

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

**1100 DART Way - Des Moines, IA 50309  
February 23, 2010**

**ROLL CALL**

Commissioners Present: Steve Brody, Bob Mahaffey, Angela Connolly, Steve Van Oort, Gaye Johnson, Skip Conkling, Tom Gayman, Chris Hensley, Ben Champ (alternate for Ted Boesen)

Commissioners Absent: Ted Boesen

Alternates Present: Ben Champ

Staff Present: Brad Miller, General Manager; Kirstin Baer-Harding, Advertising Manager; Sharon Cramer, Finance Director; Elizabeth Presutti, Chief Development Officer; Randy Ross, HR Director; Don Matz, Maintenance Dept; Chet Bor, Paratransit Director; Jim Tishim, Transportation Director; Rebecca Lovig, RideShare Manager; PJ Sass, Customer Service manager; Gunnar Olson, Public Information Officer; Suzanne Robinson, Clerk to the Commission; Nolden Gentry, Legal Counsel

Others Present: Todd Garner and Matt Rodekamp, Substance Architecture; Tionna Pooler and Jeanne Vanda, PFM; Dana Conn, TMA; Drivers/Supervisors Cheryl Wolfe, Greg Schmitt, Sherrie Taha, Tim Moroney; JP Golinvaux, DOT; 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 January 26, 2010 minutes.

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

**TRAC UPDATE**

Ms. Presutti gave the TRAC Update to the Commission. TRAC approved the Bylaws for the organization at their meeting in February, and also discussed goals for the committee.

They debated ways to increase bus ridership and methods to increase amenities at DART bus stops. General Manager Brad Miller updated the committee on the FY2011 DART Budget. There was discussion on snow removal at bus stops.

Chair Connolly asked if there was a timeline on the goals that were set. Ms. Presutti responded that they were staggered throughout the year.

## **PUBLIC COMMENTS SECTION**

Mr. John Halsband spoke regarding the Mitchellville Correctional Facility changing its visitor hours, and how the schedule of the DART bus does not now match those hours. He asked that DART change its bus schedule so that they were in synch again.

## **PUBLIC HEARING CALLED TO ORDER**

Chair Connolly called the public hearing to order at 5:10 p.m.

DART driver Sherrie Taha said that DART passengers and drivers asked her to speak at this hearing. She stated that all were appalled at DART asking drivers to take a wage freeze or cut, considering the low wages and lack of benefits for the drivers. She said that she feels it is shocking that elected officials would approve contracts that don't pay drivers a living wage, and that passengers and drivers were amazed that member cities would not agree to a 4.1 cent increase in the levy to support and keep bus service.

There being no further requests to address the commission, the hearing was closed at 5:15 p.m.

## **Action Item 7A – FY-2011 Budget and Tax Levy**

Mr. Miller introduced Jeanne Vanda and Tionna Pooler from Public Financial Management (PFM), 2600 Grand Avenue in Des Moines, and David Claypool, DART's Bond Attorney, from Dorsey & Whitney law offices in Des Moines to speak to the commission regarding debt issuance.

Ms. Vanda said that she would go over options to make sure the commissioners understood them. She said that she had consulted with DART counsel at the Brick Gentry Law Firm and the bond attorney from the Dorsey & Whitney law firm on the requirements of state law and the 28M Agreement. She stated that options were:

- To continue to service the loan taken out by DART from Bankers Trust with stated interest rates that after six months will increase the amount to \$680,000, with current 5-year projections showing DART costs at \$200,000 plus to repay the loan, with expectations that deficits in the DART budget will occur every year to pay off the loan over a 5-year period, and Bankers Trust have indicated that they will not extend more credit if needed to DART for further liability requirements.
- General Obligation bonds – require and amendment of the 28M Agreement and the consent of 19 member governments. This provides the lowest cost financing. She stated that it will provide \$130,000 in savings and will solve some of the long term budget problems as well.
- Polk County issuing bonds. She said that Polk County government has indicated that they do not have the ability to issue non-taxable bonds.

PFM Recommendations:

- Replace the line of credit through Bankers Trust.
- Seek consent and support of member cities to amend 28M agreement and agree to sign off on this.
- Time frame is March 1 to April 15.
- Concurrent to that, DART will work on presentations for the member cities so that bonds can be issued by June 1, 2010.
- Lowest cost/best solution for the long-term stability of DART.

Mr. Miller said that a Service & Budget Committee meeting will take place on March 3. He said that the city managers he has already talked to agree that it's straightforward. Chair Connolly thanked PFM for their help and hard work with this issue, and stated that she was hopeful that with the city managers' help DART could get this done. Ms. Hensley agreed.

Mr. Miller gave a Power Point presentation about the upcoming service changes and fare adjustments. He mentioned that Polk City has asked to "buy down" their levy, and did so in the amount of \$1,500, otherwise the total revenue picture is the same as last month.

He said that DART staff are continuing to look for solutions to changing service as little as possible. He stressed that there will be no place in Polk County where service is completely eliminated – it will be service frequency that will suffer. He said that DART was surprised to learn that ICAAP funds were being made available for extending service on the east and south sides, and to Jordan Creek. He reminded commission members that these funds couldn't be used just anywhere; that the grant specifies that they must be used for the purposes outlined in the application process.

He also said that the Des Moines Public Schools have extended their start times 10 minutes in the morning, and the school day gets 10 additional minutes in the afternoon. He said that this won't work as well as the normal schedule, since DART buses go right from school service to express service in mid-afternoon, thus DART may have to add additional buses which will cost the District more. Ms. Hensley asked staff to make sure all costs for services were included in the estimates, so that DART can recover its costs.

He said that Urbandale had asked for consideration in DART not closing the route to the business park. Mr. Miller said that the route only carried 9 passengers who work in the business park, and that all of them had been counseled in how to instead ride on the Urbandale On Call route.

DART staff have also worked on costs for a western suburban cross-town route, and Mr. Miller said it wasn't cost-feasible at this time. Commissioner Steve Brody asked to see an analysis of this.

Mr. Miller spoke about the fare changes that will go into effect, and also said that SE Polk High School had asked about school service for the next school year. He said that stimulus funds have allowed DART to replace 20 buses.

Mr. Gayman asked that the commission continue to work to try to save the Urbandale route, and also asked that if DART approved the budget this evening, it keep looking at the Urbandale issue to find a solution. Ms. Hensley suggested that the commission approve the budget in its recommended form, calling it the worst case scenario, and then call on the community to look at ways to cover the eliminated services. Mr. Gayman asked if DART could continue to work with a plan and have an implementation date, but still approve the budget as is. Mr. Miller talked about all the various

elements that must happen before schedule changes can be implemented, with a multi-week lead-in time necessary.

Ms. Hensley announced that the City of Des Moines might be supplying additional cash that might keep some service on the street.

**Action Item 7D – approve FY-2011 Budget, Levy Rates and service and fare adjustments**

It was moved by Ms. Hensley and seconded by Mr. Mahaffey that the DART FY 2011 Budget be approved as presented, as the worst case scenario, and that discussions will continue on ways to improve the budget situation thereby avoiding some scheduled cuts in service. The motion carried unanimously. Roll Call: Mahaffey yes, Johnson yes, Conkling yes, Brody yes, Hensley yes, Gayman yes, Connolly yes, Van Oort yes, Ben Champ yes. The motion carried unanimously.

*(Mr. Gayman, Mr. Champ and Mr. Brody leave and Mr. Steve Peterson, Alternate, sits in as Mr. Brody's alternate.)*

**CONSENT ITEMS**

- A. FY 2011 Grant Approvals
- B. Capital Reimbursement Resolution
- C. January 2010 Financial Report

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

**ACTION ITEMS**

**Action Item 9A – New Liability Insurance Policy**

Mr. Miller reminded commissioners that DART currently carries a \$10 million “umbrella” liability insurance policy with AIG Insurance that covers DART for liability expenses in excess of \$2 million per occurrence. After a lengthy search, DART has identified Lockton Companies, LLC, from Kansas City, as being able to provide an appropriate Buy Down policy, which will minimize DART’s catastrophic exposure in the future. This secondary policy is known as a “Deductible Buy Down” policy and will cover losses between \$500,000 and \$2,000,000 per occurrence.

It was moved by Mr. Van Oort and seconded by Ms. Hensley that the Commission approve a deductible Buy Down liability insurance policy with lockton Companies, LLC, for \$200,000 effective March 1, 2010.

The motion carried unanimously.

**Action Item 9B – Transit Hub Final Design**

Mr. Todd Garner of Substance Architecture presented the final design for the transit hub to the Commission (attached).

Mr. Miller said that the commissioners would be asked to approve Phase III of the design process:

Phase III of the Design will bring the project to 60 Percent complete. The deliverables will include:

- Site plan(s) at 1" = 30'.
- Construction staging and execution plan.
- Exterior Building Elevations
- Building Sections
- Electrical plans, elevations, sections, details, calculations
- Mechanical plans, elevations, sections, details, calculations
- Structural plans, elevations, sections, details, calculations
- Landscape / Streetscape plans and details
- Signage plans and descriptions
- Calculations and analysis data
- Construction Cost Estimate with quantified items for each type of work.
- Updated project schedule.
- LEED Certification Checklist
- Updated OPR documents.

Ms. Hensley moved, and Mr. Van Oort seconded that Approve Phase III Design Development Not to Exceed \$400,000 as part of the Contract with Substance Architecture for Architectural and Engineering Services for the DART Sustainable Intermodal Transit Hub.

The motion carried unanimously.

*(Commissioner Van Oort leaves.)*

## **DISCUSSION ITEMS**

### **10-A – Performance Report**

Mr. Miller said that because of brutal winter weather, January was not a good month for DART ridership. He said he expects February to be better.

## **MONTHLY REPORTS**

Mr. Miller noted that there was a new DART Organizational Chart showing the changes in the Transportation and Maintenance Departments. He announced that former Transportation Director Jim Tishim will now assume duties as DART's new Transit Planning Director, and will guide projects such as the DART Transit Hub among other duties. He also announced that Scott Reed has been appointed as Senior Maintenance Manager. These positions will report to a new Chief Operating Officer, who when hired will oversee both the Transportation and Maintenance departments. He said that these opportunities opened up because of the retirement of former Maintenance Director Carol Pelfrey and the relocation of Michelle Orfield-Koranda.

## **CLOSED SESSION**

It was moved by Ms. Hensley and seconded by Ms. Johnson that the Commissioners of the Des Moines Area Regional Transit Authority go into closed session to avoid disclosure of specific law

enforcement matters, such as current or proposed investigations, inspection or auditing techniques or schedules, which if disclosed would enable law violators to avoid detection.

Roll Call: Peterson yes, Connolly yes, Johnson yes, Mahaffey yes, Conkling yes, Hensley yes. The motion carried unanimously. Chair Connolly recessed the meeting at 7:15 pm. The closed session was adjourned at 7:20 pm. The regular Commission meeting was resumed at 7:21 pm. The Chair stated for the record that no action was taken during the closed session. The meeting was adjourned at 7:22 p.m.

**FUTURE AGENDA ITEMS**

No discussion

**COMMISSIONER ITEMS**

None

**ADJOURNMENT**

The meeting was adjourned at 7:22 p.m.

2010 Meeting Dates

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: \_\_\_\_\_