck Energy. At the end of the year, the Keck Energy contract will also be terminated for convenience and the fuel rebid for the 2016 calendar year, allowing both parties to seek the new contract.

Trustee Madden made a motion to adopted Alternative #1, to terminate the REG Fuel Contract (RFP #2015-106) immediately and terminate the Keck Energy Fuel Contract (RFP #2014-100) effective December 31, 2015 as provided by the Termination for Convenience contract clause included in both fuel procurements. The total amount of \$1,200,506.20 budgeted for fuel remains the same. Trustee Abbas seconded the motion. Board members then discussed the motion.

President Haila inquired if Keck Energy had requested any type of compensation. Director Kyras stated that they had not and were satisfied with the plan developed. Further, she stated that both vendors believe that the plan was a fair agreement, under the circumstances.

Trustee Gartin requested further explanation on how the situation occurred. Director Kyras said this is a unique situation for CyRide and the City's Purchasing Department as CyRide has typically only bid 12 month fuel contracts prior to the Keck Energy contract, but had tested the market to see what kind of rates CyRide could receive for a longer term contract. When receiving the bids, it was apparent that only national firms had the flexibility to competitively contract beyond a 12 month period. It was determined at

that time that a longer term contract was not a competitive bid for all fuel contractors and then determined that a twelve-month contract was the only option. She indicated that, unfortunately, both CyRide and the Purchasing Department did not follow this change through to the contract language stage. It was simply an unfortunate oversight.

Trustee Gartin shared that he believes that CyRide can learn from this and suggested an electronic/master calendar when completing an annual contract and asked the transit board's perspective on this to keep track to manage our contractual obligations to protect CyRide. Directory Kyras stated that there are tracking processes currently in place though the City Clerk's office and with CyRide staff responsible for each contract, but that staff could look into a master calendar.

President Haila said the motion on the floor to adopt Alternative #1 had been made and seconded and, therefore, called for the vote. (Ayes: Six. Nays: None.) Motion carried.

CYRIDE FACILITY DISCUSSION: Director Kyras indicated that the facility discussion agenda item was included on the June agenda after a request from the April board meeting to have the new board representatives discuss the issue and provide staff with direction. She briefly referenced the materials presented at the April meeting, which referenced the fleet size and ability to house vehicles at the current site and possible future facility options. She emphasized that in August 2016, CyRide's projected fleet of 97 buses will not have enough bus storage space (indoor and outdoor) on this current site to house all vehicles. She indicated the three options presented in April included:

- Lease a surface lot or satellite structure
- Purchase land to construct a surface lot and/or satellite structure
- Relocate the facility to a new location

Since the April meeting, staff has had several conversations with FTA regarding the last option to relocate the facility. She indicated that the following processes would need to be completed and approved by FTA in order to proceed with this option

- A real estate appraisal
- A spreadsheet that lists all federal grants used to construct the current facility, year each was constructed and a depreciation schedule for each grant, based on the useful life of the building at 40 years

Further, she indicated that the federal remaining useful life of the facility could be transferred to a new facility, eliminating the need to physically pay back the Federal Transit Administration.

Director Kyras further explained that staff had begun assembling the numerous pieces of grant information needed to determine the potential federal interest in the current facility. The information contained in the board write up illustrates the estimated

information identified to date and she shared that when completed, she believes that the total undepreciated amount will be between \$16 and \$20 million dollars.

Director Kyras then shared with board members possible state and federal funding sources that could be used to partially support the three options presented. Federal sources include only one - the TIGER program, with up to an 80% federal funding share. State funding could be secured up to approximately \$660,000 per year under the Public Transit Infrastructure grant program. She also indicated that discretionary state funding could be sought under the Reinvest In Iowa Infrastructure grant program as well, and that the Des Moines DART system had secured funding through this program.

President Haila asked if the local share is funded by all three funding partners. Director Kyras indicated that the local dollars are supported by CyRide's capital budget, which is funded by all three parties.

Director Kyras provided a scenario of how the FTA might consider how to apply the federal share of the current building to a new facility, using a new building estimate of \$40 million. She stated that if the depreciated value of the current building was \$20 million, then the FTA would reduce their contribution by this amount (\$20 million) and then any grants that might be received would be for a maximum percentage of the remaining cost (80% of the remaining \$20 million dollars.) She also explained how FTA would treat the federal interest if the building were to be sold outright and not applied to a new facility. Shari Atwood, CyRide's Transit Planner, provided further clarification indicating that FTA either required the remaining depreciated federal interest or 80% of the sale price, whichever is higher. Director Kyras shared FTA's comment that transferring federal share between two facilities does not happen often due to the larger local contribution needed for this option.

Director Kyras shared staff's recommendation to find a satellite location where a building can be built in the long term and, in the short term, a surface lot to house the remainder of the fleet.

Trustee Teubert inquired if CyRide staff was comfortable with the estimated fleet size of 125 buses and what this estimate was based upon as he was concerned about not planning for the correct facility size in the future. Director Kyras indicated that it was an estimate based upon ISU's last "official" ten-year enrollment projection released in the fall of 2014 and with no new services included.

Trustee Schainker shared his thoughts regarding CyRide's current employee parking lot and reusing this space for bus parking instead, with creative options like a stand-alone building, parking ramps with employee cars on top of the facility, below-ground parking, etc. Director Kyras shared that the current facility master plan, completed in 2008 had designed the facility for a maximum of 90 buses and the current projection was 125 buses. She is concerned that this large of a fleet cannot be housed on the 4.5 acres

available and still be able to maneuver buses as needed. Brent Schipper, Principal Architect for ASK Studios, shared with board members his perspective on ramps and below ground parking options, indicating that these options required too much space to accommodate the vertical rise needed for these options within the limited area CyRide currently leases.

Trustee Schainker shared that CyRide needs to be more creative on where employees park their cars - whether it is a half a block away, at the Iowa State Center, roof parking, or a one story ramp facility. He indicated he believes the priority for the current site is for buses.

Trustee Madden shared his thought regarding employee parking at ISU lots to the west of CyRide's current facility. He indicated the issue with this surface parking is that the spray radiating from the cooling towers is harmful to the finish on a vehicle. Director Kyras said the surface parking at ISU could only be considered temporary, as ISU has long term power plant expansion plans on that site.

Trustee Schainker indicated that he recommends that an analysis of different employee parking options be accomplished. Further, he shared concerns with a satellite facility option in the higher cost to operate two facilities for a virtual 24-hour operation.

President Haila shared his concern of how to fund any option as the facility needs grow.

Director Kyras shared FTA's perspective regarding housing fleets at single versus multiple sites and at what point other transit systems begin contemplating two facility sites. She indicated that they indicated that when a fleet reaches approximately 100 vehicles, most systems look toward two sites as the area needed to house a fleet of this size is usually too large for one location.

Trustee Gartin asked about the enrollment/ridership projections and what they were based upon. He indicated that the impact of higher education funding in surrounding states could significantly impact ISU enrollment and consequently CyRide ridership and buses needed. He shared the case of State of Illinois tuition costs and the state of its budget as an example.

Trustee Madden shared with board members how ISU projects enrollment changes over the next ten-year period – in-state graduation numbers, percentage of high school graduates that desire to stay within Iowa, International student interest and surrounding state student trends. He shared that current predictions are that enrollment will increase modestly, in part due to the new Board of Regents performance-based funding model. Current trends that he shared:

- With the hiring of a new president, the University of Iowa could become more aggressive at capturing a larger percentage of Iowa high school students

- Iowa State University is the largest institution receiving between 1,800 to 2,000 transfer students.
- ISU is primarily an engineering and agriculture school and as the research park continues to grow to 6,000 employees in the next 10 years, CyRide will be asked to provide bus service.
- With the rest of Ames growth, there will be more pressures all around.

Trustee Madden agreed with Director Kyras that he believes that a satellite location is the best alternative, possibly some areas on State Street for a building site. He reminded the Transit Board about that CyRide facility study approximately eight years ago that identified 11 sites as potential satellite locations and that this list had been narrowed to three sites. Further, he shared that some of these sites had flaws after listing the pros and cons and were not conducive to a transit facility, and others were no longer available.

Trustee Schainker stated it was important to give CyRide staff direction to plan on both long and short term facility space so the transit board could put together a budget.

Trustee Abbas shared that he believes that it is important to find potential locations first, and then determine the feasibility of funding and building on a site. He suggested identifying two sites, evaluate them and then allow the board to provide staff further direction at that time.

Brent Schipper suggested the transit board include previous sites and list the pros and cons for that site, because it may appear to be the perfect site but has flaws.

Trustee Abbas made a motion to direct staff to research sites, both long and short term, and report back to the transit board at the August meeting. Seconded by Trustee Tuebert.

Trustee Gartin inquired if the CyRide staff has time to complete this request or whether a consultant would be needed.

Trustee Schainker suggested amending the motion to direct staff to research sites, both long and short term, and report back to the transit board at the August meeting and insert that staff include an operating cost with the satellite location.

Trustee Gartin further amended the motion on the floor to direct staff to research sites, both long and short term, and report back to the transit board at the August meeting and that staff include an operating cost with the satellite location and add that CyRide staff refer to the City Engineering staff, Damion Preigitzer, about the viable sites and to take into account the structure of the roads and how it impacts traffic. Trustee Abbas agreed to the amendment.

President Haila called for the vote on the floor.. (Ayes: Six. Nays: None.) Motion carried.

QUARTERLY OPERATION'S REPORT: President Haila asked Director Kyras, due to length of the meeting, to provide only highlights regarding the Quarterly Operations Report and Transit Director's Report.

Director Kyras highlighted the number of road calls, stating they continue to be higher in light of an aging bus fleet with fewer new buses being purchased as a result of the loss of federal capital grant opportunities.

TRANSIT DIRECTORS'S REPORT:

- Effective July 9, 2015, federal changes were made in the Commercial Driver's License requirements, which will significantly impact CyRide's ability to train an adequate number of drivers for the beginning of the fall term. This new rule will impact most all CyRide employees and will require more staff to get drivers through the training process as it lengthens this period. Director Kyras highlighted this issue as it will have an impact on future budgets. The impact on the current budget is that it will require higher overtime costs as CyRide will most likely be short drivers to meet demand this fall and drivers will be asked to work longer hours and on their days off to compensate for this shortage.
- Director Kyras asked the board on their thoughts regarding inviting state and federal legislators to CyRide's facility for a meeting to discuss CyRide needs. Meeting participants could include: Ames Transit Board of Trustees, CyRide staff, students, ISU and City of Ames. Trustee Gartin thought it would be a great idea to invite Iowa Senators and Representatives, but also to invite leadership for both houses, as well as the Governor's office so they can have a fundamental understanding of what CyRide is dealing with. Director Kyras will develop a presentation for these meetings and begin organizing meetings.

Trustee Teubert mentioned that in early July, the GSB student government will be meeting to begin formulating plans on what and how to effectively communicate students' needs, with CyRide being one of these topics. Director Kyras offered to be part of these discussions so that student government and CyRide worked together to improve services.

- Copper Beech, as of the end of May, has not remitted payment for the next school year. If payment is not received by July 1, the transit board has agreement to reduce the Plus Route service from 20 minutes to 40 minutes and this that will be reflected in bus schedule information.

Trustee Teubert asked if a notice could be sent to the Copper Beech management asking them to notify residence that service will be reduced.

President Haila strongly encouraged the notice be carefully written and that the City of Ames Legal Department approve any text before placing it in a bus shelter to avoid liability issues. The Transit Board asked that a letter be sent to Copper Beech identifying CyRide's reduction in service as a result of their non-payment.

- CyRide and its consultant will provide the Transit Board with a presentation at the next board meeting on the Orange Route Study. The final service recommendation could then be included as a service option for possible inclusion as a budget option the next year.

Set MEETING TIME AND PLACE:

- July 30, 2015 – 8 A.M. (Thursday)
- August 20, 2015 – 8 AM (Thursday)
- September 24, 2015 – 4 P.M. (Thursday)
- October 29, 2015 – 4 P.M. (Thursday) change to 4:00pm
- December 3, 2015 – 8 A.M. (Thursday)

Trustee Hamad made a motion to adjourn the Ames Transit Board of Trustees meeting at 9:43 a.m. Trustee Teubert seconded the motion. (Ayes: Six. Nays: None.) Motion carried.