

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

April 11, 2019

The Ames Transit Agency Board of Trustees met on April 11, 2019 at 4:15 p.m. in CyRide's Conference room. President Bibiloni called the meeting to order at 4:19 p.m. with Trustees Cain, Jeffrey, Nelson, Schainker, Bibiloni and Schrader present.

Public in Attendance: Sarah Lawrence, ISU Facilities Planning & Management, John Grzywac with Central Iowa Transit (CIT), and Peter Hallock, Ames Resident.

Approval of March 12 and 15, 2019 Minutes: Trustee Jeffrey made a motion to adopt the March 12 and March 15, 2019 transit board minutes as presented. Trustee Cain seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

Public Comments: Interim Director Neal recognized Jon Grzywac, with CIT, who addressed the transit board and said he distributed an email to the transit board members and said he would like to come to a compromise and requested the transit board give him a month's extension to provide him the opportunity to work through negotiation for a win/win solution. He said he spoke with Adam Schildge, the Director of Policies with the Federal Transit Administration Budget office, and he provided him with some encouraging news that would give him more time to create an arrangement that would benefit CIT, Central Iowa Transit, and CyRide.

State Grant & Public Transit Infrastructure Grant (PTIG) Grant Application: Interim Director Neal said CyRide submits a State of Iowa Public Transit Infrastructure Grant (PTIG) application each year to the Iowa IDOT, Iowa Department of Transportation, for capital and operating needs for the 2019-2020 budget year. She asked Shari Atwood, Transit Planner, who prepares the grant application, to provide a brief overview of the contract.

Ms. Atwood explained the grant is due May 1 and CyRide is asking for four different types of funding. CyRide is requesting State Operating Assistance in the amount of \$808,075. The State of Iowa collects 4% of new vehicle registrations as the source for operating assistance. About 5.48% of CyRide's total budget comes from State Operating Assistance. The second operating assistance request is for Federal Section 5310 Elderly and Disabled Funding in the amount of \$150,000. This funding is used for CyRide's Dial-A-Ride or ADA contract with HIRTA. \$117,676 of 5310 money will go towards the ongoing annunciator project for CyRide. The third type of funding is the Federal 5339 Discretionary Grant. This type of funding comes through formula dollars through the Iowa Department of Transportation. The State of Iowa uses a process called PTMS that assigns a rank to buses throughout the state. The highest ranked buses get replaced first. CyRide has eight buses that are highly ranked. The federal share to replace the buses is \$3.3 million. The last project is a Public Transit Infrastructure Grant project for replacing HVAC equipment in the bus wash and shop areas for \$521,098. In summary,

the total operating request is \$958,075 and the total capital is \$3,993,214 for a total State Grant application of \$4,951,289.

The only funding CyRide is guaranteed or assured of receiving is State Operating Assistance funding and \$267,676 in 5310 Elderly and Disabled funding. The HIRTA contract accounts for \$150,000 in 5310 funding and the other \$117,676 will be used for annunciators. The Iowa DOT will decide if the Discretionary Grant and PTIG projects are funded or not.

The State Operating Assistance and the 5310 Elderly and Disabled Funding (including the annunciators) are already built into the budget. The PTIG project is identified in the capital plan and identified at \$750,000 (\$600,000 federal and \$150,000 local match). CyRide completed an independent cost study for the PTIG HVAC project grant application, which came in at \$661,373 requiring a local match of \$130,275. This amount was substantially lower than what was built into the capital plan. There are five separate areas for the HVAC improvement project shown in the transit board packet. CyRide applied for the bus wash HVAC equipment last year, but was given less money to fund the entire bus wash project. Therefore, CyRide took bus wash area HVAC equipment out of this year's project and is reapplying for funding for that area so that it can be replaced with next year's project.

The last project is Section 5339 discretionary grant bus funding. It will not be known until next year if replacement buses are approved for funding. CyRide has quite a few buses at the top of the PTMS list, but cannot speculate whether CyRide will receive funding for them.

Trustee Cain asked a question if operating assistance was similar to last year and Interim Director Neal said last year State Operating Assistance was \$805,748 and CyRide's state grant application submitted was little over \$5 million. Shari Atwood explained the State operating assistance does fluctuate from year to year and Trustee Cain asked why. Ms. Atwood said it is based on how many new vehicles registrations there are in the State of Iowa. Ms. Atwood believed CyRide had \$800,000 in the budget as this figure is based on past vehicle registrations. CyRide staff does not know what that figure will be from year to year. Interim Director Neal said it was approximately \$3,000 higher than last year.

Interim Director Neal said we are recommending approval of the FY2020 State Grant application to the Iowa Department of Transportation subject to public hearing comments that address requested state funding.

Trustee Nelson made a motion to approve the FY2020 State Grant Application subject to public hearing comments that address requested state funding. Trustee Jeffrey seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

FY2019 Low and No Emission Grant Program Application – Electric Buses: Interim Director Neal told the transit board on March 18, 2019 the federal government released its 2019 round of Low and No Emission grant applications that are due May 14, 2019. During the

February 14, 2019 transit board meeting, staff was directed to draft a Low and No Emission grant application for two electric buses, facility modifications and supporting equipment. The Board directed staff to come back with a final budget and how CyRide would fund a \$400,000 local match if CyRide does not receive the Volkswagen Settlement Grant.

Interim Director Neal said detailed information regarding this directive is provided in the transit board packet. She turned the discussion over to Transit Planner, Shari Atwood, who worked with developing the Low No grant.

Ms. Atwood touched on the changes in the grant application between the February transit board meeting and today's meeting. The first change was to make the Federal grant application more competitive by utilizing the VW grant to increase the local share. The justification for this was because last year there were 588 submissions for the Low or No Emission Grant, out of which 130 projects were highly recommended to be funded. Of the 130 highly recommended projects, only 52 projects were actually funded. So, only about 40% of the projects that were highly recommended were funded. CyRide may have a good project and it may not be funded. Anything that we can do to strengthen our application by reducing the Federal share, the better off CyRide's submission will be.

In the final budget recommendation, the Volkswagen share was increased to make it more competitive. Consultant costs were increased by \$25,000 to complete the Request for Proposal (RFP) to select a bus manufacturer as staff agrees we should not name one, but do a competitive bid process. From that change, CyRide's share of \$87,920 is now \$95,620. Documentation shows that the transit board committed the \$100,000 but following our review, we did not see in the motion the \$100,000 local match committed in the February board meeting. Therefore, staff is asking for the full local match commitment in today's board meeting.

The third change was the transformer, which was listed as part of the CyRide local share in the grant budget. Since the City of Ames Electric Department will be funding this and considered an in kind local share, they will be mentioned as a project partner within the grant, which strengthens the grant.

Another change was in the bus specifications. The specifications were revised and the price is now \$805,000 instead of \$800,000 previously listed.

Without any questions on the changes in the budget, she moved on to how CyRide could fund the local share. With the VW grant at \$360,000/17% and CyRide at \$95,620/4%, together the amount that CyRide has to commit is \$455,620. Staff has identified three areas that we can provide the local match amount pending the outcome of the VW grant. The first is within the Capital Plan. From staff's perspective, projects could be delayed or eliminated based on board priorities. This option would equal \$800,000 per year. This could potentially free up \$1.6 million to support the local match necessary for the battery electric project. This is a possibility, but one staff does not

recommend, due to limited dollars available to support current capital improvement projects at CyRide.

The other area that we could find funding is with the 5307 Apportionment. CyRide's allocation increased over CyRide's budgeted amount by \$406,365 in the current budget year. Additional dollars were received from the STIC amount rising from 1.5% to 2.0%. Staff also estimates an additional \$150,000 in STIC dollars would be available in the 2019-2020 year, for a total of \$556,365 as a possible funding source.

The final place funding could come from is the closing balance. The amount above the required 10% is currently \$647,880. The transit board has committed \$22,500 of this amount to the Director's recruitment. Director Kyras had included an additional \$100,000 at the February board meeting; however, this amount was not included in the motion and needs formal board approval. Therefore, this would leave \$625,380 as a possible local funding source for the electric bus project.

After the grant application is submitted, staff can come back to the board and finalize the entire local match, based on the outcome of the current VW Settlement grant. Additionally, there will be two more rounds of VW Settlement grants. We could apply for one round anticipated in January 2020. If we do not receive it, we could submit in January 2021. The request is for \$360,000 and cap on the grant is \$500,000.

The other area that CyRide could request is the DERA (Diesel Emission Reduction Act) funding administered by the State of Iowa. Des Moines DART received \$378,000 in the budget year for 2017-2018.

Interim Director Neal recommends Alternative #1, approve up to \$455,620 in local match, if needed, for a FY2019 Low or No Emission Grant for an electric bus project and direct staff to submit an application for \$1,660,180 in federal funding.

Motion by Trustee Jeffrey to approve up to \$455,620 in local match, if needed, for a FY2019 Low or No Emission Grant for an electric bus project and direct staff to submit an application for \$1,660,180 in federal funding. Trustee Schrader seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

Intermodal Facility Tenant Lease – Executive Express: Interim Director Neal said the Executive Express lease was fundamentally the same as the changes approved to the Jefferson Lines lease approved in the March board meeting. The new five year lease agreement includes: addition of the Producer Price Index increase, the addition of prohibiting travel on Arbor Street, contract reference date, contract start and expiration dates that reflects a five year lease agreement beginning June 30 of 2019 through June 30, 2024, removal of current Director's name as CyRide contact person and correcting CyRide's address.

Interim Transit Director recommended approval of Alternative #1 to enter into a five-year contract with Executive Express for space within the Ames Intermodal Facility.

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

Operational Contract with CIT Signature Transportation: Interim Director Neal said that during the March transit board meeting, the transit board tabled the motion and directed Transit Director Sheri Kyras and Asst. Director of Operations, Barbara Neal, to speak with Ames Conventions and Visitor Bureau, ACVB, CEO Julie Weeks, about partnering with CyRide and finding the budget deficit necessary to continue the CIT contract. Interim Director Neal said they spoke with CEO Ms. Julie Weeks, and the ACVB was not able to financially support CIT. There were no short or long term benefits for the ACVB or its events to make this financial commitment. Interim Director Barbara Neal recommended Alternative #1 to not contract with CIT for # 21 Cardinal route for next year and direct CyRide to operate the service.

Trustee Nelson asked if there was any reason they couldn't delay the decision on the #21 Cardinal route contract until next month's transit board meeting. Interim Director Neal stated no; however, a decision would need to be made at the next board meeting.

Trustee Nelson made a motion to delay action on the CIT contract for the #21 Cardinal Route for the next school year until the May 9, 2019 transit board meeting. Trustee Jeffrey seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

CyRide Bus Lifts Replacement Project Close-Out: Interim Director Neal stated CyRide used State of Iowa grant money with a project that started in June and completed in September to replace three in-ground lifts.

Rich Leners, Asst. Director of Fleet and Facilities, said this was good project and it originally called for the replacement of two lifts in the maintenance area. The low bid was submitted by Henkel Construction and was favorable, allowing CyRide to add the alternative to replace a third lift. The project had some delays due to the replacement of some defective parts, but not because of Henkel Construction. With three change orders, the net result was a contract deduction of \$1,047.35. The lifts are working and CyRide staff is satisfied and ready to close out the project.

Trustee Nelson made a motion to accept final completion and approve the release of retainage in the amount of \$23,635.14 to Henkel Construction Company for the CyRide Bus Lifts Replacement Project. Trustee Jeffrey seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

American Public Transit Association "Get on Board Day: Interim Director Neal introduced the American Public Transit Association's annual Get on Board Day to increase awareness of public transit. CyRide staff would like to promote increasing community ridership and

encourage residents to try CyRide 2.0 for free. This event would be marketed through press releases, public relations message, website and social media presence, and free rides on all routes on April 25. The cost estimate of eliminating fares would be approximately \$400 in lost farebox revenue.

Interim Transit Director recommended approval of Alternative #1 to promote Get on Board Day on April 25 with educational activities and the elimination of fares at a cost of approximately \$400.

Trustee Schainker made a motion to promote the national Get on Board Day on April 25 with educational activities and the elimination of fares for one day at cost of approximately \$400 in lost farebox revenue. Motion was seconded by Trustee Cain. (Ayes: Five. Nays: None.) Motioned carried.

Transit Director's Report:

- 1) Washington DC Trip Recap:** Interim Director Neal recapped Director Kyras' information from her trip. Small transit intensive cities that receive STIC money are requesting support from the new Transportation Reauthorization bill, to increasing STIC program funding from 2% to 3%. CyRide's funding was increased from 1.5% to 2% which increased our funding by \$300,000. If the new Transportation Reauthorization bill passes CyRide could receive close to \$3,000,000 in federal support. Another issue was the Employee Protection Act that calls for physical barriers to be placed between the bus driver and customers to avoid assaults. This is led by the ATU Union (Amalgamated Transit Union. APTA (American Public Transit Association) and CyRide are not in support of this issue.

The Federal Philosophy/Goal. Under current federal funding programs, Formula 5307 funding can be used for operating and/or any capital purpose and Discretionary 5309 funds can be used for all types of capital projects. The new philosophy and goal is to make the Formula 5307 funds for operating and smaller capital projects and the Discretionary 5339 for large "facility" projects only. This could be detrimental to CyRide.

Interim Director Neal will be working on priorities and talking points to send with the Ames Chamber to express CyRide's positions on these topics when they go to the Capitol, in May.

- 2) Ames Middle School Turnaround Reconstruction Bid:** Interim Director Neal asked Asst. Director Fleet and Facilities, Rich Leners, to expand on this. He said at the conference call board meeting in March that an issue had come up with CyRide being able to modify the Middle School turnaround because Ames Community School did not sign a Quit Claim Deed for the property. The City of Ames Legal department is working to resolve this issue so CyRide can move forward.
- 3) Ridership Update:** Interim director Neal reported that February ridership was comparable to the previous year, with ridership continuing to trend downward of 1.2%. The biggest decline is in west Ames area, with a decrease of approximately 10.3%. Four other routes were up approximately 4.7% combined compared to the previous February. Trustee

Schrader asked if we knew why ridership was down in West Ames. Trustee Cain said Iowa State University stopped renting from the developers and that could be correlated as to why the Orange route is up at the commuter lot.

Interim Director Neal said staff wants to examine ridership and see why it is trending down, particularly in the West Ames area to see if there are opportunities to slow the downward trend. Currently, CyRide does not have an answer, but would like to spend some time evaluating the decrease in the ridership from West Ames to determine if opportunities exist to change this trend. She asked if Trustee Cain and the university could assist in sharing information on ISU student occupancy in this area to better understand the decline. Trustee Cain stated they could possibly assist.

Next Meeting Dates/Times:

- May 9, 2019 – 4:15 pm
- June 13, 2019 – 4:15 pm
- July 11, 2019 – 4:15 pm

Adjourn: Trustee Schrader made a motion to adjourn the meeting. Trustee Jeffrey seconded the motion. The meeting was adjourned at 5:02 P.M. (Ayes: Five. Nays: None.) Motion carried.

Juan Bibiloni, President

Joanne Van Dyke, Recording Secretary