

COUNCIL ACTION FORM

SUBJECT: EXECUTIVE EXPRESS LEASE AT INTERMODAL FACILITY

BACKGROUND:

Under the approved Intermodal Facility operating agreement between the City of Ames and Iowa State University, CyRide staff is charged with negotiating leases for the terminal area of the building. Last year, staff prepared a one-year agreement for Executive Express that expires June 30, 2015. Their service began operating from the Intermodal Facility on July 1, 2012. Over the last several months, staff has worked with the carrier to negotiate a renewal of this agreement that will provide office/waiting room/van storage space for Executive Express van service to the Des Moines International Airport.

In negotiating a new lease agreement, the following issues were modified in the new lease agreement.

- Contract term
- Higher lease rate - \$20 per month more

Each of these changes are discussed below:

1. Basic Provisions –

- Lease starts on July 1, **2015** and expires June 30, **2016** (Discussions about a new contract would start in January of each year.)
- **\$1,030.00** per month lease rate with Producer's Price Index used to calculate the increase each year. Utilities would be \$300 per month. Rent would be paid to ISU's Parking Division Manager.
- Three parking spaces will be provided, two at no cost, with the third one at the covered annual permit rate.

The agreement has been reviewed and approved by:

- City of Ames Legal Counsel and Risk Manager
- ISU's Project Manager for the Intermodal Facility as well as its legal and risk management personnel
- Executive Express' Legal Counsel and owner

The Transit Board of Trustees approved the Executive Express one-year lease at their March 26, 2015 meeting.

ALTERNATIVE:

1. Approve the Ames Intermodal Facility Commercial Tenant Lease with Executive Express for a one-year period.
2. Direct staff to renegotiate a lease with Executive Express, with City Council direction on items to be renegotiated.
3. Do not approve a lease with Executive Express for space within the Ames Intermodal Facility.

MANAGER'S RECOMMENDED ACTION:

One of the two main purposes of the Ames Intermodal Facility is to coordinate transportation services within a single location. This agreement allows for this coordination to continue based on a negotiated lease rate. With Executive Express, Jefferson Lines and Burlington Trailways all housed at this facility, Ames residents and visitors can easily access transportation to locations outside of the community.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. #1, thereby approving a one-year agreement with Executive Express for space within the Ames Intermodal Facility.