

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

December 20, 2019

The Ames Transit Agency Board of Trustees met on December 20, 2019, at 11:15 a.m. in CyRide's Conference room. President Bibiloni called the meeting to order via conference call at 11:23 a.m. with Trustees Cain, Nelson, Schrader, and Schainker present. Absent: Trustee Jeffrey.

APPROVAL OF NOVEMBER 14, 2019 MINUTES: Trustee Schainker made a motion to adopt the November 14, 2019, minutes as presented. Trustee Cain seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

Public in Attendance: Sarah Lawrence and Cathy Brown with ISU Facilities Planning & Management, and, Bronwyn Beatty-Hansen, Mayor Council transit board appointee January 1, 2020.

RECOGNITION OF OUTGOING TRANSIT BOARD MEMBER: Vice President Schrader recognized Trustee Nelson for his time as a valuable member of the Ames Transit Agency Board of Trustees. Trustee Nelson's insight and knowledge has helped guide the Transit Board through several challenging projects and his support will be missed.

PUBLIC COMMENTS: None.

STORY COUNTY MEDICAL CENTER MOU RENEWAL: Director Neal received an email from the Story County Medical Center requesting to renew the Memorandum of Understanding (MOU) in the event of an emergency. The previous MOU on file expired July 31, 2019. The Memorandum of Understanding has been reviewed by the City of Ames Legal department and is not considered a legally binding contract.

Transit board members asked for additional details about the agreement. Director Neal explained that in the event of an emergency, CyRide would transport approximately 60 ambulatory patients from two facilities in Nevada to Ames or within a 30 mile radius of Ames.

Trustee Schainker made a motion to approve the Memorandum of Understanding with Story County Hospital for emergency transportation services. Trustee Schrader seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

CORRECTED 2020-2021 RATE SETTING RESOLUTION - FARES: Director Neal explained two corrections for the 2020-2021 Rate Setting Resolution for Fares adopted by the Transit board on November 14, 2019. She clarified, effective January 1, 2020, HIRTA bucks will no longer be used as a fare on the Dial-A-Ride service, due to a change in the value of

HIRTA bucks. Going forward, Dial-A-Ride customers may use cash or CyRide's yellow tickets, which are valued at \$1.00 each, and may be used on Fixed Route service. This change provides more flexibility for passengers.

The second requested modification is to the \$6.00 fare for ADA para-transit services that are $\frac{3}{4}$ of a mile from the fixed route or anything east of the Skunk River. HIRTA is not currently charging customers this fare, which was previously implemented when the service was contracted with another service provider. It should be updated to reflect the \$2.00 per ride for trips within the City of Ames.

Trustee Schainker made a motion to approve the corrected 2020-2021 Rate Setting Resolution for Fares to reflect changes to the Dial-A-Ride fare structure section from the previously approved 2020-2021 rate structure. Trustee Nelson seconded the motion. (Ayes: Five. Nays: None.) Motion carried.

FY20-21 BUDGET: Director Neal said based on the Intergovernmental Agreement between Iowa State University, Student Government, and the City of Ames, the transit board is required to approve a budget by January 21st of each year. Staff put together proposals for consideration that support the goal of connecting people to the community by providing safe and efficient transportation. A strategic approach was used in the budget development process that incorporates restoring the reserves of the Student Government Trust Fund, addressing declining ridership, using grant opportunities to explore technology to gain operational efficiency, and offering training and development for all levels of staff to aid in succession planning.

Director Neal indicated the current fiscal year revenues were approved in the budget in January 2019, with an increase of 4.6%. She explained the revenue sources, and with the timing of the receipt of some of these funds, skews year-to-date revenue comparisons of the same time last year. Taking into account the timing of the receipt of the State of Iowa funds, budget revenues are close to the adopted amounts, with the exception of fare revenues which are down 1.8%.

Director Neal summarized the budgeted expenses for the current fiscal year and provided a comparison of the expenses over the last year at this time. Wages and benefits have risen 4.4%, mainly because of the union contract increasing on-call pay from \$1.00 to \$5.00 and an increase in sick leave usage. Commodity expenses, including fuel, parts, lubricants, and other commodities are up by 11.8%. This increase reflects unanticipated repairs for fleet and facilities equipment failures. Contractual services increased slightly due to executive recruiting services that were utilized and additional training for staff to meet upcoming federally mandated FTA regulations. Director Neal explained current overall expenses are up by .5% compared to one year ago. This increase is less than the 3.2% increase adopted in the current budget.

Director Neal reviewed the three reserve funds CyRide maintains: the operations fund, capital reserve fund, and the Student Government Trust Fund. She clarified how they are utilized for financial stabilization. She explained that the goal is to maintain an operations fund closing balance of 7.5%-10% for cash flow and unanticipated needs. Further, the capital reserve fund can be used to fund the purchase of rolling stock and improvements to the facility. Lastly, the Student Government Trust Fund (SGTF) can be used to stabilize contributions from the Student Government (SG) to CyRide's operating budget. The SGTF balance fluctuates based on ISU enrollment, SG approved fees, and service levels. Director Neal shared that while the operations fund closing balance and the capital reserve fund are ending the year within the desired parameters, the Student Government Trust Fund is projected to fall short of their balance goal of \$500,000. The projected balance will be of \$410,704. She reviewed the impact that three years of declining enrollment has had on the fund and said CyRide has identified and invested two years of ICAPP grant dollars in the amount of \$464,178 to assist with rebuilding the fund balance to its current projected balance. It was also noted that the proposed budget reflects a transfer of \$1,295,620 to the capital fund for bus purchases, facility improvements, and equipment. This amount is reflected in the anticipated closing balance and accounts for the local shares that will be due for grants for the battery electric buses, minibuses, and the HVAC project.

Director Neal explained the Capital Improvement Plan is a planning document for the next five years. It is incorporated into the overall budget request that is developed based on the priorities of rolling stock, facility improvements, shop and office equipment, and technology. A summary of the upcoming bus purchases and the local share which CyRide is responsible for was provided. It was pointed out that the local share for the battery electric buses is dependent on the results of the 2020 Volkswagen Grant and is unknown at this time. Other capital improvements for the FY 2020/21 include replacing a support vehicle, rehabbing vehicles with corrosion, HVAC replacement, bus and facility technology, bus stop improvements, and shop and office equipment. Director Neal stated the remaining four years of the Capital Improvement Plan are summarized in the board packet.

Director Neal stated the proposed FY 2020/21 baseline budget is 0.3% less than the current year and includes modification to the #3 Blue Route. The budget options are listed as baseline plus the corresponding option numbers and detail the local funding partner cost, including the share in dollars and percentages for each of the funding partners.

A lengthy discussion was held about option 2, which adds additional trips past Ames High School in both the morning and afternoon to provide direct service for students as requested by Ames High parents and Ames School District administrators. The board discussed the status of the Student Government Trust Fund to determine if any service increases could be supported with both the Student Government Trust Fund balance and enrollment declining. Trustees Schrader and Schainker asked what the Student

Government fee amount would need to be if both option 1 and 2 were selected. Director Neal explained that the funding partner percentage for Baseline Plus option 1 and 2 would increase to 3.2%. The additional service on #14 Peach's baseline of 40 minute service, to add 20 minute morning service and #2 Green's additional trips past Ames High School. Trustee Schainker stated that if the per student fee was not increased enough, it would further decrease the balance in the Student Government Trust Fund to cover the increase in percentages from each funding partner if option 1 or 2 was funded. The board continued to talk through different scenarios of fee increases and funding partner percentages and how it might impact the Student Government Trust Fund. Trustee Schainker added that a long-term plan needs to be developed to address the declining Student Government Trust Fund. Director Neal said that if enrollment at ISU continues to decline and the current service level was maintained the student fee increases in future years would need be substantial. However, operations staff has been working on ways to reduce expenses by increasing efficiency, eliminating extra buses that help routes, and reducing the number of drivers needed by utilizing articulated buses. Neal also added that more efficiency needs to be investigated and presented to the board but they need to be thorough and thoughtful to not jeopardize future federal funding levels.

Trustee Schrader made a motion to approve the budget baseline 2.2% local funding partner increase including the capital plan. Motion seconded by Trustee Schainker. (Ayes: Five. Nays: None.) Motion carried.

TRANSIT DIRECTOR'S REPORT:

- 1) Burlington Trailways notified CyRide they were no longer serving Ames due to low ridership.
- 2) CyRide was the recipient of the Bus and Bus Facilities Grant Award from the State of Iowa, receiving an award for 6 new minibuses.
- 3) Staff recently attended training for our FTA Triennial Review, which will be May 5 and 6, 2020.
- 4) First Quarter Operations Report shows ridership is down and miles per preventable accidents are up. A full report is available in the board packet.
- 5) City Council changed the term appointments for the City Council member on the Ames Transit Agency Board of Trustees to have calendar year expirations.
- 6) Update on Facility Improvement Projects.
 - a) CyRide HVAC Improvements
 - b) 2019 Bus Wash Renovations Update
 - c) Bus Shelter at Lincoln Way and Beach
 - d) Upcoming Projects

SPRING SEMESTER MEETING DATES/TIMES:

- January 9, 2020, 4:15PM (Cancelled)

- February 13, 2020, 4:15PM (Cancelled)
- March 4, 2020, 4:15PM
- April 9, 2020, 4:15PM
- May 14, 2020, 4:15PM
- June 11, 2020, 4:15PM

Adjourn: Trustee Schrader made a motion to adjourn the meeting at 1:05 p.m. and seconded by Trustee Nelson. Motion carried.

Juan Bibiloni, President

Joanne Van Dyke, Recording Secretary