

AMES TRANSIT AGENCY BOARD OF TRUSTEES
CYRIDE CONFERENCE ROOM

December 3, 2015

1. CALL TO ORDER: 8:00 A.M.
2. Approval of October 21, 2015 and November 12, 2015 Minutes
3. Public Comments
4. Fuel Purchase Bids
5. 2016-2017 Operating Budget
6. Five Year Capital Improvement Plan
7. Transit Director's Report
8. Set Spring Semester Meeting Times and Place:
 - January 13, 2016, 8:00 AM
 - February 17, 2016, 8:00 AM
 - March 23, 2016, 8:00 AM
 - April 29, 2016, 8:00 AM
9. Adjourn

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

October 29, 2015

The Ames Transit Agency Board of Trustees met on October 29, 2015 in the CyRide Conference room. President Haila called the meeting to order at 4:05 p.m. with Trustees Abbas, Madden, Haila and Schainker present. Absent: Trustees Teubert and Gartin.

APPROVAL OF MINUTES: Trustee Madden made a motion to approve the September 24, 2015 minutes. Motion seconded by Trustee Schainker. (Ayes: Four. Nays: None.) Motion carried.

PUBLIC COMMENTS: None.

PUBLIC PRESENT: President Haila acknowledged past Ames Transit Agency Board of Trustee Student Government Representatives and Presidents Daniel Rediske and Zachary Murrell who were in attendance.

2016-2017 POTENTIAL SERVICE CHANGES: Director Kyras explained that each year staff develops budget alternatives for possible service/staffing changes and asks the transit board to provide direction on the options they wish to have developed into budget alternatives for the December Transit Board meeting, when the budget is first presented to board members. She then provided board members with background information regarding ridership, number of vehicles required for service, estimated ISU enrollment and possible service changes the next fiscal year.

President Haila asked for an explanation of peak hour buses and Director Kyras said it is the time of day when the maximum number of vehicles are operating, where CyRide matches ridership with the number of buses required to not leave passengers at the bus stop. This year, the maximum number is 73 buses out at any time plus two CIT (Central Iowa Transit) buses, to carry the estimated ridership of 6.9 million rides for this year.

Trustee Gartin arrived at 4:10 p.m.

She then detailed ISU's new enrollment projects for the next ten year period, indicating the 2016-2017 budget year was expecting 540 more students. Director Kyras explained that ridership for the current was 2.4% higher; however, she indicated that this might be higher when cold weather begins. She also indicated that evening ridership was higher, and often times overcrowded, requiring the articulated and extra buses to be placed on routes. Trustee Haila asked what constituted an overcrowded bus. Director Kyras explained that an overcrowded bus occurs when there are more than 60 - 65 passengers, seated and standing.

Director Kyras explained the three service improvement priorities that the Transit Board member determined at their meeting in November 2014 - #1 - adding capacity, #2 - improving exist service and #3 - add new service. She indicated these priorities would help guide board members as they considered the potential service changes presented by staff.

She indicated the first service improvement for consideration was to add five additional hours of service to address the 540 additional students to be served in the next fiscal year. These hours would be added when overcrowding occurred on a trip. She recommended adding this to the baseline service as it would be required to meet the minimum level of service for next year. She estimated the increased cost to be \$82,240.

She explained that the second improvement for consideration was to add two minutes to each bus pulling out of the facility in the morning. She indicated that buses are currently so tightly packed within the facility that buses are leaving the facility late due to congestion issues. She stated that a laneworker arrives at CyRide at 5:00 a.m. to help move buses around, but with buses parked inside and outside, this job has become more than this employee can handle. She indicated the estimated cost for this change would be \$15,000.

She explained that the third potential improvement was meant to address the overcrowding of buses in the evening. One bus would be added to the #1A Red route from 6:30 p.m. to 9:00 p.m. each weeknight, a second one on the #3 Blue route each weeknight from 7:30 p.m. to 9:00 p.m. and drivers operating the #23 Orange route would extend their service one additional trip at the 4:47 p.m. and 6:07 p.m trip times. The estimated cost, collectively, is \$77,753.

Trustee Gartin inquired as to why these routes in the evening are overcrowded and the need for additional buses. Director Kyras stated that Iowa State is holding more evening classes and more students are traveling to/from campus in the evening, which creates more activity on the buses until approximately 10:00 p.m.

Trustee Gartin asked if there were routes that were not highly utilized and if CyRide could reduce service on these routes to compensate for possible additional services. Director Kyras responded that staff matches the size of bus to the ridership throughout the day. On routes will fewer riders, a small minibus is placed on this service. Trustee Gartin encouraged staff to monitor ridership closely and just not add a bus. Director Kyras said that ridership is monitored on a daily basis by the Dispatchers and CyRide's Schedule/Budget Analyst and that buses lowered and decreased daily to match demand. She further explained that CyRide has more "extra" buses that help scheduled tripstha it has scheduled trips. These "extra" buses can be added/dropped at anytime to help reduce overall expenses. She also indicated that the Transit Board reviewed all routes compared to a ridership/hour standard last year and that there were only three routes

they fell below the standard. She stated that these routes were provided more for the community as opposed to students. She indicated at that time that board members declined to reduce service.

President Haila asked if instead of three buses an hour, if CyRide could operate two buses an hour to reduce CyRide's costs. He further stated that instead of waiting 20 minutes, passengers would have to wait 30 or 40 minutes for a bus. He indicated that this would not be as convenient for our customers. Director Kyras said the system works on a timed transfer basis and to reduce service on some routes would not allow transfers to occur between buses.

Barb Neal, CyRide's Operations Supervisor, addressed questions about service peaking and explained that CyRide reduces service as needed every day. She indicated this is unique for CyRide as other systems have every trip shown on their schedule and cannot do adjust service daily. Further, she indicated that CyRide has as many extra buses as it has scheduled bus trips shown on the website/schedule, but the ones on the schedule, CyRide has to run. CyRide drivers pull out 36 scheduled buses in the morning and manage 41 extra buses that CyRide adds/decreases as needed. If the extras are dropped, the driver is told that the next week the extra will not be needed, but the driver will still be scheduled into other work.

Trustee Schainker shared his belief that CyRide was setting a high service standard. Director Kyras shared that this service level was typical of a university system due to its higher student volume, but agreed that it would be higher than a typical non-university, urban system.

Trustee Madden asked if CyRide had considered a lower service frequency outside of its peak hours. Director Kyras stated that, depending on the route, service is currently reduced to 40 minute frequencies after 6:30 p.m. during the weekday evenings and on the weekends. Further, she indicated that to lower the service frequency would provide service only every hour.

Trustee Gartin stated that when budgets are tight and when CyRide adds service, it should be identifying service it can reduce. Further, he stated that CyRide should "live within in means" and budget restraints. Director Kyras indicated that typically, when ridership is increasing year after year, transit systems are not reducing service as riders are needing more service as the buses fill up. She further stated that usually there are two times when transit systems consider reducing service levels - when budgets are tight or when ridership is declining.

Trustee Madden shared his thoughts that, since CyRide is continuing to provide more rides each year, conceptually providing bus service is a good situation for the community. Further, he stated that he did not believe that CyRide's costs are out of control, but that CyRide is providing more service to meet its higher demand. He

indicated that, collectively, CyRide will need to look at its total cost and decide which local entity is going to pay for service increases and, that he believes that the transit board will have to work through the process to come to a decision on this issue. He further stated that he believes that some individuals think that fare free is a bad way for students to pay for service, but he indicated that he did not believe this was the case. He indicated that changing the service peaking that occurs throughout the day will not save CyRide money, because the buses are full. He indicated that if the goal is to provide service to fewer riders, which is different policy that CyRide currently operates under, that the fare structure can impact this, but that he believes that CyRide needs to better understand the impact to students and the community.

Trustee Schainker shared that the issue is not students versus the community, that he believes it is the unlimited pass that is creating the situation. Further, he indicated that he believes that this structure is not sustainable unless costs are increased for this group of riders. He indicated that as the revenue per ride decreases, (full fare is \$1.25), that the cost to provide the ride is higher at \$1.75. He acknowledged that transit systems do not breakeven or make money, but was concerned with the difference.

Barbara Neal, CyRide's Operations Supervisor, shared that the student fare free structure was approved in a student referendum and that the student body would have to vote to discontinue this structure; therefore, as a result, the Council or transit board could not make this decision.

Trustee Madden stated that the University is currently funding 75% of CyRide's expenses and, if CyRide's board believes that it can no longer afford to continue this system, that the system would no longer function as it does today. Further, he indicated that, from the university's perspective, they did not want to go back to the previous system. He indicated that he believes more education would provide a better overall understanding of the system's benefits.

Trustee Schainker stated that students are buying unlimited rides and not being charged enough for the average ride because they are not being charged a \$1.25. CyRide costs keep increasing and the revenue per ride is going down, requiring a larger subsidy and then adding the need for more service, makes this challenging.

Public comment: Daniel Rediske mentioned that he rode public transit when he lived in Washington, D.C. and that this was his sole form of transportation. He appreciated CyRide after experiencing the Washington DC system. He had not realize the high quality of service he received on CyRide and how wonderful the service is. He shared that he had to wait at a bus stop for 45 to 60 minutes to access the Washington DC service. Further, he shared that he appreciated CyRide at the time, but even more since living in Washington, DC. He encouraged the board and staff to keep up the good work.

Director Kyras reminded the transit board that CyRide's current fare structure includes other unlimited, non-student rides with monthly, semester, annual and summer passes offering unlimited rides as well as the students fare free system.

Trustee Madden said the transit board needs to determine what the costs are each year and it then needs to financially manage these expenses. He indicated that whatever the pricing and subsidy, that students will need to pay a fixed amount, which may or may not need to be subsidized.

Trustee Madden said students are paying a fixed amount per student, but maybe the subsidy is not reflective of what is an appropriate share. He shared that he believes that CyRide should determine what it would take to have fewer riders or to continue to encourage public transit within the community. He then questioned whether it was cheaper to drive cars and shared his concern that this significantly impacted the university, particularly as it relates to their parking availability.

Trustee Schainker said the average cost per ride for students is \$.76 per ride and that he believes that CyRide's non-student cost is higher. He shared his concern that everyone is paying for this service, but that not everyone rides. He questioned whether it was CyRide's goal to limit rides or whether it was to figure out an appropriate financial structure to meet its demand.

President Haila said he feels everyone wants to make sure CyRide stays feasibly sound and committed to providing a high level of service as it has to-date, but that he is apprehensive with the lower federal subsidy for capital. He indicated that it was difficult to look at increasing service when other costs would also increase. He stated that he knows CyRide is committed to providing a level of service to the students and questioned if there was another way to accomplish this.

Director Kyras shared that CyRide staff monitors ridership on a daily basis - rides per hour, trip, etc. She indicated that the rides per hour continue to increase, indicating more people per bus and higher efficiencies.

Trustee Madden said one of the projects the transit board has committed to is to complete a route study. Mr. Madden shared that he was on the University of Oklahoma campus recently, and that they had made a decision to not have buses pass through the core of campus. They have a north-south structure where buses arrive on the south and north side and have a big turnaround where passengers get off and walk to their destination. He indicated that this is a different kind of route structure than CyRide is operating today and indicated that this study can examine other structures like this to determine if changes could positively impact students and the community, as well as CyRide's financial structure.

Director Kyras shared the challenges a community transit system has with this type of structure. She indicated that CyRide has routes that travel from one end of the community to the other, passing through campus. She indicated that a structure that turned around midway through the current route would leave riders stranded or walking from the north to the south side of campus. With this said, Director Kyras indicated that the development of a scope of work for a route study should be completed by the first of the year.

President Haila asked what the \$1.2 million closing balance meant for CyRide - whether it similar to a savings account that the transit system adds to or takes from year to year or whether CyRide has made \$1.2 million dollar this year. President Haila then asked what CyRide's surplus was from the previous year. Director Kyras shared that the closing balance increased from \$900,000 to \$1.2 million at the end of the last fiscal year, stating that lower fuel prices allowed this balance to increase. It was explained that the closing balance was a reserve to be used for unexpected expenses.

Trustee Gartin shared that he was interested in how governmental entities think about reserve balances and that he was not sure what the reserve fund should be for CyRide. Further, he indicated that he believes that the balance level should be intentionally set, based upon criteria, such as three months of operating costs in reserve, and that an agreed upon policy for this balance should be set.

Trustee Madden said in the past, the transit board has been comfortable with a 15% balance. Trustee Schainker shared that the transit board has wrestled with that figure for operating over the years as the budget has increased.

Director Kyras explained the purposes for the operating, capital and student government trust fund balances and the responsibilities of the transit board versus ISU's Special Student Fee Committee's role regarding the student government trust fund.

Trustee Schainker raised his concern regarding where student fee dollars are placed in CyRide's budget. He indicated that the student fee will be raised from \$66.75 to \$73.00 next year. He said that with increasing enrollment, approximately \$250,000 more should be generated by these fees; however, a portion of these fees will not be included in the operating budget to address additional service needs created by the increased enrollment, but will instead be placed in the trust fund.

Trustee Madden said it is committed to the CyRide bus system and that the trust fund was created to smooth out student funding variations when student enrollment decreases. He indicated the trust fund's intent was not to carry a large balance. Further, he stated that with student approval, it can be spent on such things as the NextBus technology system. He indicated that it could be spent on capital or operating needs. Trustee Schainker reiterated his concern with the dollars going into the trust fund instead of the operating budget when enrollment increases.

An extensive conversation pursued on the development of next year's budget in light of increasing enrollment and the local partners share of these expenses.

Trustee Schainker indicated that next year's student fee would be \$73.00 per semester per fulltime student, but he believes this does not pay for the additional services proposed in this agenda item - that this cost is for the services CyRide is operating today. Director Kyras confirmed that when the fee was set, that the board had not decided on any additional services so the dollars reflected existing service. The student's share of the additional services would be paid for with the trust fund balance, if the higher student enrollment does not generate additional dollars to cover any approved increase.

President Haila asked the transit board if there was any additional information they desired staff to gather for the transit board meeting in December. Director Kyras then explained the remaining potential service improvements included in the board packet material.

Director Kyras explained the change to the #6 Brown route for the Research Park Extension, which included a no cost change to address the new Research Park building. Trustee Madden shared that, by the end of June 2016, the Research Park is projected to have more than 2,000 employees and more housing in that area, indicating a higher volume along that southern University Blvd corridor. President Haila was concerned with the elimination, under this proposal, of the North Loop on the current route and wondered whether it would no longer serve other new development in this area. Director Kyras indicated that a decision did not need to be made at this time since there were no budget implications and that once the road construction was completed and CyRide returned to its regularly-scheduled route, this could be revisited.

Director Kyras then explained the Mortenson Road Express Route potential service improvement. Trustee Schainker was concerned with the express route. He questioned that if everyone uses the Express route as opposed to the Red route, if CyRide would cut the Red route. Director Kyras explained that the express route would operate with a longer wait between buses so staff believes that it would not be as attractive to all individuals in this area of the city. Further, she indicated that most likely the number of "extra" buses on the Red route could be reduced from the current seven on some trips to fewer buses.

The next potential service change discussed as the late night service extension. Director Kyras explained that this service was developed as a result of increased ridership on ISU's Help Van and to get people home after 10:00 p.m. when CyRide's service ends on some routes. A new route could operate between 10:00 pm and 12:51 am between Fredrickson Court through campus to the Wallace/Wilson residence halls.

Director Kyras then shared staff's request for direction as to whether they would like to include any of the service improvements detailed at this meeting into a budget option for board member consideration at the December board meeting.

After a long conversation regarding the best format to reflect additional costs for the board to consider at the December meeting, it was decided that staff should prepare a baseline budget and then cost out a "cafeteria style" of options that could be added to the baseline budget, allowing board members to weigh all costs at one time. Board members then directed staff to use the traditional 66%-24%-10% local funding split to calculate the impact on each local funding partner. Director Kyras clarified whether the five additional hours of service should be included in the baseline, as CyRide would not be able to provide the same level of service next year with higher ISU enrollment without this additional service. She was directed to include it in the options, not the baseline.

Board members then discussed whether staff should lower the closing balance to a lower amount, such as 12% to help offset local funding partner increases the following year. Trustee Gartin shared that he was reluctant to use the ending balance to offset the next year's budget. Staff was directed to not decrease the closing balance to offset funding partner increases.

Trustee Gartin left at 5:20 p.m.

Board members then further discussed some of the service improvement proposals. Trustee Madden felt the late night extension would be a priority as students need transportation at this time of the night.

Trustee Abbas agreed with the late night extension and with the Mortensen Road Express Route, indicating that the express route would alleviate some of the increased ridership on this route.

2016-2017 BUDGET ASSUMPTIONS: Director Kyras explained that as part of budget discussions, other expenses should be considered and shared the following hiring/training suggestions for consideration.

- Increase the employee referral bonus currently \$50 to \$500, which would increase expenses \$5,000.
- Add a hiring bonus of \$250 for CyRide's driving position, which would increase expenses \$12,500.
- Eliminate CyRide's training wage of \$8 per hour, as CyRide is not attracting potential applicants with this wage, and start employees at the beginning wage rate - \$11.96 or \$14.05 per hour, depending on the number of hours worked, which would increase expenses \$24,000.

- Another bottleneck is in getting students trained for their CDL license and on CyRide's service. CyRide currently has 2.25 trainers and, under this proposal would increase the quarter-time position (summer time only) to a full time position to have more staff during the year to train new drivers, which would increase expenses \$42,354.

Director Kyras indicated that she would include these items on the "cafeteria style" options for board consideration and would share the format that staff developed for this information to board members prior to the meeting in case additional information was needed for the meeting.

President Haila shared that he did not realize that CyRide employees had to wait three weeks to take the CDL license test and then, if they did not pass, had to wait another three weeks to retake the test. He indicated this information helped him understand the issues CyRide was having in addressing its driver staffing challenges.

A discussion on CyRide's fare structure ensued. Director Kyras suggested addressing this issue after the budget was adopted by the board, in the spring of 2016. Further she clarified information presented at the joint Council/Board meeting. She indicated the average student fare was \$.76, but said that the average non-student fare was approximately the same. She indicated the \$1.25 fare was the full fare and that a significant number of CyRide's non-student riders were paying a half fare (K-12 students, elderly disabled). The result is that both types of customers are paying a comparable fare.

President Haila questioned whether the number of non-student rides would increase if the fare was decreased. Director Kyras indicated that this was a possibility, that she believes more K-12 students might ride. Trustee Schainker shared that he did not believe the fare should be lowered and was interested in fare parity, not lower fares.

Director Kyras then explained another budget impact regarding the system redesign study. She indicated that the estimated cost was \$150,000. She indicated that staff could include this entire amount in the baseline budget or CyRide staff could work with the Ames area MPO and request \$100,000 of their planning funds to assist with this community study. This would reduce the budget impact from \$150,000 down to \$50,000. The board members census was to make this request of the Ames Area MPO.

Director Kyras then asked direction from the transit board on including a facility rental cost of \$50,000 in the baseline budget, referencing previous board discussion regarding the need in the fall 2016 for off-site bus storage.

President Haila mentioned a potential site for this off-site location, indicating the Ames School District would be vacating its current leased site about the time CyRide would be needing a site. He indicated the annual rental was approximately \$70,000, could

accommodate 40 school buses on the site, with a 10,000 square foot building. He indicated the building was owned by Wayne Larson. The Ames School District has at least another year and half on the building lease and perhaps CyRide could take over the lease and suggested Director Kyras obtain additional information.

Trustee Madden mentioned the Van Wall site might also be a possibility for outside parking, but would require further conversation with ISU.

TRANSIT DIRECTOR'S REPORT: Director Kyras shared with board members that she had met with the Vice President of the Student government and the senate will be offering two resolutions supporting state funding and federal funding for CyRide.

Director Kyras also shared two pieces of information (historical percentage of student funding and city/university contributions for other transit systems around the State of Iowa) that was developed for the joint Council/Board meeting, but not presented at that time. She indicated that this information could be helpful in future board discussions regarding local partner funding.

A special meeting was then set for November 12 at 4:00 p.m. to discuss the Orange route study.

SET MEETING TIME AND PLACE:

- DECEMBER 3, 2015 – 8 A.M.

ADJOURN: Due to a lack of quorum, the board meeting was adjourned based on consensus of the remaining board members.

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

November 12, 2015

The Ames Transit Agency Board of Trustees met on November 29, 2015 at 4:00 p.m. in the CyRide Conference room. President Haila called the meeting to order at 4:03 p.m. with Trustees Madden, Schainker, Haila and Teubert present. Absent: Trustees Abbas and Gartin.

PUBLIC COMMENTS: None.

AMES AREA MPO FUNDING REQUEST: Director Kyras said the Ames Area Metropolitan Planning Organization (AAMPO) will be requesting applications for planning dollars and also for the surface transportation program dollars. Director Kyras indicated that at the previous meeting the board provided direction to request \$100,000 from the AAMPO carryover dollars and will make that request when the applications process moves forward.

She indicated that staff had not discussed another opportunity with the AAMPO's STP funds (Federal Surface Transportation Program). In light of CyRide's lower federal capital dollars, Director Kyras explained that this source of funding could assist in purchasing new buses in the future. She indicated that the STP funds could be used to fund highway, transit, bicycles, or shared path use projects after submitting an Ames Area MPO application for these funds. Further, she said that currently the MPO has STP funds programmed through 2019, but will be asking for applications for 2020 shortly. Director Kyras shared, that, after talking with her peers around that state more transit managers are considering or are already receiving STP funds to help purchase needed bus capital. She provided an example of how this was accomplished at the Des Moines MPO. Director Kyras requested direction from the transit board as to whether the transit board wanted CyRide staff to submit an AAMPO application when the application process is announced.

Trustee Madden shared his opinion that if CyRide does not make a request, it cannot be considered. Further he shared that he thought CyRide should make the request with the understanding that if there are other issues or priorities for this funding, the City can make that decision based on its prioritization.

Trustee Schainker asked where the 15% figure had come from and if there was any rationale to this number. Director Kyras said there is no strong correlation to this figure, but that the total AAMPO allocation was approximately \$1.4 million and that 15% for CyRide would generate about \$200,000, which would allow CyRide to purchase a bus every one to two years; or, fund the additional cost for an articulated bus. Trustee Schainker asked when applications need to be submitted by CyRide. Director Kyras indicated that it could be December 2015 or January 2016.

Trustee Schainker said that the MPO approved the Long Range Transportation Plan and that using STP funds for transit would reduce the funds available for other projects in that plan. He questioned what other projects had or would be submitted. Director Kyras indicated that she was not aware of what other projects were being considered.

Trustee Madden shared his thoughts that he believes that the 15% figure is reasonable for a program of this nature. Further, he indicated that he believes that, as transit trustees, they have a responsibility to seek funding to support the system and that he would be in favor of submitting a proposal to the MPO, who would then have to prioritize this request among all other requests.

Director Kyras said Des Moines has a similar program that supports transit annually. Shari Atwood, CyRide's Transit Planner, shared that Des Moines' 15% represents approximately \$520,000 per year to support bus capital and further that CyRide carries about two million more passengers than the Des Moines system.

Trustee Haila asked what geographic area was served by the the Ames Area MPO. Director Kyras explained that the Ames Area MPO provides regional transportation planning for the greater Ames area. This includes Gilbert as of the last census. As a result, the Ames Area MPO is provided federal funding to plan for a regionally-coordinated transportation system. Further, she indicated that the dollars are provided through the Federal Highway Administration, but can be "flexed" for use on transit or bicycle projects.

Trustee Madden made a motion to have CyRide staff develop an FY2020 application for 15% of the AAMPO's STP allocation for the purchase of buses. Motion was seconded by Trustee Teubert. (Ayes: Three. Nays: One.) Motion carried.

ORANGE ROUTE STUDY UPDATE AND PRESENTATION: Director Kyras said that the Orange Route Study's work tasks were close to being completed and that during the July Transit Board meeting, the transit board requested additional information regarding the remaining options before making a decision on a locally-preferred option. She shared with the transit board members the preferred alternative the Study Committee chose that their meeting their previous day (Bus Rapid Transit alternative), an updated cost savings, side-by-side comparison of the three remaining alternatives, and return on capital investment. Director Kyras introduced Bill Troe with SRF Consulting for further explanation of the materials.

At the request of President Haila, Mr. Troe began with an explanation of the side by side comparison table and an overview of the alternatives the transit board would be looking at.

Mr. Troe began with the alternatives being considered, explaining that the first option is a “no action” alternative where existing service would continue; however additional 40’ buses would be added as demand requires.

The second option would be to convert all the buses on the Orange route to articulated buses. A smaller minibus would operate between Vet Med and the Iowa State Center (ISC), connecting to the articulated buses at the Iowa State Center. The current route structure would remain the same as it is today; however, only eight articulated buses would be needed as opposed to the current twelve 40’ buses required to provide service in the future. The number of buses decreases because capacity is approximately 60% greater with an articulated bus than a 40’ bus. The all articulated bus alternative would support peak demand within the next ten years, at a 3 minute frequency between buses.

The third option is to implement Bus Rapid Transit (BRT) service on a modified route. This option would include the same shuttle as explained with the all articulated bus option, but once the articulated buses leave the Iowa State Center they would travel on Beach, Osborn Drive and then turnaround at Bissell Rd. via a new roundabout that could be constructed as part of this alternative. Mr. Troe also explained that the Cardinal route could be rerouted to operate on Morrill Road to allow transfers at Osborn and Morrill Rd. providing service within the core of central campus. A signal priority system would be added to the stop light at Beach and Lincoln Way.

Trustee Haila asked whether more buses on Osborn Drive would further congest this already heavily-utilized corridor. Trustee Madden indicated the removal of parking along Osborn Dr. has greatly improved the safety and congestion issues in this area of campus and that the feedback ISU has received has been favorable. Trustee Teubert shared that he believes Osborn Drive is a heavily traveled corridor and not using this street could positively impact the university and students. President Haila expressed his concern with the BRT on Osborn Drive due to the congestion issues currently being experienced along this roadway and his belief that the university was trying to reduce traffic along this corridor. Trustee Madden indicated that this has significantly improved this school year with the removal of parking along this street.

A concern was raised about whether the future System Redesign Study recommendations could change where buses operate on central campus, making any option chosen at this time unrealistic. Director Kyras indicated that the study could impact where buses operate on central campus; however, she believes that any options brought forward through this study would marginally impact service in this area, mentioning that Pammel Road instead of Osborn Drive could become the new east-west bus routing.

Mr. Troe provided information on the “no action” alternative indicating that, with 40’ buses, the number of buses operating along Osborn Drive each day would increase to 240 buses; however, with the all articulated buses alternative the number of buses would be reduced to 199 and with the BRT alternative would increase to 320, due to the two-way movement of the route on this section of roadway. He also indicated that the number of bus trips on Morrill Road and Beach Dr. would be reduced under the BRT alternative. Mr. Troe also explained that the BRT alternative estimates that more students would walk to locations on campus after arriving via the BRT style Orange route as opposed to transferring to the modified Cardinal route under this proposal. This concept therefore supports the walkable, sustainable campus initiative.

Mr. Troe also explained how the signal priority system at Beach and Lincoln Way would work in that it holds the green signal longer if a bus is nearing the intersection as opposed to providing the bus priority at any time in the light’s cycle. Another concept of the BRT is the roundabout at Bissell and Osborn Dr. that would be created to allow the buses on the BRT route to turnaround. He indicated that this could also benefit general traffic flow in this area of campus.

Another aspect of the BRT alternative is assistance in repaving two lots at the ISC lot. Director Kyras explained that ridership on the Orange route has grown to the point where CyRide is “spilling over” into lots C5 and C6 and the repavement of these lots could be potentially funded with 80% federal dollars.

Finally, Mr. Troe indicated that the BRT concept moves CyRide into a new federal funding stream under the program called “New Starts” where up to 80% of the total project could be funded with federal dollars.

Mr. Troe then explained the Side by side comparison provided to board members. Trustee Schainker asked why CyRide would need ten more buses on this route. Director Kyras explained that this is not additional buses. She indicated that 12 buses currently operate on this route and this would be reduced to eight buses and two spare buses. She also indicated that the Orange Route has averaged a 3% ridership growth per year in the past ten years, but this year, with the addition of the Plum route, ridership to-date on this route is flat.

President Haila inquired about the university’s prediction for future enrollment and wondered if recent year’s increases would begin to slow. Mr. Madden shared his views on enrollment changes. Director Kyras cautioned board members on using predictions as they have tended to be too conservative in the past when predictions were for a maximum enrollment of 32,000, then this was changed to 35,000, and now it is at 37,000 students. She urged board members to plan services for the worst case and build service to short term reality. Trustee Madden shared that enrollment over the last five

years is substantially above previous assumptions, but further stated that he anticipates the growth rate will be slower/stable in the future.

Mr. Troe detailed the differences between the three alternatives regarding their operating cost, calculated in year 2024 dollars. He indicated that the “no action” alternative would cost CyRide an estimated \$1.6 million dollars per year to operate, compared to \$1.3 million under the all articulated bus option and \$1.2 million under the BRT alternative. Director Kyras explained that the costs were based on the number of hours the buses operate under each alternative multiplied by the estimated hourly cost in 2024 dollars of approximately \$76 per hour.

Trustee Schainker shared his concern regarding a park and ride lot structure and questioned whether this is the most efficient method for CyRide to provide service. Director Kyras stated that this type of system was the most efficient way for CyRide to operate – a short 3 miles loop carrying over 14,000 rides per day as opposed to spreading these 14,000 trips throughout the community requiring more buses to cover the larger geographic area. She acknowledged that the community benefits are reduced due to more cars on the street to travel to the park and ride.

Mr. Troe continued with the annual savings, in local dollars, the capital cost and the estimated capital payback period for each option. He explained that the “no action” alternative would be the most expensive and offers no savings; however, has the lowest capital cost of \$200,000, mainly for the purchase of used buses to increase the number of buses on this route. He explained that the BRT alternative was the least costly to operate each year with an annual cost savings of \$226,800 compared to \$170,200 for the all articulated bus option. The capital cost of the BRT alternative would be approximately \$1.7 million compared to \$1.5 million for the all articulated bus option, with a slightly lower capital payback period for the BRT of 8 years compared to 9-10 years for the all articulated bus option. He also indicated that the BRT alternative, at a total cost of \$8.5 million, was a very small federal project where typically projects ranged from \$25 million to over \$100 million dollars. He indicated that this was a positive aspect of this project for consideration for federal funding.

Transit board members shared several concerns regarding the BRT alternative. They indicated that to accumulate the local share of \$1.7 million to match a grant, that budgets would immediately need to be increased; they indicated that they believed that the savings would not happen as more needs would be identified in the future to negate an actual reduction in costs; and they were also concerned with the number of drivers the option would require. Trustee Teubert shared his concern with the BRT option in that it eliminates the Orange Route from Morrill Road, leaving students with fewer transit options in this area. Director Kyras clarified that students would still have bus service as they could transfer to the Cardinal Route – that the only change was that it no longer was a direct route on the bus. Director Kyras shared that Trustee Abbas attended

the Orange Route Study Committee meeting the previous day and was supportive of the BRT option as students could see the benefit of BRT system in the long run with their fee dollars.

Trustee Schainker asked for more information on the percentage of Orange route rides compared to the entire system. Director Kyras stated that daily ridership on the Orange route is approximately 14,000 rides per day compared to an average of 45,000 per day for the entire system. Mr. Madden shared that approximately 5,000 cars park at the Iowa State Center parking lot each day. Mr. Troe shared that through the survey completed for this study, that approximately 70-75% of the individuals using the Orange Route live within Ames.

Mr. Troe provided information regarding each alternative's ability to continue to grow as ridership changes. He indicated that the all articulated and BRT alternatives each provide for the estimated 3% continued growth per year, but that the BRT option provided the most capacity to meet future demand.

Mr. Troe then explained the customer experience comparison on the Side-By-Side comparison. He indicated that the "no action" alternative would have the lowest customer satisfaction with fuller buses and being passed by with full buses. He indicated that the BRT option provided higher customer service satisfaction due to the signal priority aspect of the project, allowing for a faster trip into/out of campus. He indicated that the Orange Route Study committee's recommendation was to add this technology to the all articulated bus option as well if it was chosen so that both options could have this advantage. Also, the all articulated bus option does not require transferring on campus to the Cardinal route, which would be an advantage for this option.

Trustee Schainker questioned how the signal priority technology would work when traffic backs up on Beach during events in the evening and weekends. Director Kyras explained that service on the Orange route does not operate on the weekends and could work through the occasional evening event.

Director Kyras shared the Orange Route Study Committee recommendation for a preferred alternative as follows, "Select the Bus Rapid Transit alternative as the Locally Preferred Option for implementation on the Ames Transit Agency's #23 Orange Route, with an intermediate plan to incrementally increase the number of articulated buses and deploy signal priority technology as possible prior to receiving federal grant approval and funding." Director Kyras shared that if this recommendation was approved by the transit board, that there would be a longer federal process to complete before implementation could begin. She briefly explained the required federal process, including the development of a "Project Development" document, an environmental assessment and formal request to enter into a New Starts funding agreement. She also

shared that the federal representative responsible for this program in Washington DC would be coming to Ames in late March 2016 to learn more about a possible BRT project in Ames.

Board members asked several questions regarding timing of the federal process if the BRT alternative were chosen, when a financial commitment would need to be made and what the next steps would be.

Director Kyras shared a tentative timeline stating that first the board would need to formally approve a preferred alternative, then with remaining project dollars left, SRF could assist CyRide staff in developing the federal documents (Environmental Assessment, Project Development letter, etc.) for submission. Shari Atwood, indicated that once the process begins, if approved by the federal government, it typically takes two years to have the funding placed into the President's budget so that a grant can be approved.

A lengthy dialogue followed where transit board members voiced their concerns about committing to the BRT alternative, such as students opinion of this alternative, the financial commitment required, the pressure on CyRide for capital and operating costs, the need for more bus storage, etc.

President Haila asked what is needed to complete the study and Director Kyras said that the transit board needed to select one of the alternatives. President Haila shared his discomfort in making this decision at the meeting with two board members not present.

There was further discussion regarding board members concerns about the BRT option.

Trustee Schainker asked about the impact of the BRT or all articulated bus option on residents living on Beach Ave. Director Kyras said there should be a positive impact with the all articulated or BRT option with fewer buses operating. She confirmed that there would be no construction that would impact residents. Trustee Schainker indicated that the resident's opinion on the service should be considered. Further, he said that staff should include this in a five or ten year financial pro forma.

Board members then discussed bus service to the Research Park extension versus the existing Research Park.

Board members asked if a decision needed to be made at the meeting. Director Kyras indicated that no decision needed to be made, but that the grant funding this study was very old and that FTA was anxious for CyRide to make a decision and close out the grant. She suggested that a decision on the locally-preferred alternative be made within the next several months, and if the option chosen was the BRT alternative, allow staff to begin preparing the federal documentation to enter the project in consideration for

New Start funding, with the caveat that it would take two years to even know if the project would be considered for federal funding. In the meantime, further discussion on the alternative could take place throughout the community and the project could be pulled from consideration at any time before this period as a result of community, student or financial concerns. She indicated that the \$40,000 remaining in the current project could be used to prepare the federal documentation required, which would need to be returned if it was not used for this purpose.

Trustee Schainker expressed his concern for this approach indicating his discomfort with the ability to pay for any of the alternatives and in moving forward with a financial commitment for the BRT without further vetting the service concept. Trustee Madden indicated a desire to make sure that students were comfortable with the concept.

Trustee Schainker questioned how to adequately evaluate the alternatives and asked what the alternatives were trying to accomplish. He questioned what the priorities were for the transit system. Director Kyras stated that the Side-By-Side comparison provided the evaluation based on criteria the Study Committee believes is important. Further, she indicated that she believes the BRT option provides more benefits (funding for articulated buses, roundabout and repavement at the ISC lots that will benefit the university not only transit with the BRT option, additional route capacity, shorter payback period, greater savings, etc.) for almost the same cost as the all articulated buses. The disadvantage is that with the BRT option requires an upfront financial commitment within the next two years as opposed to the all articulated option, which is more of a pay-as-you go approach.

Transit board members inquired as to what initiated the Orange Route Study. Director Kyras said that initially the Transit Feasibility Study completed in 2008 recommended changes to the route as a result of its high ridership. In 2008, ridership was at 9,000 rides per day and using all articulated buses on this route was recommended. As a result, a federal grant was approved to look at this route to determine the best option for the future.

Trustee Teubert made a motion to table the decision. Trustee Schainker seconded the motion. (Ayes: Four. Nays: None.) Motion carried.

Transit board members discussed the possibility of arranging a meeting in December to further discuss this study when all board members could be present. Director Kyras said the next meeting is scheduled for December 3, 2015 and felt it would be difficult to arrange another meeting in December close to finals and before the students left on winter break and that the December 3rd meeting agenda was full with budget, capital plan and fuel purchases.

Trustee Madden left at 5: 30 p.m.

Trustee Schainker shared his thoughts about CyRide's financial situation – cash flow, other financial pressures. President Haila's also shared his thoughts on the pressure facing CyRide's financial situation.

Trustee Teubert suggested scheduling a meeting with the students so they were involved and educated on the subject. He shared that he did not want to make it appear that CyRide was putting an expectation on students.

Director Kyras suggested further discussion of this topic at the January board meeting, as it is difficult to get people together in December for another meeting.

NEXT MEETING TIME AND PLACE:

- December 3, 2015 – 8 A.M.

Meeting ADJOURNED at 6:03 p.m. upon consensus of the remaining members, as there was no longer a quorum.

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: December 3, 2015

SUBJECT: Fuel Purchase Bids

BACKGROUND: At the July 2015 Transit Board meeting, board members cancelled its current fuel contract with Keck, Inc. as of December 31, 2015 as a result of mistakes in the bidding process. Therefore, as of January 1, 2016, CyRide will need to determine the lowest cost method of procuring fuel for the next calendar year. This is a large budget item for CyRide totaling over \$1,000,000 per year. There are three types of fuel purchasing methods available.

- **No Contract, Market Rate** – Under this method, CyRide would not enter into a contract and would purchase fuel approximately every 7 days at the cost of fuel at that time. Staff would need to prepare bid documents and conduct a bid for each purchase.
- **Contract, Lock In Vendor** - Under this method, CyRide staff would prepare a bid for an estimated amount of fuel for calendar year 2016. Based on this estimate, bidders would estimate the cost of delivering fuel; however, fuel would be purchased at the market rate at the time of purchase. This delivery cost is called a “fixed rate + mark-up/deduct”. This allows CyRide to order fuel throughout the year for a preset delivery price above or under the market rate and lock into a vendor. The advantage of this option is that CyRide and City Purchasing staff only complete one bid for the year instead of a new bid approximately every 7 days. This process was used to purchase fuel for calendar year 2015.
- **Contract, Lock In Price** – Under this method, CyRide staff would prepare a bid for vendors to offer a set price for fuel for the next twelve-month period. This requires vendors to predict prices (futures) for this period and then prepare a bid that will reflect their cost to supply CyRide will fuel (vendor cost and market rate). The advantage of this method is that CyRide will know its fuel costs for the year, but may pay more if the market rate is lower than the contract rate. This is the experience CyRide has had with previous contracts of this nature when prices were declining. This process was used prior to calendar year 2015.

INFORMATION: CyRide believes that, due to fuel prices trending downward at this time, the best method for CyRide to purchase fuel this next calendar year would be to enter into a contract that would lock in only a single vendor for all fuel types and delivery cost (Contract, Lock-In Vendor method). Therefore, in early November, staff solicited fuel bids for a fixed rate + markup/deduct with bids received on November 19, 2015. The results of this bid are as follows:

Bidder	#1 Diesel	#2 Diesel	Cold Flow Improver	
			Biodiesel	Additive
Keck Energy	-\$0.010	-\$0.010	-\$0.85	\$0.0125
Diamond Oil	-\$0.005	-\$0.005	-\$0.600	\$0.010
New Century FS	\$0.015	\$0.010	\$0.020	\$0.0200
FS Fauser Energy Resources	\$0.050	\$0.025	\$0.050	\$0.0100
REG Energy Services, LLC	\$0.0545	\$0.0125	-\$0.900	\$0.0085
Key Cooperative	\$0.070	\$0.070	\$0.070	\$0.0300

The lowest bid in each category is highlighted. In calculating estimated gallons of each type of fuel CyRide anticipates using during the next calendar year at \$2.57/gallon for diesel and \$3.48 for biodiesel, as well as the over/under rack rate, Keck Energy’s bid is the overall lowest cost bid as follows:

Bidder	Total Estimated Cost of Fuel
Keck Energy	\$773,165.67
REG Energy Services, LLC	\$775,856.15
Diamond Oil	\$789,311.91
New Century FS	\$816,904.49
FS Fauser Energy Resources	\$835,565.25
Key Cooperative	\$848,076.49

Staff is seeking board direction on accepting the lowest vendor bid or in choosing a different fuel purchasing method.

ALTERNATIVES:

1. Approve award to Keck Energy as the overall lowest bidder for CyRide fuel.
2. Do not enter into a fuel contract and purchase fuel at the time it’s needed at the market rate.
3. Do not enter into a fuel vendor contract to purchase fuel at the market rate, plus mark-up/deduct and instead direct staff to bid fuel to lock in prices for the next twelve-month period.

RECOMMENDATION:

The Transit Director recommends approval of alternative #1 to accept the lowest fuel contract bid from Keck Energy. This will lock CyRide into a vendor for the next twelve-month period, allowing CyRide to reduce administrative costs to purchase fuel.

CyRide's recent past experience with contracting for fuel, to lock in a price, has led to increased fuel expenses above the market rate and, therefore, staff would not recommend this approach at a time when fuel prices are predicted to continue declining. Likewise, it is an administrative burden to not enter into a vendor contract and instead to complete the required paperwork to purchase fuel every 7 days.

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: December 3, 2015

SUBJECT: 2016-2017 Operating Budget

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 Student Government (SG) and the City of Ames, the Transit Board of Trustees is required to approve a budget by January 21st of each year.

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

- FY2015/16 Budget Status
- FY2016/17 Budget Assumptions and Options

FY2015/16 Budget Status (as of Oct. 31, 2015)

The 2015/16 budget, year-to-date, has experienced a 1.0% decrease in expenses and slightly lower revenues for the year (-1.1%). The line items contributing to these changes are described below.

Expenses

The single largest variance creating lower operating expenses is in the fuel line item. The 2015/16 budget estimated fuel at \$3.50 per gallon. Fuel costs to date have averaged \$1.80 per gallon. With 33% of the budget year completed and only 24% of the budget expense expended, if this trend continues for the remainder of the year, CyRide is anticipated to have close to a \$300,000 savings in this line item.

All other expenses are relatively close to the 2015/16 budgeted expenses.

Revenue

On the revenue side, there are four categories that are experiencing higher/lower than anticipated revenue for the first four months of the fiscal year:

1. **State Funding** – 6.8% higher than budgeted year-to-date – year-end increase anticipated of \$50,000.
2. **Federal Funding** – 4.4% lower than budgeted – year-end decrease will be \$90,306.
3. **Damage Claims** – CyRide received restitution from a large claim that occurred in the fall of last year (\$19,595).
4. **Farebox/Pass Sales** – 8.7% lower year-to-date – year-end decrease anticipated of \$30,000. All reduced fare categories are higher, while full fares are lower (cash fares, monthly passes, semester passes)

All other revenues are relatively close to budget expectations.

Closing Balances

CyRide has three closing balances: operating, Student Government Trust Fund and capital. The following summarizes projected balances for the 2015/16 budget year.

Operating Balance - At the current time, the operating closing balance is anticipated to increase from the adopted amount of \$1,020,206 to \$1,393,487, increasing to a 13.9% fund balance.

Capital Balance – Currently, the capital closing balance is anticipated to decrease from the 2015/16 balance of \$793,245 to \$413,038 due to timing of actual purchases and carryover balances.

Student Government Trust Fund Balance – The 2015/16 budget is projected to end the fiscal year with a \$518,747 balance, achieving the desired \$500,000 balance desired.

2016/17 Operating Budget Request

Budget Assumptions –

In the 2016/17 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 7% next year, increasing expenses by \$41,020.

- **Payroll Expenses** - Overall payroll expenses (wages and benefits) will increase 2.5% from the 2015/16 adopted to 2016/17 requested budget due to annual wage increases. This expense will increase by \$139,688. This includes the additional services paid for by the Student Government in the 2015/16 budget to address ridership increases, but now included in CyRide’s 2016/17 operating budget as the baseline level of service paid for by the Student Government.
- **Fuel** – Fuel is budgeted at \$3.00 per gallon, reduced from the 2015/16 adopted budget of \$3.50 per gallon.
- **Federal/State Funding** – The FY2016/17 budget anticipates slightly lower federal operating funding (-111,482) to \$1,930,000, plus capital funding for three 40’ buses. State funding is anticipated to increase by \$113,500 from \$676,000 in the 2015/16 adopted budget to \$800,000 in the 2016/17 requested budget.
- **Funds Transferred to Capital** – The 2016/17 budget reflects a transfer of \$800,000 to the capital fund to purchase buses, shop equipment, repair the facility, etc. The 2015/16 transfer was also \$800,000, indicating a stable annual transfer of funds and the need to accumulate additional local dollars in the next several years to pay for new buses under grants and facility repairs.
- **System Redesign Study** – The total budget for this study is estimated at \$150,000. A request has been made to the Ames Area MPO (AAMPO) to financially assist with this study by contributing \$100,000, leaving \$50,000 included in the transit system’s budget for the 2016/17 budget year.
- **Off-Site Bus Storage** – The 2016/17 budget includes \$50,000 in a lease for property to store additional buses beginning in August 2016.

FY2016/17 Budget Options -

Through the Board of Trustee’s discussions at the October 2015 board meeting, staff was directed to prepare a baseline budget, without service increases or optional administrative expenses. (See attached chart entitled “Budget Analysis.”) This baseline budget reflects a 2.8% increase in overall expenses. Further, board members request at the October meeting to have proposed services and administrative changes itemized for board members consideration. The itemized changes that staff prepared for consideration are as follows:

- Additional Hours of Service (Five)
- Additional Preparation Time for Drivers (in the Morning)
- Additional Night Service (Three Routes in the Evening)
- Additional Night Service (Two Routes in the Evening)
- Mortenson Road Express Route
- Late Night Service Extension - New Route

- Late Night Service Extension – New Route (Excluding Saturday)
- Referral & Hiring Bonus
- Eliminate Training Wage
- Increase Summer Trainer to Full-Time

Each of these changes is briefly described on the next page entitled “Itemized Changes” and was presented in more detail at the October Transit Board meeting. Additionally, the attached chart entitled, “2016-2017 CyRide Budget Options,” provides information on each option that details the total local cost, each local funding partners share in dollars as well as their increase in funding.

Due to CyRide’s driver shortage, staff recommends the minimum increase in service to meet next year’s anticipated enrollment increase (5 additional hours of service and additional prep time for drivers) as it would be difficult to find employees to operate a significant amount of new services. Additionally, staff recommends that the three administrative changes be approved that will allow CyRide to incentivize CyRide’s driving positions in an effort to return to higher driver staffing levels (referral & hiring bonus, eliminate training wage and increase summer trainer to full-time).

Staff is seeking board input on if/which options should be included in CyRide’s final budget. The transit board may vote on a final budget at the December meeting or table action until the January meeting.

ALTERNATIVES:

1. Table action at the December meeting and take final action at the January 2016 Transit Board meeting.
2. Approve the baseline budget plus staff’s recommendations for a total budget of \$10,618,263.
3. Approve the baseline budget plus board selected options.

RECOMMENDATION:

The Transit Director recommends alternative #1 to defer action until January 2015, giving each of the three funding partner’s time to discuss the options with their peers and allowing staff to present a final budget before adoption.

Itemized Changes

Additional Hours of Service 2016-2017: Priority #1

To meet increasing enrollment, CyRide staff has added buses to existing service to meet increased demand on trips that experience overcrowding issues, with some single bus trips requiring up to seven buses to carry the number of customers desiring that trip.

Based on past trends and potential enrollment increases in 2016-2017 estimated at 540 additional students, CyRide recommends increasing service by five hours per weekday to meet overcrowding that is anticipated to occur as these additional trips will happen at currently high ridership periods, just prior to and after class change times. In comparison, CyRide increased five hours in the last budget and ten hours per weekday in the two budgets prior to that.

Estimated Annual Cost: \$82,240

Additional Preparation Time for Drivers: Staff Priority #1

As a result of a fully occupied bus storage building and an anticipated 17 buses parked outside beginning next fall, “unpacking” buses to begin service each morning has become a challenge. CyRide currently has a lane worker that arrives at 5:00 am to begin this process, but CyRide finds that with more vehicles tightly packed together, this is taking longer and creating operational issues in the morning. As a result, CyRide would add two additional minutes to each driver’s work schedule for buses beginning service from the garage each morning to assist with this process.

Estimated Annual Cost: \$15,000

Additional Night Service: Priority #1

With enrollment increases at ISU, more evening classes are now being provided to students, which have impacted the number of rides CyRide provides in the evening. CyRide is currently experiencing overcrowding issues on three routes in the system as a result of this class time shift - #1A Red Route (Ames Middle School to campus only), #3 Blue Route and #23 Orange Route. Therefore, CyRide proposes the following:

#1 A Red Route – One additional bus would be added from 6:30 pm to 9:00 pm each weeknight

#3 Blue Route – One additional bus would be added from 7:30 pm to 9:00 pm each weeknight

#23 Orange Route – At the end of an Orange Route driver shift, the drivers would provide one additional trip on this route beginning at 5:47 pm and at 6:06 pm

Estimated Annual Cost: \$77,753

#1A Red Route - \$30,283

#3 Blue Route - \$40,096

#23 Orange Route - \$7,374

Research Park Extension: Priority 2

Currently the #6 Brown Route extends into the Research Park operating on North Loop Drive and then also extends to the Wessex Apartment complex. With the new Research Park building opening in late Spring 2016, CyRide will not be able to serve this new destination with the current route structure. Therefore, in order to service this new complex, CyRide could eliminate the North Loop Drive and extend the service to Wessex further south to the new complex, using this location as the end point for buses on the #6 Brown Route (see map). Currently this route has a 7-minute recovery time before buses begin their next trip into campus and has adequate time to include this extension in the route, if the North Loop portion of the current route is eliminated.

Estimated Annual Cost: \$0

Mortenson Road Express Route: Priority 3

Students have asked for a more direct, express-service connection between West Ames and campus. Therefore, CyRide staff could, under this proposal, create a new route that would operate along Mortensen and State Street into campus; thereby splitting the #1 Red route ridership into two routes reducing the need for up to seven buses on one trip on the Red route and provide a more direct route to campus (see attached map). This service would operate from approximately 7:00 am to 6:30 pm each weekday at a 30 minute service level.

This new route is conceptual at this time and if the board chooses to fund this option, public input would be needed to refine the actual service that would be implemented. This could be accomplished in February 2016, prior to preparing the fall schedule and assigning driver shifts, which is completed each spring.

Estimated Annual Cost: \$175,000

Late Night Service Extension – New Route (Portions of Two Existing Routes): Priority #3

CyRide receives comments from customers that they would like to have service later into the weekday evenings to be able to study at the Library, attend late night meetings/group meetings, etc. With most routes ending by 10:00 pm this can be challenging. Additionally, Iowa State's Help Van experiences an increase in the number of rides it provides to students after CyRide services end at 10:00 pm, with a significant number of these rides provided to residents of Fredrickson Court and to the Wallace/Wilson residence halls. Therefore, CyRide could provide service between these two major residence halls along a modified route that connects the two residence hall areas with Central Campus/Library (see map attached) after 10:00 pm until other CyRide routes end for the evening as follows:

- Monday through Friday - 10:25 pm and 12:51 am
- Saturday – 8:25 pm to 12:51 am
- Sunday – 8:25 – 11:51 pm

Estimated Annual Cost: \$5,874 - \$34,289

Monday – Friday - \$20,833

Saturday - \$7,582

Sunday - \$5,874

Driver Referral Bonus: Currently CyRide provide a \$50 bonus to current employees who refer new drivers to CyRide. New drivers complete 400 hours of work before the bonus is paid to current employees. Discussions at the Transit Board meetings were to increase this to \$500 per referral.

Estimated Cost: \$5,000

Hiring Bonus for CyRide's Driving Position: In reviewing hiring bonuses for other transit system and private-sector transportation providers, this bonus ranges from as low as \$100 per new employee to \$5,000. CyRide would propose a \$250 hiring bonus for each new employee. A set of guidelines would be developed and provided to the Transit Board and City of Ames' Human Resources Department before implementation.

Estimate Cost: \$12,500

Eliminate Training Wage: Currently all drivers hourly wage is \$8 per hour through their training period, which extend for 1 1/2 to 2 months before they are released to drive independently and begin being paid at the bottom of the part-time wage range of \$11.96 (< 20 hours per week) or \$14.05 (> 20 hours per week), depending on their number of scheduled work hours. CyRide could eliminate this training pay and begin all trainees at the bottom of their wage range.

Estimate Cost: \$24,000

Increase Summer Trainer to Full-time: Currently CyRide has 2.25 trainers who work with driver trainees - 2 full-time and one summer only trainer. With the new CDL requirements placed on CyRide this past summer, staff is finding it difficult to provide enough driving experience prior to taking the CDL test to allow individuals to pass the test the first time, which then requires a three week waiting period until another reservation can be made with the DOT due to their limited number of CDL testing slots. This is significant change from prior to the CDL change and requires trainers to spend more time in "getting drivers ready" for the test as opposed to the driver-instructors who this would have fallen upon after receiving their CDL. Additionally, if a third trainer was hired as a full-time employee, more emphasis could be placed on year-long hiring as opposed to an emphasis during the summer months. CyRide has employed two full-time trainers since 1991, however, prior to that time CyRide had employed three trainers.

Additionally, the number of drivers has grown from 100 to approximately 145 since 1991. This would increase the number of FTE's by .75.

Estimated Cost: \$42,354.

BUDGET ANALYSIS - 2015 Actual, 2016 Request

Base line with the assumption there will be an extra 5 hours per day of service to meet the projected ISU enrollment increase in FY2016

	10-11	11-12	12-13	13-14	14-15	15-16	15-16	15-16	16-17	% Chg. Am/Ad	% Chg. Am/Act	% Chg. Req/Ad.	% Chg. Req/Am.
FIXED ROUTE	Actual	Actual	Actual	Actual	Actual	Adopted	Amended	Request	Am/Ad				
550-1221 Operations	\$4,097,972	\$4,245,653	\$4,476,908	\$4,820,101	\$5,335,159	\$5,734,790	\$5,879,143	\$5,994,346	2.5%	10.2%	4.5%	2.0%	
550-1222 Maintenance	\$1,762,603	\$1,863,033	\$2,067,061	\$2,146,625	\$2,119,741	\$2,488,743	\$2,142,023	\$2,398,148	-13.9%	1.1%	-3.6%	12.0%	
FIXED ROUTE TOTAL	\$5,860,574	\$6,108,686	\$6,543,969	\$6,966,725	\$7,454,900	\$8,223,533	\$8,021,166	\$8,392,494	-2.5%	7.6%	2.1%	4.6%	
DIAL-A-RIDE													
550-1341 Operations	\$142,717	\$172,077	\$143,889	\$175,671	\$192,367	\$202,242	\$202,390	\$203,536	0.1%	5.2%	0.6%	0.6%	
550-1342 Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0					
DIAL-A-RIDE TOTAL	\$142,717	\$172,077	\$143,889	\$175,671	\$192,367	\$202,242	\$202,390	\$203,536	0.1%	5.2%	0.6%	0.6%	
ADMINISTRATIONS/SUPPORT													
550-1101 Administration	\$1,014,818	\$1,059,330	\$1,024,009	\$1,131,713	\$1,159,442	\$1,209,435	\$1,202,788	\$1,246,612	-0.5%	3.7%	3.1%	3.6%	
550-1102 Safety/Training	\$212,768	\$211,616	\$216,990	\$231,679	\$251,212	\$250,500	\$249,650	\$259,559	-0.3%	-0.6%	3.6%	4.0%	
550-1103 Promotion	\$20,461	\$14,443	\$6,259	\$2,594	\$6,800	\$6,800	\$6,800	\$6,800	0.0%	116.0%	0.0%	0.0%	
550-1105 Bldg/Grounds	\$291,784	\$311,389	\$288,282	\$358,061	\$348,335	\$340,033	\$332,627	\$331,441	-2.2%	-4.5%	-2.5%	-0.4%	
ADMIN/SUPPORT TOTAL	\$1,539,830	\$1,596,759	\$1,555,540	\$1,724,247	\$1,762,138	\$1,806,768	\$1,791,865	\$1,844,412	-0.9%	1.7%	2.1%	2.9%	
FINANCE ADJUSTMENTS		\$27,835	\$86,312	(\$125,106)									
TOTAL OPERATING EXPENSES	\$7,570,957	\$7,963,833	\$8,098,292	\$8,866,643	\$9,409,425	\$10,232,543	\$10,015,421	\$10,440,442	-2.1%	6.4%	2.0%	4.2%	
TRANSFER TO GSB TRUST	\$424,305	\$134,814	\$140,800	\$166,402	\$0	\$0	\$0	\$0					
TRANSFER TO CAPITAL FUND	\$632,000	\$208,812	\$378,801	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000					
TOTAL USED	\$8,627,261	\$8,307,459	\$8,617,893	\$9,833,045	\$10,209,425	\$11,032,543	\$10,815,421	\$11,240,442	-2.0%	5.9%	1.9%	3.9%	
OPENING BALANCE	\$847,294	\$563,240	\$786,976	\$1,149,006	\$1,166,901	\$957,471	\$1,245,342	\$1,393,487	30.1%	6.7%	45.5%	11.9%	
OPERATING REVENUE	\$8,343,207	\$8,531,195	\$8,979,922	\$9,850,940	\$10,287,866	\$11,056,778	\$10,963,566	\$11,252,910	-0.8%	6.6%	1.8%	2.6%	
TOTAL AVAILABLE	\$9,190,501	\$9,094,435	\$9,766,898	\$10,999,946	\$11,454,766	\$12,014,249	\$12,208,908	\$12,646,397	1.6%	6.6%	5.3%	3.6%	
CLOSING BALANCE	\$563,240	\$786,976	\$1,149,006	\$1,166,901	\$1,245,342	\$981,706	\$1,393,487	\$1,405,955	41.9%	11.9%	43.2%	0.9%	
Closing/operating	7.4%	9.9%	14.2%	13.2%	13.2%	9.6%	13.9%	13.5%					
REVENUE/EXPENSE RATIO	110.2%	107.1%	110.9%	111.1%	109.3%	108.1%	109.5%	107.8%					
OPERATING FUND BALANCE	\$563,240	\$786,976	\$1,149,006	\$1,166,901	\$1,245,342	\$981,706	\$1,393,487	\$1,405,955					
CAPITAL FUND BALANCE	\$1,491,769	\$1,974,211	\$1,124,525	\$659,497	\$794,609	\$1,018,259	\$1,018,259	\$664,051					
TRUST FUND BALANCE	\$1,039,162	\$1,325,474	\$1,078,094	\$993,083	\$804,635	\$518,747	\$518,747	\$464,787					
INTERMODAL BALANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0					
TRANSIT FUND BALANCE	\$3,154,171	\$4,086,660	\$3,351,624	\$2,819,481	\$2,844,586	\$2,518,712	\$2,930,493	\$2,534,793					

	FY2015	FY2016	FY2017	Increase
City	\$1,567,694	\$1,648,996	\$1,695,168	2.8%
ISU	\$ 687,495	\$ 723,150	\$ 743,398	2.8%
GSB	\$4,169,944	\$4,746,157	\$4,879,049	2.8%

2016-2017 CyRide Budget Options

Expense	Total Exp.	Tot. Local Cost	City Cost (24%)	ISU Cost (10%)	SG Cost (66%)	% Tot. Incr.	City Incr.	ISU Incr.	SG Incr.
2015-2016 Expense	\$10,193,253	\$7,118,281	\$1,648,996	\$723,150	\$4,746,135	-----	-----	-----	-----
2016-2017 Baseline	\$10,437,169	\$7,317,593	\$1,695,168	\$743,398	\$4,879,027	2.8%	\$46,171.89	\$20,248.20	\$132,891.78
5 Additional Hours of Service		\$82,240	\$19,738	\$8,224	\$54,278	1.1%	1.2%	1.1%	1.1%
Add'l Prep Time for Drivers		\$15,000	\$3,600	\$1,500	\$9,900	0.2%	0.2%	0.2%	0.2%
Add'l Night Service - 3 Routes		\$77,753	\$18,661	\$7,775	\$51,317	1.1%	1.1%	1.0%	1.1%
Add'l Night Service - 2 Routes		\$37,657	\$9,038	\$3,766	\$24,854	0.5%	0.5%	0.5%	0.5%
Mortenson Rd. Exp. Route		\$175,000	\$42,000	\$17,500	\$115,500	2.4%	2.5%	2.4%	2.4%
Late Night Service Extension		\$34,289	\$8,229	\$3,429	\$22,631	0.5%	0.5%	0.5%	0.5%
Late Night Service Extension - No Sat		\$26,707	\$6,410	\$2,671	\$17,627	0.4%	0.4%	0.4%	0.4%
Referral & Hiring Bonus		\$17,500	\$4,200	\$1,750	\$11,550	0.2%	0.2%	0.2%	0.2%
Eliminate Training Wage		\$24,000	\$5,760	\$2,400	\$15,840	0.3%	0.3%	0.3%	0.3%
Increase Summer Trainer to Full-Time		\$42,354	\$10,165	\$4,235	\$27,954	0.6%	0.6%	0.6%	0.6%
Staff Recommendation									
Incremental Dollar Increase		\$181,094	\$43,463	\$18,109	\$119,522				
Incremental Percentage						2.47%			
Total Percentage Increase						5.27%			

ISU Student Fees and Trust Fund Summary

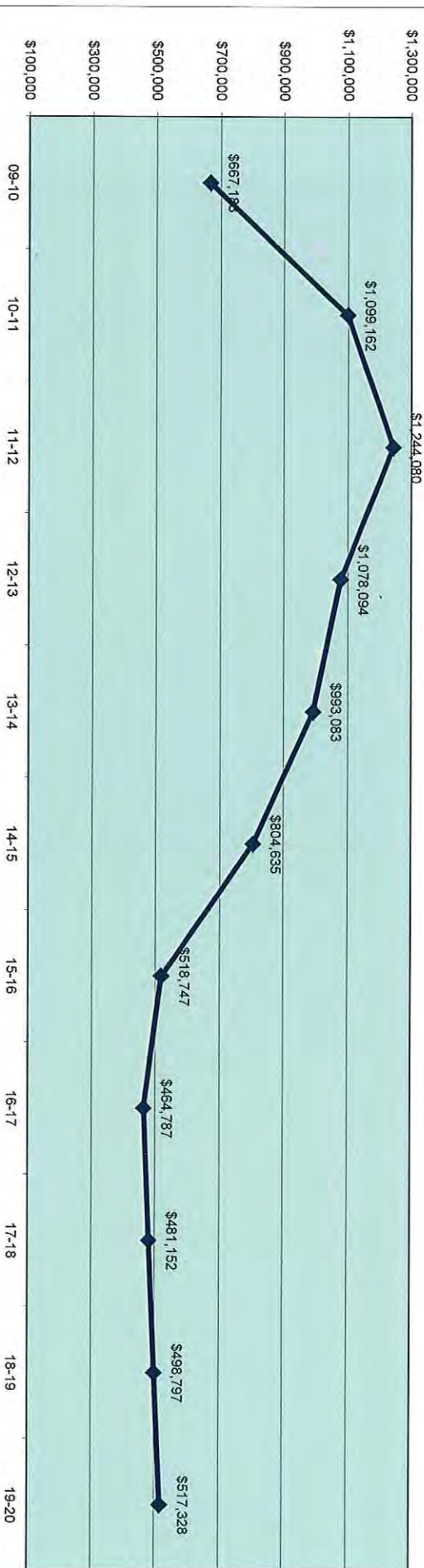
	5.0%	3.8%	4.0%	4.0%	6.5%	11.9%	13.8%	5.0%	5.0%	5.0%	5.0%
CAPITAL & OPERATIONS	Actual	Actual	Actual	Actual	Actual	Actual	Adopted	Projected	Projected	Projected	Projected
	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20
Budgeted Revenue	\$2,898,278	\$3,008,413	\$3,204,263	\$3,499,053	\$3,726,491	\$4,169,944	\$4,746,135	\$4,983,442	\$5,232,614	\$5,494,245	\$5,768,957
Actual Revenue	\$3,290,692	\$3,432,423	\$3,339,076	\$3,639,853	\$3,892,893	\$4,161,666	\$4,452,341	\$4,928,192	\$5,241,895	\$5,506,889	\$5,782,488
Surplus/(Deficit)	\$392,414	\$424,010	\$134,813	\$140,800	\$166,401	(\$8,278)	(\$293,794)	(\$55,249)	\$9,281	\$12,644	\$13,532

TRUST FUND

Opening Balance	\$267,129	\$667,188	\$1,099,162	\$1,244,080	\$1,078,094	\$993,083	\$804,635	\$518,747	\$464,787	\$481,152	\$498,797
Interest	\$7,645	\$7,964	\$10,105	(\$1,064)	\$9,758	\$2,000	\$7,906	\$1,289	\$7,084	\$5,000	\$5,000
Payments											
Transfers In (Out)	\$392,414	\$424,010	\$134,813	\$140,800	\$166,401	(\$8,278)	(\$293,794)	(\$55,249)	\$9,281	\$12,644	\$13,532
Ending Balance	\$667,188	\$1,099,162	\$1,244,080	\$1,078,094	\$993,083	\$804,635	\$518,747	\$464,787	\$481,152	\$498,797	\$517,328
% of Budgeted Revenue	23.0%	36.5%	38.8%	28.3%	24.9%	19.9%	10.9%	9.3%	9.2%	9.1%	9.0%

Increase	\$2.41	\$0.00	\$0.00	\$0.00	\$0.00	\$1.50	\$2.24	\$6.75	\$4.88	\$3.94	\$4.10
Total Fees	\$62.61	\$62.61	\$62.61	\$62.61	\$62.61	\$64.11	\$66.35	\$73.10	\$77.98	\$81.92	\$86.02
Increase %	4.0%	0.0%	0.0%	0.0%	0.0%	2.4%	3.5%	10.2%	6.7%	5.1%	5.0%
Student Semester FTEs	52,559	54,822	53,331	58,135	62,177	64,914	67,104	67,416	67,219	67,219	67,219
Official Enrollment	27,945	28,685	29,887	31,040	33,241	34,732	36,001	36,250	36,350	36,450	36,550

ISU Student Government Trust Fund Balance



CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees
FROM: Sheri Kyras
DATE: December 3, 2015
SUBJECT: Five Year Capital Improvement Plan

BACKGROUND: Each year, staff develops a five-year Capital Improvement Plan (CIP) to fund needed improvements in its bus fleet, facilities 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
- 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, 2016. The remaining years would not be purchased until the year approaches and are subject to modifications as they are more fluid in nature due to annual 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 next page is recommended for procurement in the 2016-2017 budget year to ensure smooth operation of the transit system and is included in the baseline 2016-2017 budget, included as part of the previous agenda topic. A detailed explanation of each anticipated expenditure, by category, is detailed after the chart.

Purchase	Other Share		Local Share	Total Cost
	Federal	State/GSB	CyRide	
Vehicle Replace.				
5-40' Used Buses	\$0	\$0	\$125,000	\$125,000
3-40' New Buses	\$1,040,832	\$0	\$260,208	\$1,301,040
Admin. Veh.	\$0	\$0	\$30,000	\$30,000
Shop Truck	\$0	\$0	\$75,000	\$75,000
SUBTOTAL	\$1,040,832	\$0	\$490,208	\$1,531,040
Bdg. Expan. & Modern.				
Roof Replacement	\$0	\$300,000	\$75,000	\$375,000
Concrete Replac.	\$0	\$0	\$75,000	\$75,000
A & E Services	\$0	\$0	\$30,000	\$30,000
SUBTOTAL	\$0	\$300,000	\$180,000	\$480,000
Shop/Office Eqt.				
Computers (7)	\$0	\$0	\$14,000	\$14,000
Shop Equipment	\$0	\$0	\$50,000	\$50,000
Electric Hoist	\$0	\$0	\$45,000	\$45,000
Flood Pump	\$0	\$0	\$80,000	\$80,000
SUBTOTAL	\$0	\$0	\$189,000	\$189,000
Bus Stop Improve.				
Bus Stop Improve.	\$40,000	\$0	\$10,000	\$50,000
SUBTOTAL	\$40,000	\$0	\$10,000	\$50,000
Technology				
Bus Security Cameras	\$0	\$0	\$180,000	\$180,000
Building Security System	\$0	\$0	\$30,000	\$30,000
Asset Mgt. Software	\$0	\$0	\$100,000	\$100,000
SUBTOTAL	\$0	\$0	\$310,000	\$310,000
TOTAL	\$1,080,832	\$300,000	\$1,179,208	\$2,560,040
Carryover Local	---	---	\$413,038*	---
Total 2016-2017 Local	---	---	\$766,170	---

*Includes \$200,000 committed to local match for bus storage expansion

After purchase of these items in 2016-2017, the local capital fund closing balance is estimated to be approximately \$253,830, which is lower than the 2015-2016 expected balance as a result of significant bus purchases during the next budget year.

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

Purchase Five, Used 40' Buses – Without the ability to fund new buses through grants from dedicated bus procurement sources, CyRide would need to purchase five used buses each year to have an adequate number of vehicles available for anticipated growth and efficient operation, as well as replace vehicles that no longer are able to be operated safely.

Purchase Three, New 40' Buses – CyRide has three buses approved in a state grant (two in an ICAAP and one in PTMS allocation), which are anticipated for delivery in late 2016/17. CyRide will receive 80% state funding for their purchase.

Administrative Vehicle – CyRide has four vehicles that are utilized in daily service to provide transportation for the drivers to use to relieve other drivers on-route at locations around the community. One of these vehicles, the Prius, would be seven years old at the time of replacement and is in poor mechanical condition.

Shop Truck – CyRide programs its shop truck replacement vehicles approximately every ten years, based on condition of the vehicle at that time. CyRide's truck #999 will be 10 yrs. old at replacement and in poor condition. This vehicle is used by maintenance staff during road repairs, for plowing snow, installing bus stop signs, removing trash at shelters, etc.

Roof Replacement – The warranty on CyRide's current bus storage roofs **expired** in 1994, on its oldest section, and in 2010 on its newest section. Upon visual inspection, both sections are in poor condition and have exceeded their useful life. CyRide staff will request State Public Transit Infrastructure Grant (PTIG) funding in a grant in May 2016, at an 80% state share, to complete this roof replacement on both sections of the bus storage building.

Concrete Replacement – A major new section of parking lot was constructed under the 2013-2014 facility construction project. However, concrete at the east side of the facility was not included and remains in crumbling condition. CyRide would replace large sections of this concrete in the 2016-2017 capital budget.

A & E Services – Proposed 2016-2017 through FY2018-2019 capital projects, "Roof Replacement, Hoist Repair, Bus Wash Rehab, HVAC Replacement and Security System (Building)" would require engineering services to identify the specific work to be completed and estimate their cost. As a result, CyRide would contract with an architectural and engineering firm to provide these services in preparation of this work.

Computers - CyRide would replace six computers during the 2016-2017 budget year in accordance with the City of Ames computer procurement schedule.

Shop Equipment – Seven small shop equipment items are scheduled for purchase in the 2016-2017 Capital Plan as follows:

- Six new trash pumps used for pumping water out of the building during a flood (\$12,000)
- One replacement air jack (\$1,600) that is used to lift buses
- One tire machine used to mount tires (\$20,000)
- One wheel/barrel hoist (\$1,200) used to mount bus wheels
- Replacement of the maintenance mezzanine storage area railing (\$7,000)

- One Custom E-Motor Mount used for hybrid bus maintenance (\$1,000)
- One Emergency Eye Wash & Shower Station as required by OSHA (\$5,000).

In addition, two larger pieces of shop equipment would be purchased: a new flood pump (\$80,000) and replace CyRide's electric hoists (\$45,000) that are 35 years old, unreliable and are used instead of the in-ground hoists for long-term repairs, such as engine or transmission rebuilding.

Flood Pump – As part of the flood wall system, CyRide must purchase two large, 2,290 gpm capacity portable pumps to remove water that will seep through the underground systems to eliminate damage to the facility when/if another flood event occurs. Without this system, CyRide could experience damage to the facility. CyRide has looked into renting this equipment and has found only smaller pumps available that would not be able to pump the amount of water expected to breach the facility during an event.

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 would be used to replace three existing shelters, and two current shelters in better condition would be reused to expand CyRide's shelter program. This project would be funded with 80% federal funds.

Bus Security Cameras – CyRide places interior and exterior cameras on its buses that are used to investigate customer complaints, accidents and identify operational issues. CyRide has developed a program to systematically replace these cameras on its existing buses. This program requires replacement/rehabilitation of these systems on five to thirteen buses next year. Currently the St. Paul buses do not have these systems; therefore, older systems would be rehabilitated so that CyRide's entire fleet will be equipped with security cameras.

Building Security System – CyRide's administrative office is the only portion of the facility that is currently equipped with a video surveillance system. This system is seven years old, not able to be expanded and is experiencing reliability issues. CyRide's maintenance shop and bus storage areas would be added to a new system to complete coverage of the facility. This new system would be completed over a three-year period beginning in 2015-2016. Adequate safety and security of federal assets is an FTA priority and has been a recommendation in federal reviews completed on CyRide's operations in the past.

Asset Management Software – A new federal regulation will be initiated in 2016 that will require each transit system to record and monitor all revenue vehicles (buses/minibuses/vans used to provide service to the public), its facility and larger equipment. The specific details of the requirement are still being developed; however, the requirement will need to be implemented in 2016. Included in this management system, at a minimum, is the age and condition of more than 200 pieces of equipment/facilities at CyRide. It is believed that these new requirements will be beyond staff's ability to use existing spreadsheet programs to accomplish this new task.

Remaining Four Years (2017-2018 – 2020-2021):

Assumptions made for major purchases in future years of the Capital Improvement Plan include the following which are contained in the attached City of Ames Capital Improvement Plan information sheets:

Bus Purchases – Representing approximately \$510,000 over the remaining 4-year period, this investment reflects the purchase of 20 used, large buses, maintaining a fleet between 90-100 large buses **to meet anticipated ridership growth**. Additionally, the plan anticipates funding of eight 40' buses under anticipated funding by the State of Iowa at an 80% state share.

Other Vehicle Purchases – The plan assumes replacement of one administrative vehicle per year and one maintenance vehicle in 2018-2019, for a total cost of \$200,000. Administrative vehicles are replaced every 4 – 6 years and maintenance trucks approximately every 10 years.

Dial-A-Ride Bus/Van – CyRide replaced/purchased new, both vehicles in 2015-2016. These vehicles are four-year vehicles per Federal Transit Administration guidance; however, has scheduled their replacement in 2020/2021 (five years).

Building Expansion & Modernization – This plan assumes the following:

2017-2018 - CyRide's current bus washer would be 11 years old at the time of replacement and at the end of its useful life (typically 10 years). This project would replace or rehabilitate this major facility feature (\$325,000).

Additionally, CyRide would replace its in-ground hoists as they are original to the building and prone to leaking and unreliability (\$430,000). Both projects are eligible for PTIG grant funding at an 80% state share.

2018-2019 – Replace CyRide's HVAC system in the original portion of the building (\$810,000), replace the EIFS coating on the exterior of CyRide's building that is deteriorating (\$25,000) and replace CyRide's radio system as part of the City of Ames radio system replacement (\$100,000). This project would be eligible for PTIG grant funding at an 80% state share.

2019-2020 – CyRide would replace its fuel dispensing system with a high speed fueling system. The current system was installed in 2003 with used equipment at that time. The new system would allow for quicker, more efficient fueling and would significantly reduce fuel spillage due to the new design that sync's with the bus fuel intake (\$250,000).

2020-2021 – No projects are programmed at this time.

Video Systems – CyRide currently has video systems in most of its buses. This equipment has a useful life of 4-5 years. As a result, CyRide would need to replace video systems on at least five buses each year to ensure that these systems are available for

incidents that occur on the buses, for a four-year total of \$180,000. These systems have become a valuable tool in the management of CyRide's system, as well as, for law enforcement at the university and city.

Security System (Building) – CyRide's administrative office is the only portion of the facility that is currently equipped with a video surveillance system. This system is eight years old, not able to be expanded and is experiencing reliability issues. CyRide's maintenance shop and bus storage areas would be added to a new system to complete coverage of the facility. This new system would be completed over a three-year period beginning in 2015-2016 and be completed in 2017-2018. Adequate safety and security of federal assets is an FTA priority and has been a recommendation in federal reviews completed on CyRide's operations in the past.

HR Software – CyRide would purchase a human resources package that would allow staff to document employee actions, various federal checks that are required and maintain an overall accurate work history of its more than 145 bus operators. The number of drivers employed at CyRide has grown by more than 1/3 in the last five-ten years and has become unmanageable without software designed to track this information (\$100,000).

Shop and Office Equipment – This plan assumes \$12,000 to \$14,000 per year to upgrade computers and \$50,000 per year in shop equipment would be needed to ensure smooth operation in the administrative and maintenance areas. In addition, two larger pieces of equipment would be scheduled for replacement in 2017-2018 – a forklift (\$40,000) and flood pump (\$80,000).

Bus Stop Improvements – CyRide continues to emphasize its bus stop improvement program and has included a \$50,000 annual commitment in the plan through 2020-2021.

Additionally, in the 2014-2015 capital plan, the Transit Board approved \$200,000 in local grant match for expansion of CyRide's bus storage. This amount will be held in reserve until state or federal dollars and an expansion plan can be secured to begin a facility expansion project.

ALTERNATIVES:

1. Defer action on the Five Year Capital Plan until the January 2016 Transit Board meeting.
2. Approve the Five Year Capital Improvement Plan as presented.
3. Approve the Five Year Capital Improvement Plan, with board modifications.
4. Do not approve the Five Year Capital Improvement Plan.

RECOMMENDATION:

The Transit Director recommends alternative #1 to defer action until January in order to give board members time to review the plan or alternative #2 to approve the plan, dependent upon the Transit Board's comfort of the plan at the time of the December board meeting.

CyRide Capital - FY16 to FY21

11/25/15 12:47 PM

		FY15	FY16	FY17	FY18	FY19	FY20	FY21
Capital		Actual						
Beginning Balance		\$ 659,497	\$ 793,245	\$ 613,038	\$ 253,830	\$ 517,179	\$ 272,179	\$ 348,019
State/Federal Building	80%	\$ 28,057	\$ 300,000					
PTIG Building	80%			\$ 300,000	\$ 600,000	\$ 600,000	Capped at \$600,000	
State/Federal Bus	80%			\$ 1,040,832	\$ 357,352	\$ 1,632,000	\$ 848,640	\$ 551,840
State/Federal Bus	83%	\$ 2,031,840						
State/Federal Bus	85%		\$ 2,666,875		\$ 379,687			
State/Federal Bus	90%	\$ 96,477						
State/Federal Bus Stops	80%	\$ 55,662	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
State/Federal Needs Anal.	80%	\$ 23,875	\$ 87,090					
ISU Parking		\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000
Interest		\$ 7,227	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
GSB		\$ 97,130						
Capital Transfer		\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Capital Revenues		\$ 3,157,268	\$ 3,913,965	\$ 2,200,832	\$ 2,197,039	\$ 3,092,000	\$ 1,708,640	\$ 1,411,840

		FY15	FY16	FY17	FY18	FY19	FY20	FY21
Total Available		\$ 3,816,765	\$ 4,707,210	\$ 2,813,870	\$ 2,450,869	\$ 3,609,179	\$ 1,980,819	\$ 1,759,859
Grants								
Building (Grants) Pits in FY16	5309	\$ 36,777	\$ 330,000					
Roof Replacement	PTIG			\$ 375,000				
Hoists Repair	PTIG				\$ 430,000			
Bus Wash Rehab	PTIG				\$ 325,000			
HVAC Replacement	PTIG					\$ 810,000		
Buses (Grants)		\$ 2,556,592	\$ 3,000,000	\$ 1,301,040	\$ 446,690	\$ 2,040,000	\$ 1,060,800	\$ 530,400
			4 Artics 85%	1 PTMS 2 ICAAP 80	1 ICAAP 80%	4 PTMS 80%	2 PTMS 80%	1 PTMS 80%
HIRTA Bus	5310		\$ 87,000					\$ 100,857
HIRTA Van	5310		\$ 50,500					\$ 58,543
Bus Stops	5310	\$ 69,580	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Needs Analysis	5309	\$ 29,847	\$ 69,672					
Building (Local)								
Buses (Local)		\$ 186,145	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 135,000	\$ 135,000
Video Systems			\$ 45,000	\$ 180,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Support Vehicle		\$ 23,102	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Shop Trucks				\$ 75,000		\$ 50,000		
Shop Equipment		\$ 13,061	\$ 68,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Computers/Office Equip.		\$ 11,285	\$ 14,000	\$ 14,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
Fluid Management			\$ 70,000					
Electric Hoist			\$ 45,000	\$ 45,000				
Concrete			\$ 50,000	\$ 75,000				
A&E Services			\$ 30,000	\$ 30,000				
Security System (Building)			\$ 30,000	\$ 30,000	\$ 200,000			
Flood Pumps				\$ 80,000	\$ 80,000			
Asset Mgmt Software				\$ 100,000				
HR Software					\$ 100,000			
Forklift					\$ 40,000			
Radios						\$ 100,000		
EIFS Coating						\$ 25,000		
High Speed Fueling							\$ 250,000	
Capital Expenses		\$ 3,023,520	\$ 4,094,172	\$ 2,560,040	\$ 1,933,690	\$ 3,337,000	\$ 1,632,800	\$ 1,011,800
			\$ 225,000	\$ 360,000	\$ 420,000	\$ 125,000	\$ 250,000	\$ -
Ending Balance		\$ 793,245	\$ 613,038	\$ 253,830	\$ 517,179	\$ 272,179	\$ 348,019	\$ 748,059
Building Reserve			\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 448,059
Balance without Building		\$ 793,245	\$ 413,038	\$ 53,830	\$ 317,179	\$ 72,179	\$ 148,019	\$ 300,000

CYRIDE CAPITAL IMPROVEMENTS PLAN SUMMARY 2017-2021

November 2015

TRANSPORTATION - TRANSIT

PROJECT/REVENUE DESCRIPTION	TOTAL	2016/17	2017/18	2018/19	2019/20	2020/21
EXPENDITURES:						
Vehicle Replacement	6,458,330	1,531,040	601,690	2,245,000	1,225,800	854,800
Building Expansion & Modernization	2,465,000	525,000	755,000	935,000	250,000	0
Shop & Office Small Capital	512,000	144,000	182,000	62,000	62,000	62,000
Bus Stop Improvements	250,000	50,000	50,000	50,000	50,000	50,000
Technology	790,000	310,000	345,000	45,000	45,000	45,000
Total Expenditures	10,475,330	2,560,040	1,933,690	3,337,000	1,632,800	1,011,800

REVENUES:

City:						
Transit Fund	4,344,666	1,179,208	936,338	1,065,000	744,160	419,960
Other:						
FTA - 5339 / ICAAP	4,430,664	1,040,832	357,352	1,632,000	848,640	551,840
Elderly/Disabled	200,000	40,000	40,000	40,000	40,000	40,000
State of Iowa - PTIG	1,500,000	300,000	600,000	600,000	0	0
GSB	0					
Other Subtotal						
Total Revenues	10,475,330	2,560,040	1,933,690	3,337,000	1,632,800	1,011,800

CYRIDE VEHICLE REPLACEMENT

PROJECT STATUS: Scope Change

City of Ames, Iowa
Capital Improvements Plan

DESCRIPTION/JUSTIFICATION

CyRide will replace/expand its bus fleet by five buses each year to meet ridership demand and replace vehicles that can no longer be operated in daily service. Additionally, CyRide received two federal grants for a total of three 40-foot buses, which should be delivered in FY 2016/2017. Also CyRide has a pending grant application for one additional 40' bus, which could be delivery in 2017-2018, if approved. CyRide has four vehicles used for administrative support and in the operations division for drivers to switch shifts. These vehicles are on a four- to six-year replacement schedule, ultimately replaced when they no longer are mechanically sound. The two maintenance trucks are on a ten-year replacement cycle. Dial-A-Ride vehicles are replaced every 4-6 years.

In total, these purchases are programmed as follows:

- 2016/17: Purchase five used 40' buses (\$125,000); purchase three new 40' buses (\$1,301,040); replace maintenance truck 999 (\$75,000); replace administrative vehicle 294 - Escape (\$30,000)
- 2017/18: Purchase five used 40' buses (\$125,000); purchase one new 40' bus (\$446,690); replace administrative vehicle - Terrain (\$30,000)
- 2018/19: Purchase five used 40' buses (\$125,000); purchase four new 40' buses (\$2,040,000); replace administrative vehicle (\$30,000); replace maintenance truck 007 (\$50,000)
- 2019/20: Purchase five used 40' buses (\$135,000); purchase two new 40' buses (\$1,060,800); replace administrative vehicle (\$30,000)
- 2020/21: Purchase five used 40' buses (\$135,000); purchase one new 40' bus (\$530,400); replace the Dial-A-Ride bus and van (\$100,857 and \$58,543, respectively); replace administrative vehicle Prius/Fusion - (\$30,000)

COMMENTS

All vehicles, except the new buses, will be 100% locally funded. The new buses will be funded with 80-85% federal funding, including the State of Iowa's Iowa Clean Air Attainment Program (ICAAP) funds that are a distribution of federal dollars.

LOCATION

CyRide, 1700 University Boulevard

	TOTAL	2016/17	2017/18	2018/19	2019/20	2020/21
COST:						
Large Buses - 40' New	5,378,930		446,690	2,040,000	1,060,800	530,400
Used Buses	645,000		125,000	125,000	135,000	135,000
Administrative Vehicles	150,000		30,000	30,000	30,000	30,000
Shop Vehicles	125,000			50,000		
Dial-A-Ride Bus/Van	159,400					159,400
TOTAL	6,458,330		601,690	2,245,000	1,225,800	854,800
FINANCING:						
Transit Fund	2,027,666		244,338	613,000	377,160	302,960
Federal Transit Administration				1,632,000	848,640	551,840
ICAAP Funds	4,430,664		357,352			
TOTAL	6,458,330		601,690	2,245,000	1,225,800	854,800

PROGRAM - ACTIVITY:
Transportation - Transit

DEPARTMENT:
CyRide

ACCOUNT NO.

CYRIDE TECHNOLOGY IMPROVEMENTS

PROJECT STATUS: Scope Change

DESCRIPTION/JUSTIFICATION

CyRide has equipped its bus fleet with video camera technology that has improved customer safety and information regarding the daily operation of service. As a result, CyRide has developed a bus video replacement system that replaces the video system on 15 buses in 2016/17 (\$180,000) and then five buses (\$45,000 per year) each year. These systems must be replaced periodically as the existing equipment has become obsolete and is not supported by the vendor. CyRide currently has four different video systems on its bus fleet, which are used to investigate customer complaints and identify operational issues.

CyRide will also upgrade its current office building security camera system and add this security system into the bus storage facility over a two year period, FY1016/17 and FY2017/18 (\$30,000 and \$200,000, respectively).

A new federal requirement will require CyRide to maintain detailed asset management records for CyRide's fleet of 97 buses, plus support equipment and its building, which will require a software package to monitor and maintain these records beginning in the FY2016/17 fiscal year (\$100,000).

In the 2017/18 fiscal year, CyRide would purchase a human resources package that would allow staff to document employee actions, various federal checks that are required and maintain an overall accurate work history of its more than 145 bus operators. The number of drivers employed at CyRide has grown by more than 1/3 in the last five-ten years and has become unmanageable without software designed to track this information (\$100,000).

COMMENTS

The FY2016/17 camera replacement funds will purchase several new cameras to complete camera systems in all CyRide buses due to fleet expansion that occurred during the last several fiscal years.

CyRide's administrative offices are the only portion of the facility currently equipped with a video surveillance system. This system is eight years old, not capable of expansion, and experiencing reliability issues. CyRide's maintenance shop and bus storage areas would be added to a new system to complete coverage of the facility. This new system would be completed over the two-year period of FY 2016/17 and FY 2017/18.

Adequate safety and security of federal assets is a priority and has been a recommendation in federal reviews completed of CyRide's operations.

LOCATION

CyRide, 1700 University Boulevard

	TOTAL	2016/17	2017/18	2018/19	2019/20	2020/21
COST:						
Bus Security Cameras	360,000	180,000	45,000	45,000	45,000	45,000
Building Security System	230,000	30,000	200,000			
Asset Management/ HR Software	200,000	100,000	100,000			
TOTAL	790,000	310,000	345,000	45,000	45,000	45,000
FINANCING:						
Transit Fund	790,000	310,000	345,000	45,000	45,000	45,000
TOTAL	790,000	310,000	345,000	45,000	45,000	45,000

PROGRAM - ACTIVITY: Transportation - Transit
DEPARTMENT: CyRide
ACCOUNT NO.

CYRIDE SHOP AND OFFICE EQUIPMENT

PROJECT STATUS: Scope Change

City of Ames, Iowa
Capital Improvements Plan

DESCRIPTION/JUSTIFICATION

This project is to address replacement of shop and office equipment used for CyRide operations. While a majority of the FY 2016/17 – FY 2020/21 shop purchases in this category are smaller items where replacement need is less predictable, they have been generally described in this CIP. Specific shop needs will be identified annually to efficiently operate CyRide and address OSHA, Department of Natural Resources, and other federal requirements as they are implemented at a total cost of approximately \$50,000 per year. Additionally, four to seven computers and equipment will be funded each year at an estimated cost of \$12,000-\$14,000 per year.

FY2016/17 – FY2020/21 larger equipment purchases include:

- FY2016/17 and FY2017/18 – Flood Pumps (one pump at \$80,000 each year)
- FY2017/18 – Replace CyRide's current forklift (\$40,000)

COMMENTS

The FY 2016/17 smaller shop and office equipment expenditures include the replacement of three computers and the following shop equipment:

- Six Trash Pumps (\$12,000)
- Air Jack (\$1,600)
- Tire Machine (\$20,000)
- Railing Replacement (\$6,400)
- Storage Racks (\$10,000)

The flood pumps are new and are required to complete flood-proofing of CyRide's facility, upon completion of CyRide's flood wall in 2014.

CyRide's forklift is 38 years old and has become unreliable and expensive to repair.

LOCATION

CyRide, 1700 University Boulevard

	TOTAL	2016/17	2017/18	2018/19	2019/20	2020/21
COST:						
Computers	62,000	14,000	12,000	12,000	12,000	12,000
Shop Equipment	450,000	130,000	170,000	50,000	50,000	50,000
TOTAL	512,000	144,000	182,000	62,000	62,000	62,000
FINANCING:						
Transit Fund	512,000	144,000	182,000	62,000	62,000	62,000
TOTAL	512,000	144,000	182,000	62,000	62,000	62,000

PROGRAM - ACTIVITY:
Transportation – Transit

DEPARTMENT:
CyRide

ACCOUNT NO.

BUS STOP IMPROVEMENTS

PROJECT STATUS: No Change

City of Ames, Iowa
Capital Improvements Plan

DESCRIPTION/JUSTIFICATION

One of the most frequently requested customer suggestions received by CyRide is regarding the condition or lack of amenities at its more than 435 bus stop locations throughout the city. Therefore, over the next five-year period (FY 2016/17 through FY 2020/21), CyRide will install two to three new bus shelters and move existing bus shelters to new locations each 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 bus stop improvements study. In addition to shelters, concrete pads, amenities and connections to sidewalks will be included to make using the bus easier for customers. In total, approximately \$50,000 per year in improvements will be completed.

COMMENTS

Funding for these improvements will be provided by 80% federal dollars administered under a grant from the State of Iowa and 20% local funding from CyRide's budget.

LOCATION

Various locations throughout Ames

	TOTAL	2016/17	2017/18	2018/19	2019/20	2020/21
COST:						
Pads, Benches, Shelters	250,000	50,000	50,000	50,000	50,000	50,000
TOTAL	250,000	50,000	50,000	50,000	50,000	50,000
FINANCING:						
Transit Fund	50,000	10,000	10,000	10,000	10,000	10,000
Federal 5310 Grants	200,000	40,000	40,000	40,000	40,000	40,000
TOTAL	250,000	50,000	50,000	50,000	50,000	50,000

PROGRAM - ACTIVITY:
Transportation - Transit

DEPARTMENT:
CyRide

ACCOUNT NO.

Transit Director's Report

December 2015

1. Used Bus Purchase

CyRide was able to purchase three used buses from the State of Minnesota Department of Administration Surplus Services Auction on November 19, 2015. These buses were operated by Metro Transit in St. Paul, Minnesota and purchased for the following prices.

Bus #1	\$2,120
Bus #2	\$1,445
Bus #3	<u>\$1,545</u>
Total Cost	\$5,110

CyRide would like to retire five to eight buses, due to their poor condition, over the course of the next 12-18 months. Metro Transit has shared with CyRide that it will be placing more buses on this auction site in the near future, so CyRide will monitor their availability and will look to purchase more vehicle hopefully next spring. CyRide will begin the refurbishment process of the three buses just purchased and will take “before” and “after” pictures to illustrate how the Mechanics are able to take buses that have been retired by another transit system and bring them back to life for CyRide.

2. Orange Route Study

At the November 12, 2015 transit board meeting, Trustees discussed the three alternatives remaining under consideration for operating the Orange Route. At that meeting, it was decided to table this discussion until a future meeting when all board members could be present. Several areas of concern were raised by Trustees such as making a financial commitment in advance of receiving grant funding, balancing this operational need with other operational and capital needs, student input on the BRT option, community input on service along Beach Ave., etc. In an effort to provide the information needed for discussion at a future meeting, staff anticipates preparing the following information.

- Five-year pro forma for each Orange Route alternative, with rough assumptions included facilities and additional services
- Timeline on federal New Start funding process, with date that a final local match commitment would be needed if the BRT alternative was chosen by the transit board
- Student Focus Group on acceptance of BRT alternative to be scheduled for mid-January

Staff is seeking board member input regarding any additional information that would be needed to make a decision on a preferred alternative for the route.

3. System Redesign Study Scope of Work

During December, staff will draft a scope of work for the System Redesign project for review by transit board members at the January meeting. It will be important that the work tasks match the expectations of the transit board in order to provide a service plan for the future.

January

<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 TRANSIT BOARD MTG. 8:00am	14	15	16
17	18 University Offices Closed	19	20	21	22	23
24	25	26	27	28	29	30
31	Future Transit 2016 Board Meeting Dates: February 17 March 23 April 29 All meetings at 8:00AM				2016	