

## AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

June 28, 2017

The Ames Transit Agency Board of Trustees met on June 28, 2017 at 9:30 a.m. in the CyRide Conference room. President Haila called the meeting to order at 9:32 a.m. with Trustees Nelson, Madden, Schainker, Valentino, and Haila present. Trustee Bibiloni joined the meeting via conference call. Iowa State University's Senior Vice President Kate Gregory was also present.

**Anticipated Closed Session:** Trustee Nelson asked Mark Lambert, Interim City Attorney for the City of Ames, if CyRide had legal justification for going into closed session and Mr. Lambert indicated that it did.

Trustee Nelson moved approval for a closed session pursuant to Section 20.17, Subsection 3, *Code of Iowa*, to discuss matters relating to labor negotiations at 9:34 a.m. Trustee Madden seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Moved by Trustee Valentino, seconded by Trustee Madden, to return to Regular Session. Vote on Motion: 6-0. Motion was declared to be unanimous.

The Regular Session meeting reconvened at 10:05 a.m.

**Approval of May 24, 2017 Minutes:** Trustee Valentino motioned to adopt the May 24, 2017 transit board minutes as presented. Trustee Nelson seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

**Public Comments:** No public comments.

**Transit Board Elections:** Director Kyras explained that transit board officers are elected each year in May or June, as required by the Ames Municipal Code, Chapter 26A. She indicated that three positions would need to be elected: President, Vice President and the Ames Area MPO representative. Currently the president's position is held by Trustee Haila and Vice President by Trustee Valentino, of which both indicated an interest to continue in these positions. If there are no nominations from the floor, President Haila asked for a motion.

Trustee Schainker made a motion to accept the nomination of Trustee Haila for President and Trustee Valentino for Vice President. Trustee Madden seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Iowa State University's Senior Vice President Kate Gregory volunteered to be the representative for the Ames Area Metropolitan Planning Organization (MPO) as she will become a Trustee at the next meeting.

Trustee Valentino made a motion to nominate Kate Gregory as the Ames Area MPO representative and the motion was seconded by Trustee Nelson. (Ayes: Five. Nays: None. ) Motion carried unanimously.

**Maintenance Equipment Purchase – Portable Bus Hoists:** Director Kyras provided background information regarding the bus hoist, indicating that it was reflected in the capital plan for replacement and \$90,000 was allocated for this equipment. She indicated that eight bids were received and that CyRide staff did not suggest accepting the three lowest bids, as they did not meet the specifications. Midwest Lift Works LLC met all the specifications, was the next lowest bid and was still below the budgeted amount.

Trustee Madden made a motion to approve the purchase of two sets of four mobile column lifts at a total cost \$69,290 to Midwest Lift Works LLC of Jordan, MN. Trustee Nelson seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

**Ames Intermodal Facility Ames Police Department Tenant Lease:** Director Kyras explained that the Ames Intermodal Facility was funded by a federal grant and that Iowa State University's Parking Division manages the facility. She indicated that occupancy of the three tenant spaces within the facility requires leases and that the management office had been shared by the Parking Division and under a no-cost lease with the Ames Police Department. She indicated that the lease with the Ames Police Department had expired and that their presence had increased security at the facility. She also indicated that a longer-term lease was being considered to formalize the positive relationship to a five- year lease, as opposed to the previous one-year, with the option of two additional one-year extensions.

Senior Vice President Gregory indicated that Mark Miller with Iowa State University's Parking Division had indicated that the Police Department's presence at the facility had helped to reduce vandalism and that this had been a good relationship. A draft contract was presented to the transit board reflecting a five-year term, which has been reviewed and approved the by the City's Legal Department.

President Haila requested clarification of the office and vehicle parking locations in the contracts attached exhibits.

Trustee Nelson made a motion to approve a five-year, no cost contract between the Ames Transit Agency and City of Ames Police Department for shared use of the Ames Intermodal Facility management office. Trustee Madden seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

**Operating Award and Contract-Cardinal Route:** Director Kyras shared the direction that the transit board provided at the April 25, 2017 meeting regarding the term for a new operating contract for the Cardinal Route, which was for a term of two-years, plus three, one-year extensions. Director Kyras indicated that a bid had been developed and that only one bid has been received from CIT Transportation. Their bid for the 2017-2018 budget year was \$1,705 per day and \$1,756 per day for the 2018-2019 budget year,

which represented a 3% increase for each year. She then provided a comparison to CyRide's costs to operate the service at \$1,958 per day for fully-allocated costs and \$1,141.68 per day for direct costs only. She also shared that using CIT eliminates the need for an additional six drivers and two buses. Finally, she stated that the City of Ames Legal Department has not had a chance to review the contract and, therefore, staff recommended approving the contract with CIT Signature Transportation, contingent upon resolution of issues identified by the Legal Department.

Trustee Madden made a motion to approve Alternative #1, contract with CIT Signature Transportation at \$1,705.00 per day for the 2017-2018 school year and \$1,756.00 for 2018-2019, contingent upon resolution of City of Ames Legal Department's comments. Trustee Nelson seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

President Haila asked if there was any desire to phase out contracting for service on the Cardinal route at some point in the future. Director Kyras indicated that direct operation of the service was easier for staff; however, she indicated that a contractual relationship provided greater benefits at the current time with facility and driver constraints.

Director Kyras explained that the annual contract cost for the bid received would be \$273,000 and \$281,000, respectively. A question was raised regarding how this compared to the budgeted cost to operate this service. Director Kyras indicated that the budget would support this expense.

President Haila shared his thoughts that in a year that there could be significant changes with the implementation of the system redesign that CyRide might not need to have contracted service. Trustee Madden also pointed out that at some point in the future, with a multi-year contract, that CIT might want to adjust their prices to reflect changes in fuel costs.

President Haila asked whether CIT buses were required to have to comply with safety regulations. Director Kyras indicated that they were required to meet federal motor carrier requirements, as well as the Federal Transit Administration/Iowa DOT requirements contained in the contract.

**North Grand Mall Bus Stop Location:** Director Kyras provided background information regarding the location of the bus stop at North Grand Mall. She indicated that she and Barbara Neal, Asst. Director of Operations, met with the new North Grand Mall owner and manager in April to discuss the mall renovation plans. Director Kyras presented graphics of where the mall representatives were interested in relocating CyRide bus as a result of their renovations – from the east side of the mall to the west side. She also provided a graphic displaying current service to the mall. She then provided information regarding three potential sites discussed with mall representatives, indicating that the location on the north side of the mall had been rejected by the mall representatives due to possible future development. She highlighted the mall's preferred location at the west mall entrance and CyRide's preferred location in the northwest corner of the parking lot. Pros and cons of each location were discussed with the representatives,

and a major concern with their preferred location was discussed regarding the need to add buses, drivers and costs to accommodate this location. She indicated that the representatives indicated that buses could not stop on the east or north side of the mall. She also indicated that the steep incline at the south entrance prohibited buses in using this to exit the mall; which leaves only the west/northwest side of the mall for consideration.

Director Kyras indicated that the northwest corner of the parking lot minimizes the route time, which reduces CyRide's cost to operate the four routes serving the mall. She also indicated that this location minimizes the impact to Ferndale Dr., which was not constructed to withstand the weight of buses.

Director Kyras shared the results of the west side bus stop location preferred by the mall, indicating that the Green route would have no impact, but that the other three routes would incur significant cost increases to operate from this location. She indicated that it added 3-5 minutes to each route and would cost approximately \$477,000 more to operate these routes from this location. She also indicated that the entire length of Ferndale from 24<sup>th</sup> to 30<sup>th</sup> St. would be impacted by the buses under this option.

Director Kyras requested direction from transit board members on this issue as the northwest corner of the parking lot was beneficial for CyRide and the west mall entrance location was beneficial for the mall.

Trustee Madden asked CyRide staff if they were speaking with the new owners and asked if staff had spoken with Walmart about using their location. Barbara Neal indicated that Walmart had not been receptive to a bus stop on their property. A discussion ensued regarding the value of CyRide customers to retail establishments.

President Haila offered his thoughts about another possible solution – bus stop in the northeast corner of the parking lot with a bus shelter. Trustee Schainker indicated that there were future plans for a restaurant for this section of the parking lot.

Trustee Madden shared his concerns regarding the bus stop location in regards to CyRide customers with physical limitations. He also indicated that in the past, the mall had marketed its stores to students and that CyRide had included promotions on the bus, but that had not happened in a number of years. Other incentives that could be offered to the mall in lieu of a bus stop that increased CyRide's budget were discussed. There was a consensus from the transit board that CyRide would not be able to spend an additional \$477,000 to maintain the current/proposed schedule. Trustees Schainker shared his concern regarding parking spaces and taking up spaces for a bus stop. There was a brief conversation regarding additional mall parking on the west side of Ferndale.

The transit board asked CyRide staff if they had shared information about the number of riders that get off at the mall. Director Kyras indicated that they had gathered and shared this data in previous conversations with the mall but had not recently.

Director Kyras further summarized that moving the bus stop further south on the west side of the mall, extending the route, is when CyRide incurs extra costs and buses. She indicated that the change to the Northwest corner would not impact CyRide in either of these areas. The transit board directed CyRide staff to discuss this information with the mall representatives and to try to work through a solution with them in the northwest corner of the parking lot.

Iowa State University Senior Vice President Gregory suggested promotional ideas with the mall in exchange for staying on the east side of the mall. Trustee Schainker indicated that in his discussions with the mall, he did not believe that the east side was a possibility under any scenario.

President Haila indicated his desire to try talking with the mall representatives to find a solution at the northwest corner of the parking lot, and further that if this was not possible, to share this information with board members to assist in determining CyRide's next steps.

A question was raised regarding when CyRide would need to move from its current location. Director Kyras indicated that the mall had not provided a definite date; however, she believed that CyRide may need to move to a short-term location, while a longer-term solution was being found.

Iowa State University's Senior Vice President Gregory shared her thoughts that CyRide is an efficient way for the mall to gain customers and with this, no parking spaces were needed for their customers. She indicated a desire for this to be acknowledged by the community, mall and city as it reviews parking requirements.

Trustee Madden shared his thoughts that promoting the mall to the more than 36,000 students would benefit their tenants.

**New Gold Route Turnaround at Welch Ave./Storm St. Funding:** Director Kyras indicated that the Transit Board had approved constructing a bus turnaround at the Towers Residential Halls as a part of the new Gold Route. She indicated that since that approval, she had worked with Iowa State University's Facilities Planning and Management Department to develop a final cost estimate for this project. She indicated that the attached estimate of \$185,000 reflected this cost. Further, she indicated that board representatives from the city (Steve Schainker) and university (Kate Gregory) had met with CyRide and Facilities Planning and Management staff to determine a funding plan. Their recommendation is for CyRide to fund 50% of this cost, with the remainder shared equally between CyRide's three local funding partners at 16.67% or \$30,833 each, as a one-time capital cost.

Director Kyras then explained how CyRide could fund its share – through commitment of the 2016-2017 closing balance funds exceeding 10% of operating expenses. She also explained the conversations regarding how to secure the remaining funds from the local

partners – a City Council request, ISU’s share from possibly the parking or residence departments and the student government’s share from its Trust Fund balance.

Trustee Madden shared his thoughts on securing approval for the Student Government share of this cost. It was decided that Trustees Valentino and Bibiloni would speak with the Student Government President, Cody Smith, and then share their thoughts with Senior Vice President Gregory.

Trustee Madden made a motion to approve \$92,500 from the 2016-2017 Operating Closing Balance be committed to construction of a turnaround at the intersection of Storm/Welch and request \$30,833 as a one-time cost from Iowa State University, the City of Ames and from the Student Government’s CyRide Trust Fund. Trustee Nelson seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

**Transit Director’s Report:** Director Kyras said there were a number of items in which staff needed direction from the transit board on or items to bring to the board’s attention. First, she indicated that an ISU Research Associate had approached CyRide to partner with AmesNet, in which he is seeking grant funding for a city wide 5G internet project. She indicated that for CyRide this partnership would include installing radio devices on all buses for WiFi and either install or connect with CyRide’s current camera system for a five-year period. Director Kyras shared the following challenges this could present for CyRide - downtime of buses for installing, trouble-shooting equipment problems, staff time to assist in the installation/ problems and coordinating the project. Finally, she indicated that the System Redesign implementation in the next year would consume a great deal of staff’s time. She indicated that they were seeking Letters of Support for submission in the grant application due July 31, 2017. She also indicated that there was to be a workshop on July 6, 2017 from 9:00 a.m. – 2:00 p.m. at the Research Park for the purpose of understanding the project more fully. Director Kyras was asking for guidance from the transit board as to whether they wished to submit a Letter of Support and consider this a priority for CyRide, if a grant was awarded.

Iowa State University’s Senior Vice President Gregory indicated that the grant had not received ISU vetting approval. Further, she indicated that as a result, this could be considered like any other request CyRide might receive from a private citizen.

Trustee Schainker shared his thoughts that the project sounds exciting, but there were challenges in gaining community support for this size of project within a one month time period.

Trustee Madden indicated that there were still a lot of questions that would need to be answered to determine if this is a project that the community could support. Trustee Madden shared the typical ISU vetting process; however, Senior Vice President Gregory indicated that the project had not gone through this process. As a result, Trustee Madden was reluctant to support this process and President Haila questioned whether the project manager had the authority to represent Iowa State University.

Trustee Schainker shared his perspective indicating that not enough information was available at this time to determine a commitment to the project; however, he acknowledged that a lack of support would weaken the grant application. He indicated a desire to have started discussions on this project months ago so that the grant could be better supported by the community, if warranted. Questions were raised about the project, such as if the private sector had been included on discussions as it could have an impact on their business.

The transit board directed staff to attend the workshop to gain more information about the project and then communicate with board members about CyRide's potential role, such as CyRide's short and long term costs, support needed, and positive/negative impacts of the project on CyRide.

Second, Director Kyras briefly discussed the results of the annual Iowa Public Transit Association meeting and bus rodeo, indicating that CyRide in general and its drivers had received acknowledgement of their achievements. She specifically acknowledged its drivers, indicating that they had won both the large and small bus competitions and they would be representing CyRide nationally in future competitions. CyRide was also recognized by the Federal Transit Administration for the highest ridership for a single transit system in the State of Iowa.

Third, the implementation of the system design was discussed. Director Kyras briefly shared information regarding staff's plans to-date and indicating that they would need assistance in developing marketing/educational information. She recommended hiring an outside firm to assist staff at an estimated budget of \$25,000. She indicated that funding for this added expense could be secured from the unanticipated \$100,000 increase in the advertising revenue next fiscal year.

President Haila asked for confirmation that the extra \$100,000 was unallocated. Director Kyras confirmed that it was an unbudgeted revenue increase.

Trustee Madden made a motion to move approval for a \$25,000 expenditure from advertising revenue to hire a marketing firm to develop marketing/educational material needed to implement the System Redesign Plan. Trustee Nelson seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Fourth, Director Kyras recapped a recent analysis and discussion regarding property insurance for the fleet parked on CyRide's property overnight. She indicated that through the analysis it was found that CyRide did not have the insurance coverage that it was told was in place. As a result, CyRide buses, under the age of 12 years, had an exposure of up to \$12 million dollars under a total loss scenario. Through further discussions with the insurance carrier, a change in coverage was able to be achieved that reduced this risk to \$600,000 for a premium increase from approximately \$9,000 to a little over \$15,600 per year. This insurance was made effective July 1, 2018. She indicated that if the board desired to change this coverage, it can be done mid-year. There was a consensus that this was an appropriate cost for the exposure reduction.

Director Kyras also indicated her desire to review all CyRide insurance, citing a more prominent exposure of a fire on the bus on route where the cost to replace this bus could be as much as \$470,000. She indicated that she would include this on a future board agenda after further analysis.

Fifth, Director Kyras provided the board with the Lincoln Way Corridor Plan results, indicating a concern with the Lincoln Way road changes recommended in the study. She shared the five bulleted points included in the board packet detailing these concerns. She requested board direction on how best to communicate this concern, as it could have significant operational and financial impacts on CyRide.

President Haila asked if staff had been consulted about the design. Director Kyras indicated that she had, had a brief conversation regarding this idea when the concept was first developed, during a conversation about another project. She indicated she had expressed her concerns.

Trustee Nelson shared his thoughts that she/President Haila should write a letter to the City Council on what impact this has for CyRide. He said there is a general consensus that there are a number of individuals reluctant to the proposed change, but believes that CyRide's concerns should be provided to the Council. Trustee Schainker abstained from this conversation.

There was a consensus to have Director Kyras write the letter and have President Haila sign it. President Haila would like to ask the City Council to have copies of the letter integrated into the amended consultant's final report. Trustee Schainker indicated that this would not be possible at this point.

Finally, Director Kyras informed the transit board that CyRide and President Haila had received the final report for the Triennial Review and indicated that she could send a copy of the report to board members that were interested.

**Set Meeting Times and Place:**

- August 24, 2017, 8:00 AM
- Fall semester meetings to be scheduled on Thursdays at 8:00 a.m.

**Adjourn:** President Haila motioned to adjourn at 11:30 am upon consensus of the board members.