

AMES TRANSIT AGENCY BOARD OF TRUSTEES
CYRIDE CONFERENCE ROOM

February 15, 2018

1. CALL TO ORDER: 3:30 P.M.
2. Approval of January 16, 2018 Minutes
3. Public Comments
4. Surface Transportation Block Grant (STBG) Program Funding 2021-2022 Request
5. Rate Setting - Fares
6. Rate Setting- Passes
7. Transit Director's Report
8. Set Tentative Spring Semester Meeting Dates/Times:
 - March 22, 2018, 3:30 PM
 - April 19, 2018, 3:30 PM
 - May 29, 2018, 3:30 PM
9. Adjourn

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

January 16, 2018

The Ames Transit Agency Board of Trustees met on January 16, 2018 at 3:00 P.M. in CyRide's Conference room. Vice President Valentino called the meeting to order at 2:59 P.M. with Trustees Valentino, Bibiloni, Cain, Jeffrey, and Schainker present. Absent: Trustee Nelson.

APPROVAL OF MINUTES: Trustee Bibiloni made a motion to approve the December 12, 2017 minutes as presented. Trustee Schainker seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

TRANSIT BOARD OF TRUSTEES ELECTION: Director Kyras said that there are two vacancies on the transit board with President Haila being elected as Mayor and the departure of Kate Gregory, who was also the Transit Board's Ames Area Metropolitan Planning Organization's (AAMPO) representative. She indicated that she had polled board members prior to the meeting to ask if they had an interest in either the President or AAMPO position. She indicated that Trustee Valentino had shared his interest in the President's position and that Trustee Bibiloni would then be interested in the vacant Vice President position created by this change. Further, she indicated that there had been no interest in the AAMPO position.

Trustee Schainker made a motion to nominate Trustee Valentino as President and Trustee Bibiloni as Vice President. Trustee Cain seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

President Valentino asked for nominations for the AAMPO Representative. Director Kyras provided details regarding the requirements of this position.

Trustee Valentino indicated that he would be willing to fill the AAMPO vacancy.

Trustee Schainker made a motion to nominate President Valentino to the Transit Board's AAMPO representative and seconded by Trustee Cain. (Ayes: Five. Nays: None.) Motion carried.

DRUG & ALCOHOL POLICY CHANGE: Director Kyras briefly summarized the January 1, 2018 changes required by the federal government, which established new regulations to test for additional drugs (synthetic opioids) and position title changes. She indicated that CyRide has included these new testing requirements in its drug testing program since the first of the year; however, CyRide's policy, approved by the Transit Board, must also be modified as well. She directed board members to the new draft policy with changes highlighted in red.

Trustee Schainker made a motion to approve Alternative # 1, the revisions to CyRide's Drug and Alcohol Testing Policy regarding the addition of four synthetic drugs to its testing protocol and updated language. Trustee Bibiloni seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

CYRIDE'S CONCRETE REPLACEMENT PROJECT CLOSEOUT: Director Kyras provided a brief explanation of the concrete work completed and location of the repairs. Further, she explained that the repairs were completed last summer, but that the total project was delayed due to a backordered light. She indicated that all requirements of the contract were now complete to CyRide and the Architect's satisfaction and that the remaining dollars to be paid reflected the light expenses of \$4,400.

Trustee Nelson arrived at 3:04 p.m.

Trustee Cain made a motion to approve Alternative #1 to accept the final completion and approve the release of retainage/final contract amount of \$4,400 to JAS Construction LLC, Altoona, IA for the completion of CyRide's Paving Renovations 2017 project. Trustee Jeffrey seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

2016-2017 CLOSING BALANCE: Director Kyras explained two transit board polices that establishes the operating closing balance fund level. She explained that the first was adopted by the board in 2016, and set the closing balance level of: between 7.5% and 10% of operating expenses. Further, she explained that when the balance is lower than this desired level, that staff would provide options to raise revenue or lower expenses to be within that range. She indicated that when the funding is above 10%, that staff would provide board members with options to reprogram the funds above 10%.

Director Kyras then explained the second policy, which was adopted in the fall of 2017 as a result of an accounting practice change. Further, she explained that the federal government required that funds allocated in a fiscal year be allocated to CyRide's corresponding budget year, even when the federal funds are received after the budget year is completed. She indicated that this change would create a cash flow issue if a larger balance was not carried to address this issue. As a result, the transit board adopted a policy to carry an equivalent amount of CyRide's federal funds in addition to the 7.5 - 10% closing balance.

She then provided information regarding the final 2016-2017 closing balance, indicating that it was \$3,595,434. She then explained the impact of the two polices above and several commitments that the board had previously made for closing balance funds, resulting in an unallocated balance of \$151,816. She further explained that this unallocated balance was higher than previously discussed at board meetings (\$97,500) due to previous discussions being based on pre-audit figures and the \$151,816 being based on post-audit fund levels.

She then provided information on possible capital or operating projects for which these unallocated funds could benefit CyRide – Facility expansion, ADA expenses, other capital needs such as electric buses and additional service needs. She also indicated that the board could choose to leave the funds unallocated at this time until the final costs on two projects funded through the closing balance were known.

Trustee Nelson shared his thoughts that he believed that there was not a need at this time to make a decision and that waiting until more information was known seemed like a good approach, indicating a better decision could be made at that time.

Trustee Nelson made a motion to accept Alternative #1 to not commit CyRide’s remaining 2016-2017 closing balance at this time. Trustee Bibiloni seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

Director Kyras requested guidance on when to bring a discussion of the ending balance back to the transit board. It was decided that after the statewide bus grant application results and the ACA expenses were known that staff should include this item on a future board agenda.

FIVE YEAR CAPITAL IMPORVEMENT PLAN: Director Kyras shared that there had been no changes in the capital plan recommendations or projects since the December board meeting. She then summarized the projects contained in the first year of the plan.

Trustee Schainker requested clarification on the local dollars needed to support the first year of the plan. Director Kyras indicated that the total local dollars were \$645,709, but that \$800,000 would be transferred from the operating budget for capital purchases. She indicated that the difference in funds would support projects in the remaining four years of the plan.

Trustee Nelson made a motion to approve Alternative #1 approving the Five Year Capital Improvement Plan as presented. Trustee Bibiloni seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

2018-2019 OPERATING BUDGET: Director Kyras shared changes from the December 2018-2019 operating budget discussion with board members, which included a second baseline budget option reflecting a lower fuel price, a fifth budget option for five additional hours of service per day, reflection of additional ICAAP funds to the Student Government Trust Fund based on recent notification by the Iowa DOT and corrections to previous budget spreadsheets.

She then explained staff's recommendation for the 2018-2019 budget – Baseline Budget A, reflecting \$2.75 per gallon in fuel, plus the following options:

- Increase in the initial driver's wage to \$15.60 per hour
- 5 additional hours of service per day
- Part-time Information Technology position
- Fare reduction to the previous fare structure reflecting cash fares of \$1 per ride

She then explained the reasoning for staff's higher fuel price recommendation, indicating that she had, had a conversation with an petroleum industry expert and their prediction was for fuel prices to increase over the next 12-18 months; however not aggressively. Further, she indicated that the last three loads of fuel had averaged \$2.05 per gallon and, that at \$2.75 per gallon next year, it would provide more flexibility for fuel prices to increase to a level that would not negatively impact the budget. She indicated that it was a board policy on how much risk to take in this line item.

Trustee Nelson inquired about CyRide's past policies on setting fuel prices in the budget and whether a conservative approach had been taken. Further, he asked if these approaches had allowed actual fuel expenses for the year to be within budget. Director Kyras responded that the past years were mixed, where some years the fuel line item was over budget, which reduced the operating closing balance, and more recently it had been under budget, allowing for reallocation of a portion of the closing balance.

President Valentino shared his thoughts that he was in favor of budgeting fuel at \$2.75 per gallon.

Trustee Schinker asked for the difference in costs between Baseline Budget A and B options. Director Kyras indicated that option B was \$102,000 less, with fuel at \$2.50 per gallon (approximately a 1% reduction in operating expenses).

There was a general discussion comparing the two baseline options regarding the dollar increase for each local funding partner's total dollar contribution.

Trustee Schinker requested an explanation as to why the fare reduction option was being proposed at this time. Director Kyras indicated that it was due to the significant reduction in non-student rides since the fare increase in 2011 and board's desire to reverse this trend, as well as providing a financial incentive for individuals to try CyRide's new 2.0 route structure.

Trustee Bibiloni made a motion to approve Alternative #1, approving Baseline Budget Option A, which includes \$2.75 per gallon of fuel, plus board selected options of the driver wage change, five additional hours of service per day, part-time Information Technology position and a fare reduction. Trustee Jeffrey's seconded the motion. (Ayes: Six. Nays: None.) Motion carried.

President Valentino asked for clarification that the approved budget resulted in a 4.7% increase in each funding partner's local share. Director Kyras confirmed that this percentage increase was correct.

TRANSIT DIRECTOR'S REPORT:

- **Rate-Setting (Fares)** – Director Kyras informed board members that staff would include formal rate-setting proposals on the February board agenda.
- **CyRide Survey 2.0** – Director Kyras shared results of the online survey feedback received regarding the new CyRide 2.0 schedules. She indicated that two specific schedule changes had been requested on yellow and brown routes and that staff would be reviewing these schedules to determine if the requests could be accommodated.
- **ICAPP Grant Approval** – Director Kyras shared news that the IDOT approved funding for CyRide's Plum route (\$212,980), which would be credited to the Student's Trust Fund.
- **2017-2018 Ridership Update** – Director Kyras shared ridership trends for the fall semester through November 2017, indicating a ridership decrease and specific route trends that were impacting total ridership.

Trustee Schainker inquired about CyRide's Moonlight Express service's significant ridership decrease and possible reasons for this change. He also asked if students were paying 100% for this service. Director Kyras shared community conversations she had, had regarding changes in demographics that could impact CyRide's ridership. She indicated that city staff had indicated that many establishments in Campustown were also experiencing lower customers. These establishments believe this is attributed to ISU's younger student population, and that in several years, this downward trend will reverse. She also shared that CyRide's Moonlight Express service was being paid for by all three funding partners, based upon traditional funding shares.

She also shared transportation trends occurring at the University of Iowa and Cambus, indicating lower ridership, an increase in students using scooters, an increase in private shuttle transportation from apartments and route reductions.

A general discussion about private apartment shuttles in Ames was held. Director Kyras indicated that one apartment was currently providing a shuttle for their tenants and dropping customers at the Iowa State Center to board the Orange route; however other apartments were considering this type of service for their tenants. She also shared

information that ISU had identified a private shuttle drop off location on Lincolnway near Friley, but was not currently requiring shuttles to use this at this time.

President Valentino asked the transit board if the proposed dates and times (below) for the upcoming spring transit board meetings met with everyone's approval. Trustee Jefferies indicated that she preferred later meeting times. As a result, staff was directed to determine new dates/times that will work with the current board member's availability.

Set Meeting Times and Place:

- February 14, 2018, 8:00 AM
- March 20, 2018, 8:00 AM
- April 24, 2018, 8:00 AM
- May 24, 2018, 8:00 AM

ADJOURN: Trustee Bibiloni made a motion to adjourn the meeting at 3:50 p.m. and motion was seconded by Trustee Schainker. (Ayes: Six. Nays: None.) Motion carried.

Steven Valentino, President

Joanne Van Dyke, Recording Secretary

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: February 15, 2018

SUBJECT: Surface Transportation Block Grant (STBG) Program Funding 2021-2022

BACKGROUND: The Ames Area Metropolitan Planning Organization (AAMPO) receives approximately \$1.4 million each year for transportation capital projects within the greater Ames community through the Surface Transportation Block Grant Program (STBG). Eligible capital projects include street improvements, traffic signalization, **transit capital**, bike paths, and other transportation enhancement projects. Projects selected for this funding, and approved in the AAMPO's Transportation Improvement Program, could receive up to 80% federal funding. The Ames Area MPO has approved CyRide's previous two requests (FY2020 & FY2021) of \$225,000 per year in federal funding for new bus capital. Currently, the AAMPO is soliciting grant applications for STBG funding for the 2021-2022 (FY2022) budget-year, which are due March 31, 2018. The AAMPO will submit approved applications to the Iowa DOT for an eligibility review, prior to making decision regarding the funding.

INFORMATION: The AAMPO will begin the selection process to allocate its 2021-2022 STBG allocation to transportation projects. The specific 2021-2022 request CyRide could make would be to request \$225,000 (approximately 15% of the STBG total allocation) for a third year of funding for the purchase of buses. This funding would allow CyRide to fund one additional new bus every two years or upgrade a 40' bus to an articulated or electric bus (estimated at a cost of \$200,000 to \$225,000 more).

CyRide has identified the need for new bus purchases in the last several years of its Five-Year Capital Improvements Plan (CIP); however, sources of funding have yet to be identified in the latter years of this document. Therefore, STBG funds would provide a funding source for new buses in the CIP in 2021-2022, representing a third year of commitment to bus capital under this federal program. CyRide would also include this project in the Transportation Improvement Program in May 2018. The AAMPO will consider requests for this funding at their mid-May 2018 Technical Committee meeting and subsequent Policy Committee meeting.

CyRide staff is seeking direction on submitting a request to include CyRide's bus project for consideration in the AAMPO's 2021-2022 STBG project selection process.

ALTERNATIVES:

1. Approve a grant request of \$225,000 in bus capital funds from the Ames Area Metropolitan Planning Organization in STBG federal funds for the 2021-2022 year.
2. Approve a grant request for a board-directed dollar amount from the Ames Area Metropolitan Planning Organization in STBG federal funds for the 2021-2022 year.
3. Do not make a grant request for bus capital funds from the Ames Area Metropolitan Planning Organization in STBG federal funds for the 2021-2022 year.

RECOMMENDATION:

The Transit Director recommends approval of Alternative #1 to approve a request for \$225,000 in federal STBG federal funds from the AAMPO. Transit funds are an eligible item in the federal funding program and sources for new bus funding for CyRide are limited and for upgrading to articulated or electric buses even more scarce. This will allow the transit system to better manage its average fleet age or meet board initiatives for its fleet.

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: February 15, 2018

SUBJECT: Rate Setting - Fares

BACKGROUND: Below is background regarding CyRide's fare history, as well as action the Transit Board of Trustees have taken/are required to take to establish its fare structure.

Fare History - CyRide established its cash rate when it began service in 1976 at 50¢ per ride. Since that time CyRide has modified its fares five times over the last 42 years that it has been in operation, with varying successes, as detailed below.

- 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

Transit Board Action – The board will need to take two actions at the February 15, 2018 board meeting. First, it will need to formally establish its fares for the 2018-2019 budget year, which is an annual requirement based upon City of Ames' policy for inclusion in its city ordinance. This rate is typically addressed with budget discussions, as it has a direct impact on revenues that will support the next year's budget. Recently, the board considered a decision to lower these rates/revenue for the 2018-2019 budget year. As a result, action was delayed on its rate structure until the board had made a decision regarding its budget revenues. This action occurred on January 16, 2018, which included lowering fares to the \$1.00 equivalent rate structure that was in effect prior to 2012 (see attached rate sheet). With the 2018-2019 budget approval complete, the board will need to formally take action on these fare rates at its February meeting.

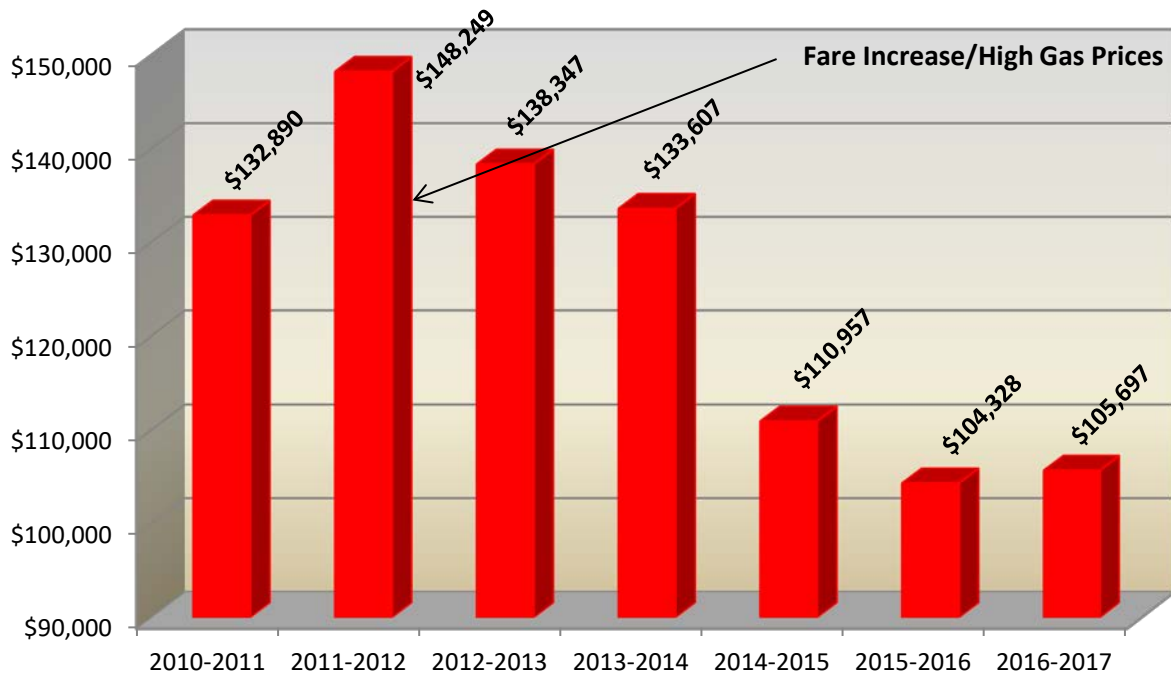
Second, The Transit Board will need to determine the effective date of the fare change, as CyRide's service changes do not coincide with the new fiscal year on July 1, 2018 (May or August 2018 service modifications). Pairing the fare reduction with the new CyRide 2.0 service changes was one of the main considerations of the change in an effort to provide an incentive to try or continue using CyRide's services under this new structure.

INFORMATION:

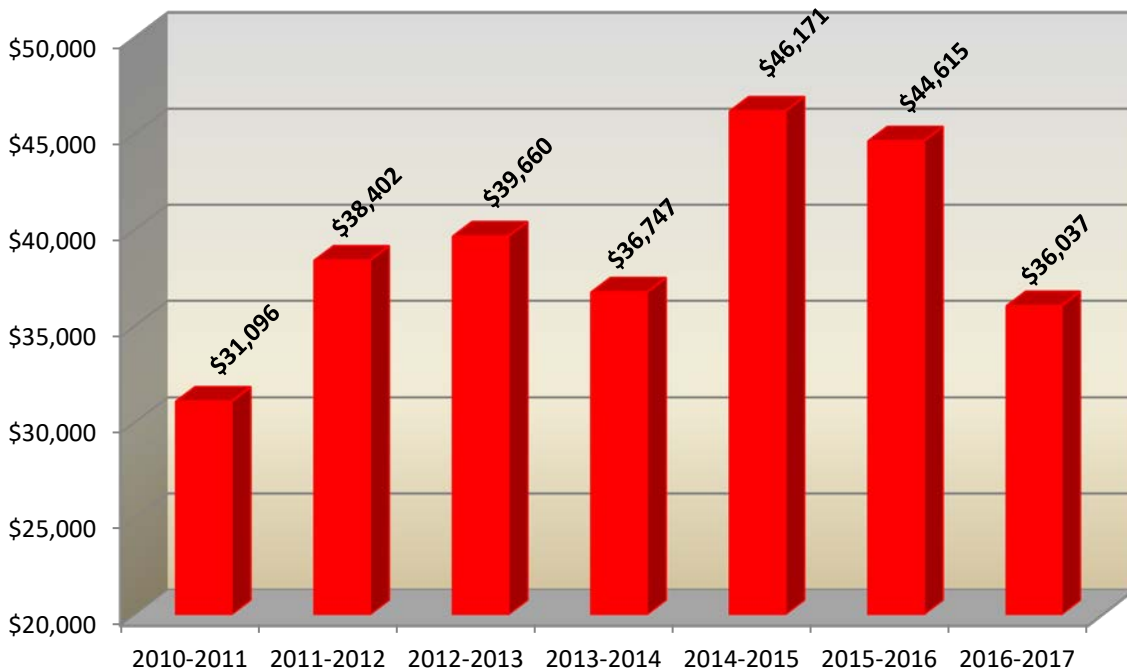
Cash/Ticket Rate Reduction

The following two charts provide a brief history of CyRide's fare revenue (cash, tickets) over the past seven years.

Cash Fare History



Ticket Fare History



In summary, total “fare” revenue has declined over the past seven years from \$163,986 to \$141,734 for a 13.5% decrease.

Effective Date

If the board formally approves the lower \$1.00 equivalent fare structure contained in the 2018-2019 board-approved budget (see attached rate setting sheets), it will also need to determine when to implement this change. One of the purposes of the fare decrease was to provide an incentive for non-student riders to return to/continue riding under its new CyRide 2.0 structure. With the CyRide 2.0 structure being implemented in two phases – May and August 2018 – before or after the start of the 2018-2019 fiscal year on July 2018, there are three possible implementation dates:

- **May 5, 2018** – With the summer CyRide 2.0 service changes
- **July 1, 2018** – Beginning of the new fiscal year
- **August 13, 2018** – With the fall CyRide 2.0 service changes

The impact of these three date choices is as follows:

May 5, 2018 – This option has a financial impact to the current budget (2017-2018), but would be the easiest for customers to understand and have the largest potential impact on the CyRide 2.0 service change success. CyRide estimates a loss of \$5,400 in cash, ticket and pass revenue for the remainder of the 2017-2018 budget year (May-June).

July 1, 2018 – There would be no financial impact, beyond the previously estimated \$45,000 in lost revenue over the course of the year, as presented to the board during the 2018-2019 budget discussions; however, there would be additional expenses in reprinting CyRide 2.0 educational materials, as the fare change would occur in the middle of the two implementation dates under this scenario. For example, staff is developing an East Ames Service Extension (EASE) brochure that includes its fare structure. Staff would need to print two versions – one with the higher fare structure for use beginning May 5 – June 30 and a second one for July 1 and beyond. It could create rider confusion over the summer and lose some of the positive impact it could have on building ridership under this new service structure.

August 13, 2018 – CyRide estimates that with a month and half at the higher fare and ten and half months at the lower fare, its lost revenue for the year, due to the fare reduction implemented on August 13th, would be \$1,200 less or \$43,800 instead of \$45,000.

ALTERNATIVES:

1. Approve lowering the 2018-2019 fare rates (cash and tickets) to the \$1.00 equivalent structure, effective May 5, 2018 in conjunction with the summer service changes, making these rates effective for the last two months of the 2017-2018 budget year (May 5, 2018 to June 30, 2018) and for the 2018-2019 budget year.

2. Approve lowering the 2018-2019 fare rates (cash and tickets) to the \$1.00 equivalent fare structure, effective July 1, 2018 with the beginning of the new fiscal/budget year.
3. Approve lowering the 2018-2019 fare rates (cash and tickets) to the \$1.00 equivalent structure, effective August 13, 2018 with the fall service changes.
4. Do not modify fares for the 2018-2019 budget year, leaving the current fare structure in place.

RECOMMENDATION:

The Transit Director recommends approving Alternative #1 in the 2018-2019 budget for the following reasons:

- The budget was approved with the lower fare structure
- Implementation of this change with the first CyRide 2.0 service change on May 5th will create less confusion, reduce printing costs and maximize this incentive to try or continue using CyRide's services.

Also, based on year-to-date revenues and expenses, the Transit Director anticipates at least a small budget savings at the end of the year. Therefore, the unanticipated lost revenue for the two-month period (May-June) to implement the fare change earlier than July 1st could be absorbed within the budget and should allow for a balanced closing balance at the end of the year.

AMES TRANSIT AGENCY BOARD OF TRUSTEES

RATE SETTING RESOLUTION 2018-1

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:

SECTION ONE – CyRide Rates Effective _____, 2018

Fixed Route Fares

\$ 1.00	Regular cash fare
\$.50	Reduced cash fare (K-12, Medicare, Medicaid, persons over 65, persons with a disability)
\$ 5.00	10-ride reduced fare ticket book (\$.50 per ride)
\$ 10.00	10-ride regular fare ticket book, (\$1.00 per ride)
\$ 35.00	Regular fare monthly pass.
\$ 17.00	Reduced fare monthly pass (Medicare, Medicaid, persons over 65, persons with a disability)
\$ 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.
\$ 120.00	Regular Fare Winter Pass. November to spring break. Price varies depending on date purchased.
\$ 60.00	Reduced Fare Winter Pass. November to spring break. Price varies depending on date purchased.
\$ 80.00	Regular Fare Summer Pass
\$ 40.00	Reduced Fare Summer Pass
\$ 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.
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
\$ 1.00	Fare for person not assisting passenger riding with ADA-eligible passenger is same fare as ADA-eligible passenger's

RATE SETTING RESOLUTION 2018-1

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Dial-A-Ride Fares

- \$ 2.00 Dial-A-Ride cash fare for passengers eligible under the ADA or HIRTA bucks equal to \$2.00.
- \$ 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.
- \$ 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
- \$ 2.00 Fare for person not assisting Dial-A-Ride passenger riding with DAR
free eligible passenger is same fare as Dial-A-Ride eligible passenger's fare
ISU students who are ADA eligible traveling within 3/4 mile of a fixed route operating at the time of the ride.

Miscellaneous Revenue

- \$ 86.00 Shop rate per hour
- \$ 86.00 Shuttle rate, as subcontractor, to other bus operators, one-hour minimum
- \$ 86.00 Shuttle rate for every hour after the minimum
- \$ Variable Fuel surcharge for shuttle service

Enacted this 15th day of February 2018

AMES TRANSIT AGENCY BOARD OF TRUSTEES:

BY: _____
Steven Valentino, President

CITY OF AMES, Iowa

MEMO TO: Ames Transit Board of Trustees

FROM: Sheri Kyras

DATE: February 15, 2018

SUBJECT: Rate Setting - Passes

BACKGROUND: Each year the Transit Board of Trustees considers its fare and pass rates in conjunction with the budget process; therefore, staff has prepared information in this report regarding its passes to support the 2018-2019 budget.

The board will need to take two actions at the February 15, 2018 board meeting. First, it will need to formally establish its pass rates for the 2018-2019 budget year, which is an annual requirement based upon City of Ames' policy for inclusion in its city ordinance. This rate is typically addressed with budget discussions, as it has a direct impact on revenues that will support the next year's budget. Recently, the board considered a decision to lower these rates/revenue for the 2018-2019 budget year. As a result, action was delayed on its rate structure until the board had made a decision regarding its budget revenues. This action occurred on January 16, 2018, which included lowering fares to the \$1.00 equivalent rate structure that was in effect prior to 2012. With the 2018-2019 budget approval complete, the board will need to formally take action on these pass rates at its February meeting.

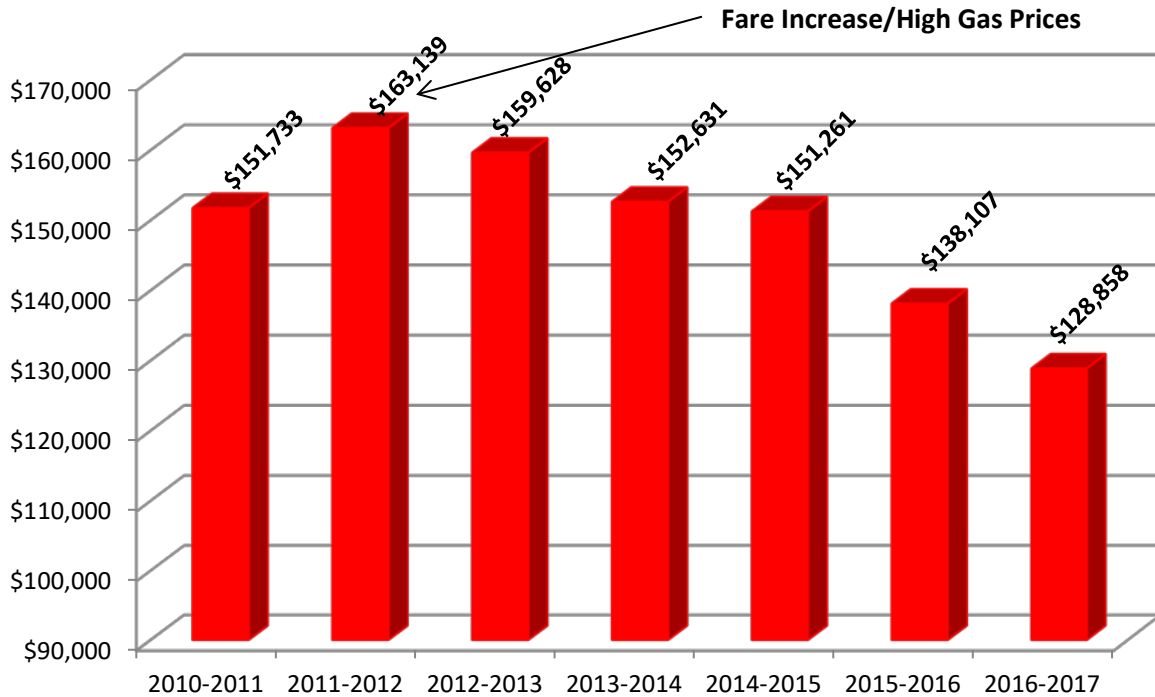
Second, The Transit Board will need to determine the effective date of the pass rate change, as CyRide's service changes do not coincide with the new fiscal year on July 1, 2018 (May or August 2018 service modifications). Pairing the fare reduction with the new CyRide 2.0 service changes was one of the main considerations of the change in an effort to provide an incentive to try or continue using CyRide's services under this new structure.

INFORMATION:

Pass Rate Reduction

The following chart provides a brief history of the CyRide's pass revenue over the past seven years.

Pass Revenue History



In summary, pass revenue is 21% lower than 2011-2012 when the fares were increased and fuel prices were higher, both of which incentivize using public transportation.

Effective Date

If the board formally approves the lower \$1.00 equivalent fare structure contained in the 2018-2019 board-approved budget (see attached rate setting sheets), it will also need to determine when to implement this change. One of the purposes of the fare decrease was to provide an incentive for non-student riders to return to/continue riding under its new CyRide 2.0 structure. With the CyRide 2.0 structure being implemented in two phases – May and August 2018 – before or after the start of the 2018-2019 fiscal year on July 2018, there are three possible implementation dates:

- **May 5, 2018** – With the summer CyRide 2.0 service changes
- **July 1, 2018** – Beginning of the new fiscal year
- **August 13, 2018** – With the fall CyRide 2.0 service changes

The impact of these three date choices is as follows:

May 5, 2018 – This option has a financial impact to the current budget (2017-2018), but would be the easiest for customers to understand and have the largest potential impact on the CyRide 2.0 service change success. CyRide estimates a loss of \$5,400 in cash, ticket and pass revenue for the remainder of the 2017-2018 budget year (May-June).

July 1, 2018 – There would be no financial impact, beyond the previously estimated \$45,000 in lost revenue over the course of the year, as presented to the board during the 2018-2019

budget discussions; however, there would be additional expenses in reprinting CyRide 2.0 educational materials, as the fare change would occur in the middle of the two implementation dates under this scenario. For example, staff is developing an East Ames Service Extension (EASE) brochure that includes its fare structure. Staff would need to print two versions – one with the higher fare structure for use beginning May 5 – June 30 and a second one for July 1 and beyond. It could create rider confusion over the summer and lose some of the positive impact it could have on building ridership under this new service structure.

August 13, 2018 – CyRide estimates that with a month and half at the higher fare and ten and half months at the lower fare, its lost revenue for the year, due to the fare reduction implemented on August 13th, would be \$1,200 less or \$43,800 instead of \$45,000.

ALTERNATIVES:

1. Approve lowering the 2018-2019 pass rates to the \$1.00 equivalent structure, effective May 5, 2018 in conjunction with the summer service changes, making pass rates effective for the last two months of the 2017-2018 budget year (May 5, 2018 to June 30, 2018) and for the 2018-2019 budget year.
2. Approve lowering the 2018-2019 pass rates to the \$1.00 equivalent fare structure, effective July 1, 2018 with the beginning of the new fiscal/budget year.
3. Approve lowering the 2018-2019 pass rates to the \$1.00 equivalent structure, effective August 13, 2018 with the fall service changes.
4. Do not modify fares for the 2018-2019 budget year, leaving the current fare structure in place.

RECOMMENDATION:

The Transit Director recommends approving Alternative #1 in the 2018-2019 budget for the following reasons:

- The budget was approved with the lower fare structure
- Implementation of this change with the first CyRide 2.0 service change on May 5th will create less confusion, reduce printing costs and maximize this incentive to try or continue using CyRide’s services.

Also, based on year-to-date revenues and expenses, the Transit Director anticipates at least a small budget savings at the end of the year. Therefore, the unanticipated lost revenue for the two-month period (May-June) to implement the fare change earlier than July 1st could be absorbed within the budget and should allow for a balanced closing balance at the end of the year.

AMES TRANSIT AGENCY BOARD OF TRUSTEES

RATE SETTING RESOLUTION 2018-2

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 – CyRide Rates Effective _____, 2018

REDUCED FARE PASSES

2018 SUMMER REGULAR PASS

PURCHASE DATE	Expiration Date	Price
Friday, April 27, 2018 – Friday, August 31, 2018	August 31, 2018	\$40.00

2018 FALL REGULAR PASS

PURCHASE DATE	Expiration Date	Price
Monday, August 6, 2018 – Friday, September 14, 2018	December 31, 2018	\$65.00
Saturday, September 15, 2018 – Friday, December 7, 2018	December 31, 2018	\$50.00

2018/19 SCHOOL YEAR REGULAR FARE PASS

PURCHASE DATE	Expiration Date	Price
Monday, August 6, 2018 – Friday, September 14, 2018	June 1, 2019	\$130.00
Saturday, September 15, 2018 – Friday, December 7, 2018	June 1, 2019	\$115.00
Saturday, December 8, 2018 – Friday, February 15, 2019	June 1, 2019	\$65.00
Saturday, February 16, 2019 – Friday, May 31, 2019	June 1, 2019	\$50.00

2018/19 WINTER REGULAR FARE PASS

PURCHASE DATE	Expiration Date	Price
Saturday, November 3 – Friday, December 7, 2018	March 22, 2019	\$60.00
Saturday, December 8, 2018 – Friday, February 15, 2019	March 22, 2019	\$40.00

REGULAR FARE PASSES

2018 SUMMER REGULAR PASS

PURCHASE DATE	Expiration Date	Price
Friday, April 27, 2018 – Friday, August 31, 2018	August 31, 2018	\$80.00

2018 FALL REGULAR PASS

PURCHASE DATE	Expiration Date	Price
Monday, August 6, 2018 – Friday, September 14, 2018	December 31, 2018	\$130.00
Saturday, September 15, 2018 – Friday, December 7, 2018	December 31, 2018	\$100.00

2018/19 SCHOOL YEAR REGULAR FARE PASS

PURCHASE DATE	Expiration Date	Price
Monday, August 6, 2018 – Friday, September 14, 2018	June 1, 2019	\$260.00
Saturday, September 15, 2018 – Friday, December 7, 2018	June 1, 2019	\$230.00
Saturday, December 8, 2018 – Friday, February 15, 2019	June 1, 2019	\$130.00
Saturday, February 16, 2019 – Friday, May 31, 2019	June 1, 2019	\$100.00

2018/19 WINTER REGULAR FARE PASS

PURCHASE DATE	Expiration Date	Price
Saturday, November 3 – Friday, December 7, 2018	March 22, 2019	\$120.00
Saturday, December 8, 2018 – Friday, February 15, 2019	March 22, 2019	\$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 16th day of February 2018.

AMES TRANSIT AGENCY BOARD OF TRUSTEES

By: _____
Steven Valentino, President

Transit Director's Report

February 2018

1. CyRide 2.0 Marketing Launch

Staff has been working with a marketing firm to design educational materials for the public regarding its CyRide 2.0 service changes to be implemented later this year. These materials will direct customers to CyRide's website for full information regarding the changes. To date, the following has been completed by the firm.

- CyRide 2.0 Logo
- Website design

With the fare reduction approved in the budget, and with action to be taken at the February meeting on formally approving the fare change, the firm will begin incorporating this new information into the remaining materials to be developed.

- Exterior bus advertisements
- Interior bus signage
- Hangtags in the buses for customers to take
- Campaign to educate customers to choose non-busy trips

It is anticipated that these materials will be completed and ready for public release on March 1, 2018. This date has been selected as the "launch date" for the public campaign to begin educating the public. This will be accomplished through the following media outlets.

- Press Release
- City of Ames Newsletter – *City Side*
- Website Email Notifications
- Twitter
- Facebook
- Request KASI interview

Staff has, and will continue to reach out to groups to provide information on the service changes. To date, staff has met with the Towers Residence Hall group, breakfast club, Human Services Council, Chamber meeting with small group of businesses and the Engaging International Spouses, Scholars & Students group. Upcoming presentations include the Cyclone Action Club and Transportation Collaboration Committee.

2. Report of Bids – New Turnaround at Wallace/Wilson Residence Hall

Bids were received on Wednesday, January 31, 2018 for the turnaround at the Towers Residence Hall. The construction portion of the turnaround was estimated to be \$181,000.

Ten bids were received as follows:

Firm	Bid
Shekar Engineering	\$172,410.00
Manatts, Inc.	\$173,739.25
Construct	\$174,798.00
Caliber Concrete LLC	\$175,344.40
JDA Construction	\$176,114.00
Concrete Connection LLC	\$178,003.50
Jensen Builders	\$179,700.00
Day Construction	\$184,027.60
Absolute Concrete, Inc.	\$199,072.95
Synergy Contracting LLC	\$236,253.00

The low bid was received from Shakar Engineering and was under the original cost estimate. Iowa State’s Facilities Planning & Management staff will be awarding to, and scheduling a pre-construction meeting with the low bidder, with construction planned to begin at the end of the spring semester and be complete by August 1st.

3. Bus and Bus Facilities Grant Application Update

Grant applications for the federal program called, “Bus and Bus Facilities,” for the purchase of new buses, were due last July and CyRide was included in the Iowa DOT’s application for a total of five new buses. Typically awards are made within 3 – 4 months; however, announcements have not been made as of this date. In a recent industry conference call, staff learned that the Federal Transit Administration received 10 times the amount of requests as can be funded under the program. As a result, they are considering combining the current program’s funding with next year’s funding into one award (since they are late in awarding the grants), so that more of the projects can be receive funding. If this is the case, CyRide would not have an opportunity to submit a facility grant request for this funding program until 2020. Staff’s understanding is that the political process will dictate if this two-year funding into one award will happen.

This will also delay the 2016-2017 “above 10% closing balance” board discussion as \$102,500 of this balance has been committed to this grant application through previous board actions.

4. Facility Study Update

Staff had planned on presenting preliminary information regarding the four facility expansion options (listed below) at the February board meeting; however, staff and its Architectural firm have not proceeded far enough into this evaluation to present the results of this analysis. Staff anticipates including this on the March 2018 meeting’s board agenda.

- **Option 1** – Current site plus Brookside Park for employee parking, assuming no growth in its fleet/operations (95 buses)
- **Option 2** – Two permanent locations with the second site located within ½ mile of CyRide’s current site, growth assumed in fleet/operations (125 buses)
- **Option 3** - Two permanent locations with the second site located more than ½ mile from CyRide’s current site, growth assumed in fleet/operations (125 buses)
- **Option 4** – Second site large enough that CyRide could expand as needed at this site, with the goal of consolidating all operations at the new site in the future, growth assumed in fleet/operations (125 buses)

5. Bus Hoist Plans & Specifications

CyRide’s A & E firm is in the process of developing plans and specifications for CyRide’s bus hoist replacement project contained in the current year of the Capital Improvement Plan (CIP). The budget for this project is \$506,261. The plans and specifications will be presented to the City Council for approval on February 27, 2018, with bids due at the end of March. Once bids are received, CyRide will request board approval, prior to action being taken by the Ames City Council.

March

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
				1	2	3
4	5	6	7	8	9	10
11	12 Spring	13	14	15	16 Break	17
18	19	20	21	22 Transit Board Meeting 3:30pm	23	24
25	26	27	28	29	30	31
		Future Bd. Meetings: April 19 @ 3:30pm and May 29 @ 3:30pm		2018		