

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

June 16, 2016

The Ames Transit Agency Board of Trustees met on June 16, 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 Staudt, Madden, Schainker, Haila and Gartin present with Trustee Valentino via conference call. Absent: None.

PUBLIC COMMENTS: No public comments.

ELECTION OF OFFICERS: Director Kyras shared that CyRide's Transit Board annually elected officers in May or June of each year as required by the Ames Municipal Code, Chapter 26A. Further, she stated that the Vice President position was vacant as a result of Hamad Abbas' graduation from Iowa State University. Director Kyras indicated that Trustee Haila was interested in continuing as President and that Trustee Valentino was interested in the Vice Presidency, but that nominations could also be taken from the floor.

Trustee Madden made a motion to accept the names presented by Director Kyras, Trustee Haila for President and Trustee Valentino for Vice President. Trustee Gartin seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

SYSTEM REDESIGN STUDY – CONSULTANT AWARD: Director Kyras explained the process that had taken place to select a consultant for the System Redesign Study, which was documented on the attached memo included as a part of the board's information. Director Kyras highlighted the process utilized to select the two finalist firms and the recommendation for consultant award.

The study evaluation team for the finalists interview, excluding President Haila, rated Nelson/Nygaard as the best fit and their cost proposal was also the lowest bid; however, higher than the budgeted amount at \$150,000, funded with \$100,000 from the Ames Area MPO and \$50,000 from CyRide's budget. She further explained the finalist's explanation of why the proposals were higher than the budget due to survey and ridership counts tasks. She also shared the firm's information regarding how each firm could reduce the scope to be closer to the study's budget, with varying approaches from the two firms. Director Kyras shared that both consultants had, however, indicated that the study could be enhanced with the larger scope. Director Kyras said CyRide staff indicated that whichever firm was chosen, that staff would need to negotiate the final cost of the study, based on the tasks determined to be essential to the study.

Transit board members asked about reference checks for Nelson/Nygaard. Director Kyras shared that she had completed reference checks on the three originally proposing firms and that Nelson/Nygaard had received very positive remarks from other transit systems, with one negative comment regarding a subconsultant charged with the public

engagement task. Upon further clarification with this transit system, it was found that a different firm than was proposed for CyRide's project completed had that task. She also clarified the transit system's experience with the technical portion of the study and that all systems indicated that they were very satisfied with Nelson/Nygaard's work in this area.

Based on the additional information provided through reference checks, Director Kyras indicated that staff was comfortable with the interview committee's recommendation. Further, she recommended allowing staff to negotiate with the firm for a budget of up to \$180,000, which would provide staff the latitude to ensure that the study tasks are appropriate, but at the lowest possible cost. This also allows the project to keep moving forward at the beginning of the fiscal year as planned. Staff would report the results of this negotiation at the July board meeting.

Trustee Schainker raised a concern regarding the study's cost exceeding the established budget and cautioned staff to make sure that the study's tasks reflected the required work to complete a successful study, but at the lowest cost. He then inquired about where the additional funds could be secured to complete the study. Director Kyras indicated that CyRide's closing balance could be used to fund the additional expense.

Trustee Gartin shared that he was comfortable with the higher cost of the study and that he believes it is an important project for CyRide, indicating that the cost appeared reasonable in light of the cost of other planning studies recently conducted within the city. He asked if CyRide believes that the Nelson/Nygaard firm had conducted studies on "successful" transit systems as it requires more creativity to identify opportunities when services are efficiently operated.

Director Kyras shared information regarding the studies that each of the two finalist firms had presented in their original proposal and in the interview. She also indicated that the recommendations from other system's studies for both firms were being implemented.

President Haila shared that he was impressed with the Jacksonville Florida study completed by Connetics and believes that it is a comparable system to CyRide. Director Kyras shared her thoughts that the difference between the two proposals for her was that Nelson/Nygaard demonstrated the technical skills as well as some unique ways of engaging the public in understanding the costs and benefits of different route recommendations.

Trustee Schainker shared his thoughts that before a contract is finalized, he believes that CyRide should determine how the current system could be sustained as the public's expectations will be raised through this process. Director Kyras shared that the establishment of goals/objectives for the study will be determined by the board as one of the first steps, prior to public engagement and that the board will have the

opportunity to set the direction of the study and, through the public engagement process, support these goals/objectives through public engagement tools.

Barbara Neal shared her thoughts about the recommended firm indicating that the “build your own system” tool would be very beneficial for the public and all stakeholders to understand the cost to operate the existing, and any modifications to, service. She also indicated that she believes that Nelson/Nygaard showed a passion to complete the study that the other firm did not demonstrate.

Director Kyras further indicated that Connetics assisted on the Orange Route study and that she thought a fresh approach to System Redesign study, from a new firm, could benefit the community.

Trustee Gartin shared his thoughts that he believed that too much weight was being placed on the public feedback mechanism and that more weight should be placed on the technical analysis. Trustee Schainker agreed.

Director Kyras indicated that it was important at the end of the study to have a consensus around the recommendations developed, so that both the technical and public input process were needed to have a successful project that will guide the direction CyRide service will take in the next five years. She also indicated that Nelson/Nygaard presented a solid technical approach.

Trustee Gartin’s shared his thoughts on the study’s objective indicating that he desired a technical analysis that would allow CyRide to plan for modifications in the future.

Director Kyras shared her concerns with strictly basing the decision on technical merit, again indicating she believed both firms were capable of providing a sound technical analysis. She indicated that she believes that a consensus of transit board, public and stakeholder opinions around a recommendation was important to move the transit system forward, as well and that she believed that the community had struggled with this in the past several years as ridership has grown so quickly.

Trustee Gartin requested information regarding how a transit system’s performance is determined. Director Kyras indicated that each transit system develops measures that reflect the characteristics of their system, but that there were industry measures, such as the number of passengers per hour and mile. However, Director Kyras cautioned that CyRide’s performance on these measures were significantly better than the industry as CyRide buses were full and an improvement in this number for CyRide meant more buses were full to capacity or beyond.

Trustee Gartin asked Director Kyras about her thoughts on what she wanted to “get out of” this study. He continued wondering how to address the growth in development with existing financial transit resources.

Director Kyras shared her thoughts that developing modifications to the existing system, which would stay within financial constraints/established with the study's goal and objectives, plus identifying service growth that would provide service enhancements over the next five years that could be addressed at CyRide's annual budget time would provide a guide for future service decisions.

Trustee Schainker asked that the consultants bring back a plan based on the board's goals/objectives. He indicated that, with public input, there will be lofty expectations and that obtaining a consensus of the entire community and board would be difficult. Director Kyras acknowledged that having everyone agree on one set of recommendations would be difficult, but indicated that there would hopefully be a consensus on the direction CyRide should take, such as concentrating CyRide's limited resources on heavily utilized routes versus another approach of ensuring the entire community receives the same level of service.

Trustee Staudt shared his thoughts that there is never a guarantee of how the public will view service concepts, but that he believes that if the transit board desires to solicit public input, it must also be willing to consider their desires for service as well.

Trustee Madden indicated that meeting service expectations and financial constraints is challenging and that there is a level that students will not be willing to raise tuition to support these services. He shared an example of the service to south Ames that is less efficient, but the board has chosen to continue this service to meet social service needs. Further, he shared that he believes that consultants will not be able to solve all service problems, but that they may be able to prioritize service for the board/community.

A question was raised regarding the costs of both proposals to complete the survey, ridership count data. Director Kyras indicated it was a substantial piece of both proposals – approximately \$100,000 for Connects and approximately \$85,000 for Nelson/Nygaard.

Trustee Schainker shared his thoughts that redesigning an entirely new system is not the question, but rather how CyRide can do it better as it is already a good system. Director Kyras indicated that the scope of work included an option for making smaller scale improvements to the systems, as well as options for major route concept changes, such as the elimination of routes on campus.

Trustee Schainker asked Director Kyras what she hoped to gain from the public input. She indicated that her goals would be to gain a better understanding of what residents like about the current system and what they wish could be improved for the future.

Trustee Gartin shared his thoughts that the two consultants being considered had worked with systems that had stable ridership as opposed to CyRide's substantial

growth and current level of ridership. He indicated he desired a consultant that could understand this trend and help the transit system determine how to best meet the need of this type of community characteristic. Trustee Gartin specifically identified the north side of Ames as a potential area he would like the consultants to review.

President Haila expressed his thoughts that the consultants need to be in tune with the Transit Board's expectations and be willing to modify the work to be completed, if necessary to address the issues the board determined were important as the study progressed. However, he shared a concern that addressing all public comments could expand this scope beyond the original vision and framework of the scope of work. Further, he shared that CyRide has a phenomenal system and that he does not want to compromise the basic structure through this process. He indicated that a face-to-face meeting with the consultant would be better to accomplish this initial meeting.

Trustee Gartin indicated that the evaluation committee's choice was to hire Nelson/Nygaard. Director Kyras responded by agreeing with the statement, indicating that both firms presented solid work, but she believes that a firm that had not worked with CyRide before could bring a fresh, objective perspective to the service study. Barbara Neal shared her thoughts agreeing that Nelson/Nygaard was the best firm to conduct the study. She indicated she appreciated their approach to a sustainable system and was concerned that Connetics would not bring this same approach.

Trustee Gartin made a motion to move Alternative #1, to approve award of the CyRide System Redesign Study to Nelson/Nygaard of Seattle, Washington and direct CyRide staff to negotiate a budget up to \$180,000. Motion seconded by Trustee Madden.

No further discussion, President Haila called for the vote. (Ayes: Six. Nays: None.)
Motion carried.

TRANSIT ADVERTISING CONTRACT EXTENSION: Director Kyras shared with the Transit Board that its current advertising contract with Houck Advertising will expire on June 30, 2016; however, there was a clause that allowed the contract to be extended for an additional two years. She shared the terms of the contract: 52% of the gross sales receipts and a minimum revenue guarantee of up to \$106,000 this year. She indicated that Houck as traditionally sold more signage than the minimum amount, indicating that this year's revenue should be around \$150,000. Director Kyras then provided a comparison of contract terms with other Iowa transit systems as detailed in the board's information packet.

Director Kyras recommended to board members to either approving a two-year contract extension, recognizing the good work accomplished to date in exceeding the minimum annual guarantee, or the second option to extend the contract three months, which would allow time for CyRide staff to complete a RFP and request bids for the work.

Trustee Gartin asked if CyRide staff had considered bringing the advertising in-house. Director Kyras indicated that this had been researched in 2008 and the net revenues generated at that time did not exceed the guaranteed revenue provided in an advertising contract. She indicated that CyRide now operated more than 30 additional buses, so staff could again review this to determine if it was a better option. However, she indicated that with the transit systems growth and the work load of existing staff, that it was beneficial to contract for this work.

Trustee Madden was not opposed to having someone in-house or interns do the advertising, but shared ISU's experience with interns selling advertising for the ISU Daily, indicating that a stable relationship with advertisers was preferred in the business community as opposed to the continual turnover of interns.

Trustee Staudt shared his thoughts regarding rebidding the contract versus extending it, indicating that if there was a reasonable assumption that additional revenue could be attained, that it made sense to rebid. Director Kyras indicated that she believed CyRide was receiving one of the higher percentage of gross revenues, so was unsure if another firm would generate more revenue for CyRide.

President Haila suggested a one-year extension with Houck Advertising and then to rebid the contract at the end of the year.

Trustee Madden mentioned that technology has changing and wondered if there were additional ways to gain more advertising dollars. Barbara Neal indicated that Houck has proposed additional advertising methods and that staff would continue to monitor the industry in the next year for CyRide appropriate options. He also agreed with President Haila not to lock into the two-year contract.

Trustee Gartin moved Alternative #1 with a one-year contract extension to Houck Advertising of St. Paul, MN to expire June 30, 2017. Trustee Madden seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

TRANSIT DIRECTOR'S REVIEW: Trustee Schainker explained to the new transit board members that the Transit Director is appointed by the Transit Board, but is an employee of the City of Ames. Further, that her annual performance evaluation is completed by the Transit Board using the City of Ames performance measures.

Trustee Schainker said the Transit Board unanimously agreed that Director Kyras' performance this past year was outstanding, sharing several accomplishments, such addressing the driver shortage and Dial-A-Ride issues. He then thanked her on behalf of the board for another successful year.

He shared that Director Kyras is at the top of the salary range and will receive a cost of living increase of 2.75%. Further, he indicated that Director Kyras asked for an additional week of vacation, from three weeks to four weeks beginning July 1, citing previous precedents for this increase.

Trustee Schainker moved that Director Kyras receive the additional week of vacation, from three weeks four weeks beginning July 1, 2016. Trustee Madden seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Additional remarks were made by individual Trustees regarding their perspective on director Kyras' performance, citing her leadership and technical ability.

Director Kyras announced Karen Jamison's retirement the end of September 2016, indicating she had worked for CyRide for 40 years. She indicated that Karen would be very much missed and appreciated all of the work she had accomplished for CyRide and all the changes she had seen in her tenure at CyRide. Board members added their thanks to her as well.

Trustee Madden asked about the summer ridership level and Director Kyras reported it was slightly lower for the time period compared to previous years.

Director Kyras provided an update on the driver shortage, indicating that staff was making progress and hoped to meet the goal of 30 new employees starting this fall. She shared that the new "driver hiring" advertisement on the NextBus signage was helping, but that CyRide still was not getting the applicant pool and hoped July recruitment was better.

NEXT MEETING TIMES AND PLACE:

- July 11, 2016, 8:00 AM
- August 24, 2016, 8:00 AM

Meeting Adjourned: Trustee Madden made at motion 9:20 a.m. to adjourn the meeting. Motion seconded by Trustee Gartin. Motion carried.

John Haila, President

Joanne Van Dyke, Recording Secretary