

# **AMES TRANSIT AGENCY BOARD OF TRUSTEES**

## **CYRIDE CONFERENCE ROOM**

March 29, 2016

1. CALL TO ORDER: 7:00 A.M.
2. Approval of February 17, 2016 Minutes
3. Public Comments
4. CyRide Operating Budget Closing Balance Policy
5. CyRide Operating Budget Closing Balance Dollars
6. FY2015/16 and FY2016/17 Budget Savings from ICAAP Grant
7. Facility Space Update – Short Term Options
8. DMACC Service Request
9. Federal Operating Grant Application Submittal Approval
10. Quarterly Operations Report (Oct – Dec 2015)
11. Transit Director's Report
12. Set Spring Semester Meeting Times and Place:
  - April 29, 2016, 8:00 AM
  - May 25, 2016, 8:00 AM
  - July 20, 2016, 8:00 AM
  - August 24, 2016, 8:00 AM
13. Adjourn

## AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

February 17, 2016

The Ames Transit Agency Board of Trustees met on February 17, 2016 at 8:00 a.m. in the CyRide Conference room. President Haila called the meeting to order at 8:03 a.m. with Trustees Madden, Schainker, Haila and Teubert present. Absent: Trustees Gartin and Abbas.

**APPROVAL OF JANUARY 13, 2016 MINUTES:** President Haila requested the time line in the attached chart be amended to show the \$200,000 - \$300,000 funding requirement for Project Development starting December 2016. Trustee Madden made a motion to approve the January 13, 2016 minutes as amended by President Haila. Trustee Teubert seconded the motion. (Ayes: Four. Nays: None.) Motion carried unanimously.

Trustee Gartin arrived at 8:05 am.

**PUBLIC COMMENTS:** None.

**PURCHASE HIRTA BUS:** Director Kyras told the Transit Board that since 2008, CyRide had leased a bus to HIRTA to provide ADA-required Dial-A-Ride service. She indicated that the bus currently used in service is bus #7640, which is ten years old and well past its useful life of four years. Director Kyras proposed to replace this bus using 85% federal dollars (5310 funds for disabled persons). CyRide staff proposed using the Iowa DOT's statewide bus procurement to replace this bus, awarding the bid to Hoglund Bus and Truck in Marshalltown, Iowa at a cost of \$81,000. Director Kyras informed the Transit Board that there are adequate federal funds, of almost \$600,000, in CyRide's federal section 5310 account to purchase the vehicle for HIRTA. This program is also used to fund CyRide's annual Dial-A-Ride budget. She indicated that the vehicle was included in the CIP budget, requiring a 15% local match of \$12,173. Director Kyras further explained that HIRTA asked to purchase the current bus and continue to operate it within Story County, under a federal transfer of ownership allowed by the federal government. She indicated that if CyRide were going to sell the vehicle that the bus would be advertised at an online auction, and that similar vehicles sold by CyRide in this manner had generated approximately \$3,000 in revenue. She then indicated that HIRTA would purchase this vehicle from CyRide for this amount and the title will be transferred to HIRTA.

Director Kyras asked for approval to purchase the bus from Hoglund Bus and Truck at the price of \$81,153.

Trustee Madden inquired about how many miles had been placed on the bus to be replaced. CyRide's Asst. Director Fleet and Facility, Rich Leners estimated approximately a quarter of a million miles.

President Haila asked for information about the process required to dispose of federally-funded buses. Director Kyras explained that if a vehicle is sold for less than \$5,000, the transit system may keep all of the proceeds. If the vehicle proceeds are at or exceed \$5,000, the transit system must return 80% of the proceeds to the federal government. She indicated that the federal government requires vehicles to be transferred to another system, if both systems agree upon a local share amount. The purchasing transit system would then be responsible for dispose of the asset, per federal regulations, when they no longer can/want to operate the vehicle.

A discussion of the 5310 federal funding balance ensued. Director Kyras indicated that of the almost \$600,000 balance, approximately \$203,000 had been committed to the operating budget to operate the Dial-A-Ride program for next year and \$40,000 to bus stop improvements. The remainder was currently uncommitted. Director Kyras shared that the Iowa DOT would prefer to have these funds drawn down for disabled transit service purposes.

Trustee Gartin asked why the DOT had an interest in the fund balance. Director Kyras shared that the DOT administers the federal Section 5310 funds in Iowa and is responsible to the federal government for their use. Trustee Gartin asked if the DOT had guidelines that they felt CyRide should keep for reserves. Director Kyras shared with Trustee Gartin that there are no guidelines, but also shared that most transit systems in Iowa depleted their balance every year, which is why the DOT had indicated a desire to develop a plan to utilize these funds. Trustee Gartin expressed his concern that the DOT might be overly concerned with CyRide's management of the funds, stating that the Transit Board was doing its due diligence in utilizing these funds for the benefit of the community over the long-term. Director Kyras shared that the replacement of a vehicle well past its useful life was a good use of the funds and would lower the funding balance at the same time.

President Haila clarified that the Section 5310 program is an ongoing federal program and a positive way to fund required federal programs such as CyRide's Dial-A-Ride program. Trustee Madden indicated that the Iowa DOT was simply asking for information on CyRide's plans for the funding and recommending that it begin drawing this funding level down.

Trustee Gartin suggested this money could be used for unexpected expenses. Director Kyras indicated that the only eligible uses in CyRide's system for the funds were: vehicle purchases, shelters and Dial-A-Ride operating expenses. Trustee Madden clarified that this federal funding program is used to pay for 80% of CyRide's Dial-A-Ride service, which HIRTA provides. Further, he indicated that if CyRide operated this service directly, these funds could not be used to pay for this service and would require 100% local dollars as the funds are for "contracted" Dial-A-Ride services only. President Haila further clarified this funding distinction.

President Haila inquired as to what the fund balance would be at the end of the fiscal year and Director Kyras estimated \$200,000.

Director Kyras clarified the action needed at the meeting was for the bus purchase only. She indicated that the current bus transfer to HIRTA was a standard operating procedure per federal regulations, but desired to share this with the Transit Board as it was a less typical way for CyRide to dispose of vehicles.

Trustee Schainker and Director Kyras clarified the bus transfer, indicating that the bus either had to be sold per a competitive disposal process or transferred to another public transit system, but could not be sold directly to an individual.

Trustee Gartin made a motion to approve the purchase of one minibus under the Iowa DOT procurement to Hogle Bus and Truck for a purchase price of \$81,153. Trustee Madden seconded the motion. (Ayes: Five. Nays: None.) Motion carried unanimously.

**SYSTEM REDESIGN SCOPE OF WORK:** Director Kyras explained that this agenda item was a follow-up to last month's meeting on the scope of work for the System Redesign Study. She indicated that the revised scope of work was attached and captured the changes provided by board members at the previous month's meeting as well as ISU staff. Specific changes included:

- Task 2, added neighborhood associations to list of stakeholder meetings.
- Task 5, added non-rider survey to public input and will require the consultant determine how to gain this input.
- Task 8, two changes were added: clarification that option #2 should address routes currently travelling "through" campus, and added potential revenues/sources of revenue as well as expenses to the financial analysis.

Trustee Abbas arrived at 8:19 am.

Trustee Schainker questioned whether the revised scope of work, Task 8 language, clearly addressed the need for a thorough financial analysis, which would include how to address funding gaps, create new revenues if needed, etc. Director Kyras guided board members to page 6 of the revised scope of work, stating the verbiage indicated a need to analyze revenues, expenses and ways to pay for service under the service options.

Trustee Schainker questioned the membership and purpose of the Technical Committee asking whether it was strictly comprised of technical representatives (Technical Committee) or if it would also include interested parties (Steering Committee), as the current language indicates a mix of the two. He recommended splitting the two apart and having two committees to advise the Transit Board, each having a different

perspective on CyRide service. Director Kyras shared her initial thought on the original Technical Committee members, but indicated that staff could provide a list for Transit Board consideration, prior to the project's implementation. Individuals initially considered included: Cathy Brown, ISU University planner; Mark Miller, ISU Parking; Damion Pregitzer, City of Ames Traffic Engineer, as well as student representation. Director Kyras indicated she would adjust the language to include the two advisory committees.

Trustee Schainker also asked who would make the final decision on the study's recommendations. Director Kyras indicated the Transit Board would be the final decision maker. Mr. Schainker also asked if the consultant would be making a recommendation, suggesting that all other groups provide input into the consultant's recommendation to the Transit Board. Director Kyras indicated that the consultant could make the final recommendation, based on input from the technical committee, the steering committee, CyRide staff and comments from public meetings.

Trustee Madden shared a different process that he believed would be beneficial. He suggested receiving the two committees and the consultant's recommendation separately and then have the Transit Board consider all three opinions in their final decision. A discussion of the two methodologies ensued. Based on the discussion, Director Kyras indicated that she would change the scope of work language to state that there will be a recommendation from the consultant on the three options and that the Transit Board will have the ability to make the final decision.

Trustee Schainker said the inclusion of "students" is a generic term and suggested that non-students or maybe non-riders, who have interest in the system, be included on the Steering Committee. Trustee Gartin encouraged staff to consider additional individuals on the Technical Committee, indicating that other transportation expertise in the community could provide a benefit to the study.

President Haila concluded that the Steering and Technical committee membership could be discussed and defined at a later time. Trustee Teubert added that the students have individuals that are already to participate in this study.

A discussion followed regarding the funding sources for the study, particularly discussing the timing of the Ames Area MPO consideration of a \$100,000 contribution to the study. Director Kyras indicated that, through discussions with the MPO Director, she believed that the AAMPO funding could be approved by May; prior to the scheduled July 1<sup>st</sup> start date for the study. President Haila raised a concern about distributing the Request for Proposal prior to having funding solidified. Director Kyras indicated that she could include language regarding the funding in the RFP so that consultants were aware of the timing gap.

Trustee Gartin made a motion to move Alternative #2 and approve the Scope of Work, including Transit Board modifications, in a Request for Proposal to conduct a System Redesign Study, including proposed language changes recommended by Trustee Schainker that a separate committee shall be formed (Steering committee) and that the consultant will provide three options and a final recommendation to the Transit Board, based on public, technical and steering committee input. Trustee Madden seconded the motion. (Ayes: Six. Nays: None.) Motion carried unanimously.

**FACILITY SPACE UPDATE:** Director Kyras gave the Transit Board an update on the short-term and long-term planning for facility space and indicated that staff will follow-up at the March Transit Board meeting with more detailed information. She indicated that with the arrival of the articulated buses this May, that CyRide will have four to six more vehicles than the interior and exterior bus parking can accommodate at its current site. The articulated buses will take up the space of eight standard buses.

Director Kyras began by providing information regarding the short-term possibilities, indicating that she had met with Cathy Brown from Iowa State University to determine if there were possible sites owned by the university for either short or long-term solutions. MS. Brown indicated that the university currently owned the former Van Wall building on Airport Rd. and that CyRide could improve a portion of the back of the property to store up to six vehicles. She indicated that Iowa State had an open contract for asphalt and, based on the size of the area, the cost to improve this area for buses was estimated to be \$45,000; however, usage of the space would be at no cost to CyRide. Trustee Madden said that the Van Wall location is a short-term solution only.

Another short-term option being considered is the property owned by the City, adjacent to the City's Fleet Services warehouse on Edison St. She indicated that the best piece of this ground was currently being used by the City of Ames Police Department, but that there was adequate room for both purposes. CyRide could improve this land with gravel and accommodate 15-25 buses. Trustee Gartin shared that he liked the City site as an option as he believed that the buses were a good fit for the area. Trustee Teubert agreed and indicated that he liked the ability to house more buses at this location as opposed to the Van Wall site that could accommodate only six buses. He further stated that it would be better use of CyRide's funds in the long run.

Trustee Madden asked about CyRide's additional expense at the two locations. Director Kyras indicated that the distance from CyRide's current facility to either location is about the same; however, she indicated operating costs would be higher from the City site because CyRide operates more services to the south and west side of Ames and the buses would be housed in east Ames.

Trustee Madden asked if CyRide had explored the K-Mart site, which has a large paved lot and wondered if the current owners would be willing to lease the parking lot to park

buses as a short-term location and suggested CyRide contact a realtor to see what other properties might be available. Trustee Teubert was not in favor of the K-Mart parking lot, indicating that this site is highly visible and would not provide the aesthetic the community would desire for this area. Director Kyras said she has a meeting set up with a realtor to begin this process and will follow-up with the Transit Board with more information in March.

Director Kyras then explained a third short-term option, which was the Ames School District's current leased bus facility. She indicated that the school district's project was not moving forward as quickly as anticipated and that they had extended their lease for this site so that it could not be considered as a short-term CyRide possibility at this time.

Trustee Madden offered other possible site suggestions, such as space at the airport or parking behind the Bourne building, as Sauer Dansfoss uses this facility as a warehouse.

Director Kyras said no decisions needed to be made at the February meeting as staff will work toward a short-term solution within the next month or two.

Director Kyras then began explaining the possible long-term sites. Trustee Schainker requested that sites near the Airport not be considered as a permanent solution as the Research Park is continuing to grow and the land along Riverside Drive continues to develop.

Director Kyras then provided background information regarding the long-term bus storage need. She indicated CyRide currently houses 93 vehicles and with the articulated bus arrival, the fleet will increase to 97 vehicles. She indicated that 80 vehicles could be housed indoors in the current facility. She also indicated that at the June 2015 Transit Board meeting, staff had recommended planning a space to accommodate a fleet of 125 vehicles in the long-term, requiring a second space for 45 vehicles. She indicated that staff has begun discussion on the long-term solution by determining how CyRide could function with two facilities and determining what functions would need to be performed at each site, indicating that the maintenance function at each site was a critical component of the discussions. She indicated that these discussions were not completed yet, but that several potential sites had been identified for consideration once the space needs portion of this project was completed. She indicated that Brent Schipper with ASK Studio would develop a building concept for 45 vehicles and then each site could be compared to the required space for the building concept.

Director Kyras explained that one site being considered is Iowa State University's Curtiss farm, south of Hwy 30 on State Street. This site could better serve the south and west side of Ames where a majority of CyRide service operates from.

Trustee Madden mentioned another site, the fire school located on Haber Road, as a possible location, indicating that at one point the school had considered relocating, but that the Ames Convention and Visitors Bureau would like the school to remain in Ames for its economic benefits to the community. This site would be close to CyRide's current facility, but Director Kyras said CyRide would not be able to bring all the buses through the Haber tunnel due to its height restrictions. Trustee Madden pointed out that this site is also in the flood plain.

Another possible site discussed was Brookside Park as the Ames School District will be relocating their baseball field. Transit board members discussed that this site was also in the flood plain, but geographically close to CyRide.

President Haila inquired about the parking lot north of Frederiksen Court, as it would also be in close proximity to CyRide's current site. Trustee Madden said it is currently used for student parking for residents that live in Frederiksen Court, due to the complexes building expansion a few years ago.

Director Kyras said CyRide staff has not considered East Ames sites as long-term solutions as a majority of CyRide services are provided in the west and south portion of Ames with the Orange and Red Routes.

Trustee Madden mentioned another possibility of the dealership that moved out of the property on West Lincoln Way, former Reuters Dealership. Director Kyras indicated they would look into this site and bring back feasible options at a future board meeting for the Transit Board to consider.

Referring to facility discussions several years ago, Trustee Schainker shared that he still believes that there is a solution at the current site. He indicated that building bus storage on the current parking lot, with employee parking on the roof, could provide a solution at the current site. Director Kyras indicated that functionally parking buses in the employee parking lot space would be difficult with the circulation space required. Further, she stated that if the current building was not constructed, that a better layout, that could accommodate more buses, could have been designed.

President Haila summarized the long-term discussion by suggesting that staff: take into consideration the operational cost of each potential site, include facility impacts in the System Redesign Study and remove all potential sites around the airport from consideration.

Trustee Gartin shared that the community needed good access to transportation and Trustee Madden shared that he liked the idea of looking west of Ames for a larger parcel, 20 to 25 acres, to build on as need and funding allowed, and to not piecemeal a facility together.



**CALENDAR YEAR 2016 PROPOSED BUS STOP IMPROVEMENTS:** Director Kyras explained the bus stop improvement plan update was requested by board members at the December meeting and postponed at the January meeting due to time constraints. She shared that CyRide's bus stop improvements were based on a 2008 study that rated the condition of each of its 400+ bus stops and then prioritized recommended improvements. She indicated that since then, staff had been systematically working through this list to improve customer experience.

Barb Neal, CyRide's Operation's Supervisor, shared with transit board members that this is a plan, and that the timing of specific improvements could fluctuate depending on a variety of factors. Trustee Teubert shared that several students have requested specific improvements, such as heated bus shelters. He indicated that an increasing number of Student Government Senators were interested in improving the shelter program for students. Trustee Gartin indicated that a better use of CyRide's limited bus stop improvement dollars might be for technology requests, such as phone charging stations, as Iowa winters usually last only about three months, leaving the benefit of shelters less justifiable.

Barb Neal indicated that CyRide's \$50,000 annual budget must accommodate both campus and off-campus locations, for both student and non-student needs. Director Kyras added that approximately \$50,000 per year in construction projects was about the maximum that staff could accomplish during the summer months.

President Haila shared his perspective that CyRide staff had two big projects to currently work on (Orange Route BRT and System Redesign projects) and suggested waiting to address another major project.

Barb Neal told the Transit Board that CyRide works with both ISU and the City on shelter construction projects and provided an update on two larger projects - a new Bessey Hall bus stop, which would not be needed until 2017; Friley Hall bus stop, which would include a new style bus shelter. Trustee Teubert stated that the Student Government has donated money for bus shelters. Barb Neal indicated that CyRide staff would work with students on how they wanted to utilize these funds.

The Transit Board then discussed the cost range for bus stop improvements. Trustee Gartin asked what drives the cost of bus stop improvements, as concrete is relatively inexpensive. Director Kyras explained that a simple improvement can cost \$1,000 to a major improvement with a new style shelter, amenities, electricity, etc. costing up to \$35,000. Barb Neal further explained that it is expensive to lay/build a bus stop on campus as ISU has moved to colored concrete, and that if NextBus signage and electrical is needed, the average cost is about \$30,000. A question was asked about where CyRide purchased its new style bus shelter from. Rich Leners, CyRide's Fleet and Facilities

Director, stated that they are manufactured by Columbia shelters and that CyRide's design is a custom design, resulting from a CyRide/ISU group effort to develop a more attractive structure. He further indicated that this shelter costs approximately \$20,000. Trustee Gartin asked President Haila if, in his professional opinion, he concurred with the costs of bus stop construction. President Haila indicated that he believed it was reasonable as this type of construction is considered a small project and, as such, tended to be higher priced.

Trustee Gartin asked about crime at bus stop locations and Rich Leners said there is very little crime at shelters and that most of the cost comes from broken glass panels in the fall and spring, with very little or no assault at these stops.

Trustee Madden asked about the South Duff and Walmart bus stop and referenced previous discussions about getting buses closer to the retail facilities east of South Duff. He suggested this be examined in the System Redesign Study.

#### **TRANSIT DIRECTOR'S REPORT:**

- 1) Director Kyras reported that the two grant applications for the Iowa DOT's Iowa Clean Air Attainment Program (ICAAP) were approved in January. The table provided in the packet of information showed a total savings of \$384,120 to the operating budget as a result of this grant approval. CyRide also has savings from last year's ICAAP grant award and plans to address how to apply these savings within CyRide's budget with the Transit Board at the March meeting.
- 2) Director Kyras indicated that she had received notification from the Federal Transit Administration (FTA) that the FTA's visit to view CyRide's potential BRT project will need to be rescheduled from its original March date, until late summer or early fall. Director Kyras told the Transit Board that at the February board meeting, board members agreed to submit a letter of request in April 2016, after the originally planned FTA visit. Director Kyras recommended still submitting letter in April, but accompany it with a high-quality video showing the Orange Route and explaining the project. President Haila expressed his concern with committing to the project without knowing the specifics of what would be required, and expressed his reservations in submitting the letter to determine FTA's interest in the project. Trustees Teubert, Abbas and Madden were supportive of submitting the letter.

Trustee Schainker raised a concern about the timing of this submittal prior to the System Redesign results. Director Kyras indicated that the next steps in the BRT project would not need to be taken until the end of 2016, if the FTA was interested. The System Redesign project will be half way completed at that time and CyRide's staff/board should have a feel for the direction of this study at that time.

After a lengthy discussion, board members agreed to submit the letter in April, confirming that this did not constitute a commitment and that the board still reserves the right to delay or terminate a grant request for the BRT project.

- 3) As a result of previous facility discussions on indoor versus outdoor parking costs, Director Kyras explained that CyRide staff had monitored the additional cost of parking twelve buses outside during the month of January 2016, which totaled more than \$13,000.

Trustee Schainker asked if the technology existed that could turn a bus engine heater on and off throughout the night on buses stored outside in cold weather. Trustee Schainker asked Rich Leners to look into the possibility of this. Mr. Leners shared that the technology for buses is different – different fuel type, age of vehicles, etc. He indicated that he had looked into this and that an engine heater that cycles off and on costs approximately \$7,500 per bus; however, this would not solve CyRide’s cold weather issues as a fuel tank heater would also be needed and that the bus’s battery fails in the cold weather. He indicated that he had recently researched the possibility of addressing the fuel tank/battery issues and did not find technology to-date that would resolve these issues.

- (4) Director Kyras shared that CyRide staff was working with the City Finance Department on a closing balance analysis and that staff will provide information for the board on this item at the March meeting.

Transit board members inquired how other transit systems address a reserve account. Director Kyras briefly shared the results of a previous, reserve account, transit survey, indicating that there is no standard methodology - some require three months of operating funds, some a certain dollar amount, and others a percentage of operating expenses. She indicated that the decision on methodology/reserve amount was determined by the risk level policymakers were comfortable with.

Trustee Madden informed the Transit Board that Iowa State’s administration had approved the policy for CyRide drivers to receive priority registration for class scheduling and urged Director Kyras to follow-up with Laura Doering of Iowa State to determine the logistics of this program.

Trustee Madden suggested another date for the March meeting as some of the Transit Board members may need to attend a community event on the scheduled date. CyRide staff will look for an alternate date.

Trustee Gartin suggested that staff include, in the board packet each month, the number of drivers needed so that the board could determine if the agency was making progress on its

driver staffing levels. Director Kyras suggested reporting the number of open hours instead of the number of drivers needed to gauge any improvement in this area.

Trustee Gartin asked staff to share any driver's concerns following the December accident. Director Kyras indicated that there were initially three drivers who had indicated they were struggling with driving a bus as a result of the accident, but that all had returned to work at that time. She also indicated that retired workers were questioning whether the job was worth the risk and that there may be future driver staffing ramifications.

Trustee Gartin made a motion to adjourn the meeting at 10:02am. (Ayes: Six. Nays: None.) Motion carried unanimously.

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John Haila, President

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Joanne Van Dyke, Recording Secretary

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees

**FROM:** Sheri Kyras

**DATE:** March 29, 2016

**SUBJECT:** CyRide Operating Budget Closing Balance Policy

**BACKGROUND:** At the December 2015 Transit Board meeting, board members raised a question regarding the appropriate closing balance for CyRide's operating budget. Historically, the Transit Board had established a goal of 15% of total operating expenses. However, as CyRide's budget has increased over the past ten years, a resulting amount of 15% would total more than \$1.5 million dollars in this reserve account. Therefore, CyRide staff has indicated that it has a comfort level at a 10-12% closing balance (\$1 - \$1.2 million). Board members requested a financial analysis to reassess the board's policy on a closing operating balance.

This operating balance is intended to provide a safety net in the likelihood of three situations: unanticipated funding shortfalls, unanticipated operating expenses/increase expenses or if CyRide would cease its operations.

**INFORMATION:** CyRide's Transit Director and Schedule/Budget Analyst met with the City of Ames' Finance Director to discuss a methodology to help guide the board in re-evaluating CyRide's closing balance policy. The attached memo from the City's Finance Director is summarized as follows:

- Expenses are more volatile than revenues, so a closing balance policy should be "set ... as a percentage of expenses."
- Staff has been able to budget the ending fund balance close to the actual balance.
- Revenue and expenses are balanced throughout the year.
- City of Ames is able to address unanticipated cash flow issues that may occur in CyRide's accounts. **Therefore, there is not a need to hold a significant balance to meet cash flows.**
- 5% of total expenses is adequate to maintain a positive balance and address financial contingencies; however, **the recommendation is to set a minimum budgetary closing balance of 7.5% of total expenditures.**
- Set a policy on how to address closing balances when they fall below the board established minimum.

Staff has also attached a summary comparison of a peer transit system survey regarding how each system addressed their closing balance/reserve account. This survey was completed in 2008.

**ALTERNATIVES:**

1. Establish a minimum balance of 7.5%, a closing balance goal of 10%, and direct staff to provide the Transit Board with options to raise revenue/lower expenses when fund levels are below the minimum.
2. Establish a minimum closing balance of 10.0%, and direct staff to provide the Transit Board with options to raise revenue/lower expenses when fund levels are below this minimum.
3. Establish a minimum closing balance of 7.5%, and direct staff to provide the Transit Board with options to raise revenue/lower expenses when fund levels are below this minimum.
4. Establish a minimum closing balance of 5.0%, and direct staff to provide the Transit Board with options to raise revenue/lower expenses when fund levels are below this minimum.
5. Do not modify current board policy of an established closing balance goal of a 15%.

**RECOMMENDATION:**

The Transit Director recommends Alternative #1 to establish a minimum of 7.5%, a goal of 10%, and to provide the Transit Board with options when balances fall below 7.5%. This policy balances CyRide's financial security, ensuring that it is able to pay its expenses, while lowering the fund balance so that taxpayer dollars are utilized to provide as opposed to resting in a fund account.



CITY OF  
**Ames**<sup>™</sup>


*Caring People • Quality Programs • Exceptional Service*

# MEMO

Date: March 2, 2016

To: Sheri Kyras, CyRide Director

Cc: Brian Phillips  
Tina Stanley  
Nancy Masteller

From: Duane Pitcher 

Subject: Transit Operations Fund Reserve Balance Recommendation

As discussed in a recent meeting, I have conducted a review and analysis of the CyRide Transit Operations Fund for the purpose of making a minimum budgetary ending fund balance policy recommendation to the CyRide Board.

## **Background**

The primary objective of a fund balance policy is to maintain adequate resources to cope with financial contingencies such as revenue shortfalls and unanticipated expenditures. Fund balance should also be adequate to provide cash flow. The adequacy of the minimum fund balance should be based on an analysis of unique circumstance of the fund and can vary substantially. Factors such as stability and predictability of revenues and expenditures, ability to budget close to actual experience, and organizational methods of handling cash flow should be considered in determining a fund balance policy.

## **Analysis**

### *Stability and Predictability of Revenue and Expenditures*

Both revenue and expenditures have been growing steadily with the CyRide system and ridership. Revenue has been more predictable than expenditures and in most cases increases with costs. Expenses have shown more variability with inputs such as fuel being subject to regular changes in market prices. Because there is more variability is on the expense side, CyRide should reserve against this and set the minimum fund balance as a percentage of expenses.

### *Ability to Budget in Line with Actuals*

A review of the last 10 years indicates that the CyRide staff has demonstrated a strong ability to budget changes in ending fund balance very close to actuals. In the 10 years from FY 2005/06 to FY 2014/15, there were five years where the actual ending fund balance was above the adopted budget and five when it

was below. The largest amount that the ending fund balance varied to the budget as a percentage of expenses was 3.71% in FY 2007/08. This variance was completely due to the timing of an FTA grant, and over two years netted to near zero. Outside this instance, the largest variance in the actual fund balance being below the budgeted balance was the two years of FY 2009/10 and FY 2010/11. The ending fund balance was less than budgeted by 1.45% and 0.26%, respectively, for a total of 1.71%.

CyRide staff has demonstrated an ability to budget an ending fund balance that is very close to the actual ending fund balance and the variance has been limited to a small percentage of expenditures.

#### *Organization Method of Handling Cash flow*

Both revenue and expenditures are well-balanced throughout the fiscal year. Grant funds and payments from the primary funders are received as expenses and are incurred or spaced throughout the fiscal year. Additionally, though we expect the CyRide funds to be able to meet cash flow needs, the City consolidates cash for more efficient management. Like most large governments that consolidate funds for cash management purposes, the City of Ames is well prepared to handle unforeseen cash flow issues that may occur in individual funds. Based on this, there is not a need to hold significant balances to meet cash flow needs.

#### **Recommendation**

Based on past history and the current structure of the operations fund, a budgetary ending fund balance of 5% of total expenses would be adequate to maintain a positive balance and handle financial contingencies. There are several factors in CyRide operations that support a relatively low minimum fund balance, including the stability of revenue and demonstrated ability to budget close to actual results.

As a policy I recommend that the board **set the minimum budgetary ending fund balance at 7.5% of total expenditures, less the transfer to the Transit Capital Reserve.** Eliminating the transfer to capital from the minimum ending balance calculation will allow for adjustments to capital without adjusting reserves. The board may want to consider a target fund balance between 7.5% to 10% of expenditures, and a policy to raise revenue or reduce expenses when below the target and one-time expenditures from fund balance when above the target.



## Transit Operations

	2014/15 Actuals	2015/16 Adopted	2015/16 Adjusted	2016/17 Requested
<b>Revenues:</b>				
Federal/State Funding	2,826,925	2,896,582	2,806,276	2,995,542
ISU Administration	687,495	723,149	723,149	761,477
ISU GSB Tuition	4,161,666	4,746,157	4,746,157	4,997,703
ISU GSB Tuition Excess	-	-	-	-
Fees/Service Charges	885,274	977,293	970,793	915,795
Metro Planning Organization	28,817	30,000	30,000	45,000
Interest Revenue	14,037	15,000	12,000	12,000
Miscellaneous Revenue	36,401	7,600	26,194	7,500
	<u>8,640,615</u>	<u>9,395,781</u>	<u>9,314,569</u>	<u>9,735,017</u>
<b>Transfers:</b>				
General Fund (Transit Levy)	1,561,613	1,648,995	1,648,995	1,736,393
Transit GSB Trust	86,000	-	-	-
	<u>1,647,613</u>	<u>1,648,995</u>	<u>1,648,995</u>	<u>1,736,393</u>
<b>Total Revenues</b>	<b>10,288,228</b>	<b>11,044,776</b>	<b>10,963,564</b>	<b>11,471,410</b>
<b>Expenses:</b>				
<b>Operations:</b>				
Transit Administration	1,766,346	1,804,552	1,795,363	1,911,265
Fixed Route Service	7,454,904	8,223,533	8,021,166	8,504,235
Dial-A-Ride Service	192,387	202,242	202,390	203,536
	<u>9,413,637</u>	<u>10,230,327</u>	<u>10,018,919</u>	<u>10,619,036</u>
<b>Transfers:</b>				
Transit Capital Reserve	800,000	800,000	800,000	800,000
Intermodal Facility Construction	-	-	1,106	-
	<u>800,000</u>	<u>800,000</u>	<u>801,106</u>	<u>800,000</u>
<b>Total Expenses</b>	<b>10,213,637</b>	<b>11,030,327</b>	<b>10,820,025</b>	<b>11,419,036</b>
<b>Excess (Deficit) Revenues</b>				
Over (Under) Expenses	74,591	14,449	143,539	52,374
Beginning Balance	1,163,634	914,207	1,238,225	1,381,764
Ending Balance	<u>1,238,225</u>	<u>928,656</u>	<u>1,381,764</u>	<u>1,434,138</u>
Minimum fund balance target: 7.5% of operating expenses less capital reserve transfer				<u>796,428</u>
Unreserved fund balance				637,710

**Peer System Operating Reserves  
(Based on 2011 Peer Analysis)**

<u>Transit System</u>	<u>Type of Reserve</u>	<u>Goal/Actual</u>	<u>Comments</u>
<b>CyRide</b>	<b>% of Expenses</b>	<b>15%/14.5%</b>	<b>Has varied from 7 – 18%</b>
St. College, Penn. (Penn State)	None	None	
Champaign-Urbana (Univ. Of Illinois)	None	None	
Chapel Hill, NC (Univ. of N. Carolina)	% of Expenses	8%/12%	Surpassed goal
Blacksburg, VA (Virg. Tech.)	# of Months	9 months of expenses	\$3.5 million
Iowa City – Cambus (Univ. of Iowa)	% of Expenses	75%/25%	Lower due to bus purchases
Ithaca, NY (Cornell Univ.)	% of Expenses	10%/10%	
Davis, Calif. (Univ. of Calif.)	Dollar Amount	\$1.2 million	Equal to 33% of expenses

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees

**FROM:** Sheri Kyras

**DATE:** March 29, 2016

**SUBJECT:** CyRide Operating Budget Closing Balance Dollars

**BACKGROUND:** Based on decisions made in the previous agenda item, the Transit Board will need to address funds in excess of the policy established.

The attached Budget Summary estimates the operating closing balance to be \$1,393,487 or 13.9% of operating expenses (\$10,015,421) for the current fiscal year. Therefore, if the closing balance policy established in the previous agenda item is lower than the estimated 2015-2016 balance, the following dollars could be considered for reallocation in CyRide's budgets.

- At 5.0% Closing Balance Policy - \$892,716 in excess of policy
- At 7.5% Closing Balance Policy - \$642,331 in excess of policy
- At 10.0% Closing Balance Policy - \$391,945 in excess of policy
- At 12.0% Closing Balance Policy - \$191,637 in excess of policy

**INFORMATION:** In an effort to balance CyRide's financial risk with the operating and capital needs of the organization, the Transit Board could consider moving the dollars in excess of the previously established closing balance policy to address other agency needs. Three options have been developed for board consideration at this time.

**Table Action Until 2015-2016 Budget Year Audit is Completed**

Under this option, the Transit Board of Trustees would take no action at this time and, when the 2015-2016 budget year audit is completed (fall 2016) and the final closing balance is known, include a discussion on the next Transit Board meeting on how to address additional revenue as a result of the higher balance than the policy establishes.

**Immediately Transfer All Funding in Excess of the Policy to the Capital Budget**

Under this option, the Transit Board could approve the transfer of estimated 2015-2016 funds above the closing balance policy from the operating budget to the capital budget local share

to address its bus and facility needs. As the closing balance has been estimated at this time, staff could provide the Transit Board with the actual audited closing balance for the 2016-2016 budget year and determine if an adjustment is needed, in either direction, to maintain the closing balance goal. Staff anticipates a significant budget underrun due to fuel savings, which might make the ending balance higher than originally estimated.

With this unforeseen funding, staff recommends that the additional funding be added to the capital budget in light of CyRide's infrastructure needs and lack of federal funding for improvements. Also, with the new Bus and Facilities Competitive Grant program funded under the new federal transportation bill, there are potentially more opportunities for CyRide to received bus and facility dollars than in recent years. If the capital local funding balance is increased, unforeseen opportunities that might occur over the next several years, as a result of federal grant awards under this new competitive program, could be taken advantage of without creating a financial hardship for CyRide. In summary, this option provides a method to smooth out funding requirements by placing one-time dollars into the capital budget, while being able to maximize federal dollars for CyRide bus and facility needs as opportunities arise.

#### **Allow the Operating Closing Balance to Increase**

Under this option, there would be no action taken by the Transit Board and the Operating Closing Balance would continue above the policy established assuming the actual and budgeted expenses and revenues are similar. This option would indicate that the Transit Board desires a larger closing balance to address unforeseen financial circumstances as opposed to capital and operating needs.

After the current budget year (2015-2016), CyRide staff would report the final audited operating closing balance to the Transit Board each fall and board members would be able to decide how to address any funds in addition to or under the established closing balance policy.

#### **ALTERNATIVE:**

1. Table Transit Board action on the operating closing balance until the 2015-2016 budget year audit is finalized and then include a policy discussion on the balance at a Transit Board meeting thereafter.
2. Approve the immediate transfer of funding in excess of the Transit Board's established operating closing balance policy from the operating to the capital closing balance.
3. Do not take action regarding the operating closing balance and allow the operating closing balance to be higher than the policy level established.

**RECOMMENDATION:**

The Transit Director recommends approval of Alternative #1 to table action until a final 2015-2016 closing balance is established and then decide at that time what the priorities are for the funds in excess of the closing balance policy. By fall, CyRide staff anticipates that new guidelines for the new federal competitive bus and facilities grant will be available and that CyRide's long-term facility options will be identified. With this additional information, the Transit Board will be in a better position to determine how best to address the allocation of these additional funds.

# BUDGET ANALYSIS - 2015 Actual, 2016 Amended, 2017 Requested

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

03/23/16	2:25 PM	10-11	11-12	12-13	13-14	14-15	15-16	15-16	16-17	% Chg. Am/Ad	% Chg. Am/Act	% Chg. Req./Ad.	% Chg. Req./Am.
		Actual	Actual	Actual	Actual	Actual	Adopted	Amended	Request				
<b>FIXED ROUTE</b>													
550-1221	Operations	\$4,097,972	\$4,245,653	\$4,476,908	\$4,820,101	\$5,335,159	\$5,734,790	\$5,879,143	\$6,064,634	2.5%	10.2%	5.8%	3.2%
550-1222	Maintenance	\$1,762,603	\$1,863,033	\$2,067,061	\$2,119,741	\$2,119,741	\$2,488,743	\$2,142,023	\$2,450,070	-13.9%	1.1%	-1.6%	14.4%
<b>FIXED ROUTE TOTAL</b>		<b>\$5,860,574</b>	<b>\$6,108,686</b>	<b>\$6,543,969</b>	<b>\$6,966,725</b>	<b>\$7,454,900</b>	<b>\$8,223,533</b>	<b>\$8,021,166</b>	<b>\$8,514,704</b>	-2.5%	7.6%	3.5%	6.2%
<b>DIAL-A-RIDE</b>													
550-1341	Operations	\$142,717	\$172,077	\$143,889	\$175,671	\$192,387	\$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				
<b>DIAL-A-RIDE TOTAL</b>		<b>\$142,717</b>	<b>\$172,077</b>	<b>\$143,889</b>	<b>\$175,671</b>	<b>\$192,387</b>	<b>\$202,242</b>	<b>\$202,390</b>	<b>\$203,536</b>	0.1%	5.2%	0.6%	0.6%
<b>ADMINISTRATION/SUPPORT</b>													
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	\$231,879	\$251,212	\$250,500	\$249,650	\$326,413	-0.3%	-0.6%	30.3%	30.7%
550-1103	Promotion	\$20,461	\$14,443	\$6,259	\$2,594	\$3,148	\$6,800	\$6,800	\$6,800	0.0%	116.0%	0.0%	0.0%
550-1105	Bldg/Grounds	\$291,784	\$311,969	\$288,282	\$358,061	\$346,335	\$340,033	\$332,627	\$331,441	-2.2%	-4.5%	-2.5%	-0.4%
<b>ADMIN/SUPPORT TOTAL</b>		<b>\$1,539,830</b>	<b>\$1,596,759</b>	<b>\$1,535,540</b>	<b>\$1,724,247</b>	<b>\$1,762,138</b>	<b>\$1,806,768</b>	<b>\$1,791,865</b>	<b>\$1,911,266</b>	-0.8%	1.7%	5.8%	6.7%
<b>FINANCE ADJUSTMENTS</b>													
		\$27,835	\$86,312	(\$125,106)									
<b>TOTAL OPERATING EXPENSES</b>		<b>\$7,570,957</b>	<b>\$7,963,833</b>	<b>\$8,098,292</b>	<b>\$8,866,643</b>	<b>\$9,409,425</b>	<b>\$10,232,543</b>	<b>\$10,015,421</b>	<b>\$10,629,506</b>	-2.1%	6.4%	3.9%	6.1%
<b>TRANSFER TO GSB TRUST</b>													
		\$424,305	\$134,814	\$140,800	\$166,402	\$0	\$0	\$0	\$0				
<b>TRANSFER TO CAPITAL FUND</b>		<b>\$632,000</b>	<b>\$208,812</b>	<b>\$378,801</b>	<b>\$800,000</b>	<b>\$800,000</b>	<b>\$800,000</b>	<b>\$800,000</b>	<b>\$800,000</b>				
<b>TOTAL USED</b>		<b>\$8,627,261</b>	<b>\$8,307,459</b>	<b>\$8,617,893</b>	<b>\$9,833,045</b>	<b>\$10,209,425</b>	<b>\$11,032,543</b>	<b>\$10,815,421</b>	<b>\$11,429,506</b>	-2.0%	5.9%	3.6%	5.7%
<b>OPENING BALANCE</b>													
		\$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%
<b>OPERATING REVENUE</b>		<b>\$8,343,207</b>	<b>\$8,531,195</b>	<b>\$8,979,922</b>	<b>\$9,850,940</b>	<b>\$10,287,866</b>	<b>\$11,056,778</b>	<b>\$10,963,566</b>	<b>\$11,471,410</b>	-0.8%	6.6%	3.8%	4.6%
<b>TOTAL AVAILABLE</b>		<b>\$9,190,501</b>	<b>\$9,094,435</b>	<b>\$9,766,898</b>	<b>\$10,999,946</b>	<b>\$11,454,766</b>	<b>\$12,014,249</b>	<b>\$12,208,908</b>	<b>\$12,864,897</b>	1.6%	6.6%	7.1%	5.4%
<b>CLOSING BALANCE</b>													
		\$563,240	\$786,976	\$1,149,006	\$1,166,901	\$1,245,342	\$981,706	\$1,393,487	\$1,435,391	41.9%	11.9%	46.2%	3.0%
<b>Closing/Operating</b>		<b>7.4%</b>	<b>9.9%</b>	<b>14.2%</b>	<b>13.2%</b>	<b>13.2%</b>	<b>9.6%</b>	<b>13.9%</b>	<b>13.5%</b>				
<b>REVENUE/EXPENSE RATIO</b>													
		110.2%	107.1%	110.9%	111.1%	109.3%	108.1%	109.5%	107.9%				
<b>OPERATING FUND BALANCE</b>													
		\$563,240	\$786,976	\$1,149,006	\$1,166,901	\$1,245,342	\$981,706	\$1,393,487	\$1,435,391				5.3%
<b>CAPITAL FUND BALANCE</b>													
		\$1,491,769	\$1,974,211	\$1,124,525	\$659,497	\$794,609	\$1,018,259	\$1,018,259	\$664,051				5.3%
<b>TRUST FUND BALANCE</b>													
		\$1,099,162	\$1,325,474	\$1,078,094	\$993,083	\$804,635	\$518,747	\$518,747	\$499,602				5.3%
<b>INTERMODAL BALANCE</b>													
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
<b>TRANSIT FUND BALANCE</b>		<b>\$3,154,171</b>	<b>\$4,086,660</b>	<b>\$3,351,624</b>	<b>\$2,819,481</b>	<b>\$2,844,586</b>	<b>\$2,518,712</b>	<b>\$2,930,493</b>	<b>\$2,599,044</b>				

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees

**FROM:** Sheri Kyras

**DATE:** March 29, 2016

**SUBJECT:** FY2015/16 and FY2016/17 Budget Savings from ICAPP Grant

**BACKGROUND:** Over the last two budgets approved (2014-2015 and 2015-2016), new services have been funded 100% by the student government in an effort to keep pace with rising ridership and development growth in the community as it relates to student housing. The new services added were:

- Brown/Green –Weekday service adding buses due to overcrowding
- Blue – Sunday service adding buses due to overcrowding
- Plum – Weekday service adding new express route into campus to address growth along S. 16th St.

In order to minimize operating costs, CyRide’s staff, upon approval by the Transit Board of Trustees, submitted grant applications in these two budget years to support the initial implementation of these new services under the Iowa Department of Transportation’s (Iowa DOT’s) Iowa Clean Air Attainment Program (ICAAP), which is a federal program administered by the Iowa DOT. The applications were approved (the Brown, Green and Blue route changes for two years and the Plum Route for one year) with the opportunity of up to three years of funding for each; however, CyRide must submit a request each year for funding. With the approved ICAAP grants, the following operating savings have/will be achieved as a result of the Iowa DOT funding.

<b>Operating Savings</b>	<b>Total</b>	<b>Federal</b>	<b>Local</b>
Green/Brown/Blue Routes – Yr. 1	\$197,917	\$158,334	\$39,583
Green/Brown/Blue Routes – Yr. 2	\$203,223	\$162,578	\$40,645
Plum Route – Yr. 1	\$276,927	\$221,542	\$55,385
<b>Two-Year Total Savings</b>	<b>\$678,067</b>	<b>\$542,454</b>	<b>\$135,613</b>

Due to timing differences in CyRide’s budget year (fiscal year beginning in July) and the federal government’s budget year (beginning in October), the \$542,454 savings will be spread over three CyRide budget years (2015-2016, 2016-2017, 2017-2018).

**INFORMATION:** The question of how to address the savings in the budget has been briefly discussed in previous Transit Board meetings; however, a resolution to-date has not been achieved. Therefore, staff has provided information on several options for board consideration as described below.

**Table Action Until Budget Year Audits Are Completed**

Under this option, the Transit Board would take no action at this time. When the annual audit is completed (this fall) and the ICAAP funds received for the year are identified, CyRide staff would include a discussion on the next Transit Board meeting to address these additional revenues. For the 2015-2016 budget year, up to \$158,334 could be considered at that time for reallocation in the budget, dependent upon actual ICAAP receipts from the Iowa DOT.

**Place Budget Savings from ICAAP Funded Services in the Student Government Trust Fund**

Under this option, the Transit Board would approve the transfer of payments received from the Iowa DOT for the ICAAP funded operating projects to the Student Government Trust Fund over the next three years, under the premise that the student government originally paid for the services that are being funded under the ICAAP grant and therefore, the savings created as a result of the services they funded, would be returned to them.

**Immediate Transfer of 2015-2016 ICAAP Grant Funding Amount**

Under this option, the Transit Board could approve the transfer of up to \$542,454 from the operating closing balance to the capital budget for bus and facility needs knowing that these funds will be provided over the next three budgets. The impact would initially lower the operating closing balance and then this balance would be reimbursed when ICAAP payments are made.

**Allow the Operating Closing Balance to Increase**

Under this option, there would be no action taken and the operating closing balance would continue to increase as a result of ICAAP funding, assuming actual and budgeted expenses and revenues are similar. This option would indicate that the Transit Board desires a larger closing balance to address unforeseen financial circumstances.

**ALTERNATIVES:**

1. Table Transit Board action on which account to attribute the ICAAP funding to until the annual audit is finalized and then include a policy discussion on the ICAAP funds received at a Transit Board meeting thereafter.
2. Approve the transfer of ICAAP operating funds received in the 2015-2016, 2016-2017 and 2017-2018 budget years for the Blue, Brown, Green and Plum Routes to the Student Government Trust Fund as grant payments are received.



3. Approve the immediate transfer of funds, by an amount to be established by the Transit Board of Trustees up to \$542,454, from the operating closing balance to the capital closing balance.
4. Do not take action on the ICAAP funds, treating them as additional revenue each year, and allow the operating closing balance to increase as ICAAP payments are received.

**RECOMMENDATION:**

The Transit Director recommends Alternative #1 or #2, depending upon the board's desire to utilize this saving in addressing overall budget priorities or its desire to apply the savings to the local funding partner that originally provided the new service's funding. Staff is comfortable in waiting to address the balance until the end of the fiscal year, so that the exact ICAAP funding amount received in the current year is identified and CyRide is possibly more knowledgeable regarding upcoming bus and facility grant opportunities in order to prioritize its needs.

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees  
**FROM:** Sheri Kyras  
**DATE:** March 29, 2016  
**SUBJECT:** Facility Space Update – Short Term Options

**BACKGROUND:** CyRide will fill both the interior and exterior bus spaces at its current facility site in August 2016 and will need space for four to six more vehicles. It is anticipated that in the following year, up to five more spaces may be needed to accommodate CyRide’s bus fleet. The 2016-2017 budget includes \$50,000 that can be used to lease a space or make improvements to a site to accommodate these vehicles.

At the February 2016 Transit Board meeting, staff provided a brief update on the status of its efforts to identify both short and long-term bus parking solutions beginning in August 2016. Specifically, three potential short-term options were presented as follow (attached map entitled, “Potential Short-Term CyRide Facility Sites”):

- **Former Van Wall Property (ISU-Owned)** – 925 Airport Road
- **City Warehouse (City-Owned)** – 2207 Edison St.
- **Realtor Identified Leasable Spaces** – Location(s) to be identified

**INFORMATION:** The focus this last month has been on developing short-term solutions into options that will allow staff and the Transit Board to finalize plans for next fall. More detailed information on each of these options is summarized below:

**Former Van Wall Property (ISU-Owned)**

The former Van Wall property on Airport Road, which is currently owned by ISU, can accommodate up to six buses at the north end of this property (see map entitled, “Potential Short-Term Site – Former Van Wall/ISU Warehouse”). This site is currently a grass area, therefore CyRide would need to construct a hard surface for the buses; however, the space is anticipated to be utilized by CyRide at no cost, thereby making the \$50,000 expense included in the 2016-2017 budget available for infrastructure improvements. The cost to improve this

site to accommodate these buses is estimated to be approximately \$57,000 budgeted as follows:

- **Site surface** –asphalt surface completed by ISU under a current construction bid price \$45,000
- **Lighting** – one light to light the exterior of the buses \$5,000
- **Electrical** – bumper fence and power to the bus parking area \$6,600

The advantages of this site is its closer proximity to a majority of CyRide routes at the Iowa State Center and west along Mortensen route and it is not included in a floodplain. The major disadvantage of the location is its limited amount of space for future expansion until a long-term solution can be developed and implemented.

**City Warehouse (City-Owned)**

The City of Ames owns property at 2207 Edison St. In discussions with the City’s Fleet Services Director, a portion of the City’s property in this area, located at Carnegie Ave. and Edison St. could be used to house a portion of CyRide’s fleet. This tract of land was a former landfill, and after discussion with city staff, the landfill material rests approximately 2’ below the surface of the ground making it a less stable building site. The Fleet Services Director indicated that while buildings in the area have been constructed on the landfill site, their structural integrity has been comprised due to shifting of the ground beneath the buildings. This is evidenced by wavy roofs and wall cracks. Therefore, this site could only be considered for a short-term, surface lot.

There are several improvements that CyRide would need to make to allow the site to be considered an acceptable location for a number of buses such as: fence repair (east side), new entrance gate, gravel surfacing, electric to warm bus engines and for light as mechanics would need to maintain the vehicles at all times of the day. The anticipated cost to improve this site is estimated at approximately \$43,000, budgeted as follows:

- Demolition of existing fence/gate \$975
- Fence Repair - east side only \$8,250
- New Entrance Gate \$3,000
- Gravel \$1,670
- Laying of Gravel \$1,981
- Electric - to site \$5,000
- Electric - a bumper fence will be constructed with posts approx. every 12’ with electric installed) \$14,680
- Lights - 2 lights for security and for mechanics to see to access the back of vehicles) \$1,920
- Overhead \$3,482
- Contingency \$2,048

A map of the site, bus parking plan and improvement locations is attached entitled, "Potential Short-Term Site – City Warehouse."

This site is currently being utilized by the Ames Police Department as an impound lot; however, this department has plans to construct a new facility at a different location in the near future. They have indicated that they may need to continue to utilize this lot for potentially the next fiscal year; therefore, CyRide could potentially need to share the lot in the near term, with possible use of the entire site in the future. In sharing the site, CyRide could accommodate 15 buses with the possibility of up to 25 when the entire site is available.

The advantages of this site are the larger area for more buses, it is outside the floodplain and its lower cost in comparison to the other alternatives. The major disadvantage of the site include its further distance from a majority of CyRide's routes on the central/west side of Ames, which could incur more operational costs. In the first year, CyRide intends to operate the site as a storage lot and shuttle buses between the two sites, as needed, for daily operations, which will reduce this impact.

#### **Realtor Identified Leasable Spaces**

CyRide staff met with a local realtor to determine if indoor sites were available that could accommodate between 4 and 20 buses in the next 1-2 years. In general, the realtor indicated that there was only one currently available property of the size needed that could be used in the short-term, but that it could also be considered for CyRide's long-term needs. The property is located at 101 E. Dayton (E. Lincoln Way and Dayton, northwest corner of intersection). See attached lease brochure and pictures.

CyRide's Director, its Fleet & Facilities Director and architectural consultant, Brent Schipper from ASK Studios, toured this property, which was formerly the Universal Harvester manufacturing plant. The total building space is 35,920 square feet with numerous overhead doors and could be leased for \$152,660/year plus utilities. After inspection, CyRide's staff believes that the facility could be modified by adding two additional overhead doors and demolition of several interior partition walls to allow for circulation of buses within the facility. It is estimated that up to 20 buses could be housed within the facility.

However, after touring the facility, CyRide's Architect contacted the City's Inspection Department to determine if there would be any issues with CyRide occupying the facility. Through these conversations, it was determined that changing its use from manufacturing to a governmental facility would constitute a change of occupancy from F-1 or F-2 to S-1 and would require a full code review and upgrades to comply with existing building code. As a result, the architect estimated that this could add an additional \$200,000 or more to the project cost. As a result, staff believes this to be a fatal flaw with the property for its further consideration.

Other properties considered, but were deemed to not fit CyRide's short-term need are listed below:

- **Former K-Mart Property** - S. Duff and S. 16th Streets. The lease on this site does not expire for another three years.
- **Former Reuters Implement Dealership** - West Lincoln Way. This site could be considered for possible long-term consideration; however, the existing structure is too small to house buses as it was designed for smaller vehicles. The parking lot could house buses outdoors; however, the other two locations under consideration would be less costly and provide a greater benefit.

## Summary

The attached chart entitled, "Short Term Facility Options" summarizes each site on the following characteristics:

- Identification of the type of improvements needed
- Estimated cost of to implement the option
- # of Buses that can be accommodated
- Whether the site can be expanded
- Whether indoor parking is available
- Additional comments

In order to have adequate space for all buses beginning in August 2016, CyRide staff will need board action no later than the April 29th Transit Board meeting in order to have time to complete improvements or negotiate a lease.

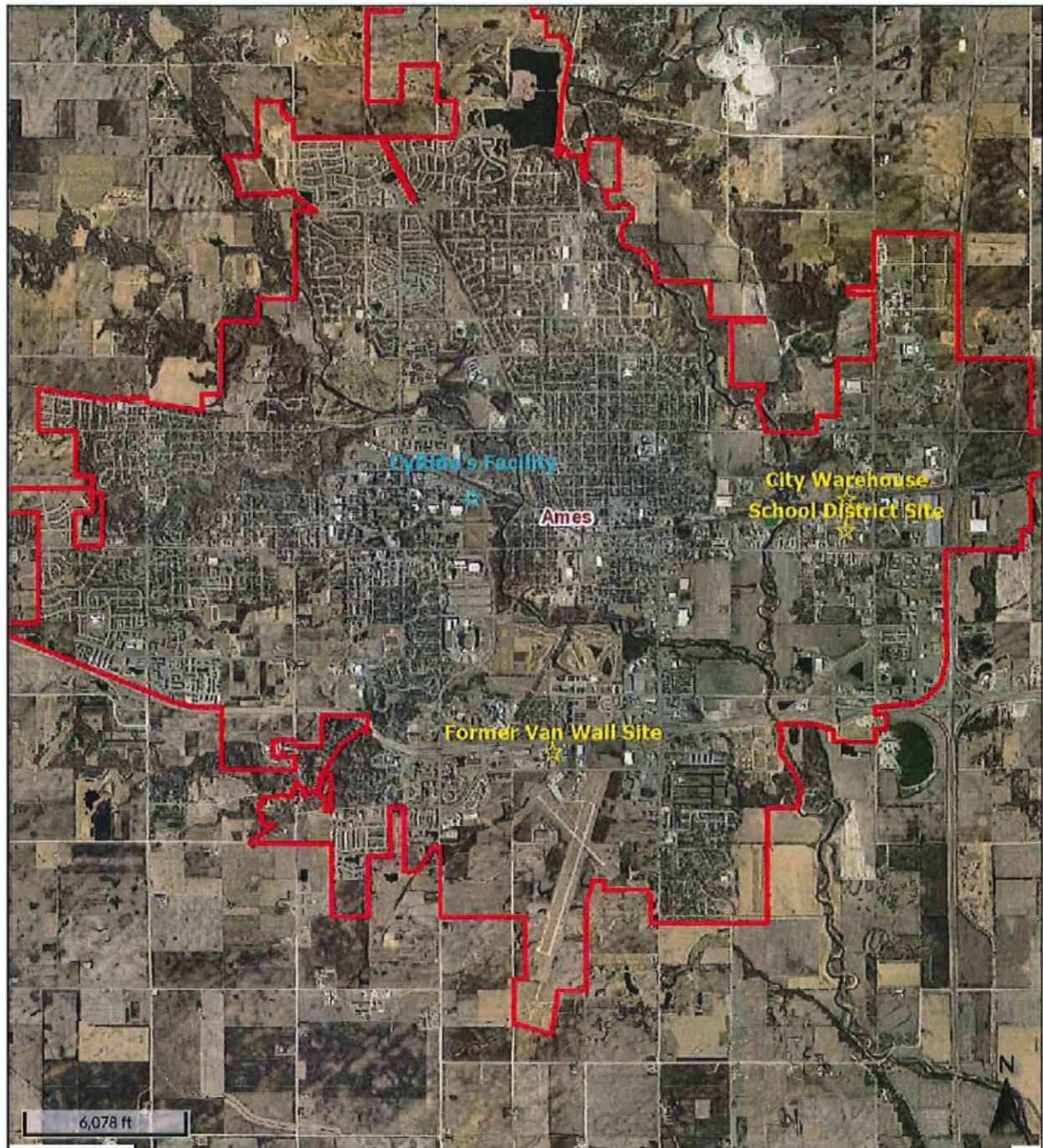
## ALTERNATIVES:

1. Approve securing the City Warehouse site for bus parking for the next fiscal year and begin the improvements necessary to utilize the site.
2. Approve securing the former Van Wall/ISU Warehouse site for bus parking for the next fiscal year and begin the improvements necessary to utilize the site.
3. Approve the property at 101 E. Dayton for bus parking for the next fiscal year, direct staff to complete negotiations and provide the Transit Board with a lease agreement.
4. Table action on additional bus storage until the April 29, 2016 Transit Board meeting and direct staff to prepare additional information for consideration.

**RECOMMENDATION:**

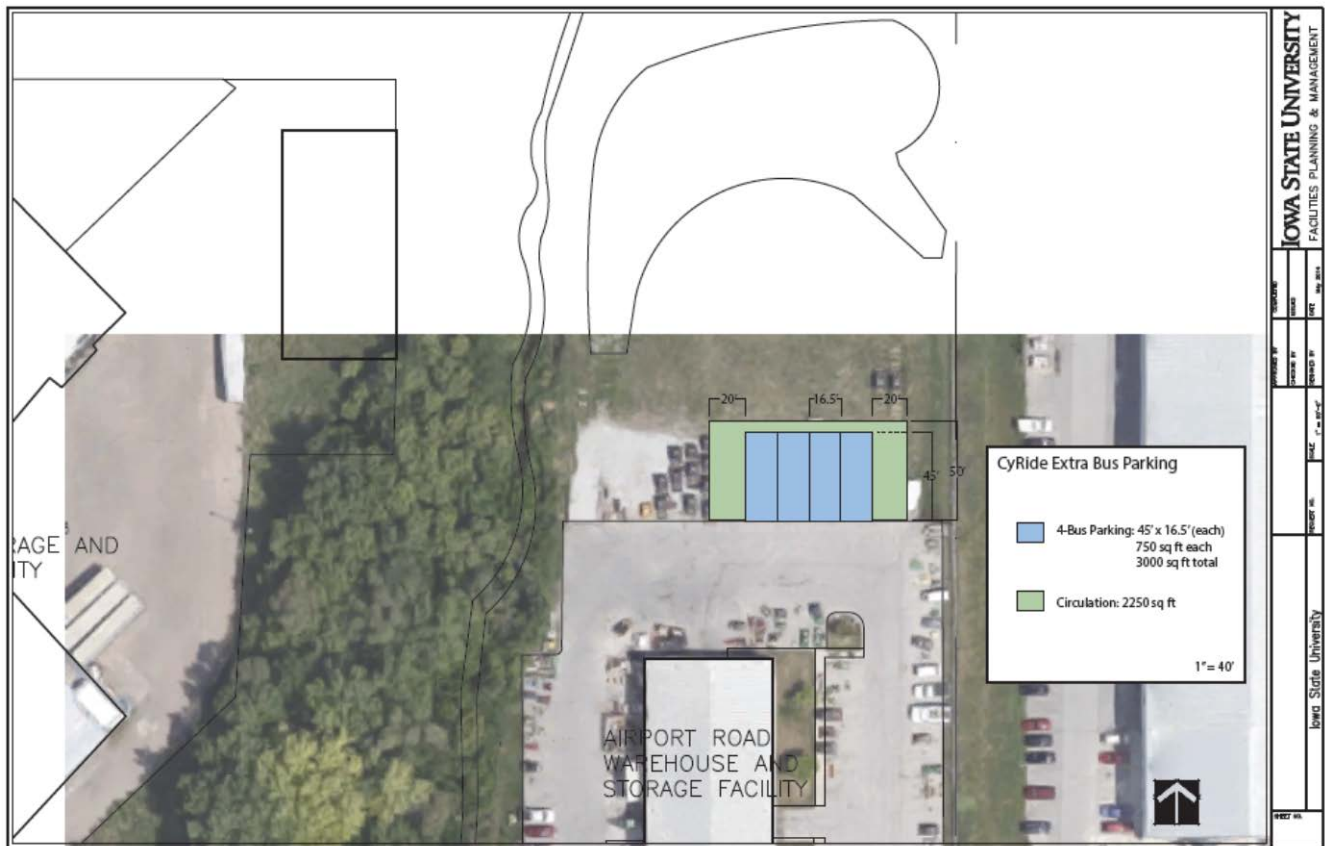
The Transit Director recommends approval of Alternative #1. Staff believes the City Warehouse site provides the greatest flexibility for the fleet over the next several years at the lowest overall cost.

# Potential Short-Term CyRide Facility Sites



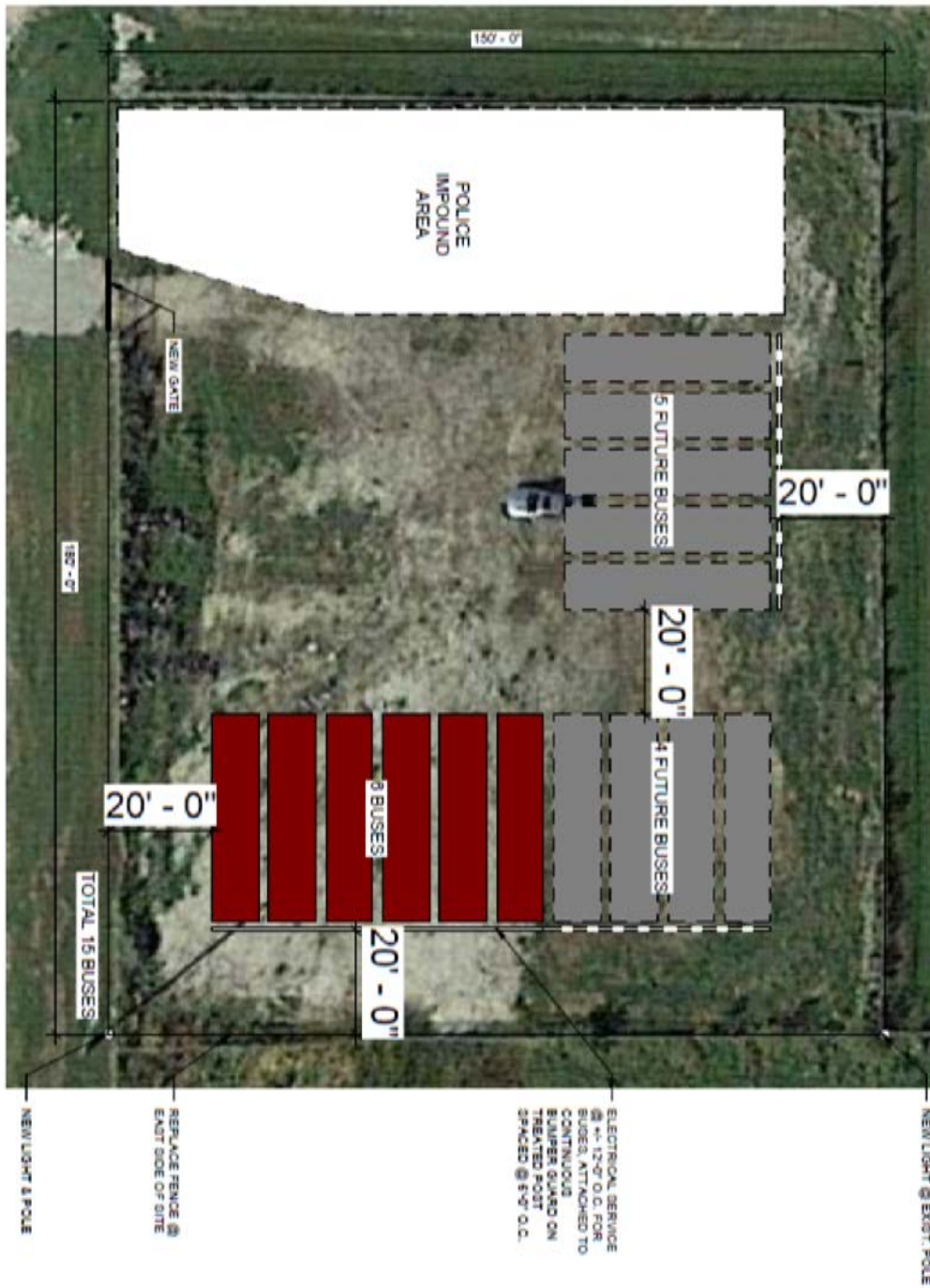


# Potential Short Term Site Former Van Wall/ISU Warehouse





# Potential Short Term Site City Warehouse



# Potential Short Term Site Realtor Identified Leasable Space

**101 Dayton Ave.  
Ames, Iowa**

**Building For Lease**

**Property Features:**

- 35,920 SF total building space
- 32,920 SF warehouse space
- \$4.25/SF plus utilities & CAM
- 480 Volt, 3 Phase 4 wire service
- 5 over head doors
- Loading dock
- Less than 2 miles from HWY 30 & I-35 interchange
- 2 outside buildings




**HUNZIKER & ASSOCIATES REALTORS**  
105 South 16th St., Ames, IA

[www.hunzikerrealty.com](http://www.hunzikerrealty.com) 515-233-4450

**101 Dayton Ave.  
Ames, Iowa**





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## Short-Term Facility Options

Site	Type of Improvement/Lease	Est. Cost	# of Buses Accommodated	Expansion Capability	Indoor	Comments
Old VanWall/ISU Warehouse	Asphalt	\$57,000	6	No	No	Most likely a one year solution, lower anticipated operating cost
City Warehouse	Gravel	\$43,000	18-20	Possibly, when Ames PD vacates the property	No	Site is located on former landfill with approx. 2' of fill on top, would share with Ames PD for the first year
Old Universal Harvester - 101 E. Dayton	2 Overhead Doors, Bringing the building in Code compliance for CyRide use as opposed to a manufacturing facility	\$350,000	Est. 20	Yes, an additional 20,000 sq. ft. building could be put on the site	Yes	Would incur lease cost and improvement costs, all buses would be housed indoors

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees

**FROM:** Sheri Kyras

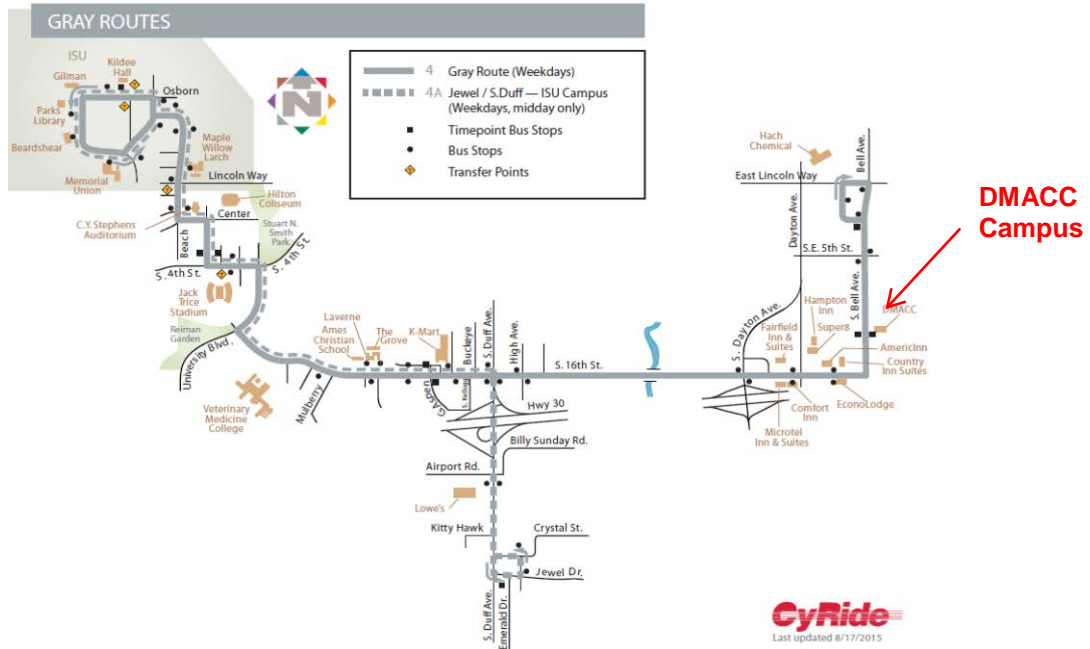
**DATE:** March 29, 2016

**SUBJECT:** DMACC Service Request

**BACKGROUND:** Des Moines Areas Community College (DMACC) representatives have contacted CyRide over the past six to seven years inquiring about the possibility of evening service to their campus on Bell Ave in Ames. This building is currently served by CyRide's Gray Route; however, there is limited service with four morning and four afternoon trips, and no service in the evening. DMACC representatives have indicated that this lack of evening service impacts the number of students that can access educational opportunities at this facility in the evening.

**INFORMATION:** In October 2015, representatives again requested service and have since indicated that they would be willing to contribute 100% of the direct operating costs to operate two evening trips for the next three school years. The following details the trips and their respective direct costs.

- **Route:** #4 Gray Route (see route illustrated below)
- **Service Days:** Monday through Thursday during the school year
- **Added Trips:** 5:35 pm trip (to provide service prior to 6 pm start times)  
9:05 pm trip (to provide service after classes end at 9 pm)
- **Cost:** \$15,953 – Yr. 1  
\$16,431 – Yr. 2 (3% increase)  
\$17,517 – Yr. 3 (3.5% increase)
- **Driver Impact:** No additional drivers needed, would extend two driving shifts by 20-30 minutes each day
- **Fleet Impact:** None



This three-year period would allow both CyRide and DMACC to gauge the need for, and impact of, this annually-requested service extension.

**ALTERNATIVES:**

1. Approve the operation of two evening trips to DMACC for the next three-year period and direct staff to develop a contract with DMACC for consideration by the Transit Board at a future board meeting.
2. Do not approve the operation of two evening trips to DMACC during the 2016-2017 budget year; however, include this request in the 2017-2018 service considerations.
3. Do not consider operating to the DMACC campus on Bell Ave.

**RECOMMENDATION:**

The Transit Director recommends approval of Alternative #1. Evening service to DMACC is one of most requested service improvements CyRide receives each year and the operation of these trips has a minor impact on CyRide’s ability to deliver its services in the next fiscal year. With DMACC’s offer to fully fund the direct operating costs of these two trips, this three-year project could allow CyRide and representatives of DMACC to determine the actual need for this service, as well as provide a transportation link to an important educational opportunity in the community.



**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees

**FROM:** Sheri Kyras

**DATE:** March 29, 2016

**SUBJECT:** Federal Operating Grant Application Submittal Approval

**INFORMATION:** Each year, CyRide submits a federal grant application (Section 5307) to receive formula funding that has been allocated to CyRide. This year, CyRide may apply to the Federal Transit Administration for the dollars listed below, based on a federal formula calculation. In the FY2017 budget that will begin July 1, 2016, CyRide included \$1,970,542 in federal dollars. The total formula dollars are higher than what was previously budgeted by \$90,306. The difference between the total apportionment between FFY2015 and FFY2016 is shown below:

	<u>FFY2015</u>	<u>FFY2016</u>	<u>% Change</u>
<i>Formula 5307 Funding/Growing States</i>	<b>\$1,007,756</b>	<b>\$1,027,145</b>	+ 1.92%
<i>Small Transit Intensive Cities (STIC) funding</i>	<b>\$943,420</b>	<b>\$947,159</b>	+ 0.4%
<b>TOTAL Apportionment</b>	<b>\$1,951,176</b>	<b>\$1,974,304</b>	+ 1.19%

Formula 5307 funding is based solely on population and population density of an Urbanized Area (UZA). Small Transit Intensive Cities (STIC) funds are allocated to UZA's between 50,000 and 200,000 in population that operate a level of transit service equal to or above the industry average for cities with populations 200,000 – 999,999. Transit systems are rated within the following six categories receiving STIC funding per category they meet/surpass.

1. Passenger miles traveled per vehicle revenue mile,
2. Passenger miles traveled per vehicle revenue hour,
3. Vehicle revenue miles per capita,
4. Vehicle revenue hours per capita,
5. Passenger miles traveled per capita, and
6. Passengers per capita.

CyRide has historically achieved five of the six STIC categories and this year is no expectation obtaining an additional \$943,420 in federal formula funding. The STIC allocation for small urban transit agencies was increased from 1% to 1.5% in FFY2013 under the transportation bill MAP-21. As a result, there was a significant increase, 37.2%, between FFY2012 and FFY2013. For FFY2016, agencies exceeded the performance criteria five more times throughout the nation but there was

additional funding per criteria for FFY2016. Overall, CyRide achieved \$947,159 in meeting five of the six STIC criteria for FFY2016.

	<b>FFY2012</b>	<b>FFY2013</b>	<b>FFY2014</b>	<b>FFY2015</b>	<b>FFY2016</b>
<b># of Performance Criteria Exceeded</b>	317	352	336	341	346
<b>STIC Funding per Criteria</b>	\$131,515	\$180,461	\$192,016	\$188,684	\$189,432
<b># of STIC categories (6 available)</b>	5	5	5	5	5
<b>TOTAL CyRide STIC Funding</b>	\$657,574	\$902,303	\$960,081	\$943,420	\$947,159

To reference the six STIC categories, CyRide has never achieved category #2 - Passenger miles traveled per vehicle revenue hour. In addition, CyRide has fallen short of criteria #1 - the passenger miles traveled per vehicle revenue mile category between FY2008 - FY2010, but attained this category back beginning in FFY2011.

CyRide will request 100% of its formula funding in operating funds to make the grant process administratively easier. The grant requires a 50% local match, of which CyRide more than meets within its operating budget. While administratively the funds are placed in CyRide’s operating budget, a portion of this funding is expected to be transferred to the capital budget to support projects approved within the FY2017 Capital Improvement Plan. The specific federal request is as follows:

**Section 5307 Operating Assistance** **\$1,974,304**

**ALTERNATIVES:**

1. Authorize the Transit Director to execute and file a Section 5307 grant application in the amount of \$1,974,304 to the Federal Transit Administration.
2. Do not approve submitting a federal application.

**RECOMENDATION:**

The Transit Director recommends approval of Alternative #1 to submit an application for federal operating assistance. Approval of this application will allow CyRide to continue operating its transit services within the Ames community and meet demand for more service within the community, particularly as Iowa State University enrollment increases.

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees

**FROM:** Sheri Kyras

**DATE:** March 29, 2016

**SUBJECT:** Quarterly Operations Report (Oct – Dec 2015)

**INFORMATION:** The following information highlights significant variations or important performance benchmarks from the second quarter of the 2015-2016 fiscal year (October – December 2016).

**System-Wide Trends –**

- Ridership for the first two quarters of the fiscal year was virtually steady at +0.3% and lower at -2.6% for the quarter. It is believed that the reason for this second quart decline is due to the milder fall weather and more housing near campus.
- Revenue miles and hours were higher year-to-date with the quarter steady to lower (+0.1% and -1.2%, respectively). This indicates a reduction in “extra” buses to match the quarter’s lower ridership.
- Passengers/Revenue Mile and Hour were both lower for the quarter and year-to-date tear-to-date due to lower ridership and selectively reducing buses to handle lighter passenger loads.
- Farebox revenue was -13.3% lower for the quarter and -12.7% year-to-date with the revenue/expense ratio significantly decreasing -4.3% for the quarter and -13.4% year-to-date. Staff believes this trend is due to the extremely low fuel prices recently and residents choosing to use the bus less as a result.
- Operating expenses are -0.2% lower for the quarter and +5.7% higher year-to-date.
- Operating expenses/passenger remain stable at \$1.09 per passenger year-to-date.

**Maintenance Trends –**

- The number of bus interiors that have been cleaned this year is higher +4.5% overall and +10.4% for the quarter, as buses are being cleaned with their scheduled maintenance checks.
- Road Calls (switching out of buses due to mechanical problems) was lower this quarter and year-to-date, which is a reversal in this performance measure; however, major mechanical failures continue to increase slightly year-to-date +8.0% with minor mechanical issues



significantly higher by +40.9%. This trend is due to the advanced technology placed on the new buses that alert mechanics to potential issues prior to their failure.

- Total diesel miles driven remains relatively steady at +0.4% for the quarter and +1.7% year-to-date; with total gallons of diesel used decreasing -3.5% for the quarter and -0.9% year-to-date, which reflects lower ridership and resulting service levels.
- Average diesel miles per gallon was slightly increased for the quarter at +4.1% up to 4.1 miles per gallon, with a slight increase year-to-date.
- Total Maintenance Expenses were significantly lower for the quarter (-30.1%), and is lower year-to-date -11.0%. The reason for this lower expense is mainly due to lower fuel costs.

#### **Fixed-Route/Operations Trends –**

- Total accidents were higher for the quarter (+117.6%) and 62.2% for the year, with a total dollar loss to CyRide for the quarter significantly higher (+396.6%). Preventable accidents were also higher up +100.0% for the quarter. Further analysis of on-property vs. off-property incidents will be examined to determine if there are trends that can be addressed. Prior to the beginning of this year, accidents were trending in a positive manner.
- The total number of comments from CyRide riders increased significantly for the quarter up +51.6% and are higher for the year as well (+64.0%). In reviewing comments for the quarter, CyRide is receiving more requests for additional services, comments that resulted in no fault found for the driver and driver errors. Staff will continue to monitor this performance measure and work with drivers to meet customer expectations.
- The number of hours employees are driving a bus was lower for the quarter (-7.6%), but higher year-to-date +3.2%.
- The number of drivers being late for work or not showing for work are both higher with late drivers +8.3% for the quarter and drivers not coming in to work higher by 166.7%; however, these are smaller numbers and one incident can make a large difference in percentage.

#### **Dial-A-Ride Trends –**

- Dial-A-Ride ridership for the quarter increased by +3.3%, providing 2,860 rides.
- Farebox revenue is higher at +6.6% for the quarter and +2.5% year-to-date, with the revenue/expense ratio also higher by +5.5% for the quarter. Increased revenue is due to higher 2015-2016 ridership. This higher ridership trend has continued for the past 18 months.
- The operations expense for this service is slightly higher as a result of additional rides provided during the quarter, +1.1% for the quarter, but -0.6% for the year.
- The expense/passenger is lower at \$15.87 year-to-date, down -3.1% from one year ago.

#### **Moonlight Express Trends –**

- Moonlight Express ridership is lower for the quarter (-3.9%), but higher year-to-date (+9.7%).
- Passengers per mile and hour are both higher for the quarter (+30.1%, +36.2%, respectively).

- Operations expenses remained lower for the quarter and year-to-date (-20.3% and -11.9% respectively).

# CYRIDE QUARTERLY OPERATIONS REPORT

October 1st, 2015 to December 31st, 2015 (2nd Quarter)

	<u>FY 2016</u> <u>2nd Qtr</u>	<u>FY 2015</u> <u>2nd Qtr</u>	<u>%</u> <u>CHANGE</u>	<u>FY 2016</u> <u>YTD</u>	<u>FY 2015</u> <u>YTD</u>	<u>%</u> <u>CHANGE</u>
<b>MAINTENANCE</b>						
Interior Clean	148	134	10.4%	207	198	4.5%
Shop Road Calls	14	19	-26.3%	34	37	-8.1%
Miles per Shop Road Call	31,285	23,022	35.9%	24,082	21,974	9.6%
NTD Minor Mech.	45	40	12.5%	93	66	40.9%
NTD Major Mech.	14	14	0.0%	27	25	8.0%
Total NTD Mechanical Prob.	59	54	9.3%	120	91	31.9%
Miles per Major Mech.	31,285	31,244	0.1%	30,325	32,521	-6.8%
<b>Gasoline Vehicles</b>						
Gas Miles Driven	35,946	37,081	-3.1%	77,895	84,376	-7.7%
Total Gallons Gas	3,997	4,128	-3.2%	10,660	10,447	2.0%
Total Gas Cost	\$7,762	\$10,339	-24.9%	\$22,691	\$29,142	-22.1%
Avg. Gas Cost/Gallon	\$1.94	\$2.50	-22.5%	\$2.13	\$2.79	-23.7%
Gas Cost per Mile	\$0.22	\$0.28	-22.6%	\$0.29	\$0.35	-15.7%
Average Gas MPG	9.0	9.0	0.1%	7.3	8.1	-9.5%
<b>Diesel Vehicles</b>						
Diesel Miles Driven	402,043	400,338	0.4%	740,887	728,644	1.7%
Total Gallons Diesel	97,513	101,047	-3.5%	180,036	181,683	-0.9%
Total Diesel Cost	\$150,239	\$276,989	-45.8%	\$306,796	\$521,943	-41.2%
Avg. Diesel Cost/Gallon	\$1.54	\$2.74	-43.8%	\$1.70	\$2.87	-40.7%
Diesel Cost per Mile	\$0.37	\$0.69	-46.0%	\$0.41	\$0.72	-42.2%
Average Diesel MPG	4.1	4.0	4.1%	4.1	4.0	2.6%
<b>All Vehicles</b>						
Total Miles Driven	437,989	437,419	0.1%	818,782	813,020	0.7%
Total Gallons Fuel	101,510	105,175	-3.5%	190,696	192,130	-0.7%
Total Fuel Cost	\$158,001	\$287,328	-45.0%	\$329,486	\$551,085	-40.2%
Avg. Cost/Gallon	\$1.56	\$2.73	-43.0%	\$1.73	\$2.87	-39.8%
Total Cost per Mile	\$0.36	\$0.66	-45.1%	\$0.40	\$0.68	-40.6%
Avg. MPG all Vehicles	4.3	4.2	3.7%	4.3	4.2	1.5%
Small Bus/Sup. Mileage	33,651	47,331	-28.9%	76,875	76,705	0.2%
Large Bus Mileage	404,338	390,088	3.7%	741,907	736,315	0.8%
% Rev. Mi./Total Miles	80.1%	80.2%	-0.1%	81.5%	79.8%	2.2%
Percentage Small Bus	7.7%	10.8%	-29.0%	9.4%	9.4%	-0.5%
Maintenance Expense	\$484,186	\$692,650	-30.1%	\$965,456	\$1,085,333	-11.0%

# CYRIDE QUARTERLY OPERATIONS REPORT

October 1st, 2015 to December 31st, 2015 (2nd Quarter)

	FY 2016 2nd Qtr	FY 2015 2nd Qtr	% CHANGE	FY 2016 YTD	FY 2015 YTD	% CHANGE
<b>OPERATIONS</b>						
Total Passengers	2,026,312	2,080,525	-2.6%	3,436,467	3,427,533	0.3%
Average Drivers per Month	149.0	138.0	8.0%	295.6	269.3	9.8%
Driving Hours	48,138	52,110	-7.6%	94,502	91,534	3.2%
Drivers Late	26	24	8.3%	39	30	30.0%
Drivers No Show	8	3	166.7%	12	9	33.3%
Late/No Show per Driver	0.23	0.20	16.6%	0.17	0.14	19.1%
Total Comments	47	31	51.6%	123	75	64.0%
Driver Fault	8	13	-38.5%	20	24	-16.7%
Undetermined	11	5	120.0%	14	17	-17.6%
Passenger Fault	1	0	#DIV/0!	2	0	#DIV/0!
No Fault	10	7	42.9%	24	25	-4.0%
System Complaints	12	2	500.0%	25	3	733.3%
Service Requests	0	1	-100.0%	0	1	-100.0%
Compliments	5	3	66.7%	8	5	60.0%
Passengers/Comment	<u>43,113</u>	<u>67,114</u>	<u>-35.8%</u>	<u>27,939</u>	<u>45,700</u>	<u>-38.9%</u>
Pass./Complaint (D & U)	106,648	115,585	-7.7%	101,073	83,598	20.9%
Driving Hours/Comment	1,024	1,681	-39.1%	768	1,220	-37.0%
Driving Hrs/Comment (D&U)	2,534	2,895	-12.5%	2,779	2,233	24.5%
Accident Reports	37	17	117.6%	60	37	62.2%
Preventable Accidents	24	12	100.0%	38	26	46.2%
Percent Preventable	64.9%	70.6%	-8.1%	63.3%	70.3%	-9.9%
Miles/Prev. Accident	18,250	36,452	-49.9%	21,547	31,270	-31.1%
Hours/Prev. Accident	2,006	4,342	-53.8%	2,487	3,521	-29.4%
Unreported Accidents	2	0	#DIV/0!	5	2	150.0%
Damage to Buses/Equip.						
Caused by CyRide	\$12,567	\$2,531	396.6%	\$39,901	\$25,277	57.9%
Caused by Others	\$677	\$14,367	-95.3%	\$3,249	\$19,977	-83.7%
Caused by Unreported	\$1,311	\$0	#DIV/0!	\$2,142	\$764	180.6%
Claims by Others (#)	0	0	#DIV/0!	0	0	#DIV/0!
Claims by Others (\$)	\$0	\$0	#DIV/0!	\$0	\$0	#DIV/0!
Personal Injury Claims	\$0	\$0	#DIV/0!	\$0	\$0	#DIV/0!
Operations Expense	\$1,553,797	\$1,557,448	-0.2%	\$2,787,317	\$2,637,496	5.7%
<b>SYSTEM TOTAL</b>						
Passengers	2,026,312	2,080,525	-2.6%	3,436,467	3,427,533	0.3%
Revenue Miles	351,047	350,866	0.1%	667,491	648,814	2.9%
Revenue Hours	34,048	34,474	-1.2%	64,443	63,041	2.2%
Revenue Miles per Hour	10.3	10.2	1.3%	10.4	10.3	0.6%
Pass./Rev. Mile	5.8	5.9	-2.7%	5.1	5.3	-2.5%
Pass./Rev. Hour	59.5	60.4	-1.4%	53.3	54.4	-1.9%
Operations Expense	\$1,553,797	\$1,557,448	-0.2%	\$2,787,317	\$2,637,496	5.7%
Maintenance Expense	\$484,186	\$692,650	-30.1%	\$965,456	\$1,085,333	-11.0%
Total Expenses	<u>\$2,037,984</u>	<u>\$2,250,098</u>	<u>-9.4%</u>	<u>\$3,752,773</u>	<u>\$3,722,829</u>	<u>0.8%</u>
Farebox Revenue	\$60,343	\$69,598	-13.3%	\$143,308	\$164,224	-12.7%
Rev./Exp. Ratio	3.0%	3.1%	-4.3%	3.8%	4.4%	-13.4%
Oper. Exp./Passenger	\$1.01	\$1.08	-7.0%	\$1.09	\$1.09	0.5%
Oper. Exp./Rev. Mile	\$5.81	\$6.41	-9.5%	\$5.62	\$5.74	-2.0%
Oper. Exp./Rev. Hour	\$59.86	\$65.27	-8.3%	\$58.23	\$59.05	-1.4%

# CYRIDE QUARTERLY OPERATIONS REPORT

October 1st, 2015 to December 31st, 2015 (2nd Quarter)

	FY 2016 2nd Qtr	FY 2015 2nd Qtr	% CHANGE	FY 2016 YTD	FY 2015 YTD	% CHANGE
<b>FIXED ROUTE</b>						
Fixed Route Passengers	2,000,947	2,054,345	-2.6%	3,387,218	3,381,906	0.2%
Shuttle Passengers	<u>0</u>	<u>0</u>	#DIV/0!	<u>1,595</u>	<u>1,814</u>	-12.1%
Total Passengers	<u>2,000,947</u>	<u>2,054,345</u>	-2.6%	<u>3,388,813</u>	<u>3,383,720</u>	0.2%
Transfers	9,534	10,221	-6.7%	22,342	18,228	22.6%
Revenue Miles	336,018	333,016	0.9%	637,285	616,855	3.3%
Revenue Hours	32,744	32,870	-0.4%	61,779	60,182	2.7%
Revenue Miles per Hour	10.3	10.1	1.3%	10.3	10.2	0.6%
Pass./Rev. Mile	6.0	6.2	-3.5%	5.3	5.5	-3.1%
Pass./Rev. Hour	61.1	62.5	-2.2%	54.9	56.2	-2.4%
Operations Expense	\$1,495,121	\$1,495,693	0.0%	\$2,672,133	\$2,518,397	6.1%
Maintenance Expense	<u>\$475,279</u>	<u>\$679,400</u>	-30.0%	<u>\$948,175</u>	<u>\$1,063,597</u>	-10.9%
Total Expenses	<u>\$1,970,400</u>	<u>\$2,175,093</u>	-9.4%	<u>\$3,620,308</u>	<u>\$3,581,994</u>	1.1%
Farebox Revenue	\$58,948	\$68,289	-13.7%	\$140,713	\$161,693	-13.0%
Rev./Exp. Ratio	3.0%	3.1%	-4.7%	3.9%	4.5%	-13.9%
Exp./Passenger	\$0.98	\$1.06	-7.0%	\$1.07	\$1.06	0.9%
Exp./Rev. Mile	\$5.86	\$6.53	-10.2%	\$5.68	\$5.81	-2.2%
Exp./Rev. Hour	\$60.18	\$66.17	-9.1%	\$58.60	\$59.52	-1.5%
<b>DIAL-A-RIDE</b>						
Passengers	2,860	2,768	3.3%	5,673	5,529	2.6%
Revenue Miles	9,215	9,978	-7.6%	18,926	19,045	-0.6%
Revenue Hours	885	1,011	-12.5%	1,819	1,907	-4.6%
Revenue Miles per Hour	10.4	9.9	5.5%	10.4	10.0	4.2%
Pass./Rev. Mile	0.31	0.28	11.9%	0.30	0.29	3.2%
Pass./Rev. Hour	3.2	2.7	18.0%	3.1	2.9	7.6%
Operations Expense	\$44,761	\$44,292	1.1%	\$90,049	\$90,564	-0.6%
Maintenance Expense	<u>\$0</u>	<u>\$0</u>	#DIV/0!	<u>\$0</u>	<u>\$0</u>	#DIV/0!
Total Expenses	<u>\$44,761</u>	<u>\$44,292</u>	1.1%	<u>\$90,049</u>	<u>\$90,564</u>	-0.6%
Farebox Revenue	\$1,395	\$1,309	6.6%	\$2,595	\$2,532	2.5%
Rev./Exp. Ratio	3.1%	3.0%	5.5%	2.9%	2.8%	3.1%
Exp./Passenger	\$15.65	\$16.00	-2.2%	\$15.87	\$16.38	-3.1%
Exp./Rev. Mile	\$4.86	\$4.44	9.4%	\$4.76	\$4.76	0.1%
Exp./Rev. Hour	\$50.58	\$43.81	15.4%	\$49.50	\$47.50	4.2%
<b>MOONLIGHT EXPRESS</b>						
Passengers	22,505	23,412	-3.9%	41,981	38,284	9.7%
Revenue Miles	5,814	7,872	-26.1%	11,280	12,914	-12.7%
Revenue Hours	419	593	-29.4%	815	953	-14.5%
Revenue Miles per Hour	13.9	13.3	4.6%	13.8	13.6	2.1%
Pass./Rev. Mile	3.9	3.0	30.1%	3.7	3.0	25.5%
Pass./Rev. Hour	53.8	39.5	36.2%	51.5	40.2	28.2%
Operations Expense	\$13,916	\$17,464	-20.3%	\$25,135	\$28,536	-11.9%
Maintenance Expense	<u>\$8,907</u>	<u>\$13,250</u>	-32.8%	<u>\$17,281</u>	<u>\$21,736</u>	-20.5%
Total Expenses	<u>\$22,823</u>	<u>\$30,713</u>	-25.7%	<u>\$42,416</u>	<u>\$50,272</u>	-15.6%
Exp./Passenger	\$1.01	\$1.31	-22.7%	\$1.01	\$1.31	-23.1%
Exp./Rev. Mile	\$3.93	\$3.90	0.6%	\$3.76	\$3.89	-3.4%
Exp./Rev. Hour	\$54.52	\$51.78	5.3%	\$52.05	\$52.78	-1.4%

# CYRIDE QUARTERLY OPERATIONS REPORT

October 1st, 2015 to December 31st, 2015 (2nd Quarter)

	FY 2016 2nd Qtr	FY 2015 2nd Qtr	% CHANGE	FY 2016 YTD	FY 2015 YTD	% CHANGE
<b>OPERATIONS REVENUE</b>						
Farebox	\$60,343	\$69,598	-13.3%	\$143,308	\$164,224	-12.7%
Transit Contracts	\$0	\$903	-100.0%	\$113,000	\$113,903	-0.8%
I.S.U.	\$0	\$0	#DIV/0!	\$0	\$0	#DIV/0!
G.S.B	\$2,179,310	\$2,036,197	7.0%	\$2,179,310	\$2,036,197	7.0%
City of Ames	\$851,239	\$697,030	22.1%	\$867,383	\$820,195	5.8%
IDOT - STA	\$209,910	\$186,318	12.7%	\$406,276	\$368,574	10.2%
Section 5307		\$1,970,542	-100.0%	\$1,951,176	\$1,970,542	-1.0%
Other Grants	\$36,230	\$37,017	-2.1%	\$36,230	\$37,017	-2.1%
Other	\$61,206	\$83,183	-26.4%	\$93,419	\$93,137	0.3%
Total Operating Revenue	<u>\$3,398,238</u>	<u>\$5,080,787</u>	<u>-33.1%</u>	<u>\$5,790,102</u>	<u>\$5,603,789</u>	<u>3.3%</u>
<b>TOTAL EXPENSES</b>						
Administration	\$294,317	\$283,061	4.0%	\$567,963	\$564,299	0.6%
Safety & Training	\$64,010	\$65,881	-2.8%	\$129,964	\$128,940	0.8%
Promotion	\$0	\$0	#DIV/0!	\$0	\$500	-100.0%
Bldg. & Grounds	\$79,596	\$22,621	251.9%	\$154,333	\$126,998	21.5%
Fixed Route	\$1,970,400	\$2,175,093	-9.4%	\$3,620,308	\$3,581,994	1.1%
Dial-A-Ride	\$44,761	\$44,292	1.1%	\$90,049	\$90,564	-0.6%
Moonlight Express	\$22,823	\$30,713	-25.7%	\$42,416	\$50,272	-15.6%
Operating Total	<u>\$2,475,907</u>	<u>\$2,621,661</u>	<u>-5.6%</u>	<u>\$4,605,033</u>	<u>\$4,543,566</u>	<u>1.4%</u>
Farebox Revenue	\$60,343	\$69,598	-13.3%	\$143,308	\$164,224	-12.7%
Farebox Rev./Exp. Ratio	2.4%	2.7%	-8.2%	3.1%	3.6%	-13.9%
Admin. Expense/Pass.	\$0.22	\$0.18	21.0%	\$0.25	\$0.24	3.6%
Admin. Exp./Rev. Mile	\$1.25	\$1.06	17.8%	\$1.28	\$1.26	0.9%
Admin. Exp./Rev. Hour	\$12.86	\$10.78	19.3%	\$13.23	\$13.02	1.6%
Total Expense/Passenger	\$1.22	\$1.26	-3.0%	\$1.34	\$1.33	1.1%
Total Expense/Rev. Mile	\$7.05	\$7.47	-5.6%	\$6.90	\$7.00	-1.5%
Total Expense/Rev. Hour	\$72.72	\$76.05	-4.4%	\$71.46	\$72.07	-0.9%

# Transit Director's Report

## March 2016

### 1. Open Driving Hours Analysis

At the February 2016 Transit Board meeting, board members requested that staff include information in each board packet on CyRide's driver staffing issue. The best method to gauge progress in improving CyRide's driver shortage is in following the number of "open hours." This measure reflects the number of part-time and full-time drivers that are required to work more than their scheduled hours, as well as management staff that are required to cover shifts not assigned to drivers as a result of a lack of driving staff. The table below shows a history of where CyRide began the year, as well as the weekly hours starting with the spring semester.

Week of:	Number of Open Hours
<b>Beg. of Fall Semester</b>	<b>749.5</b>
January 10	787.4
January 17	793.9
January 24	766.2
January 31	789.9
February 7	850.6
February 14	658.2
February 21	663.0
February 28	662.5
March 6	648.6
March 13	688.1

Since the beginning of the spring semester, CyRide has lost a total of six employees - four with full-time hours, two with part-time hours and thirteen employees have completed training and began driving for CyRide during that same time period. CyRide's goal by mid-August 2016 is to reduce open hours to approximately 450-500 open hours or around a 30% improvement in current open hours.

### 2. CyRide Overtime

In each budget CyRide estimates the cost of driver overtime costs. Overtime is required when:

- Driver absences are higher than what is included in the budget
- Lower driver staffing levels occur require existing drivers to cover unassigned shifts
- Higher ridership than expected occurs and additional "extra" buses are needed (above the 5 hours/day in the budget)

For the 2015-2016 budget year, CyRide estimated this expense at \$95,000. Through February 2016 (8 months into the fiscal year), CyRide has expended \$128,471. The 2014-2015 actual overtime expenditure **for the year** was \$101,238. This additional expense is not surprising in light of CyRide's

severe driver shortage; however, is one of the trends staff will be working to reduce in the next fiscal year through its efforts to hire more driving staff.

To address the financial impact of this overtime, CyRide's revenues, through February 2016, are 2.2% lower with expenses 6.4% lower as a result of lower fuel prices. Therefore, even with higher overtime expenses, CyRide's budget should end the fiscal year with a significant budget underrun.

### **3. Washington DC Trip**

The Transit Director joined the Iowa Public Transit Association (IPTA) delegation to Washington DC on March 10-11, 2016 to meet with Congressional staff and lobbyists knowledgeable about transit industry's issues. With the passage of the FAST Transportation Act, the trip was more about gaining a better understanding of the Act. In one of the meetings, the individual that wrote the FAST Act bill language was present and providing an in-depth presentation on what was contained in the new law and discussions behind specific requirements. The most helpful information for CyRide was in gaining a better understanding of the new competitive grant program for bus and facility needs. The following briefly recaps what was learned:

- The program will rate both buses and facilities based on their age and condition. When asked about how new facilities could compete, the representative indicated that a lack of space would equate to the condition of the existing facility and would allow new facilities to compete for the funding.
- A single transit system is eligible for up to \$26.7 million, up to 80% funded with federal dollars.
- As of this date, FTA is anticipating accepting applications by the end of 2016.

The Iowa DOT has indicated that it will submit a grant application on behalf of all transit systems in Iowa for buses up to the maximum amount allowable. It is assumed at this time that there could be a number of CyRide buses included in this list contained in the application. Therefore, with bus requests potentially addressed, this funding program could be a possible source of revenue for a second CyRide facility under a grant submitted by CyRide. FTA regulations on this program have not been released to-date and will provide specific direction on how the FTA will interpret the new law, so CyRide will reassess this position once the regulations are released.

### **4. Dial-A-Ride Annual Customer Satisfaction Survey and Performance Measures**

CyRide will be distributing its annual customer satisfaction survey to its Dial-A-Ride (DAR) passengers at the end of March and will analyze the responses, with a presentation to the Transit Board at the April board meeting. Consideration of CyRide's DAR contract renewal with its contractor, HIRTA, will also be considered at that meeting.

CyRide staff is also working with HIRTA to develop a set of performance measures that can be established and monitored as part of the next fiscal years' service.



## **5. Operations Contract**

CyRide entered into a one year contract with CIT Transportation for the 2015-2016 school year to provide two buses/drivers for the Cardinal Route. CyRide will evaluate the success of this project and provide an evaluation and potentially consider entering into a second contract for service during the next school year.

## **6. Copper Beech Contract Update**

Under CyRide's contract with Copper Beech, the residential complex is required to contact CyRide by March 1 of each year if they desire a change in the contract or termination. CyRide did not receive such a notice and has submitted an invoice for payment by July 1, 2016 for the third and final year of the contract.

# April

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
					<b>1</b>	<b>2</b>
<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>
<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>
<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
					TRANSIT BOARD MTG. 8:00AM	

**2016**

# May

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>
<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>
<b>22</b>	<b>23</b>	<b>24</b>	<b>25</b> TRANSIT BOARD MTG. 8:00AM	<b>26</b>	<b>27</b>	<b>28</b>
<b>29</b>	<b>30</b>	<b>31</b>				

**2016**

# July

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
					<b>1</b>	<b>2</b>
<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>
<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b> TRANSIT BOARD MTG. 8:00AM	<b>21</b>	<b>22</b>	<b>23</b>
<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
<b>31</b>						

**2016**

# August

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>
			TRANSIT BOARD MTG. 8:00AM			
<b>28</b>	<b>29</b>	<b>30</b>	<b>31</b>			

**2016**