ITEM 56

# CITY COUNCIL COMMUNICATION:

02-557

### AGENDA:

OCTOBER 21, 2002

### **SUBJECT:**

AMENDMENT TO THE 28E AGREEMENT CREATING THE METROPOLITAN TRANSIT AUTHORITY

### TYPE:

# **RESOLUTION**

ORDINANCE RECEIVE/FILE

### SUBMITTED BY:

ERIC A. ANDERSON CITY MANAGER

# OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

### SYNOPSIS —

Approving amendment to the 28E Agreement with the Metropolitan Transit Authority (MTA) to allow Ankeny to become a member of the MTA.

# FISCAL IMPACT —

Unknown reduction in administrative costs borne by the City of Des Moines over the course of three years.

### **RECOMMENDATION** —

## **Approval**

#### **BACKGROUND** —

The City of Ankeny has agreed to become a member municipality of the MTA. This will increase the number of members to 6. This is the first new member to join the Authority since its creation in 1973.

The Board of Directors of the MTA has approved this amendment, as have the other founding member municipalities (Clive, Urbandale, West Des Moines, and Windsor Heights). The City of Des Moines is the final approval needed from founding member municipalities.

The addition of Ankeny as a member will take three years to phase in.

- 1. In year one (2003) Ankeny will pay all the costs of operating the service in Ankeny, and 50% of the assessed cost of administration of the service.
- 2. In year two (2004) Ankeny will pay all the costs of operating the service, and 75% of the cost of administration.
- 3. In year three (2005) Ankeny will pay all the costs of the service, and 100% of the cost of administration.

The cost of administration is spread among all member municipalities. As cities join, the administrative costs will lessen for current members. At this time, it is unclear what the amount of that reduction will be for the City of Des Moines.

In addition, the MTA is currently communicating with the cities of Johnston and Altoona regarding their future membership in the Authority.