 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	October 20, 2014
	<b>Agenda Item No.</b>	<b>33</b>
	<b>Roll Call No.</b>	<b><u>14-1644</u></b>
	<b>Communication No.</b>	<b><u>14-498</u></b>
	<b>Submitted by:</b>	<b>Pamela S. Cooksey, P.E., Interim City Engineer</b>

**AGENDA HEADING:**

Resolution approving operational agreement with Childtime Childcare, Inc. to operate and manage a childcare center in the Intermodal Transportation Facility at 6th Avenue and Center Street.

**SYNOPSIS:**

Recommend approval of the operational agreement with Childtime Childcare, Inc., Frank Jerneycic, Chief Financial Officer, 21333 Haggerty Road, Suite 300, Novi, Michigan, 48375, to continue to serve as operator of the childcare center in the Intermodal Transportation Facility at 6th Avenue and Center Street. The proposed operational agreement is in the best interests of the City and in accord with federal requirements associated with the Intermodal Transportation Facility. The agreement is for a three-year term at \$2,990 per month, with annual rent increases thereafter being equal to the Consumer Price Index (CPI), not to exceed 5%.

**FISCAL IMPACT:**

Amount: \$35,880 (first year revenue with annual CPI adjustments)

Funding Source: 2014-15 Operating Budget, Engineering Department, T & T Park and Ride Operations Fund, E078, EG062086, Page 71.

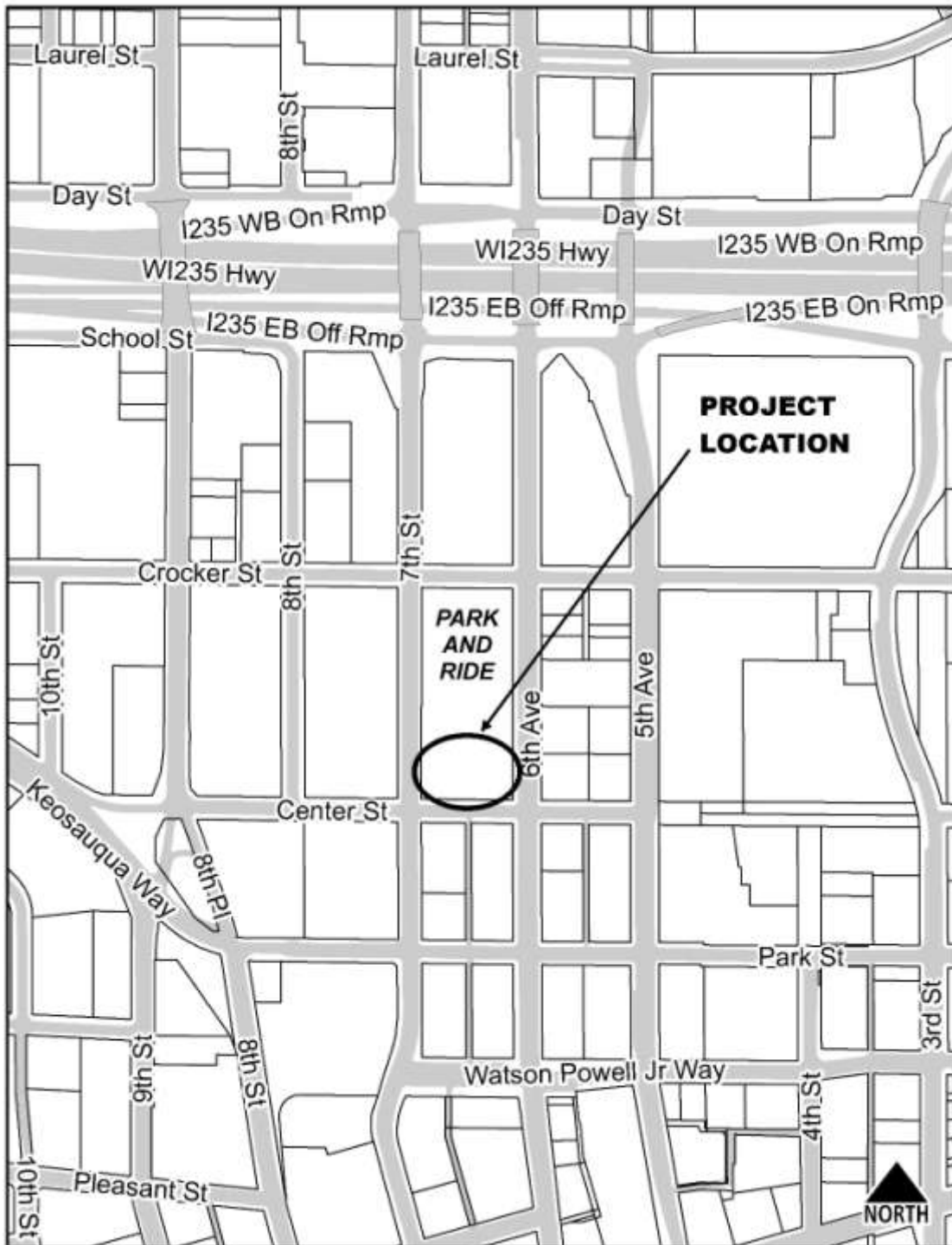
**ADDITIONAL INFORMATION:**

On April 28, 1997, by Roll Call No. 97-1549, the City Council entered into a 28E Agreement with the Des Moines Metropolitan Transit Authority (now Des Moines Area Regional Transit Authority) for construction and operation of a Park & Ride Facility. This facility included designs for a childcare facility to serve the needs of those families working in the downtown area.

Childtime Childcare, Inc. was selected as the childcare provider for this facility. On December 21, 1998, by Roll Call No. 98-3949, the City Council approved a four-year operational agreement with an additional two-year renewable option with Childtime Childcare, Inc.

On January 7, 2008, by Roll Call No. 08-0076, the City Council approved an operational agreement with Childtime Childcare, Inc. to operate and manage the childcare facility until March 31, 2009 with an option to renew the agreement for an additional five (5) years until March 31, 2014, which option to renew was exercised.

The City's Real Estate Division has negotiated the terms of a new operational agreement with Childtime Childcare, Inc. that includes, among other terms, a three-year term with an initial first year monthly rent of \$2,990. The second year monthly rent will be \$2,990 plus the percent increase in the CPI for the previous 12 months, not to exceed 5%. The third year monthly rent will be \$2,990 plus the percent increase in the CPI for the previous 24 months, not to exceed 5%. The terms of the operational agreement are based on an independent appraisal and have been approved by the Des Moines Area Regional Transit Authority and the Federal Transit Administration.



**PREVIOUS COUNCIL ACTION(S):**

Date: May 24, 2010

Roll Call Number: [10-0821](#)

Action: [Approval](#) of first amendment to Operational Agreement with Childtime Childcare, Inc. to operate and manage a childcare center in the Intermodal Transportation Facility at 6<sup>th</sup> Avenue and Center Street. ([Council Communication No. 10-282](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: January 7, 2008

Roll Call Number: [08-0076](#)

Action: [Approval](#) of Child Care Center Operational Agreement with Childtime Child Care, Inc. to operate and manage childcare center in the Intermodal Transportation Facility. ([Council Communication No. 08-004](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: December 21, 1998

Roll Call Number: 98-3944

Action: Amended Agreement with Childtime Childcare, Inc., to operate and manage the Child Care Center in the Intermodal Transportation Facility, for revised construction plans and responsibility of Childtime to pay a portion of the increased construction costs. (Council Communication No. 98-562). Moved by Hensley to adopt. Motion Carried 4-3. Absent: Daniels, Flagg, and McPherson.

Date: April 28, 1997

Roll Call Number: 97-1549

Action: Intergovernmental 28E Agreement with the Metropolitan Transit Authority, (MTA), regarding construction and operation. (Council Communication No. 97-232) Moved by Vlassis to adopt. Motion Carried 5-1.

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).