

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

April 29, 2016

The Ames Transit Agency Board of Trustees met on April 29, 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 Abbas, Madden, Schainker, Haila and Teubert present. Absent: Trustee Gartin.

Approval of March 29, 2016 Minutes: Trustee Schainker motioned to adopt the March 29, 2016 transit board minutes. Trustee Madden seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

Public Comments: No public comments.

Brown Route Service Change: Director Kyras indicated that the “Brown Route Service Change” agenda item was a follow-up to previous board meeting discussions on how to provide service to the new ISU Research Hub building. She indicated that at previous meetings, staff had shared an option on rerouting a portion of the Brown Route to this new facility and that it could be accomplished at no cost by eliminating the North Loop Dr. service. She also indicated that an apartment complex was scheduled to be built across from this new hub building, which would generate more riders. She provided board members with a map of the proposed change and provided ridership counts, by stop, to indicate the impact that this change would have on current riders. She indicated that each stop averaged 3 rides per day, except for one stop (closest to University Blvd) that averaged 14 passengers per day. She also shared that they had met with Research Park representatives to share this data and staff’s recommendation to eliminate the north loop and redirect the route to the new Hub building, indicating that the representatives understood the reason for the change. There was discussion regarding upgrading the bus stop nearest CyRide’s busiest stop on the North Loop of the Research Park proposed to be eliminated and the Research Park representative’s possible willingness to examine a connection from this improved stop to their complex. Barb Neal shared that if the stop were to be improved, it would need to be ADA accessible, but that CyRide could accommodate this improvement if the Research Park desired to improve access from the stop to their buildings.

Trustee Gartin arrived at 8:06 a.m.

Trustee Madden made a motion to approve Alternative #1 for a service change on the #6 Brown Route to extend service to the new Research Park Hub building effective August 15, 2016, with notification to existing riders immediately. Motion was seconded by Trustee Schainker. (Ayes: Six. Nays: None.) Motion carried.

Operating Demonstration Project Evaluation and New Contract Consideration: Director Kyras provided background information to board members regarding CyRide’s contract with CIT Transportation for two transit style buses and drivers to operate the Cardinal route

and the history regarding this collaboration. She indicated that staff had conducted an analysis of the effectiveness of this contract and provided details about their service. She began by explaining the three operators providing the Cardinal Route, indicating that CyRide was the primary operator operating the midafternoon and evening service and all the extra buses reflected in the schedule. CIT operated all scheduled buses until midafternoon with Durham Services providing four to six trips in the morning following their school service.

Director Kyras then explained the results of a customer satisfaction survey on this route – dividing the results by provider. Overall results were positive for the three providers, with a slight preference toward CyRide’s service. Director Kyras explained the processes that were required to ensure that both contractors were providing a quality service and she shared a few struggles that had, had to be overcome in this area. A question was raised about expanding this collaboration to more vehicles. Director Kyras shared that contracting service to private operators requires more oversight by CyRide as there are more opportunities for issues to occur, as reflected in the lower satisfaction rates of the two private operators. She also indicated that the Cardinal route is the best route for this type of collaboration, with few transfers and an easy driver schedule, but that there were only a limited number of buses on this route and that CyRide had planned on expanding the number of hours each bus operated next year if the board desired to continue this type of collaboration.

Trustee Gartin asked for clarification on how CyRide’s \$86 per hour was calculated. Director Kyras shared that this is considered its “fully allocated cost” which includes: fuel, all fluids, depreciation, administrative costs, drivers’ wages and benefits, overhead and all expenses to operate CyRide. Trustee Gartin asked for further clarification regarding the difference between the \$60 and \$86 costs. Director Kyras indicated the \$60 rate reflects direct costs only – driver wages, benefits and fuel.

Trustee Schainker pointed out for board members that CyRide was not contracting service for financial reasons, but to reduce the number of drivers it needs at a time when CyRide is experiencing a shortage in this area. Trustee Gartin asked if there were other impacts of not continuing the collaboration, such as the burden on staff to drive. Director Kyras indicated he was correct that there were non-financial implications as well, if it was decided not to contract for service. Trustee Madden said that the bottom line was that if CyRide had adequate staff to perform this service, it would be \$26 less expensive and, further, that passengers would rather have a CyRide bus than a school bus. Trustee Madden further shared that contracting for this service provides CyRide staff one more year to resolve its driver shortage by having a contractor operate this service, but believes contract drivers are less proficient in their driving skills than CyRide drivers are. For now, he indicated that contractors have the drivers and buses, and shared that he believes that another year of contracting this service will allow CyRide to efficiently operate the entire system. He also shared that he hopes that the System

Redesign Study will identify a route structure that can minimize the need for this type of service.

President Haila agreed indicating that he thought the demonstration project went well and suggested continuing to monitor contractors closely. He mentioned that he believed that two or three incidents next year would not be acceptable. Director Kyras indicated that CyRide would include a discussion of the incidents in the training with the contractor's next year to try to prevent these situations in the future.

Trustee Schainker made a motion to direct staff to prepare a new Request for Proposal to receive bids on service contracting on the Cardinal Route for the 2016-2017 school year for consideration at the July Transit Board meeting. Trustee Abbas seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

State Grant & Public Transit Infrastructure Grant (PTIG) Applications: Director Kyras explained that the State Grant & Public Transit Infrastructure Grant (PTIG) applications are annual tasks that are completed each year to access state program dollars, which contain both operating and capital projects. The operating projects include: operating assistance formula dollars and elderly/disabled funding that supports CyRide's Dial-A-Ride service. The capital projects include: bus stops improvements, buses and CyRide's facility roof replacement. She further explained that the Public infrastructure grant can be used for vertical infrastructure projects only.

Director Kyras shared that the buses contained in the state application would be further clarified in the next agenda item.

Trustee Gartin asked if CyRide programs these projects in the CIP and if they are not awarded funding, if the project must then be paid for with local dollars. Director Kyras clarified that if funding is not awarded by the PTIG program, then CyRide would not be able to complete the project next year. If funding were to be received, it would not create a budget savings, it would simply fund the project contained in the CIP.

Trustee Schainker shared that the process described by the Director was practiced across other city departments. He further indicated that grant-funded projects are considered as "wish list" projects, and if funded, they proceed forward but if not, they are moved back in the CIP.

Trustee Abbas made a motion to approve the FY2017 State Grant application. Trustee Teubert seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Bus and Facilities Grant Consideration: Director Kyras shared that timing on a new, nationally-competitive bus replacement grant had changed from the discussion at the April Transit

Board meeting and that staff had been notified that the grant notice had been released and that grants were due by May 13, 2016.

Director Kyras explained that this new opportunity for bus replacement dollars was not included in the Capital Plan or CyRide budget since the federal program was approved in December 2015 and the grant notice just released, which creates a challenge to try to fund the local match needed for a grant request. She then provided background information on all possible bus funding sources and the local match required for each (attached diagram on next page). She provided greater detail about the new nationally-competitive funding program indicating that CyRide staff would be developing the grant for the Iowa DOT to submit. She indicated that the grant would request the maximum amount of \$21.1 million statewide, but that no funding or a lower dollar award could be approved. If partial funding was received, she indicated that the state's list of buses from worst to best would be utilized to fund individual buses, with the worst buses funded first. She also explained that buses contained in this list would be funded first with the new, nationally-competitive grant funding, then urban bus funding that the state receives and then CMAQ program funds.

Director Kyras shared that the Iowa DOT's list included twelve of CyRide's buses, requiring up to \$1,128,000 in local matching funds and that the 2016 Capital Improvement Plan contained six buses over the next two years (timeframe for delivery of buses). She indicated that CyRide currently transfers \$800,000 each year from its operating to its capital fund to provide local dollars so that local funding for six of the twelve buses could be addressed through CyRide "normal" bus replacement process. The remaining six buses could be addressed through budget savings from the current fiscal year, as a result of lower fuel prices and a board-approved reduction in CyRide's operation closing fund balance. She indicated that these two savings totaled over \$1 million dollars. She also shared the likelihood of receiving funding for all twelve buses was small.

President Haila asked staff for a clarification on how the fuel savings and modification to the operating closing balance would be addressed in the operating budget. Director Kyras explained that it would result in a larger than anticipated operating closing balance and that the board could then take action to move this to the capital budget, similar to the \$800,000 transfer each year during the budget approval to support capital projects.

Trustee Madden supported CyRide's twelve buses in the application; however he shared a concern that the board would need to weigh putting the budget savings being discussed into capital at a time when rate increases would be needed next year to pay for operating expenses.

Director Kyras shared her thoughts on the unanticipated budget savings and how much could be set aside for buses and for facility needs. She indicated that committing half of

the anticipated \$1 million savings to buses and half to the facility would place CyRide in a position to apply for the nationally-competitive grant next year for CyRide's facility's needs and still allow CyRide to be included in the statewide bus replacement grant.

Trustee Teubert inquired about the System Redesign Projects and the CyRide potential BRT project and how the federal government might view these in light of the statewide application for buses. Director Kyras indicated that this should have no impact on either of these projects.

Director Kyras recommended Alternative #2 as the state's bus list had changed since the packet was distributed, recommending a commitment to 12 buses. Trustee Schainker confirmed that if CyRide was awarded all the buses, that CyRide would have a means to fund them.

Trustee Schainker made a motion to approve a resolution expressing CyRide's commitment to providing local match for 12 buses under the statewide competitive federal Bus and Facilities Grant. Trustee Gartin seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Trustee Schainker made a second motion clarifying that funding for six of the twelve buses would come from unanticipated fuel savings and an adjustment to the closing balance. Motion seconded by Trustee Gartin. (Ayes: Six. Nays: None.) Motion carried.

Annual Dial-A-Ride Survey Results, Contract Renewal and Performance Measures: Director Kyras provided an explanation of CyRide's contracting history with Story County's paratransit provider. She indicated that CyRide's budget for the Dial-A-Ride program is approximately \$250,000 next year. CyRide has entered into a contract with HIRTA for three years, of which next year will represent the second year of the current contract, and that staff reconfirms the board's desire to continue under the contract on a yearly basis. The Director shared the Transit Board's direction at a February 2015 meeting to consider establishing performance measures in the 2016-2017 contract year. She then provided a brief explanation of the federal dollars funding this program and the financial difference of contracting versus directly-operating Dial-A-ride service and projects eligible for this funding (shelters, buses, contracted operating expenses).

Trustee Madden mentioned the wait times on the telephone and said he thought HIRTA was working to improve these issues. Director Kyras said HIRTA had made changes, referencing the new tablets installed in each bus and modifications to the telephone system that had been completed; however, she shared that she believed that a great deal of the frustration centers around customers desire to talk to a person, as opposed to leaving a message and having their call returned. She indicated that customers becoming impatient with the longer wait during busy times and push the wrong button on the phone, which then places them at the end of the queue again. After further discussion, board members suggested the Director work with HIRTA on an education

program regarding the phone system. Trustee Madden asked if CyRide could get someone from United Way to provide training. Trustee Madden said it is very important and would encourage HIRTA to help their customers.

President Haila inquired about the possibility of making “satisfaction with the phone system/reservations” a performance goal.

Trustee Madden provided an option to help educate customers. He indicated that college students are looking for service projects and he believed this would be beneficial for both parties.

Trustee Gartin shared that he believed that customer satisfaction was important and suggested that staff check with peer transit systems to compare with HIRTA data, indicating that when analyzed, HIRTA’s satisfaction rate could be higher than its peers.

Trustee Schainker and President Haila relayed the Transit Board’s discussion in 2015 regarding Dial-A-Ride customer service and believes that this concern should be added as a performance goal. Director Kyras clarified with the Transit Board that the specific performance goal would be based on customer responses “a specified percentage for being placed on hold for more than 3 minutes.”

President Haila asked if another survey could be completed in six months, including a stamped, self-addressed envelope for ease of returning. Trustee Schainker shared his thought that some type of incentive, such as a drawing for a gift card or a one month pass for returned surveys. Discussion on the merits of another survey in six months was discussed with the conclusion that this could be viewed as over-surveying, reducing the effectiveness of this tool.

Trustee Madden suggested staff communicate the results of the Dial-A-Ride survey to HIRTA and to encourage them to find solutions so that their customer satisfaction increased.

Director Kyras will confirm the performance measures with HIRTA, adding the board recommended measure on the percentage of individuals on hold for more than 3 minutes.

Trustee Madden referred to the table on page 20 of the board’s information regarding HIRTA’s hourly and per trip rates and asked if other transportation had been considered for the Dial-A-Ride program, such as taxi’s or Uber. Director Kyras said she had seen other transit systems use accessible taxi service; however, there were currently no accessible vehicles in these fleets in Ames.

Trustee Schainker made a motion to approve continuing a contract with Heart of Iowa Regional Transit Agency (HIRTA) for the 2016-2017 budget year at a 2% to 3.5% increase

in rates and establish performance goals as recommended by staff and including an additional measure desired by the Transit Board. Motion seconded by Trustee Abbas. (Ayes: Six. Nays: None.) Motion carried.

Rate Setting – Fares: Director Kyras said this is an annual task for the Transit Board each April to set the cash and ticket fares for the upcoming year. She indicated that staff’s recommendation was to not change fares, which was reflected on the attached fare structure.

Trustee Schainker mentioned non-student revenue is decreasing and asked if this equated to lower ridership as well. Director Kyras indicated that both have been declining, indicating that the lower price of fuel was a large factor. She also shared that this has been a trend since fares were increased in 2011, when CyRide experienced a dip and never recovered in subsequent years. Trustee Schainker expressed his concern with this trend indicating that CyRide takes pride in carrying 7 million passengers, but carrying fewer non-students was not positive. Director Kyras offered that through the System Redesign Study’s public input meetings and community surveys, it was hoped that the reason for this trend could be discovered and solutions considered through this process.

Trustee Madden shared his insight on travel patterns, indicating a decline of travel to North Grand Mall where CyRide has a number of route options and an increase along South Duff with very few options.

President Haila asked about CyRide’s summer fare free demonstration project and its impact on ridership, particularly non-student riders. Director Kyras shared the ridership impact for this project (ridership increase of 25%), indicating that this represented non-student ridership for the most part, but that the community had struggled to fund this program after its initial trial. Trustee Madden inquired about the impact of a community fare free program, speculating that there would be an increase in school-age children and/or increases at the middle school and high school level.

Trustee Schainker shared his thoughts about ISU student’s revenue per ride, indicating his belief that it was inadequate to cover the student share of expenses.

Trustee Schainker shared that he did not wish to raise the price of a cash fare or increase ticket prices. Director Kyras shared that past practice had found that this results in a net decrease in ridership and revenue over the long-term. She also indicated that the Transit Board might want to consider lower fares in the future to try to reverse the non-student ridership/revenue decline.

Director Kyras said traditionally, the rate settings (fares and passes) are completed in April and believes it would be beneficial to have these discussions in December, in

conjunction with budget discussions. There was a consensus of board members to move this discussion to coincide with the budget.

Trustee Gartin made a motion to approve the 2016-2017 rates, which reflect no change from the 2015-2016 rate structure. Trustee Abbas seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Trustee Gartin suggested reaching out to larger employers in the community, promoting CyRide as a low cost transportation alternative, thereby increasing interest in CyRide. Director Kyras explained that CyRide's current budget did not include marketing expenses for staff and materials to support this effort, and indicated it would be challenging for current staff to complete this task. Further, she indicated that consideration of marketing efforts might be better addressed after the System Redesign Study was completed, so that the route structure that would be provided in the future could be marketed, as opposed to the current system which could be changing.

Trustee Schainker left at 9:30 a.m.

Rate Setting – Passes: Director Kyras said this is another annual task, traditionally completed in April to approve the full fare semester passes and that no change in the current fare structure was recommended.

Trustee Abbas made a motion to approve the 2016-2017 rates, which reflects no change from the 2015-2016 rate structure. Motion seconded by Trustee Teubert. (Ayes: Five. Nays: None.) Motion carried.

Standard 40' Bus Purchase: Director Kyras indicated that over the last several years, CyRide had been successful in getting four new buses funded under grants and that staff was now prepared to proceed with their purchase. She shared the funding sources and local match required for each. She indicated that the Iowa DOT had prepared a statewide bid for buses and recommended using this bid to procure the vehicles, awarding CyRide buses to Gillig Corporation in Hayward, CA. She indicated the delivery time was approximately 22 months. She indicated that the local dollars were included in the Capital improvement Plan.

President Haila shared his thoughts that CyRide's perspective for buses was improving with the delivery of the four articulated buses this summer, this purchase of four more buses and the possibly of national grants for up to twelve buses.

Trustee Gartin shared his concern that he believed CyRide's focus was on purchasing used buses and that he was surprised that the focus had shifted to new buses. He was curious as to the impact this would have on CyRide's maintenance budget. Director Kyras shared that the federal transportation bill for the previous five years did not allow a funding source for CyRide to purchase new buses; however, under the new bill,

approved by Congress last December, the new nationally-competitive grant opened up a new possibility for CyRide shifting its focus to take advantage of this new source. She indicated that with a two year delivery period, the maintenance impact would not be significant. She also indicated that when CyRide completes its annual budget it, for the most part, looks historically at maintenance trends instead of trying to predict the impact that 3-4 new buses will have on a fleet of 93 buses. Trustee Gartin said that this is encouraging news, but that CyRide would also need to focus on facility needs. Trustee Abbas made a motion to approve award of four 40' buses to Gillig Corporation at a price not-to-exceed \$1,772,000. Motion seconded by Trustee Gartin. (Ayes: Five. Nays: None.) Motion carried.

Intermodal Facility Tenant Lease – Executive Express: Director Kyras shared that the Intermodal Facility is funded with federal dollars and is seen as the responsibility of CyRide from the Federal Transit Administration's perspective. She indicated that Executive Express' lease expires on June 30, 2016 and that this had traditionally been a one year lease, but this year the business was amiable to a three-year lease. Also, the Producer Price Index (PPI) was flat, which would result in no price increase under the contract.

Trustee Madden made motion to approve the Ames Intermodal Facility Commercial Tenant Lease with Executive Express. Motion seconded by Trustee Abbas. (Ayes: Five. Nays: None.) Motion carried.

Intermodal Facility Tenant Lease – Jefferson: Director Kyras said Jefferson Partners has been completed a three-year lease for space at the Ames Intermodal Facility and are requesting consideration in entering into a new three-year lease, with no price changes as a result of the stable PPI.

Trustee Teubert made a motion to approve the Ames Intermodal Facility Commercial Tenant three-year lease with Jefferson Partners. Motion seconded by Trustee Abbas. (Ayes: Five. Nays: None.) Motion carried.

Transit Director's Report:

- Director Kyras updated board members on the status of CyRide's request to the Ames Area MPO for Surface Transportation Program (STP) funding. Per board direction, staff had requested \$225,000 (15% of the STP funds) for the purchase of buses in year 2020. The Ames Area MPO will be considering this request at their May meeting.
- Director Kyras updated the board on the number of open driving hours, indicating the number was slowly declining, but that it would increase at the end of the semester with students leaving employment early to take summer jobs or graduate.

Trustee Gartin inquired about driver morale in light of CyRide's driver shortage. Director Kyras indicated that she believed that this has not been a major factor in driver's satisfaction with their job. Barb Neal, CyRide's Operation's Supervisor indicated that

drivers were more insulated from this issue, but that Dispatchers, who were charged with covering all shifts, were more impacted and that it had created more stress for this group of employees.

- Director Kyras updated board members on the status of the System Redesign Study. She indicated that RFP's were due on Monday, May 2, 2016. Staff will complete interviews and evaluation and it is hoped that the results can be included on the next board meeting agenda. A question was raised about the level of interest from consultants. Director Kyras indicated there had been a substantial number of questions from a number of highly qualified firms.

Trustee Gartin said there has been a lot of discussion with the consultant completing the Lincoln Way corridor and that he was curious about whether CyRide had been involved in these discussions. Trustee Gartin suggested reaching out to Karen Marren, City of Ames Planner, to let them know CyRide's needs, as the corridor study is a robust study that could significantly impact transit services.

Recognition of Outgoing Board Members & MPO Representation: President Haila recognized the students whose terms expire, thanking them for their service and recognizing their contributions to CyRide. Trustee Abbas will be graduating and Trustee Teubert will return to Iowa State University this fall following his summer job.

Director Kyras introduced Cole Staudt (present) and Steven Valentino (not present), who will be representing the Student Government for the 2016-2017 school year.

Director Kyras shared with board members that with the departure of Trustee Abbas, the Transit Board will need to nominate a replacement for the Ames Area MPO position and asked if one of the new students would be interested in taking on this roll.

After a discussion on the timing of board members terms, President Haila nominated Cole Staudt, pending his confirmation, to be the Representative from the Ames Transit Agency Board of Trustees for the Ames Area MPO. Motion seconded by Trustee Gartin. (Ayes: Five. Nays: None.) Motion carried.

Trustee Teubert acknowledged the Transit Board work and shared his thoughts that the board and staff we headed in the right direction and to keep in mind the bigger picture as CyRide is one of the best transit systems in the United States. Further, he indicated that the board does an amazing job, commended staff for their work and shared that he is excited for the students being served. On behalf of the students, he thanked everyone involved.

Set Meeting Times and Place:

- May 25, 2016, 8:00 AM

- July 20, 2016, 8:00 AM
- August, 24, 2016, 8:00 AM

Meeting Adjourned: Trustee Madden made at motion 10:04 a.m. to adjourn the meeting.
Motion seconded by Trustee Hamad.

John Haila, President

Joanne Van Dyke, Recording Secretary

