

# **AMES TRANSIT AGENCY BOARD OF TRUSTEES**

## **CYRIDE CONFERENCE ROOM**

January 19, 2017

1. CALL TO ORDER: 8:00 A.M.
2. Approval of December 22, 2016 Minutes
3. Public Comments
4. Rate Setting – Fares
5. Rate Setting - Passes
6. Building Security System Bid – Phase I
7. Automatic Passenger Counter (APC) - Single Source Procurement
8. Website Subscription Service Upgrade - Single Source Procurement
9. Transit Director's Report
10. Set Spring Semester Meeting Times and Place:
  - February 28, 2017, 8:00 AM
  - March 30, 2017, 8:00 AM
  - April 27, 2017, 8:00 AM
11. System Redesign Presentation via Skype
12. Adjourn

The Ames Transit Agency Board of Trustees met on December 22, 2016 at 1:00 p.m. in CyRide's Conference room. President Haila called the meeting to order at 1:01 p.m. with Trustees Gartin, Schainker, Staudt, Valentino, and Haila present. Iowa State University's Senior Vice President, Katherine Gregory, was also present.

**APPROVAL OF MINUTES:** Trustee Gartin made a motion to approve the November 30, 2016 minutes as presented. Trustee Schainker seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

**PUBLIC COMMENTS:** None.

Trustee Madden joined the meeting at 1:04 p.m.

**TAM PLAN PERFORMANCE MEASURES/TARGETS:** Director Kyras explained the new federal Transit Asset Management (TAM) requirements indicating that the first deadline was January 1, 2017 to develop asset performance targets. She explained the three asset categories CyRide would need to set targets for- rolling stock, facilities and equipment.

For rolling stock, Ms. Kyras explained the first step was to determine the Useful Life Benchmark (ULB) or life cycle for CyRide vehicles. She indicated that the Federal Transit Administration (FTA) has established a national useful life benchmark of 14 yrs. that transit systems could choose to either adopt or establish their own. She indicated that staff's recommendation was to establish 15 years as CyRide's ULB, based upon CyRide's vehicle age at failure and when its operating costs significantly increase.

President Haila asked for further clarification regarding the useful life definition. Director Kyras indicated that it was the period of time where CyRide could reasonably anticipate operating its vehicles in daily service.

She then explained that the FTA had established a national useful life benchmark for mini or cutaway buses at 10 years. She indicated that after researching CyRide's failure or significant increase in cost age of these vehicles was approximately 10 years. She also indicated that the current age of CyRide vehicles in this category was 6 years and anticipated Iowa DOT replacement funding becoming available at 12 years. Staff's recommendation was to set CyRide's ULB for these vehicles at 10 years.

Director Kyras indicated that CyRide's shop truck was considered shop equipment under the TAM regulations and that the FTA did not set national standards for equipment. Further, she indicated that CyRide had previously established a replacement age for these vehicles at 10 years and would recommend that this not be changed for the TAM performance targets.

Director Kyras then explain the last TAM category - facilities. She indicated that the FTA requires transit systems to use a TERM or Transit Economic Recovery Model analysis to determine each facilities overall rating, which is based on an analysis of the facility's subcomponents. Each facility is given a rating between 1 and 5, with a 3 rating being satisfactory. She indicated that this analysis was time-consuming and could not be completed prior to the January 1, 2017 deadline, so staff had developed a less data intensive methodology, using the same scale, to meet the upcoming deadline. She indicated that this analysis rated all CyRide facilities at a 3 or above. She indicated that staff would complete the TERM analysis on all facilities before the January 1, 2018 deadline.

Director Kyras then explained that these ULB and ratings were then used to establish performance targets, placing them into the FTA's required format. She directed board members to the Performance Target Chart contained in the board packet for the recommended targets. She indicated that it was staff's desire that board members were comfortable with these ULB's, ratings and performance targets, as they set policy for how future capital funding would be spent if one asset category did not meet the performance target.

Trustee Gartin questioned how this information would be used by the Federal Transit Administration. Director Kyras shared her thoughts that the targets would be used to provide a standard reporting format for federal officials and Congress to determine the backlog of transit infrastructure needs and hopefully begin to address this this backlog. She indicated that it could possibly be used to evaluate grant opportunities in the future. She further indicated that there was no clear direction at this time as to how the federal government would use the information, beyond the reporting requirement. She indicated that if a transit system did not meet its target, that it was FTA's hope that the transit system would address these deficiencies in their capital budget, which begins to set policy for a transit system.

Trustee Gartin shared his concern about locking into a policy that could impact local funding decisions. Director Kyras stated that at this time it was only a reporting requirement, but that it could impact capital funding decisions in the future. She further indicated that since CyRide receives federal funding, it does not have a choice in not complying with the regulation.

Ms. Gregory shared her thoughts that if a transit system did not want to replace an asset that did not meet the established TAM performance target, that she did not foresee the federal government providing funding to replace the asset; thereby imposing its standards on a local transit system.

Trustee Gartin further clarified his concerns that the federal mandate would require a local transit system to spend their money on the mandated priority. Ms. Gregory shared her thoughts that she did not see federal officials requiring a local system to increase its spending to address the mandate.

Trustee Madden shared his thoughts that federal officials could use a transit system's achievement of its target, or lack thereof, in making grant decisions and that this could unfairly penalize transit systems that spent more dollars in maintaining their assets. His recommendation was to be realistic in setting these targets. Ms. Gregory shared her thoughts that CyRide maintained its facility and that she did not believe that the TAM requirements would negatively affect how CyRide manages these assets.

Trustee Gartin shared his concern that FTA could reduce its financial resources to replace assets, as they are unable to maintain even current levels of financial assistance. As a result, he also encouraged being realistic with the performance targets.

Director Kyras shared that the recommended ULB, ratings and performance targets were developed based on data from CyRide's current and historical experience and believes that they represent realistic standards for the transit system. She provided an example of the data used for the 40-60' buses, indicating that age at failure, substantial expenses and percentage of the fleet above various targets was used to establish its recommendation. She also explained that these targets could be modified in a year, based on additional data and direction from FTA on how the data would be used.

Trustee Schainker made a motion to approve CyRide staff's recommendation for Useful Life Benchmarks, TERM ratings and the establishment of the January 2017 performance targets. Trustee Staudt seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

**FIVE YEAR CAPITAL IMPROVEMENT PLAN:** Director Kyras provided background information explaining that the Transit Board had directed staff at their November meeting to revise the 2017-2018 capital plan to allow for no more than a 5% increase in local funding for both its capital and operating costs for the next year. Director Kyras compared the original request to two options, both of which would meet the board-directed modifications. She also defined "committed" projects that could not be modified as projects currently funded in grants, anticipated to be included in grant submittals in May, projects that supported the grant projects and safety projects.

Trustee Madden inquired about the probability about whether the projects to be submitted in grants in May would receive funding. Director Kyras indicated that if the transit infrastructure program is funded by the State Legislature this year, that she believed that there was a high probability that both CyRide projects would be funded. Further, she indicated that if they were not funded, that the projects would be deferred to the next year.

Director Kyras explained the difference between the two scenarios, indicating that the first option was the recommended staff option, as it met the board's goal and minimized the magnitude of CyRide's deferred capital projects.

Trustee Schainker asked for clarification as to what was included in the \$100,000 cost to update the GPS vehicle tracking technology. Director Kyras indicated that staff was in the beginning stages of determining what the best option was for this technology,

whether it was a replacement of the software and possibly some/all of the hardware or whether an upgrade with the current vendor would benefit CyRide, but the cost estimate was based on replacement of the system with a different vendor.

Trustee Madden shared his thoughts that technology is evolving continually, with costs decreasing. Further, he indicated that a vehicle tracking system was a priority of the students and would continue to be a priority in the future. Trustee Schainker further shared that students had originally paid for the system and the initial years of its annual maintenance cost.

Director Kyras then shared the difference between the two options regarding the dollars to be transferred from the operating budget to support the capital purchases – Option #1 - \$460,000 versus Option #2 - \$200,000. She also explained the impact that the capital costs would have on the local dollar increase required for the operating budget – Option #1 – 3.9% increase versus Option #2 – 1% increase. Trustee Schainker shared his concerns with the impact of these options on CyRide’s longer term financial health. Director Kyras indicated that Capital Plan Option #1 was included in a Five-Year Pro Forma that was included in the Operating Budget discussion.

Trustee Schainker asked for clarification on the reduced dollar amount for computers. Director Kyras indicated that three instead of six computers would be purchased next year. Further, she clarified that other projects, such as Shop Equipment, would require the Maintenance division to prioritize its purchases with reduced dollars to spend.

Director Kyras provided board members with CyRide’s five-year capital procurements philosophy, where the next three years would focus on major repairs to the current facility, while CyRide’s buses would rise closer to the top of the State’s bus replacement list. At that point, CyRide’s capital focus would turn to bus replacement. Further, she shared that with the 2015-2016 fuel savings, combined with the current budget savings on fuel and the board’s commitment of \$200,000 in the past, that these funds (approximately \$1.2 million) could be considered for local match in a grant application for a second facility/facility expansion.

Trustee Schainker asked for clarification regarding the Human Resources software, specifically about whether it could track employee hours for the Affordable Care Act (ACA). Director Kyras provided background information on why the software would be beneficial for CyRide’s 145 drivers and the employee information that would utilize the software. Director Kyras indicated that in preliminary vendor demonstrations, that ACA modules were generally available. Trustee Schainker wanted to confirm that the \$50,000 cost for this capital purchase included the ACA module. Director Kyras indicated that more investigation on including this module and its costs would need to be completed before the software and ACA module cost is known. She indicated that the budget for this project currently did not include the ACA module, but would investigate further to determine if it was possible within the budget.

President Haila asked for clarification on the local share percentage increases needed in the operating budget to consider each capital option. Director Kyras reiterated the increases – 3.9% to consider Capital Option #1, 1% to consider Option #2 and 12% for the original capital plan option. Director Kyras indicated that these increases included operating budget modifications as well, such as a reduction in the budgeted fuel price. She also indicated these operating modifications included the loss of revenue for one bus on S. 16<sup>th</sup> Street and its operating costs, indicated that the Gray route costs were lower than the revenue received - \$71,000 cost versus \$113,000 revenue. She indicated that this was due to the higher fuel prices when the contract was negotiated almost four years ago.

Trustee Gartin asked for clarification on the closing balance. Director Kyras said the budgeted balance would be 8%; however, fuel savings would most likely allow this balance to be higher by the end of the fiscal year. Trustee Schainker indicated that this savings would be reflected at the end of the year or during budget amendments.

Board members discussed not taking action on the Capital Plan until the operating budget was discussed at this meeting as the two items impacted each other. Therefore, board members moved to the next agenda item on the operating budget.

**2017-2018 OPERATING BUDGET:** Director Kyras explained that the Transit Board had directed staff to prepare two budget options for consideration as follows:

- **Option A** – reduce fuel price per gallon, eliminate the \$110,000 increase to achieve a 10% closing balance, reduce capital expenditures, eliminate the expenses of one bus on the Gray Route and contract revenues to support this service.
- **Option B** – Option A + additional service reduction(s) to achieve no higher than a 5% local share increase

She indicated that Option A achieved the board-directed local share increase of no higher than 5%; therefore, Option B was eliminated from consideration.

Director Kyras then detailed the new baseline budget, reflecting operating budget option A, the four service change options board members desired to consider in the operating budget and the five-year Pro Forma developed. The new baseline budget reflected an increase in federal funding anticipated, Capital Plan Option #1 requiring a \$460,000 operating budget transfer to capital, and the board-directed budget option A. The local funding share would require a 3.9% increase.

At the October board meeting, members directed staff to develop three potential service changes for consideration along with the budget as follows:

- 5 additional hours of service per weekday
- Two additional trips on the Brown route each weekday
- New State Street route

Additionally, staff developed a fare reduction option based on board member discussion and concerns with the downward trend of ridership and farebox revenue. A spreadsheet with each local funding partner's dollar and percentage increase for each of these options was discussed.

Finally, the Director explained the five-year Pro Forma explaining that it included the baseline budget (Option A), plus the staff-recommended service changes of five additional hours per day and two Brown Route trips, as well as annual revenue and expense modifications for anticipated financial changes/inflation. She indicated that this analysis indicated that the local funding shares would need to increase approximately 5% per year to maintain the 2017-2018 recommended budget.

Trustee Schainker pointed out that the 5% increase per year in the Pro Forma did not include any additional services in the future and was concerned that taking action in the 2017-2018 budget could preclude any additional service increases to stay within the 5% per year increase. Director Kyras cautioned the board that the future revenues and expenses were estimates and that the Pro Forma provided today's best estimate of CyRide's financial position in the future, as actual data was not available for future situations that would impact these budgets.

President Haila asked for clarification on specific revenue and expenses projections and whether the price of fuel was constant throughout the five year period at \$2.50 per gallon. Rob Jennings, CyRide's Scheduler/Administrative Analyst, indicated that the price of fuel was increased 5% each year in the Pro Forma.

President Haila shared his discomfort in not knowing the results of the System Redesign Study prior to making a decision on the 2017-2018 budget, as it committed a 5% increase for the services included in this budget and did not allow for changes that might be recommended in the study.

Director Kyras indicated that if the board desired to take action at the meeting as opposed to deferring action to the January 19, 2017 meeting, she would recommend Operating Budget alternative #4, for budget option A, two service increases and capital budget Option #1. She indicated that this would require a 4.9% increase in the local funding dollars, which was below the 5% cap established by the board.

Trustee Schainker clarified that with the two service change recommendations that the Director's recommendation would increase the local funding dollars by .9%, and for the City this would add approximately \$18,000 above the baseline budget. Director Kyras confirmed he was correct.

President Haila raised a concern regarding service to DMAACC if service was eliminated on the Gray Route. Director Kyras indicated that to eliminate one bus along S. 16th Street in light of the loss of private developer revenue, there were two options - eliminate the only bus operating the Gray Route or one of two buses on the Plum Route; thereby reducing bus frequency from 20 minutes to 40 minutes. She indicated that the

first option eliminates service to DMAAC and, during the midday, other businesses in the Southdale area. Further, she indicated that CyRide entered into a contract with DMAAC for additional trips in the evening and would need to terminate that contract if this option was chosen. The impact of the second option could lead to overcrowding and or possibly additional demand on the Orange Route. She also shared that CyRide had recently submitted an ICAAP grant application for the second bus on the Plum route and that there was a possibility that this application would not be approved if this option was chosen. Additionally, she stated that the Plum route is a popular route, providing 25,000 rides a month compared to the Gray route at 13,000 per month. The Plum Route has also had a positive impact on stabilizing the Orange Route ridership.

President Haila inquired about whether the ICAAP grant was included in the 2017-2018 budget revenue and could further reduce revenues. Director Kyras indicated it was not and if received would create a \$230,000 savings to the student government fund account.

Trustee Schainker confirmed that the \$113,000 revenue for the Copper Beech developer had been eliminated from the budget proposal as well as the expenses of one bus.

President Haila asked board members to comment on whether they believed that it was an unreasonable modification to eliminate the Gray route serving DMAAC. Trustee Madden indicated that DMAAC was not contributing to the finances of CyRide like Iowa State students and indicated that he believes that if DMAAC desires service, there may need to be a financial contribution from the community college or the students. Trustee Valentino added that ISU students are paying property taxes, as well as contributing directly to CyRide. Further, he shared his concern regarding eliminating the Plum route, stating that he believes that students would "push back" on this change.

Trustee Schainker stated that board members need to view the transit system as serving the entire community. Further, he indicated that it is a difficult decision to have to consider reducing service, but the board need to consider the value of the service to those that are affected the service reduction, as well as the quantity of rides on a route. He also indicated that CyRide needs to serve all areas of the city.

Trustee Madden shared his concerns with reducing service and indicated that the difference between student funding at 76% and the number of rides generated by students at 93% may need to be evaluated to allow the system to serve the entire community. Trustee Schainker concurred indicating that maybe the student's share should be closer to paying 93%. Trustee Madden clarified that including property taxes paid by students into the percentage could bring the students share closer to 93%.

Trustee Gartin asked when the service reduction would become effective. Director Kyras indicated that if the Gray route was reduced it would be July 1, 2017 and if the Plum route was reduced by one bus, it would not be added into the fall service modification prior to school starting.



Trustee Gartin shared his concern about students signing leases beginning in January 2017 and not being aware of a service reduction. He indicated that CyRide should be sensitive to this issue. Director Kyras shared the possible timeframe for a final decision on a service reduction, as it must follow a prescribed FTA public input process. She indicated that information could be developed in January, a public meeting in February and a final decision could be made by the Transit Board at their March board meeting. Trustee Gartin shared that most students will have their leases signed by March without the knowledge of a potential service change that might affect them.

Trustee Schainker offered a possible solution to not implementing a service reduction - eliminating the recommended service improvements (five additional hours and trips on the Brown route), and apply those funds to keep both routes operating as they are today. Director Kyras indicated that staff would need to reduce capital by \$60,000 more to replenish the \$113,000 revenue loss. Trustee Staudt shared his concern in eliminating the five additional hours of service to next year's budget in that there will be three apartment complexes opening in the fall at Lincoln Way and Franklin and service capacity is not included in the baseline budget. As a result, CyRide will not be able to meet this new, higher demand.

Trustee Madden offered the possibility of further reducing the fuel cost per gallon to balance the budget. Another solution was offered - to consider raising the local funding increases slightly more than 5% to eliminate a service reduction. Trustee Madden indicated that Ms. Gregory and Trustee Schainker would need to decide if more than a 5% increase was feasible.

Another solution was offered to reduce the cost impact of the Affordable Care Act from \$150,000 currently in the 2017-2018 budget to a lower amount based on recent experience in offering insurance to CyRide employees.

There was a lengthy discussion about the advantages and disadvantages of the new solutions offered.

Trustee Staudt was concerned about how to address private shuttles, inquiring about whether the university had a policy on where/how this could be done - allowing their buses on campus or dropping at the perimeter of campus. Director Kyras expressed her concerns regarding private shuttles, citing the need to coordinate transit services. Trustee Schainker shared his concern with Trustee Staudt's thoughts on private shuttles, indicating that student's may not be able to sustain their contribution if CyRide expands its service to avoid private shuttles and this financial burden will fall on the City.

President Haila shared his thoughts of keeping the Gray route and eliminating one bus on the Plum route. Trustee Staudt shared his opinion that the Plum route, unfortunately, was the only possible service reduction that was feasible. Ms. Gregory shared her thought that the transit board needs to be prepared to answer why they came up with their decision.

Trustee Gartin shared his thought of developing a housing-transit matrix, which would identify the level of CyRide access near each development.

Trustee Madden indicated he was in favor of the 3.9% budget alternative and to wait until the System Redesign consultant has finished their work to look at additional changes.

The board then decided to take action on the Capital Improvement Plan.

Trustee Staudt moved that Option #1 of the Capital Improvement Plan be approved, which transfers \$460,000 from the operating budget into the capital budget. Trustee Madden seconded the motion clarifying that instead of the \$800,000 operating-to-capital transfer, that \$460,000 would be transferred for the 2017-2018 budget year. Trustee Gartin clarified that the Ames Transit Board of Trustees was voting on the Capital Improvement Plan. Trustee Madden asked Ms. Gregory if she was comfortable with the motion and she indicated she was.

(Ayes: Six. Nays: None.) Motion carried unanimously.

Transit board members then discussed the possible operating budget alternatives. Director Kyras indicated that she recommended either alternative #1, to defer action until the January 19, 2017 board meeting, or Alternative #4, for budget Option A with the two service improvements of five additional weekday hours and two evening Brown route trips.. Trustee Schainker noted this would require a 4.9% local funding increase.

Trustee Staudt made a motion to move Alternative #4 to approve baseline budget Option A, Service Option #1 (additional hours of service) and #2 (additional night service on Brown Route) for a total increase of 4.9%. Further, he stated that it was the board's intent to reduce the Plum route from a 20-minute to a 40-minute service level and that the Gray route will remain in place. Trustee Gartin seconded the motion. (Ayes: Six. Nays: None.) Motion carried unanimously.

Trustee Gartin pointed out that the service reduction plan is what the transit board intends at this time, but that staff will need to hold public meetings and provide the board with public input for final consideration in March 2017. He also conveyed that he believes that CyRide should let customers know as soon as possible about this potential change. Trustee Gartin and Trustee Staudt agreed that residents who chose to move to Copper Beech with the understanding they would have CyRide service should be made aware of this at this time and suggested placing a notice in the shelter. Trustee Madden indicated that there should also be a public meeting and that the Director Kyras should contact the Tribune and the Iowa State Daily to circulate the story. Trustee Staudt and Madden suggested using the Iowa State email system to communicate the story, as well signs on/near the bus. Trustee Staudt and Valentino suggested emailing students when they came back for spring semester, but not the first week as there is a great deal of information being relayed this first week and CyRide's message could get lost in the volume of information provided to students.

Trustee Madden urged Director Kyras to reach out to Copper Beech's management to inform them that if she had not received confirmation by January 6<sup>th</sup> that the developer wants CyRide to provide service to the Copper Beech complex under a new contract, that CyRide will be communicating with students on this potential service reduction.

Trustee Gartin also made a motion to direct staff to open communications with DMACC to determine their interest in a more formal relationship, to gain more information regarding their student body and to determine if new opportunities might exist to collaborate. Trustee Schainker seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Trustee Madden shared his thoughts that possibly DMACC might consider a funding model similar to ISU regarding student fees. Director Kyras shared that this could result in a new governance model where DMACC became a local funding partner.

**MOVE TO ADJOURN:** Trustee Staudt made a motion to adjourn the meeting at 2:45 p.m. and Trustee Gartin seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

**SPRING SEMESTER MEETING DATES AND TIMES:**

- January 19, 2017, 8:00 AM
- February 28, 2017, 8:00 AM
- March 23, 2017, 8:00 AM
- April 27, 2017, 8:00 AM

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John Hail, 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:** January 19, 2017

**SUBJECT:** Rate Setting - Fares

**BACKGROUND:** Each year, typically, the Transit Board of Trustees considers its fare and pass rate settings each mid to late April for implementation with the new fiscal year beginning in July, 1½ months later. Setting rates at this time of year presents a challenge in that the budget for the fiscal year was approved by the board four months earlier in January and any variation from budget assumptions will impact the budget. Additionally, waiting until April to print and distribute passes 30 days in advance of the new fiscal year is creating problems for staff and the sales outlets. Therefore, staff and board members in April 2016 discussed considering both rate settings (fares and passes) in conjunction with the budget process each year; therefore, staff has prepared information regarding its fares/passes this year in November 2016 for implementation on July 1, 2017.

The Transit Board approved the 2017-2018 budget on December 22, 2016 that included no revenue change in fares.

**INFORMATION:** The following information provides a brief history of the CyRide's fare prices and revenue generated from this fare category.

CyRide has modified fares five times over the 40 years that it has been in operation with varying successes as detailed below. (The original cash full-fare was 50¢ per ride in 1976, as a basis for comparison.) Tickets and passes also typically increased, comparatively, to match the cash increases. The following briefly summarizes these dates.

- August 1985 – Raised to 60¢ per ride
- May 1993 – Raised to 90¢ per ride
- May 1994 – Decreased to 75¢ per ride (as a result of lower revenues)
- March 2004 – Raised to \$1.00 per ride
- January 2012 – Raised to \$1.25 per ride

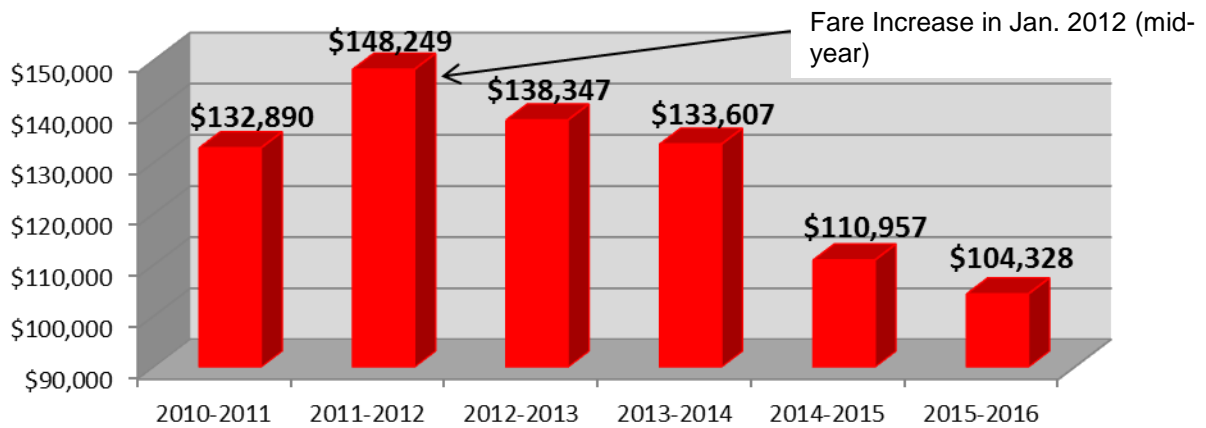
The one anomaly to CyRide's fare pricing occurred in 1994 when fares were reduced one year after an increase due to lowered revenue and the desire to modify fares to be more convenient, devisable by a quarter.

The attached sheet entitled, "Rate Setting Resolution 2012-1" details the current 2016-2017 rate structure, with summarized cash and ticket prices below.

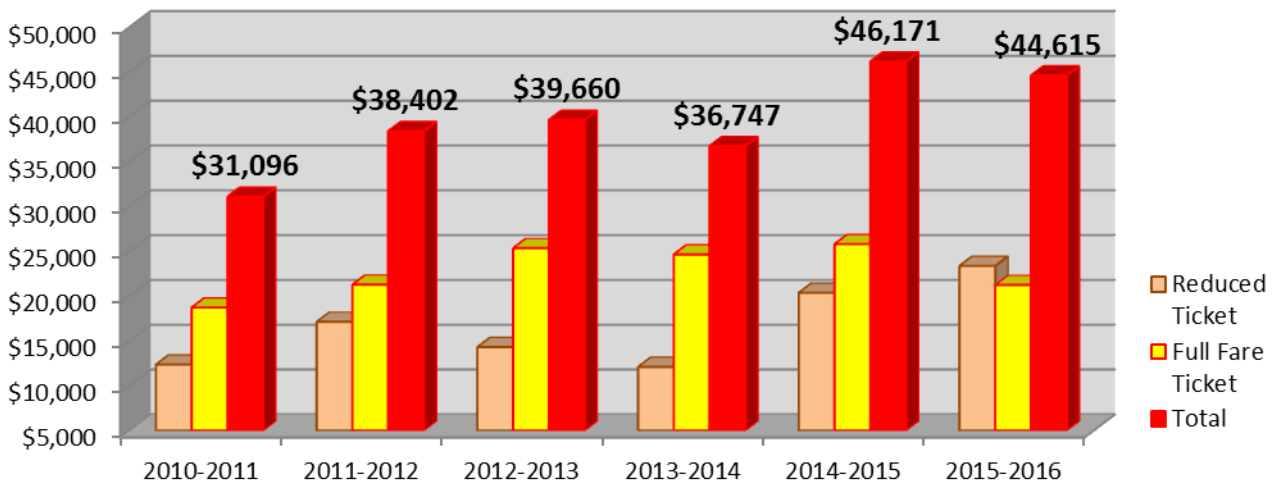
Fare Type	Full Fare	ISU Discounted Fare	Disabled Discounted Fare
Cash	\$1.25	N/A	\$.60
Ticket Book (10)	\$12.00	N/A	\$6.00

The two graphs below illustrate the last six-year period of revenue history for cash/ticket fares, which illustrates 4 ½ years since the last fare increase from \$1.00 to \$1.25 per ride.

### CyRide Cash Fare History



### CyRide Ticket Fare History



In completing a cash and ticket analysis, CyRide staff believes that two trends are occurring:

- Lower gas prices have led to revenue reductions with fewer non-student rides being taken on CyRide as the public can better afford other means of transportation.
- With strong to increasing ticket revenue, it is believed that customers paying their fare with cash have changed their fare payment method to tickets due to the convenience of paying with one ticket as opposed to placing \$1.00 plus \$.25 in the farebox for each ride. Under the previous fare structure, customers would have only placed \$1.00 in the farebox for their ride.

With the action on the 2017-2018 budget at the December board meeting, which does not reflect a change from CyRide's current fare structure, the attached current rate structure is proposed. If approved by the Transit Board of Trustees, the attached structure would continue to be in effect on July 1, 2017 and remain effective through June 30, 2018.

**ALTERNATIVES:**

1. Approve the 2017-2018 rates, which reflect no change from the 2016-2017 rate structure.
2. Modify rates per board priorities.

**RECOMMENDATION:**

The Transit Director recommends approving Alternative #1 as the 2017-2018 budget was approved with no change in the fare structure. This alternative will not negatively impact the community's decision to use CyRide service and assist residents in providing an economical alternative to move throughout the community.

## AMES TRANSIT AGENCY BOARD OF TRUSTEES

### RATE SETTING RESOLUTION 2011-1

BE IT RESOLVED by the Ames Transit Agency Board of Trustees, pursuant to rate setting authority granted by Section 26A.8, Ames Municipal Code, that:

CYRIDE rates effective July 1, 2011

#### Fixed Route Fares

\$ 1.00	Regular fare cash fare
\$ .50	K-12 students
\$ .50	Elderly with Medicare card
\$ .50	People with disabilities as defined by the Federal Transit Administration
\$ free	ISU students with ISU card on fixed routes in Ames
\$ 5.00	10-ride reduced fare ticket book (\$0.50 per ride)
\$ 10.00	10-ride regular fare ticket book (\$1.00 per ride)
\$ 35.00	Regular fare monthly pass. (May also be used in conjunction with tickets or cash on Dial-A-Ride).
\$ 40.00	Reduced fare summer semester pass
\$ 120.00	Winter regular fare pass. November to spring break. Price varies depending on date purchased.
\$ 130.00	Regular fare semester pass (fall and spring). Price varies depending on date purchased.
\$ 65.00	Reduced fare semester pass (fall and spring). Price varies depending on date purchased.
\$ 260.00	Regular fare School Year pass. Price varies depending on date purchased. (May also be used in conjunction with tickets or cash on Dial-A-Ride.)
\$ 130.00	Reduced fare School Year pass. Price varies depending on date purchased. (May also be used in conjunction with tickets or cash on Dial-A-Ride.)
free	Children under six years of age accompanied by a person age 13 or older (maximum of three children per rider).
free	Attendant accompanying and assisting ADA-eligible person
\$ 10.00	Replacement fee for lost or stolen passes
companion	Fare for person not assisting passenger riding with ADA-eligible passenger is same fare as ADA-eligible passenger's fare
\$ 80.00	Regular fare summer pass

**RATE SETTING RESOLUTION 2011-1**

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**Dial-A-Ride Fares**

\$ 2.00	Dial-A-Ride cash fare for passengers eligible under the ADA. Two full fare fixed route tickets may be used by passengers eligible under the ADA for DAR fare (or a pass and one ticket).
\$ 6.00	Dial-A-Ride cash fare for all ADA-eligible passengers riding to or from a point more than 3/4 mile from the nearest fixed route operating at the time of the ride.
\$ 6.00	Charge for failing to cancel a Dial-A-Ride trip more than 1/2 hour before the scheduled time, or for not showing for a Dial-A-Ride call.
\$ 18.00	Dial-A-Ride cash fare for general public (not ADA eligible).
free	Attendant accompanying and assisting ADA-eligible person on Dial-A-Ride
companion	Fare for person not assisting Dial-A-Ride passenger riding with DAR eligible passenger is same fare as Dial-A-Ride eligible passenger's fare
free	ISU students who are ADA eligible traveling within 3/4 mile of a fixed route operating at the time of the ride.

**Miscellaneous Revenue**

\$ 80.00	Shop rate per hour
\$ 80.00	Shuttle rate, as subcontractor, to other bus operators, one-hour minimum
\$ 80.00	Shuttle rate for every hour after the minimum
\$ Variable	Fuel surcharge for shuttle service

Enacted this 28<sup>th</sup> day of April 2011

AMES TRANSIT AGENCY BOARD OF TRUSTEES:

BY: \_\_\_\_\_  
Robert Anders, President



**CITY OF AMES, Iowa**

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

**FROM:** Sheri Kyras

**DATE:** January 19, 2017

**SUBJECT:** Rate Setting - Passes

**BACKGROUND:** Each year, typically, the Transit Board of Trustees considers its fare and pass rate settings each mid to late April for implementation with the new fiscal year beginning in July, 1½ months later. Setting rates at this time of year presents a challenge in that the budget for the fiscal year was approved by the board four months earlier in January and any variation from budget assumptions will impact the budget. Additionally, waiting until April to print and distribute passes 30 days in advance of the new fiscal year is creating problems for staff and the sales outlets. Therefore, staff and board members in April 2016 discussed considering both rate settings (fares and passes) in conjunction with the budget process each year; therefore, staff has prepared information regarding its fares/passes this year in November 2016 for implementation on July 1, 2017.

The Transit Board approved the 2017-2018 budget on December 22, 2016 that included no revenue change in fares.

**INFORMATION:** The following information provides a brief history of the CyRide's fare prices and revenue generated from this fare category.

CyRide has modified fares five times over the 40 years that it has been in operation with varying successes as detailed below. (The original monthly pass full-fare was \$20.00 per ride in 1976, as a basis for comparison.) Tickets and cash were also typically increased, comparatively, to match the pass increases. The following briefly summarizes these dates.

- August 1985 – Raised to \$22.00 per month
- May 1993 – Raised to \$30.00 per month
- May 1994 – Decreased to \$25.00 per month (as a result of lower revenues)
- March 2004 – Raised to \$35.00 per month
- January 2012 – Raised to \$40.00 per month

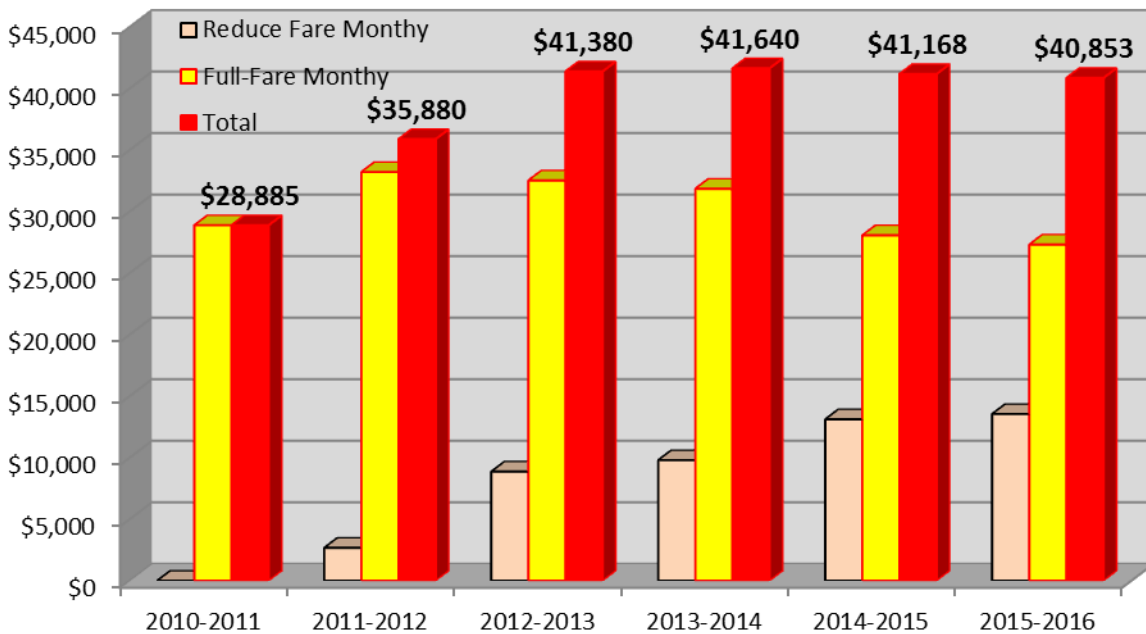
The one anomaly to CyRide's fare pricing occurred in 1994 when fares were reduced one year after an increase due to lowered revenue and the desire to modify cash fares to be more convenient, devisable by a quarter, which also impacts pass prices.

The attached sheet entitled, "Rate Setting Resolution 2012-2" details the current 2016-2017 rate structure, with the pass prices summarized below.

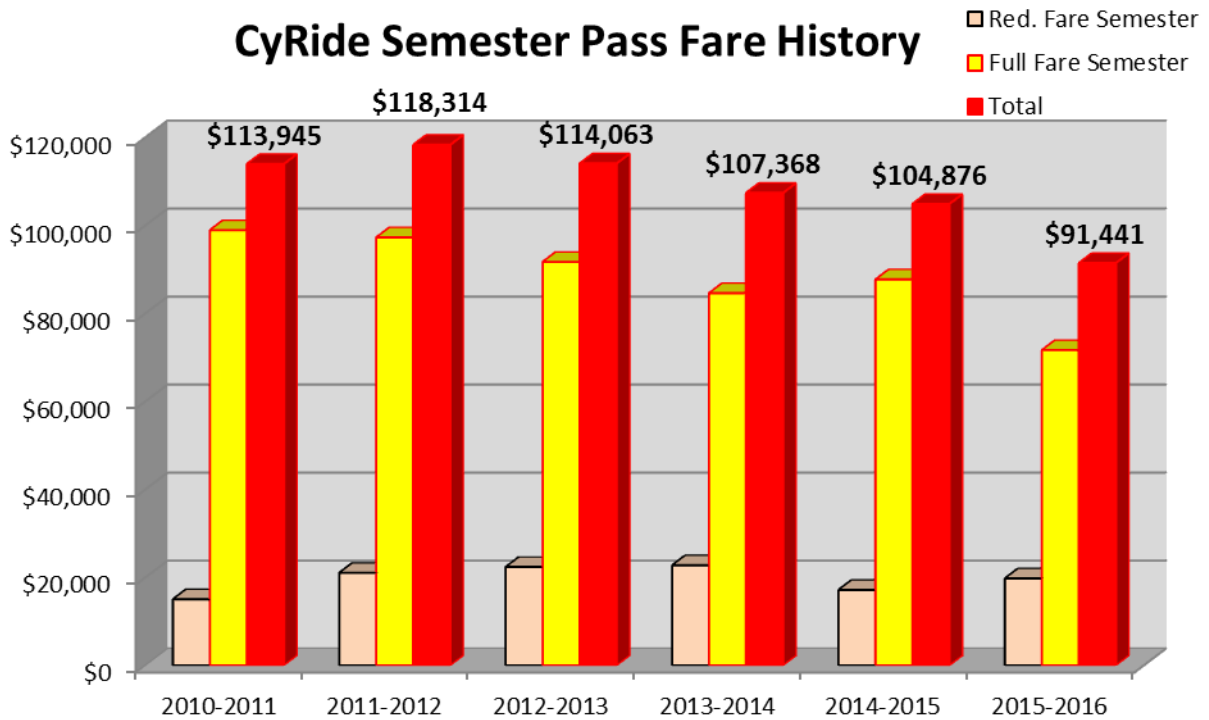
Pass Type	Full Fare	ISU Discounted Fare	Disabled Discounted Fare
Monthly	\$40	N/A	\$20
Semester (Fall/Spring)	\$160	\$115	\$80
Semester (Summer)	\$100	\$70	\$50
Winter (Nov. 1 to Spring Break)	\$150	\$105	\$75
Annual	\$320	\$230	\$160

The two graphs below illustrate the last six-year period of revenue history for pass fares (semester and monthly), which illustrates 4 ½ years since the last fare increase.

### CyRide Monthly Pass Fare History



## CyRide Semester Pass Fare History



In completing a monthly and semester pass fare analysis, CyRide staff believes that two trends are occurring:

- Lower gas prices have led to reduced pass revenue overall from a total of \$142,830 in 2010-2011 to \$132,294 in 2015-2016, with fewer rides being taken on CyRide services as the public can better afford other means of transportation.
- With the stability in monthly passes, there has been a decline in semester passes over this time period. Staff believes that the higher cost of semester passes (up to \$320) is more difficult for CyRide riders to pay at one time, making the monthly cost more manageable; thereby, customers have switched to a lower cost, more frequent payment method.

With the action on the 2017-2018 budget at the December board meeting, which does not reflect a change from CyRide’s current fare structure, the attached current rate structure is proposed. If approved by the Transit Board of Trustees, the attached structure would continue to be in effect on July 1, 2017 and remain effective through June 30, 2018.

**ALTERNATIVES:**

1. Approve the 2017-2018 rates reflecting no change from the 2016-2017 rate structure.
2. Modify rates per board priorities.

**RECOMMENDATION:**

The Transit Director recommends approving Alternative #1 as the 2017-2018 budget was approved with no change in the fare structure. This alternative will not negatively impact the community's decision to use CyRide service and assist residents in providing an economical alternative to move throughout the community.

**AMES TRANSIT AGENCY BOARD OF TRUSTEES**

**RATE SETTING RESOLUTION 2011-2**

BE IT RESOLVED by the Ames Transit Agency Board of Trustees, pursuant to rate setting authority granted by Section 26A.8, Ames Municipal Code, that:

SECTION ONE -- Semester Pass Established

**REDUCED FARE PASSES**

<b>PURCHASE DATE</b>	<b>2011 SUMMER REDUCED FARE PASS</b>	<b>Expiration Date - Price</b>
Sunday, May 1, 2011 – Wednesday, July 20, 2011		August 31, 2011 \$40.00

**2011 FALL REDUCED FARE PASS**

Monday, August 15, 2011 – Friday, September 16, 2011	December 31, 2011	\$65.00
Saturday, September 17, 2011 – Friday, December 9, 2011	December 31, 2011	\$50.00

**2011/12 SCHOOL YEAR REDUCED FARE PASS**

Monday, August 15, 2011 – Friday, September 16, 2011	June 3, 2012	\$130.00
Saturday, September 17, 2011 – Friday, December 9, 2011	June 3, 2012	\$115.00
Saturday, December 10, 2011 – Friday, February 10, 2012	June 3, 2012	\$65.00
Saturday, February 11, 2012 – Friday, March 23, 2012	June 3, 2012	\$50.00

**2011/12 WINTER REDUCED FARE PASS**

Saturday, November 5, 2011 - Friday, December 9, 2011	March 19, 2012	\$60.00
Saturday, December 10, 2011 - Friday, February 10, 2012	March 19, 2012	\$40.00

**RATE SETTING RESOLUTION 2011-2**

Page 2

**REGULAR FARE PASSES**

<b>PURCHASE DATE</b>	<b>2011 SUMMER REGULAR FARE PASS</b>	<b>Expiration Date - Price</b>
Sunday, May 1, 2011 – Wednesday, July 20, 2011		August 31, 2011 \$80.00

**2011 FALL REGULAR FARE PASS**

Monday, August 15, 2011 - Friday, September 16, 2011	December 31, 2011	\$130.00
Saturday, September 17, 2011 - Friday, December 9, 2011	December 31, 2011	\$100.00

**2011/12 SCHOOL YEAR REGULAR FARE PASS**

Monday, August 15, 2011 - Friday, September 16, 2011	June 3, 2012	\$260.00
Saturday, September 17, 2011 - Friday, December 9, 2011	June 3, 2012	\$230.00
Saturday, December 10, 2011 - Friday, February 10, 2012	June 3, 2012	\$130.00
Saturday, February 11, 2012 - Friday, March 23, 2012	June 3, 2012	\$100.00

**2011/12 WINTER REGULAR FARE PASS**

Saturday, November 5, 2011 - Friday, December 9, 2011	March 19, 2012	\$120.00
Saturday, December 10, 2011 - Friday, February 10, 2012	March 19, 2012	\$80.00

SECTION TWO -- \$10.00 Replacement fee for lost or stolen passes

SECTION THREE – Other Conditions

Other conditions pertaining to any Semester Pass are:

1. One person may not use the pass of another, unless the original issue has sold it to the new user, the sale registered in the Ames Transit Agency Office, and the pass replaced by the Ames Transit Agency Office. The person to whom it has been sold may then use the pass.
2. Misuse of the pass may result in confiscation and cancellation of the pass without a refund.

Enacted this 28<sup>th</sup> day of April 2011.

AMES TRANSIT AGENCY BOARD OF TRUSTEES

By: \_\_\_\_\_  
 Robert Anders, President

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees  
**FROM:** Sheri Kyras  
**DATE:** January 19, 2017  
**SUBJECT:** Building Security System Bid – Phase 1

**BACKGROUND:** CyRide’s current facility access control and security system was installed in the office portion of the building only as part of the 2008 facility office addition. Parts of the system failed in the fall of 2015 and other parts of the system are unstable. Efforts to repair the system have been unsuccessful as the technology used in 2008 is no longer supported. As a result, replacement of the current system in the office area is included in the first year of the Capital Improvements Plan (CIP) and expansion of the system to the entire facility, including CyRide’s bus storage and maintenance areas, was programmed the in 2018-2019 budget year. Further, funding for the office phase of the project was funded in two CIP years as follows:

<b>Funds Available</b>	<b>Dollars</b>
FY16 Funds	\$ 30,000
FY17 Funds	\$ 30,000
<b>Total Available</b>	<b>\$ 60,000</b>

**INFORMATION:** CyRide staff has been working with an architectural and engineering consultant (Ask Studios) to develop plans and specifications to replace and expand the existing system. Phase I will restore the existing functionality of the building access control, intruder detection, and digital video monitoring in the office area. Bids for the Phase I office project were released on December 16, 2016 with bids due on January 12, 2017 with the following results:

<b>Bidder</b>	<b>Total Price with Alternates #3 and #4</b>
Electronic Engineering	\$58,300
Control Installations of Iowa, Inc.	\$80,146

The two bids received from area companies are detailed on the attached bid/alternate form. Based on a bid analysis, Electronic Engineering in Des Moines, Iowa submitted the low base bid of \$118,000. While both bids are higher than the budget, two deduct alternates will be accepted (# 3 and #4). When including these deduct alternates, Electronic Engineering remains the low bid at \$58,300, which is within the established budget of \$60,000. If approved, the security system would be installed this spring. Phase II of this project, to expand the security

system to the remainder of the building (bus storage/maintenance,) was deferred in the most recent Capital Improvements Plan to the 2018-2019 budget year.

**ALTERNATIVES:**

1. Award a contract to Electronic Engineering of Des Moines, Iowa for the bid amount of \$58,300. Award of contract would be subject to approval by the Ames City Council.
2. Reject the bids and direct staff to modify the project to reflect Transit Board priorities.

**RECOMMENDATION:**

The Transit Director recommends approval of Alternative #1 to proceed forward with a needed facility improvement project, which reflects federal safety and security program priorities and a favorable bid price.



**CITY OF AMES, IOWA**

Mike Adair, Procurement Specialist II  
 Ph: 515-239-5125 \* Fax: 515-239-5325

**BID NO. 2017-084**

**CyRide 2016 Security Entry System, Phase 1**

BIDDERS

	5% Bid Bond	Bidder Status Form	Addendum #1	Provide all labor, equipment, materials, and other components necessary to complete the CyRide 2016 Security Entry System, Phase 1 in accordance with City of Ames specifications.	Proposed Start Date:	Proposed Completion Date:	Alternate Items:	#1	#2	#3	#4
Electronic Engineering Co.	Yes	Yes	Yes	\$118,000.00	3/13/2017	4/28/2017		\$16,200.00	\$10,900.00	\$38,620.00	\$21,080.00
Control Installations of Iowa, Inc.	Yes	Yes	Yes	\$149,704.00	1 week after approval	12 weeks after approval		\$12,661.00	\$8,835.00	\$48,209.00	\$21,349.00

**CITY OF AMES, Iowa**

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

**FROM:** Sheri Kyras

**DATE:** January 19, 2017

**SUBJECT:** Automatic Passenger Counter (APC) – Single Source Procurement

**BACKGROUND:** Automatic Passenger Counters (APC's) are used to count passengers as they board and alight from transit buses as depicted in the graphic below. Data captured from APC's are used for planning and statistical reporting at the local, state and national level. Specifically, the data collected by the APC's allows real-time passenger counting, number of passengers per stop calculations, peak versus non-peak hour analysis and can assist in route optimization. Funding and grant awards are also based on the data, so accurate counts are critical to the mission and success of CyRide.



Operationally, CyRide staff believes that the use of APC's in its daily service can be beneficial in several areas:

- **Orange Route** – Equipping all three doors on the articulated buses and two doors on standard 40' buses will allow passengers to board the bus on the Orange Route from all doors, as opposed to only the front door, as is current practice so that CyRide drivers can tally the number of individuals boarding the bus. This change would allow for decreased boarding times along this very busy route by an estimated 10%, allowing for a more efficient and quicker trip for CyRide customers, as well as a more accurate ridership count by reducing human error in counting customers.
- **Other Routes** – This technology could be placed on other circulator or local routes to decrease boarding times and create greater operating efficiencies in the future as budgets will allow.
- **Federal National Transit Database Reporting** – The federal government requires public transit systems to record and report all passenger trips taken based on a prescribed trip sampling methodology, which requires an individual to record all passenger boardings. At CyRide, this is accomplished by the driver when providing daily service. This process

disrupts the boarding process, creating delays and takes the driver’s attention away from other more important tasks. This equipment could be used to meet this federal requirement without driver/customer disruptions.

Funding for the APC project is partially funded in a grant with the local dollars secured from CyRide’s capital budget as follows:

<b>Funding Source</b>	<b>\$ Amount</b>
Federal Bus Grant (85% of Hardware)	\$34,614
CyRide Capital Budget (15% of Hardware and 100% of 4 yrs. of Annual Software License Fees)	\$24,421
<b>Total Funds Available</b>	<b>\$59,035</b>

Funding for this project is contained in CyRide’s Capital Budget and the 2016-2021 Capital Improvements Plan through the articulated bus procurement, as it completes the purchase of equipment as part of this procurement.

In addition to the procurement, the Transit Board of Trustees, at a previous board meeting, requested additional information regarding CyRide’s APC demonstration project to-date.

**INFORMATION:** This following information will briefly detail CyRide’s APC efforts to-date and describe the procurement process selected to equip a portion of CyRide’s fleet with this equipment.

**CyRide’s APC Demonstration Project To-Date**

CyRide began investigating APC equipment approximately two years ago as a way to more efficiently operate the Orange Route as its ridership continued to grow to levels that were stretching the system. Through this investigation, staff determined that there are three known manufacturers of Automatic Passenger Counting equipment in the United States – DILAX, InfoDev and Iris. The Iris system was quickly eliminated from consideration as its equipment is only available through distributors and requires the purchase of separate analysis software at a significant upcharge from the other two systems.

Initially, CyRide investigated CyRide’s current GPS tracking firm’s APC module, which utilizes the InfoDev equipment. Five buses (40’ and articulated) were equipped with this system. After comparing manual and APC counts, CyRide, through NextBus and InfoDev, was not able to accurately count passengers using this system. For example, the InfoDev system indicated that there were 45 people on the bus at the end of its route when there were no customers physically on the bus. It was determined that due to CyRide’s heavy passenger loads and multiple individuals boarding/alighting at the same time, the equipment was not able to individually identify customers passing through the doors. Discussions with NextBus and InfoDev were not able to correct these issues.

Next, CyRide purchased four DILEX systems to test this equipment in CyRide operations on two 40' and two articulated buses. Initially, CyRide experienced similar issues on the articulated buses with erroneous passenger counts, but did not experience this with the 40' buses due to their smaller doors. Through discussions with DILEX, CyRide staff was able to adjust this system to accurately reflect ridership on the articulated buses to within statistically acceptable variances.

The opportunity to include additional APC equipment on CyRide buses occurred when the articulated bus purchase price was lower than the grant amount, resulting in uncommitted grant funds. These funds can be reallocated and used for APC software licenses and hardware on the four new articulated buses delivered to CyRide in August 2016. This would equip all six articulated buses (two previous units plus four new units) with the APC equipment and allow CyRide to proceed forward with testing the impact of boarding customers through all bus doors.

Therefore, through CyRide's experience to-date with APC equipment, CyRide has found that only the DILAX system can accurately count passengers on CyRide's system.

**APC Procurement**

As a result of the demonstration project to-date, the purchase of Automatic Passenger Counters by CyRide is recommended as a single source procurement equipping buses with the DILAX system, since this is only practical source of equipment. Additional information has been provided to the City of Ames Purchasing Department for consideration of this request and received approval for the single source purchase. A price analysis was also performed and found that the DILAX proposal was comparable to the other manufacturers used by CyRide to test this equipment.



The specific equipment to be purchased, if approved by the board, is as follows.

<b>Itemized Costs</b>	<b>Dollars</b>
4 Sets of Automatic Passenger Counter Hardware	\$ 14,076
Installation of new units	\$ 8,333
8 Annual Software Licenses (4 new articulated + 4 existing units)	\$ 36,626
<b>Total</b>	<b>\$ 59,035</b>

**ALTERNATIVES:**

1. Approve the single source procurement of automatic passenger counters, installation and associated annual software licenses with DILAX Systems, Inc. of Saint-Lambert, QC Canada in the amount of \$59,035.

2. Reject Alternative #1 and direct staff to modify the procurement to reflect Transit Board priorities.

**RECOMMENDATION:**

The Transit Director recommends adopting Alternative #1, thereby approving the single source procurement of automatic passenger counting equipment, installation, and associated annual software licenses to DILAX Systems, Inc. in the amount of \$59,035. This alternative will allow CyRide to move forward with passenger counting equipment and web based analysis software that can be used to enhance CyRide's customer experience and improve its efficiency on its Orange Route.

**CITY OF AMES, Iowa**

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

**FROM:** Sheri Kyras

**DATE:** January 19, 2017

**SUBJECT:** Website Subscription Service Upgrade – Single Source Procurement

**BACKGROUND:** In 2009, the City of Ames and CyRide worked together to secure a new vendor to design and host their websites. Vision Internet was chosen as the preferred vendor to design and host these two sites. In 2014, Vision Internet changed their hosting and support program to a new product they were offering called “visionLive Subscription Services.” At that time, the City of Ames chose to upgrade to this new product; however, CyRide was not in a financial position to upgrade to this system. In the fall of 2016, Vision Internet contacted CyRide to relay that the current program CyRide is using (CMS5) would no longer be supported/hosted after June 2017.

CyRide included the initial cost of a new website service in the 2016-2017 operating budget, at a cost of \$50,000 for FY2017 and could include the annual hosting cost in future budgets as described below.

<b>Budget</b>	<b>Dollars</b>
<b>Local funding</b> – FY2017 CyRide Operating Budget	\$ 38,496
<b>Local funding</b> – FY2018, FY2019, FY2020, FY2021 CyRide operating budgets	\$ 24,421
<b>Total</b>	<b>\$ 72,976</b>

**INFORMATION:** Since notification of Vision Internet’s decision, CyRide’s Transit Planner, Shari Atwood, and the City of Ames Information Technology Director have worked to determine the best course of action for CyRide to procure new website services. Both CyRide and the City’s Information Technology Director believe the current vendor can provide the best services for CyRide with an upgrade to Vision’s new subscription services (visionLive), as this is the same vendor hosting the City of Ames website and includes enhanced features for CyRide. This decision was made after initial inquiries into other website subscription services indicated a 200-300% higher cost to choose a different vendor, as new vendors would need to design a new website compared to Vision’s approach of improving upon the existing design.

The specific benefits to upgrading with CyRide’s current vendor are as follows:

- The City and CyRide can share training resources.

- The knowledge base of the Vision system is shared with more than forty individuals within CyRide and the City of Ames.
- The website will be responsive to the size of monitor and automatically scale information to different devices utilized by customers (tablet, computer, smart phone, etc).
- Updating of bus schedules/timetables will be easier to manipulate and more intuitive for CyRide staff.
- The Ames Area MPO and CyRide website that CyRide staff updates will utilize the same software.
- After July 2017, Vision will no longer support or host the current system; therefore, staying with the existing system is not a possibility.
- Future upgrades to newer software versions will be free under visionLive.
- Improved features and interactive elements have been added that will enhance CyRide’s customer experience.

The five-year proposal from Vision Internet to upgrade to the visionLive system includes: software upgrade/design and four additional years of software support and hosting as described in the budget below.

<b>Website New Subscription Services Itemized</b>	<b>Dollars</b>
<b>Professional Services - visionLive</b>	\$ 38,495
<b>visionLive Software, Support, Hosting (Year 2)</b>	\$ 8,000
<b>visionLive Software, Support, Hosting (Year 3)</b>	\$ \$8,400
<b>visionLive Software, Support, Hosting (Year 4)</b>	\$ \$8,820
<b>visionLive Software, Support, Hosting (Year 5)</b>	\$ \$9,261
<b>Total</b>	<b>\$ 72,976</b>

The City of Ames’ Finance department has approved this single source procurement process as the upgrade will integrate with the City’s existing website so that the City’s Information Technology’s personnel are able to provide assistance to CyRide staff. It further offers other efficiencies for their personnel to support this technology for CyRide.

**Alternatives:**

1. Approve the single source procurement of website subscription services upgrade and associated annual hosting/support/maintenance with Vision Internet of El Segundo, CA in the amount of \$72,976.
2. Reject Alternative #1 and direct staff to procure new website professional services to reflect CyRide priorities.

**Recommendation:**

The Transit Director recommends approval of Alternative #1 to approve a single source procurement of website subscription service and associated annual hosting support and

maintenance with Vision Internet over the next five-year period at a cost of \$72,976. Approval of this alternative will allow CyRide to upgrade the design of its website, substantially improve the methods and time required by staff to complete website administration, provide a responsive website to the public and continue its collaboration with city departments for website training and maintenance activities.



# Transit Director's Report

January 2017

## 1. Final 2017-2018 Budget Materials

After approving a final 2017-2018 budget at the December 22, 2016 Transit Board meeting, the attached CyRide budget materials (Budget Analysis, Revenue-Expense Consolidation and Student Government Trust Fund Summary) reflect the final revisions approved by the board, which includes the baseline budget plus two smaller service improvements for next year.

## 2. ACA Update

CyRide offered insurance as a result of the Affordable Care Act (ACA) to two groups of employees in November- December 2016. Of the 27 employees offered insurance, five individuals accepted family coverage insurance. As a result, the total 2016-2017 budget impact will be slightly less than \$15,000. If this experience is indicative of the impact of ACA in the future, the annual impact would be approximately \$30,000.

CyRide and City staff received, and have been reviewing, a draft Affordable Care Act (ACA) document prepared by an ACA legal expert, which describes how CyRide will need to administer healthcare for its "variable hour employees." Due to staffing challenges within the Human Resources Department and the holidays, this project has moved slower than originally planned. The following anticipated timeline has been established to complete this project and remain in compliance:

<u>Date</u>	<u>Activity</u>
January – March 2017	Develop/Refine administrative document/City RFP for Human Resources Consulting (including ACA expertise for CyRide) Completed
March 2017 Board Meeting	Review final draft of document
April 1, 2017	Current City ACA year ends
April 2, 2017	New City ACA year begins
April 2 - 30, 2017	Determine Variable Hour employees achieving 1,560 hours
May 2017	Open enrollment period for 2017-2018 budget year
July 1, 2017	Beginning of insurance coverage in arrears

The City's Human Resources Department has reached out to Holmes Murphey to determine if they would be interested /able to assist the City/CyRide in implementation of the ACA. After further investigation, it was determined that it was possible; however, the work would need to be competitively bid and was included in the Human Resources Department's Request for Proposal for their department's services. The proposal evaluation should be

completed at approximately the same time as the end of the City's ACA year of April 1, 2017.

### **3. Closing Balance Discussion**

The 2015-2016 budget year audit has been finalized and staff will be preparing information for the February 28, 2017 Transit Board meeting regarding the:

- Final Closing Balance dollar amount
- Percent this dollar amount represents of the operating budget
- Dollars available for reprogramming above the board mandated 10% level

Based on this information, board members may choose to allocate a portion of the closing balance to other board priorities.

## BUDGET ANALYSIS - 2016 Actual, 2017 Amended, 2018 Requested

01/06/17	9:24 AM	11-12	12-13	13-14	14-15	15-16	16-17	16-17	17-18	% Chg.	% Chg.	% Chg.	% Chg.
		Actual	Actual	Actual	Actual	Actual	Adopted	Amended	Requested	Am/Ad	Am/Act	Req./Ad.	Req./Am.
<b>FIXED ROUTE</b>													
550-1221	Operations	\$4,245,653	\$4,476,908	\$4,820,101	\$5,335,159	\$5,768,813	\$6,055,586	\$6,259,278	\$6,588,280	3.4%	8.5%	8.8%	5.3%
550-1222	Maintenance	\$1,863,033	\$2,067,061	\$2,146,625	\$2,119,741	\$1,985,822	\$2,450,070	\$2,524,605	\$2,389,431	3.0%	27.1%	-2.5%	-5.4%
<b>FIXED ROUTE TOTAL</b>		<b>\$6,108,686</b>	<b>\$6,543,969</b>	<b>\$6,966,725</b>	<b>\$7,454,900</b>	<b>\$7,754,634</b>	<b>\$8,505,656</b>	<b>\$8,783,882</b>	<b>\$8,977,711</b>	3.3%	13.3%	5.5%	2.2%
<b>DIAL-A-RIDE</b>													
550-1341	Operations	\$172,077	\$143,889	\$175,671	\$192,387	\$200,440	\$203,536	\$203,488	\$207,458	0.0%	1.5%	1.9%	2.0%
550-1342	Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
<b>DIAL-A-RIDE TOTAL</b>		<b>\$172,077</b>	<b>\$143,889</b>	<b>\$175,671</b>	<b>\$192,387</b>	<b>\$200,440</b>	<b>\$203,536</b>	<b>\$203,488</b>	<b>\$207,458</b>	0.0%	1.5%	1.9%	2.0%
<b>ADMINISTRATION/SUPPORT</b>													
550-1101	Administration	\$1,059,330	\$1,024,009	\$1,131,713	\$1,159,442	\$1,177,611	\$1,247,112	\$1,252,486	\$1,337,512	0.4%	6.4%	7.2%	6.8%
550-1102	Safety/Training	\$211,616	\$216,990	\$231,879	\$251,212	\$287,140	\$325,913	\$330,913	\$342,489	1.5%	15.2%	5.1%	3.5%
550-1103	Promotion	\$14,443	\$6,259	\$2,594	\$3,148	\$5,056	\$6,800	\$6,800	\$6,800	0.0%	34.5%	0.0%	0.0%
550-1105	Bldg/Grounds	\$311,369	\$288,282	\$358,061	\$348,335	\$364,479	\$331,441	\$363,536	\$352,846	9.7%	-0.3%	6.5%	-2.9%
<b>ADMIN/SUPPORT TOTAL</b>		<b>\$1,596,759</b>	<b>\$1,535,540</b>	<b>\$1,724,247</b>	<b>\$1,762,138</b>	<b>\$1,834,287</b>	<b>\$1,911,266</b>	<b>\$1,953,735</b>	<b>\$2,039,646</b>	2.2%	6.5%	6.7%	4.4%
<b>FINANCE ADJUSTMENTS</b>		\$86,312	(\$125,106)										
<b>TOTAL OPERATING EXPENSES</b>		<b>\$7,963,833</b>	<b>\$8,098,292</b>	<b>\$8,866,643</b>	<b>\$9,409,425</b>	<b>\$9,789,361</b>	<b>\$10,620,458</b>	<b>\$10,941,105</b>	<b>\$11,224,816</b>	3.0%	11.8%	5.7%	2.6%
TRANSFER TO GSB TRUST		\$134,814	\$140,800	\$166,402	\$0	\$0	\$0	\$0	\$0				
TRANSFER TO CAPITAL FUND		\$208,812	\$378,801	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$460,000				
<b>TOTAL USED</b>		<b>\$8,307,459</b>	<b>\$8,617,893</b>	<b>\$9,833,045</b>	<b>\$10,209,425</b>	<b>\$10,589,361</b>	<b>\$11,420,458</b>	<b>\$11,741,105</b>	<b>\$11,684,816</b>	2.8%	10.9%	2.3%	-0.5%
OPENING BALANCE		\$563,240	\$786,976	\$1,149,006	\$1,166,901	\$1,245,342	\$1,393,487	\$964,698	\$701,765	-30.8%	-22.5%	-49.6%	-27.3%
OPERATING REVENUE		\$8,531,195	\$8,979,922	\$9,850,940	\$10,287,866	\$10,858,717	\$11,471,410	\$11,478,172	\$11,884,583	0.1%	5.7%	3.6%	3.5%
<b>TOTAL AVAILABLE</b>		<b>\$9,094,435</b>	<b>\$9,766,898</b>	<b>\$10,999,946</b>	<b>\$11,454,766</b>	<b>\$12,104,059</b>	<b>\$12,864,897</b>	<b>\$12,442,870</b>	<b>\$12,586,348</b>	-3.3%	2.8%	-2.2%	1.2%
Closing Balance Excess of 10%						\$550,000							
<b>CLOSING BALANCE</b>		<b>\$786,976</b>	<b>\$1,149,006</b>	<b>\$1,166,901</b>	<b>\$1,245,342</b>	<b>\$964,698</b>	<b>\$1,444,439</b>	<b>\$701,765</b>	<b>\$901,532</b>	-51.4%	-27.3%	-37.6%	28.5%
Closing/Operating Total		9.9%	14.2%	13.2%	13.2%	9.9%	13.6%	6.4%	8.0%				
REVENUE/EXPENSE RATIO		107.1%	110.9%	111.1%	109.3%	110.9%	108.0%	104.9%	105.9%				

										FY2016	FY2017	FY2018	Increase	
<b>OPERATING FUND BALANCE</b>	\$786,976	\$1,149,006	\$1,166,901	\$1,245,342	\$964,698	\$1,444,439	\$701,765			City	\$1,648,996	\$1,736,393	\$1,821,476	4.9%
<b>CAPITAL FUND BALANCE</b>	\$1,974,211	\$1,124,525	\$659,497	\$794,609		\$0				ISU	\$ 723,150	\$ 761,477	\$ 798,789	4.9%
<b>TRUST FUND BALANCE</b>	\$1,325,474	\$1,078,094	\$993,083	\$804,635	\$534,083	\$617,417	\$617,417			GSB	\$4,746,157	\$4,997,703	\$5,242,591	4.9%
<b>INTERMODAL BALANCE</b>	\$0	\$0	\$0											

## ISU Student Fees and Trust Fund Summary

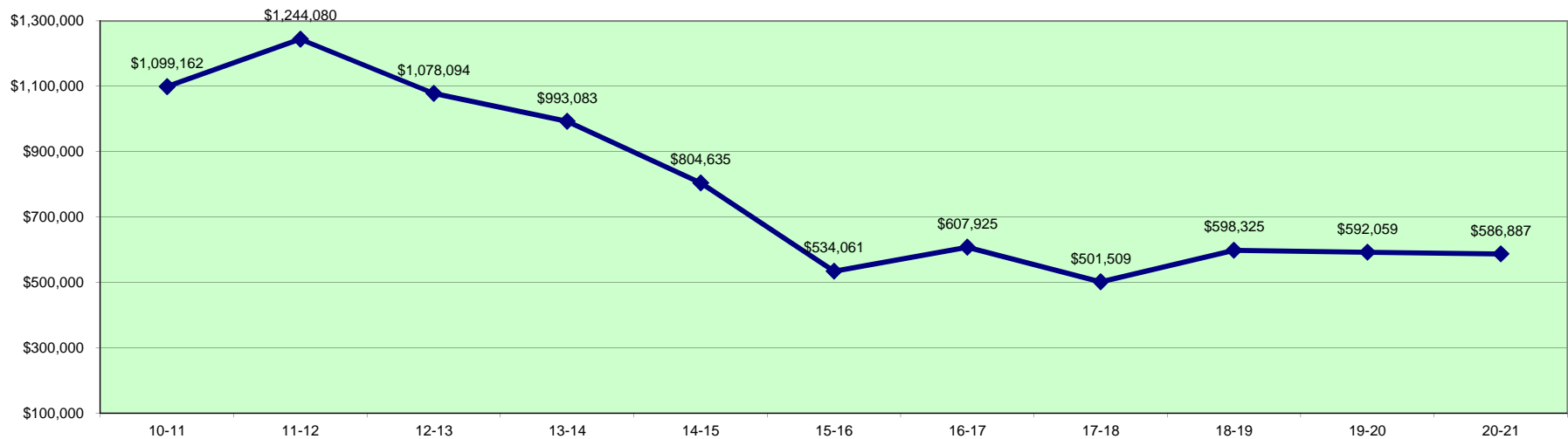
	3.8%	4.0%	4.0%	6.5%	11.9%	13.8%	5.1%	4.9%	5.0%	5.0%	5.0%
<b>CAPITAL &amp; OPERATIONS</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
	<b>10-11</b>	<b>11-12</b>	<b>12-13</b>	<b>13-14</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>	<b>19-20</b>	<b>20-21</b>
Budgeted Revenue	\$3,008,413	\$3,204,263	\$3,499,053	\$3,726,491	\$4,169,944	\$4,746,157	\$4,997,703	\$5,242,591	\$5,504,721	\$5,779,957	\$6,068,954
Actual Revenue	\$3,432,423	\$3,339,076	\$3,639,853	\$3,892,893	\$4,161,666	\$4,467,677	\$4,967,754	\$5,128,693	\$5,596,536	\$5,768,691	\$6,058,782
Surplus/(Deficit)	\$424,010	\$134,813	\$140,800	\$166,401	(\$8,278)	(\$278,480)	(\$29,949)	(\$113,898)	\$91,816	(\$11,266)	(\$10,172)

### TRUST FUND

Opening Balance	\$667,188	\$1,099,162	\$1,244,080	\$1,078,094	\$993,083	\$804,635	\$534,061	\$607,925	\$501,509	\$598,325	\$592,059
Interest	\$7,964	\$10,105	(\$1,064)	\$9,758	\$2,000	\$7,906	\$1,327	\$7,483	\$5,000	\$5,000	\$5,000
		Extras	(\$77,565)	(\$165,000)	(\$86,000)						
Payments		Next Bus	(\$228,158)	(\$96,170)	(\$96,170)						
		ICAAP					\$102,485				
Transfers In (Out)	\$424,010	\$134,813	\$140,800	\$166,401	(\$8,278)	(\$278,480)	(\$29,949)	(\$113,898)	\$91,816	(\$11,266)	(\$10,172)
Ending Balance	\$1,099,162	\$1,244,080	\$1,078,094	\$993,083	\$804,635	\$534,061	\$607,925	\$501,509	\$598,325	\$592,059	\$586,887
% of Budgeted Revenue	36.5%	38.8%	28.3%	24.9%	19.9%	11.3%	12.2%	9.6%	10.9%	10.2%	9.7%

Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$1.50	\$2.24	\$6.75	\$2.25	\$5.66	\$2.40	\$4.12
Total Fees	\$62.61	\$62.61	\$62.61	\$62.61	\$64.11	\$66.35	\$73.10	\$75.35	\$81.01	\$83.41	\$87.53
Increase %	0.0%	0.0%	0.0%	0.0%	2.4%	3.5%	10.2%	3.1%	7.5%	3.0%	4.9%
Student Semester FTEs	54,822	53,331	58,135	62,177	64,914	67,104	67,957	68,064	69,084	69,160	69,219
Official Enrollment	28,685	29,887	31,040	33,241	34,732	36,001	36,660	36,807	36,961	37,027	37,085

### ISU Student Government Trust Fund Balance



# CYRIDE REVENUE & EXPENSE CONSOLIDATION

FY 2017-2018

## OPERATING REVENUE

State & Fed.	\$2,990,000
City of Ames	\$1,821,476
ISU	\$798,789
SG	\$5,242,591
SG - NextBus	
Other	\$1,031,727
<b>Total</b>	<b>\$11,884,583</b>

## IMPROVEMENT REVENUE

State & Fed.	\$2,027,776
City of Ames	\$110,860
ISU	\$46,460
SG	\$302,680
Park. Systems	\$17,000
Other	\$7,000
<b>Total</b>	<b>\$2,511,776</b>

## OPERATING EXPENSES

Personnel	\$8,029,547
Contractual	\$1,692,749
Commodities	\$1,474,470
Capital	\$0
Other	\$600
<b>Total</b>	<b>\$11,197,366</b>

## IMPROVEMENT EXPENSES

Services	\$0
Construction	\$305,000
Equipment	\$856,000
Vehicles	\$1,794,720
Shelters/Benches	\$50,000
<b>Total</b>	<b>\$3,005,720</b>

**CITY OF AMES, Iowa**

**MEMO TO:** Ames Transit Board of Trustees  
**FROM:** Sheri Kyras  
**DATE:** January 19, 2017  
**SUBJECT:** System Redesign Presentation via Skype

**BACKGROUND:** CyRide’s consulting firm, Nelson-Nygaard Consulting, have completed the initial public input phase of the System Redesign Study and are currently working on the project development phase to recommend potential system changes to more efficiently and effectively provide service within the community. The project development phase of the study is anticipated to continue over the next several months with multiple opportunities for transit board members to comment and direct the final recommendation.

The project development work was based on Transit Board-approved study objectives and guiding principles established in August 2016 as described below:

**System Redesign Study Objectives:**

- To determine if the current route structure/schedules are the most efficient and effective method of service delivery for Ames with a service demand of approximately 7 million rides.
- To prioritize potential modifications to existing service (Guideline #1 and #2) and provide a list of service enhancements (Guideline #3) that would benefit the community (for future consideration).

**Potential System Redesign Study Guiding Principles:**

- **Financial** – Strive to maintain local funding partner annual increases of no more than 5%.
- **Rider Demographic** – Increase the number of non-student riders within the community.
- **Minimum Service Frequencies** – Strive to maintain peak hour service (Weekday 7 am to 6 pm) at 20 mins, Non-Peak (Weekday 6 pm to close and weekends) at 40 mins.
- **Geographic Coverage** – 85% of Ames residents in transit supportive areas are within ¼ mile of a fixed-route.
- **Travel Time Maximum** – The maximum travel time a customer rides a bus would be 45 mins (based on sample trips).
- **Safety** – Strive to increase safety and decrease congestion within the community.

The consultant will join the meeting via Skype to present their initial project development options for the study.

**INFORMATION:** CyRide’s consultants for the System Redesign Study have analyzed the data and public input collected from September through November 2016 and have developed “initial thoughts” about possible changes that would achieve the study’s goals and guiding principles, as well as incorporate public input received in the fall of 2016. **The purpose of the discussion at the January 19, 2017 board meeting is two-fold. First, to present and gain initial transit board input on each of scenarios developed for consideration, making sure that both options are meeting the study’s and board member’s expectations for service in the community. Second, allow time for the board to ask questions and clarify information regarding each scenario.** Most likely there will not be sufficient time at the January meeting for an in-depth discussion regarding each scenario weighing the pros and cons of each. Based on the board’s desire, this discussion could occur at an interim meeting in early February, via Skype again, or the scheduled board meeting on February 28, 2017 where the consultant will be present at that meeting. Public and stakeholder meetings are also being scheduled during the consultant’s visit at the end of February to present the data developed for each scenario.

Each scenario has been developed to be “fiscally-constrained,” based on maintaining no more than the current number of revenue hours operated today in daily service (revenue hours are the time the bus is open to the public and excludes “deadhead,” time the bus travels to/from CyRide’s facility). The consultant has also analyzed whether current community infrastructure would need to be improved to support the change and completed a preliminary cost estimate of these capital costs.

In addition, the two studies the transit board added to the scope of work (Commuter Lot and Fare Free Impact) are currently being analyzed and will be incorporated into the study recommendations and presented to the Transit Board at the February 28, 2017 board meeting.

The remainder of this report will briefly describe the three service scenarios developed. Also, an existing services map has been attached for comparison against the three scenarios. CyRide staff will prepare: a summary sheet for each scenario identifying the route eliminations, route additions and route modifications for the board meeting, as well as, ledger-sized copies of the four maps for quick reference at the board meeting.

### **Scenario #1 – Status Quo ISU Scenario**

Both this scenario and Scenario #2 reflect the desire to have fewer buses on campus. These scenarios define “fewer buses on campus” to mean no buses would be operated on Osborn Dr. or on Morrill Rd. This was defined with assistance from ISU staff and administration. ***This first scenario maintains an equivalent level of service, while eliminating service on these two primary campus streets, which increases CyRide’s operating costs.*** This scenario answers the question that has been raised for years about what the impact of removing buses from the campus core would have on students, CyRide and ISU. The map entitled, “Status Quo Scenario” in the upper left-hand-corner of the map illustrates this concept.

## Scenario #2 – Cost Feasible ISU Scenario

***This scenario also reflects fewer buses on campus, but fiscally constrains the level of service that can be provided to the same number of revenue hours as is operated today.*** This illustrates what services could or could not be offered to stay within CyRide’s current budget. The map entitled, “Cost Feasible Scenario” in the upper left-hand-corner of the map illustrates this concept.

## Scenario #3 – Transformative

***This scenario reflects changes to existing services that address the public input received and data collected, as is reflected in the first two options, only with no restrictions on viable streets that can used to provide service.*** It is a fiscally-constrained option. The map entitled, “Transformative” in the upper left-hand-corner of the map illustrates this concept.

The consultant will provide further explanation regarding these three scenarios and answer any clarifying questions regarding the potential changes under each at the board meeting.

No action is needed at the January board meeting; however, direction on whether the three scenarios are meeting the expectations of the study and initial concerns with modifications would allow for a formal presentation to be provided to the Transit Board at the February 28, 2017 meeting and for this information to be presented to the general public. If an additional, interim, meeting is needed to process this large amount of information presented, another meeting could be scheduled for early February to further these discussions.



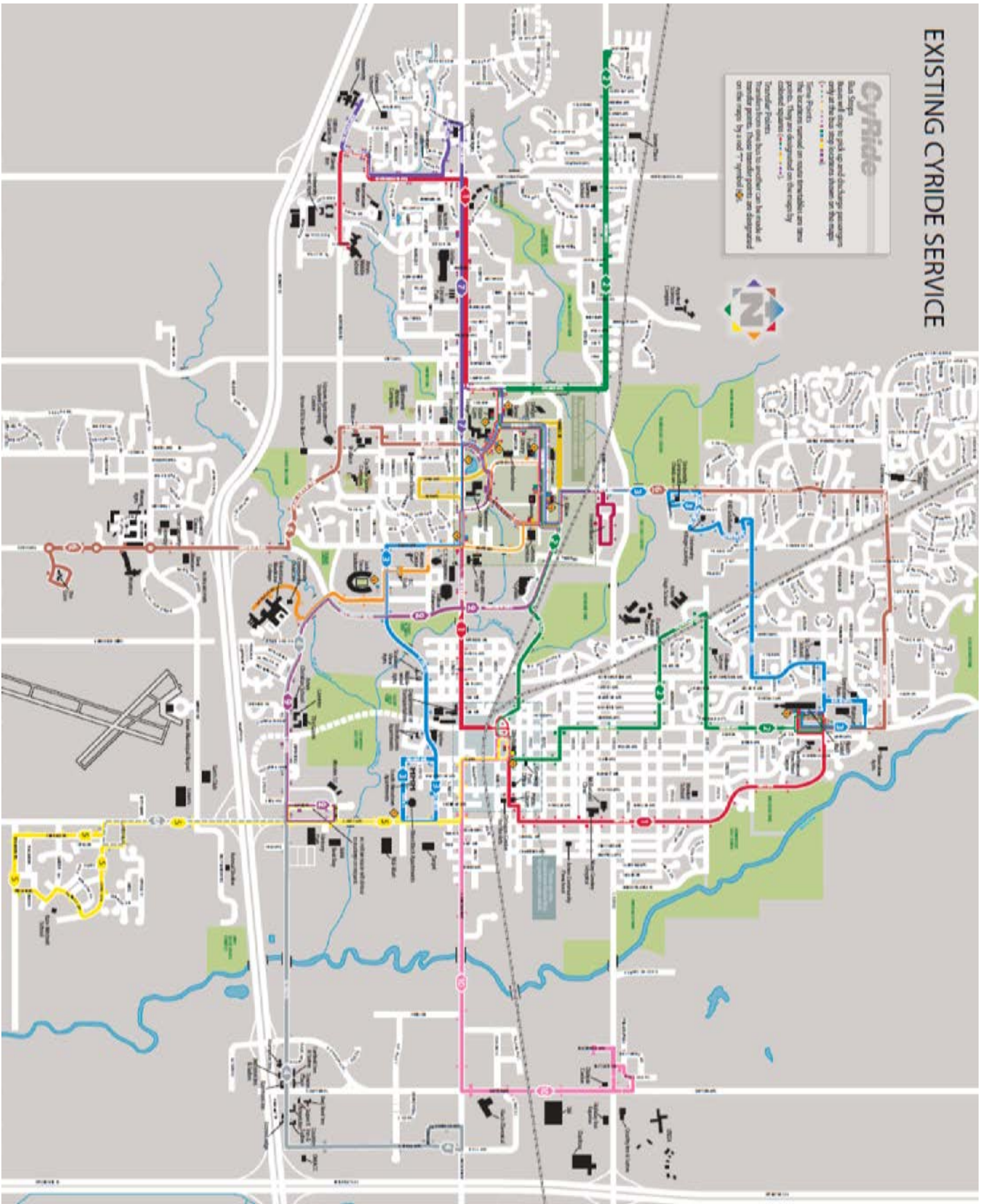
# EXISTING CYRIDE SERVICE

## CyRide

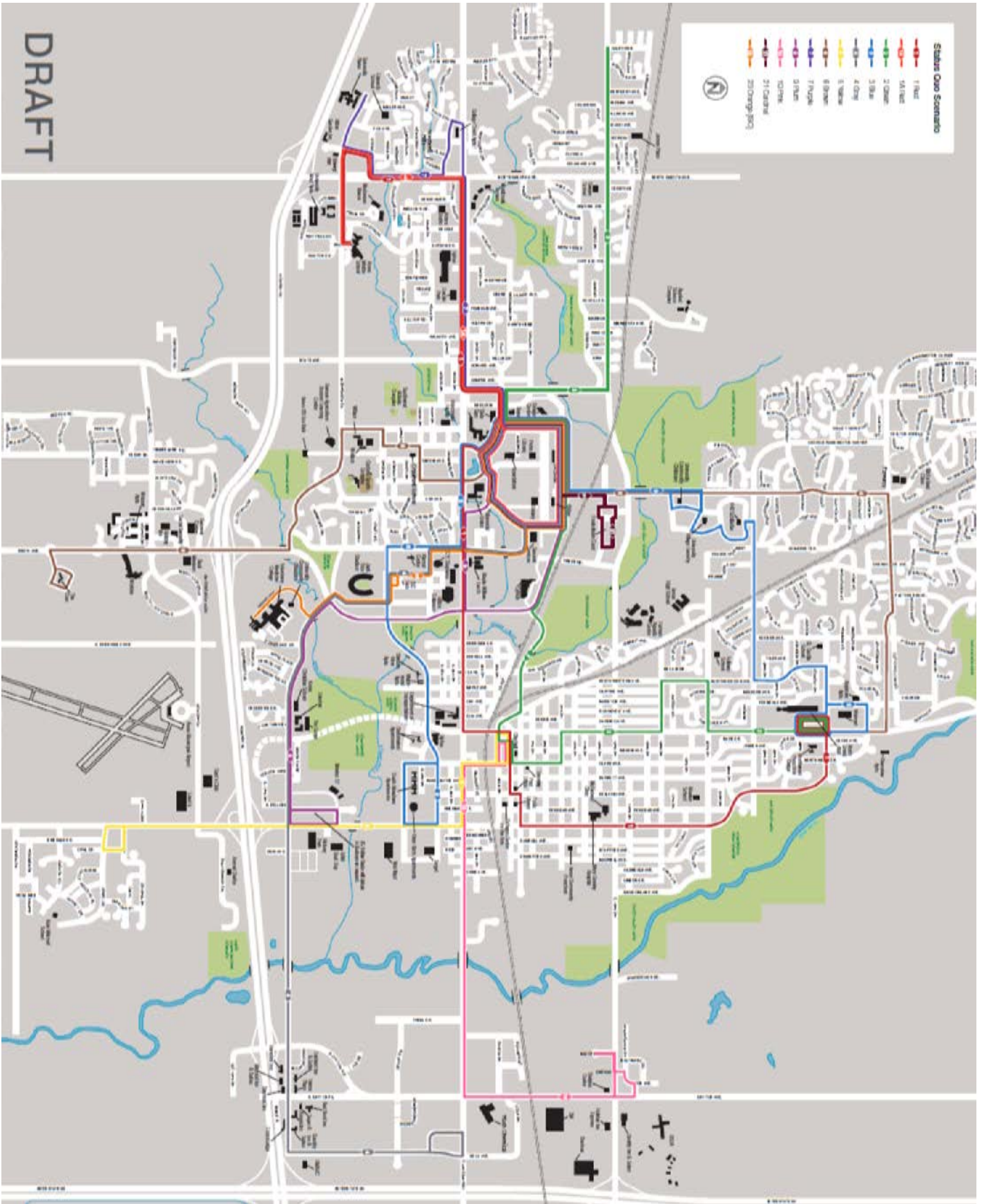
**Bus Stops**  
Bus stops will stop to pick up and discharge passengers only at the bus stop locations shown on the map.

**Route Colors**  
Routes are color-coded by route number. Routes are shown in their respective colors. They are not designated on the map by colored squares.

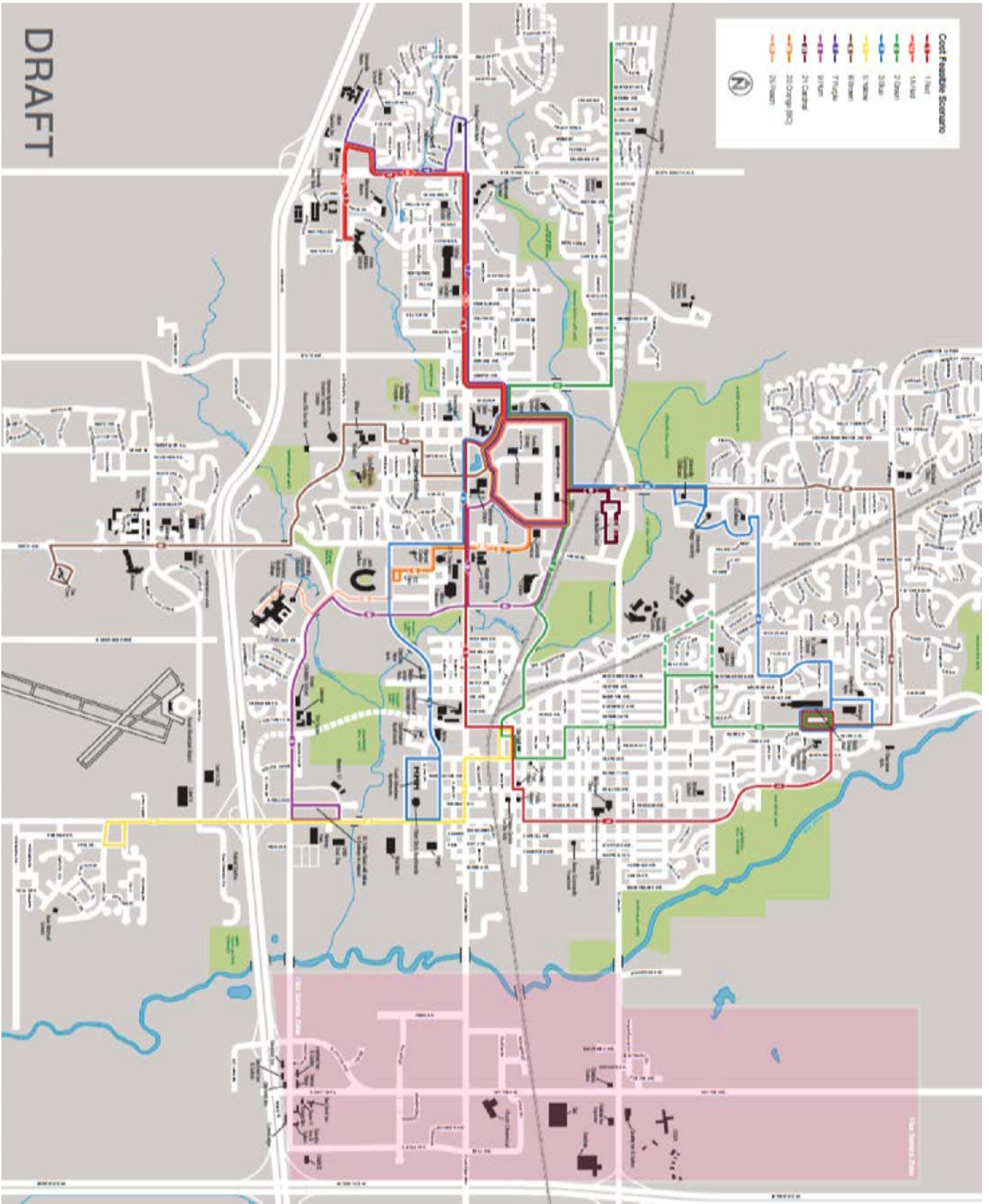
**Transfer Points**  
Transfer points are bus-to-bus transfer points. Transfer points are shown on the map by a red circle with a white 'T'.



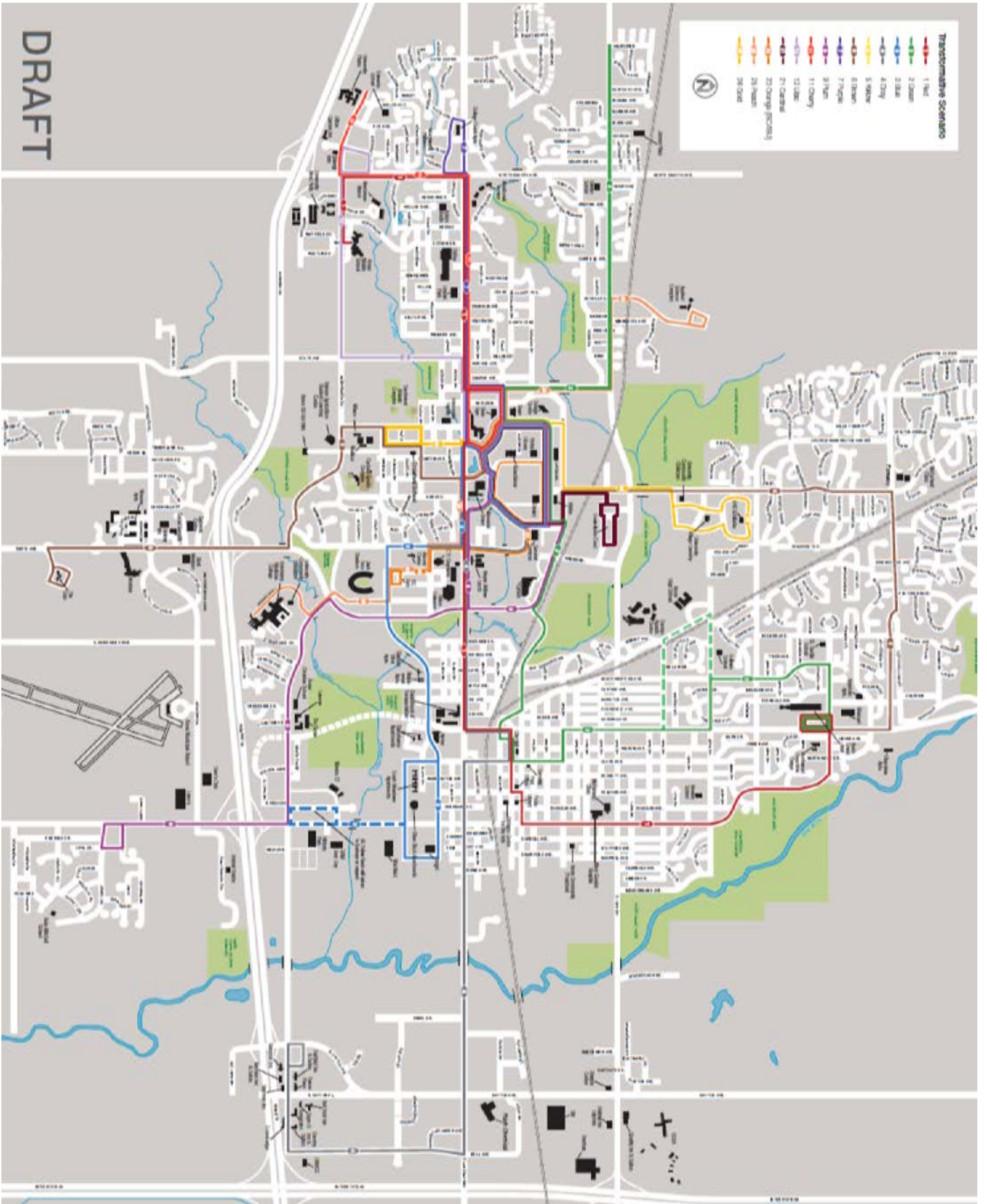
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# February

<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> Transit Board Meeting 8:00am				
			Future 2017 meetings: March 30, and April 27, at 8:00am			<b>2017</b>