

**DES MOINES AREA REGIONAL TRANSIT AUTHORITY  
COMMISSION MEETING MINUTES**

**Des Moines Area Regional Transit Authority - 1100 DART Way  
November 17, 2009**

**ROLL CALL**

Commissioners Present: Steve Brody, Bob Mahaffey, Steve Van Oort, Gaye Johnson, Skip Conkling, Tom Gayman, Chris Hensley, Angela Connolly

Commissioners Absent: Ted Boesen

Alternates Present: Paula Dierenfeld

Staff Present: Brad Miller, General Manager; Kirstin Baer-Harding, Advertising Manager; Sharon Cramer, Finance Director; Elizabeth Presutti, Chief Development Officer; Rebecca Lovig, RideShare Manager; PJ Sass, Customer Service manager; Debra Meyer, Capital Grants Manager; Michelle Orfield-Koranda, Program Development Manager; Georgia Parkey, Paratransit Operations Manager; Carmella Comito, Risk Manager; Mike Kaiser, Safety Manager; Suzanne Robinson, Clerk to the Commission; Nolden Gentry, Legal Counsel

Others Present: Rox Laird and Cynthia Renaud, Des Moines Register; Dylan Mullenix, MPO; Drivers/Supervisors Danny Townsend; Cheryl Wolf Greg Schmitt, Sherrie Taha; Joann Tucker, Denman & Co; Bob and Anita Mendenhall, DART customers; Brian Meyer, Des Moines City Council; DART Customer, John Halsband

**CALL TO ORDER**

The meeting was called to order by Chair Angela Connolly at 5:01 p.m. Roll call was taken and a quorum was present.

Notice of the meeting was duly published.

**APPROVAL OF MINUTES**

Chair Connolly called for corrections to the October 27, 2009 minutes.

There being no comments on the minutes, it was moved by Christine Hensley and seconded by Mr. Bob Mahaffey that the minutes be approved. The minutes were approved as written.

## **PUBLIC COMMENTS SECTION**

Mr. Mendenhall asked to speak. He stated that his son has special needs, and no Paratransit service is available in the area around Easter Lake where the Mendenhalls reside. He said he understood that Paratransit service only operates where the fixed route bus service operates, and he asked why this was the case.

Brian Meyer of the Des Moines City Council said that he was a neighbor of the Mendenhalls, and wanted the DART Commission to answer. Chair Connolly stated that she had researched the Mendenhall's request. She explained the funding sources for Paratransit, and since Polk County funding has not grown to match demand, that the Mendenhalls' son is 169<sup>th</sup> out of about 500 on the wait-list for service. General Manager Brad Miller described the DART service area and said that the Americans with Disabilities Act of the federal government requires the service area of Paratransit to cover the same area where fixed route services operate. He described the Bus Plus option, but said that Paratransit's first obligation is to Polk County clients and DART's mandated services, so Bus Plus might not be the best solution for someone needing a regular pickup and delivery time. He said that in the last DART Service Survey it showed that Easter Lake residents wanted bus service, so DART asked the DOT for funds to begin that service and the DOT rejected the request. Chair Connolly thanked the Mendenhalls and Mr. Meyer for their input, and reminded everyone that funding for services was a big issue, both for Polk County and DART.

## **CONSENT ITEMS**

- A. One-year renewal of McDonald Transit Associates consulting contract**
- B. Liability Settlement**
- C. October 2009 Financial Reports**

It was moved by Mr. Steve Brody and seconded by Mr. Steve Van Oort that the Consent Items be approved. The motion carried unanimously.

## **ACTION ITEMS**

### **Action Item 7A – Transit Hub Design**

The Chair deferred action on this agenda item to a future Commission meeting.

### **Action Item 7B – DART Audited Financial Statements**

Chair Connolly introduced Joanne Tucker from Denman & Co. LLC. Ms. Tucker thanked DART staff for their help in preparing for the Audit. She stated that the audit produced an "Unqualified Opinion" meaning that there were no findings, and she said that she had gone over all the details with the DART Audit Committee. She then gave a short overview of DART's expenses/revenue status. The Chair thanked Ms. Tucker.

It was moved by Mr. Skip Conkling and seconded by Ms. Hensley that the Commission accept the FY-2009 Audited Financial Statement. The motion carried unanimously.

### **Action Item 7C – Approval of FY-2011 Budget Public Input Process**

Mr. Miller said that DART would need to develop a public input process for the FY-2011 budget, which might involve service reductions and a possible fare increase due to the \$2.3 shortfall due to claims. He stated that the Service and Budget Committee (city managers) met, and 14 managers plus the Polk County budget director participated. John Bartosiewicz from McDonald Transit Associates, DART's consultant, facilitated the meeting and was also there to provide the transit industry perspective to the managers. Mr. Miller said that ideas for budget savings were discussed, and that all options were on the table except for an adjustment of the tax levies. He said that a fare increase was discussed, but that a 16% increase in fares would only add \$30-\$40,000 to DART revenues, and the city managers recommended against the fare increase. He added that Unlimited Access contracts would be scrutinized.

Ms. Hensley asked how long the Unlimited Access contracts had to run. Mr. Miller stated that they were mostly 5 year contracts. Discussion ensued regarding other areas for savings, such as reduction in employee benefits. Mr. Miller said that Jester has three potential insurance carriers who might bid on providing coverage starting at \$500,000 rather than the \$2 million self-insured liability DART currently carries. He added that DART's overall accident rate has dropped dramatically, and there are solid measures being taken to manage them in the future. Discussed was a proposal to replace the Bankers Trust loan with General Obligation Bonds, and Mr. Miller met with DART counsel Joe Brick and the bonding company, who advised that the state legislation that allowed for the creation of DART allows it to issue bonds, but that language is not contained in the 28M Agreement. In order for DART to issue bonds it would have to amend the 28M Agreement to specifically allow DART to issue GEO bonds. Mr. Brick researched the issue and stated that it was just oversight, and the city managers had no objections or concerns about amending the 28M to allow this. It was suggested that perhaps a city or Polk County might issue bonds for DART, as was done for Broadlawns Hospital and the municipal airport. Mr. Gentry, DART legal counsel, stated that the firm would check to see if this would be allowable.

Mr. Steve Brody asked about savings from not filling vacant positions. Mr. Miller responded that unfortunately there had to be drivers for all the routes, so it was not feasible to leave driver positions vacant, and that other positions would be left vacant as they occurred, but that it would not provide significant savings. There was discussion about a wage freeze, and Mr. Miller said that the union would have to agree to open the contract to change it.

Mr. Miller said that prior to making any service cuts that there had to be multiple opportunities for the public to provide input at public meetings, and that they should take place in different areas of the region to allow input from the widest range of the public as possible. Mr. Miller said the public input process should be finished by the end of January, and at that time the amount of state revenue that DART will be getting from the DOT will also be known.

Mr. Brody said that this might be an opportunity for a re-look at DART's entire operation. He also asked about DART's consultant, and wanted more information about the consultant's recommendations. He didn't understand the options for service cuts and why they were suggested, and said he didn't feel that DART was doing anything substantial to fix the problems.

Mr. Miller said that the whole bus route system was interdependent on a multitude of requirements, including that of the Des Moines Public Schools, where efficiency requires adding the school routes to existing bus routes.

Mr. Gayman asked for John Bartosiewicz's thoughts on the financial situation, and Mr. Miller said that because of John's wide-ranging expertise in the transit industry, and his consulting duties for many other transit systems, that he was able to validate the steps that DART has taken, and also to share that many other systems were having the same financial problems during this recession, and also trying to find ways to retain service and cut costs. Mr. Miller said that Mr. Bartosiewicz was also able to make sound recommendations on what DART should do regarding delaying capital purchases.

Chair Connolly said that she disagreed with the statements that Mr. Brody made. She said that DART has been doing numerous things to try to meet its obligations, including research on a potential fare increase, speaking with the unions regarding wage freezes, deferring of capital projects, looking into debt-financing strategies, and trying to increase ridership and market DART's services. She stated that DART is doing everything it can to cut costs, within the framework of providing needed service, and said that DART wasn't that big of an organization, and there weren't a lot of options available to it. She said that if any commissioners have any better ideas than those already being done or recommended, to let Mr. Miller know, or to e-mail her and she'll share them with DART. She ended with the reminder that none of the commission's constituents are going to be happy with service reductions.

Ms. Hensley stated that she agreed with Angela on everything the Chair said. She said she has been in discussions with Des Moines Schools, that they are having some of the very same problems that DART is facing, and that solutions are not easy.

Ms. Hensley moved, and Mr. Mahaffey seconded that the FY-2011 Budget Public Input Process be approved.

The motion carried unanimously.

## **PERFORMANCE REPORTS**

Mr. Miller said that due to a catastrophic failure of the software DART uses to track ridership, and the subsequent finding that the data could not be retrieved, there are no ridership statistics for last month.

## **MONTHLY REPORTS**

Ms. Presutti said that DART would be losing Michelle Orfield-Koranda to the Vancouver, Canada transit system, and wished her well in her new position there.

## **FUTURE AGENDA ITEMS**

No discussion

**COMMISSIONER ITEMS**

**Nominating Committee Appointment**

The Nominating Committee report was deferred until the December meeting.

**ADJOURNMENT**

The meeting was adjourned at 6:30 p.m.

2009 Meeting Date

Dec 15

2010 Meeting Dates

Jan 26, Feb 23, Mar 30, Apr 27, May 25, Jun 29, Jul 27, no meeting in Aug, Sep 28, Oct 26, Nov 23, Dec 21

Date: \_\_\_\_\_

Chair: \_\_\_\_\_

Secretary: \_\_\_\_\_