



# Council Communication

Office of the City Manager

Date

August 20, 2007

Agenda Item No. 76

Roll Call No. 07-

Communication No. 07-527

Submitted by: Richard A. Clark, City Manager

## AGENDA HEADING:

Approving contract between City of Des Moines, State of Iowa, Downtown Community Alliance, and Des Moines Area Rapid Transit to provide for the operation of a Downtown Shuttle.

## SYNOPSIS:

Recommend approval of a contract between City of Des Moines, State of Iowa, Downtown Community Alliance (DCA), and Des Moines Area Rapid Transit (DART) to provide for the operation of a Downtown Shuttle. The contract provides for the purchase of four trolley buses by DART and their operation on an east-west route from the State Capitol to 17<sup>th</sup> Street at 7-9 minute intervals, Monday – Friday, from 7 a.m. to 6:30 p.m. This service is expected to begin approximately February 1, 2008, and would be provided free of charge to the public.

## FISCAL IMPACT:

Amount: \$180,000 annually, beginning January 1, 2008

Funding Source: Fiscal Year 2007-08 Operating Budget, Park and Ride Operations Fund, EN078 ENG100707 (page 128).

## ADDITIONAL INFORMATION:

During the 2007 State Legislative Session, the City partnered with DART to provide a shuttle serving the capitol and East Locust area. The limited shuttle service achieved extremely positive feedback and indicated that an expanded service that connected the Capitol Complex with downtown Des Moines was needed. The addition of Downtown Shuttle service is designed to increase public transportation ridership in the region by providing connections along the main east-west corridor within the downtown area, DART's top transit destination. With contract approval, Downtown Shuttle service would be provided by DART with funding from the City, the State, and DCA.

Plans call for DART to purchase four new trolley buses at a cost of \$300,000 each, or \$1,200,000 total. The funding entities would contribute \$100,000 per year to amortize capital costs over a 12-year period, and contribute \$260,000 per year for operating expenses. Operating costs could escalate in future years while capital costs would remain constant during the life of the contract, but would be restructured if the service is ended prior to the twelfth year.

Financial support would be apportioned 50% to the City and 50% to the State and DCA combined. The first year's apportionment would be \$180,000 from the City, \$120,000 from the State, and \$60,000 from DCA. DART will endeavor to include shuttle costs in the regional funding formula for future years.

The service is expected to begin approximately February 1, 2008, pending the acquisition of the trolley buses. The free service would run Monday – Friday from 7 a.m. to 6:30 p.m. along a to-be-determined east-west route that would terminate at the State Capitol and near the Meredith Corporate headquarters on 17th Street. The trolleys would run at approximately 7 to 9 minute intervals.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Annual review of operating expenses and cost apportionment.