

**COUNCIL ACTION FORM**

**SUBJECT: CITY CONTRIBUTION TO ISU CONSTRUCTION OF CYRIDE BUS TURNAROUND**

**BACKGROUND:**

The Ames Transit Agency's Transit Board of Trustees approved the concept of a turnaround for CyRide's new Gold Route (route map attached) as part of the System Redesign Plan. This new route is scheduled to begin on August 14, 2018. The turnaround will be located south of Storm Street at Welch Avenue on Iowa State University property. This turnaround will be the end point of this route, allowing the bus to turn around and operate back to campus and areas north. **The turnaround concept was developed as a result of discussions with the South Campus Area Neighborhood (SCAN) around and near the Wallace/Wilson Residence Halls served by this new Gold route.**

The original proposal was to operate this new route to the two residence halls and then utilize Hayward Avenue between Storm and Knapp to turn the bus around and return to campus and north to Schilleter Village. Residents indicated that this service change would impact the amount of traffic and noise on their street and neighborhood, with buses operating on the route every 10 minutes Monday through Friday. As a result, they requested that Transit Board members and CyRide staff develop an alternative that would not increase transit impacts to their neighborhood. **The bus turnaround on ISU property was the resolution to this challenge and allows for the route to operate efficiently and effectively while reducing current and proposed transit impacts on the SCAN neighborhood.**

CyRide staff has worked with ISU Facilities Planning and Management staff to develop a final construction cost estimate for the turnaround. This cost is estimated to be \$185,000, which includes design, construction and minimal landscaping costs. ISU Facilities and Planning will be responsible for construction of the bus turnaround, and is ready to proceed with bids and construction once funding is approved.

At the June 28, 2017 Transit Board meeting, Board members approved CyRide's funding commitment below and tentatively agreed to a cost-sharing approach to fund this project as follows, subject to final approval by each of the funding partners:

CyRide Closing Balance	50%	\$ 92,500
City of Ames	16.67%	30,833
Iowa State University	16.67%	30,833
Student Government	16.67%	30,833
<b>TOTAL</b>	<b>100%</b>	<b>\$185,000</b>

**The proposal requires CyRide to fund 50% of the construction cost from its operating closing balance, and each of the three funding partners (City of Ames, Iowa State University and ISU Student Government) to contribute the remaining 50%, divided into three equal shares of \$30,833 each as a one-time capital cost.**

It should be noted that the requested City contribution is in addition to the City's annual contribution to CyRide from the City's Transit Levy.

**ALTERNATIVES:**

1. The City Council can authorize a one-time capital outlay of \$30,833 for this bus turnaround project, contingent upon approval by Iowa State University and ISU's Student Government to both provide \$30,833 toward construction of the bus turnaround at Storm Street and Welch Avenue.

Should the City Council select this alternative, the City's share of \$30,833 – which has not been budgeted – could come from the City Council's unallocated FY 16/17 contingency account, which is now a part of the FY 17/18 beginning fund balance. The year ended with \$33,560 remaining unspent in that account.

2. Do not approve one-time capital improvement funding for a CyRide bus turnaround at Storm Street and Welch Avenue.

**CITY MANAGER'S RECOMMENDED ACTION:**

CyRide's System Redesign consultant stated that the Gold route changes approved in the System Redesign Plan, which incorporates the bus turnaround, would be one of CyRide's highest ridership routes in the future. Therefore, the proposed infrastructure improvement will allow for this service to be operated and, at the same time, minimize impacts on the adjacent neighborhood.

At the time the Transit Board considered this matter on June 28<sup>th</sup>, the FY 2016/17 ending fund balance for the Transit Operations Fund was estimated to be \$1,330,226. Of that amount, the Board wanted to maintain \$1,045,226 as an operating balance for emergencies, leaving \$285,000 available for projects. In addition to this turnaround project, these funds will be needed as the local match to expand the existing bus facility (\$1,200,000 needed of which \$750,000 has been secured), and for the local match for the purchase of additional buses under a recent federal grant opportunity (\$102,520 not currently budgeted).

Based on that information and those goals, the Transit Board requested that the three funding entities each contribute an additional \$30,833 which, when combined with CyRide's \$92,500, would cover the cost of the turnaround.

In the time since the Transit Board met on June 28<sup>th</sup>, year-end expense and revenue accrual adjustments have continued to be made. While those adjustments are not yet

complete, the most recent estimate of the FY 16/17 Transit Operations Fund ending balance appears to be close to the adjusted budget amount of \$1,495,773. That would leave approximately \$400,000 available in excess of the board designated reserve for this turnaround project, the local match for an expansion of the bus facility, additional local match for the purchase of buses, and other purposes.

**The benefit of this turnaround improvement to the transit system and adjacent neighborhood warrants this highly unusual contribution outside of the normal CIP process and the normal funding arrangement with CyRide.**

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving \$30,833 from the City Council's unspent FY 16/17 contingency account to support one-time capital improvement funding for the bus turnaround at Storm Street and Welch Avenue.

# CyRide's New Gold Route #26 (Effective: August 14, 2018)

