

ITEM#: 14
DATE: 03-23-21

COUNCIL ACTION FORM

SUBJECT: TRANSIT SERVICES TEN-YEAR AGREEMENT

BACKGROUND:

The City of Ames, Iowa State University, and the Iowa State University Student Government have a joint agreement for transit services, enabling the continued operation of CyRide under the oversight of the Ames Transit Agency Board of Trustees. This agreement for transit services addresses the budgeting process, payment of agreed levels of contribution, liability responsibility, disposition of property, and other joint concerns. The most recent version of the agreement was entered into on July 1, 2011 and will expire on June 30, 2021. To continue CyRide operations, an updated agreement is attached for consideration (Attachment A).

Two changes are being proposed to the current agreement. First, a new ten-year term has been set starting on July 1, 2021 and ending on June 30, 2031. Second, all references to the Government of the Student Body have been changed to either “Student Government” or “StuGov”. All other terms and conditions will remain the same.

The Transit Board approved this agreement at their March 19, 2021 meeting. Other signatories will include Iowa State University, the Iowa State Board of Regents, and the Iowa State University Student Government. Therefore, if approved by the City Council, the agreement would still need to be reviewed and considered by these other organizations.

ALTERNATIVES:

1. Approve a new transit agreement entitled, “An Agreement for Joint Action in Support of Transit Services in the City of Ames,” covering a ten-year period beginning July 1, 2021, contingent upon approval by Iowa State University and the Iowa Board of Regents.
2. Approve a new transit agreement with modifications.
3. Do not approve a new transit agreement.

CITY MANAGER'S RECOMMENDED ACTION:

The previous agreement has served the community well by allowing for a much higher level of service than would be possible with separate efforts by the University and has reduced the duplication of transit services. Approving a new ten-year agreement would allow CyRide to continue providing the high-quality transit service Ames has come to rely upon.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

**AN AGREEMENT FOR JOINT ACTION IN SUPPORT
OF TRANSIT SERVICES IN THE CITY OF AMES**

THIS AGREEMENT, made and entered into effective the first day of _____, 2021 by, between and among IOWA STATE UNIVERSITY (hereinafter referred to as "University"); the IOWA STATE UNIVERSITY STUDENT GOVERNMENT (hereinafter referred to as "StuGov"); and the CITY OF AMES, IOWA (Hereinafter referred to as "City").

WITNESSETH:

1. PURPOSE

1. It is the purpose hereof to establish that the City, the University, and StuGov do agree, each with the other, to participate as hereinafter provided in the support, operation and utilization of a public transit system in the City of Ames, Iowa under the management, control and governance of the Ames Transit Agency Board of Trustees.

2. BUDGET FOR TRANSIT SERVICES

1. It is agreed by the parties hereto that the budget for transit services hereunder, and the parties' contributions thereto, from July 1, 2021 to June 30, 2022 is as shown in Appendix A attached hereto.
2. It is further agreed that the parties hereto shall agree each year, prior to January 21, upon a budget for transit finances for the ensuing fiscal year. Said budget shall be in two parts.

Part I shall show the Transit Improvement budget as follows:

1. Estimated revenues, divided as follows:
 - (1) Federal and State grants.
 - (2) Contribution from the City
 - (3) Contribution from the University
 - (4) Contribution from the StuGov
 - (5) Miscellaneous revenues
2. Estimated expenditures divided as follows:
 - (1) Services
 - (2) Supplies and materials
 - (3) Equipment
 - (4) Real estate and improvements

Part II shall show an operating budget as follows:

3. Estimated revenues divided as follows:

- (1) Federal and State grants
- (2) Contribution from the City
- (3) Contribution from the University
- (4) Contribution from the StuGov
- (5) Fares, advertising and miscellaneous

4. Estimated expenditures:

- (1) Personnel Services
- (2) Contractual
- (3) Commodities
- (4) Capital
- (5) Other

c. The Ames Transit Agency shall cause such a proposed budget to be submitted not later than the first day of January each year, to the Ames City Council, the University Administration and the ISU Student Government. The final decisions of the Ames City Council, the University Administration and the StuGov shall be reported back to the Ames Transit Agency Board of Trustees which shall adjust the budget if necessary, to conform to the level of contribution available from each party hereto. If either the City, University, or StuGov fixes its contribution at less than the amount requested by the Ames Transit Agency Board of Trustees, the contribution of the others shall be decreased proportionately, unless the others shall decide to pay a larger proportion.

d. Should any budget established hereunder prove, after operational experience, to be demonstrably inequitable to any party or parties hereto, redress shall be accomplished by credits and adjustments in the next subsequent budget.

e. Payment of the agreed level of contribution by the StuGov is to be made from student fees assessed for that purpose. Therefore, it is recognized that, due to the enrollment fluctuations, there will always be some disparity, plus or minus, between the amount of the StuGov contribution budgeted and the sum actually realized from student fees for that purpose.

- (1) StuGov shall have no liability or carry-over debt in subsequent years because of fees being less than the budgeted amount.
- (2) However, when fees are collected in an amount exceeding the agreed level of contribution the excess shall also be paid over to the Ames Transit Agency to be retained as a credit to a reserve account. Any such amount shall be invested at interest and interest earned credited to the reserve account.
- (3) Funds in the said reserve account shall be used by the Ames Transit Agency to offset any deficiency of revenue from student fees for the StuGov contribution. Should the amount in such reserve account ever be, in the judgement of the Ames Transit Agency Board of Trustees, substantially greater than any reasonably foreseeable deficiency of revenue aforesaid, the reserve fund may be drawn upon by the Ames Transit Agency to expand or enhance transit services.

- (4) However, any considered expenditure of funds in the reserve account by the Ames Transit Agency, other than to offset a fee revenue deficiency, must be approved by a majority vote of the StuGov Senate.

3. ADMINISTRATION

- a. The Administration of this agreement shall be by the Ames Transit Agency Board of Trustees, an administrative agency of the City of Ames, Iowa, organized and existing pursuant to the provisions of Chapter 392 Code of Iowa, 1985.

4. DURATION

The duration of this agreement shall be ten years beginning on the first day of July, 2021 and ending on the thirtieth day of June, 2031. During this lease period the parties shall begin the process of review, evaluation and planning that will conclude in a decision on continuing joint support of a public transit system after the expiration of this agreement.

5. PROPERTY

All property, real and personal, hereinafter acquired for the purpose of implementing this agreement shall be held in the name of the City of Ames or the Ames Transit Agency, an administrative agency of the City of Ames, Iowa, and acquired and disposed of only in accordance with the policies, procedures and laws pertaining to the said City of Ames, Iowa.

6. LIABILITY

Any liability for any damage, loss, obligation, claim or demand of any kind whatsoever, directly or indirectly resulting from or arising out the operation of this agreement, including the operation of the aforesaid transit system, which is not compensated by insurance, bond, or other indemnification, shall be shared equally by all of the parties to the agreement to the extent permitted by law.

7. DISPOSITION OF PROPERTY ON TERMINATION

As soon as practicable after termination of this agreement, the City, University and StuGov shall dispose of all property acquired under this agreement, including surplus funds, in an equitable manner based upon the proportion of each parties pecuniary contribution at the beginning of and during the course of this agreement. However, it is expressly understood and agreed that in recognition of the transit buses of the City and of ISU used by the Ames Transit Agency, but not acquired hereunder, there shall be excluded from the property to be disposed of and distributed on termination, eight (8) buses then selected by the City, said buses to be the property of the City and one bus to be selected by ISU, said bus to be the property of ISU. Also, it is expressly understood and agreed that any balance in the "reserve fund" provided for under paragraph 2e, including the interest earned on the investment thereof, will be paid over to and become the property of StuGov. If no agreement as to disposition of remaining assets is reached within six months of termination of this agreement, the City, University and StuGov shall, within 30 days thereafter, each appoint some person as its representative, and the Ames Transit Agency Board of Trustees shall appoint two additional persons, and these five people shall prepare and recommend a complete plan for the disposition of all property acquired hereunder, and such plan shall provide for the continuation of the use of the property for a transit system in the City of Ames, if practicable.

IN WITNESS WHEREOF the parties hereto have caused this instrument to be signed by their authorized representatives as of the date first above written.

UNIVERSITY

By _____
Pam Elliott Cain, Senior Vice President

CITY OF AMES

By _____
John Haila, Mayor

ATTEST:

By _____
Diane Voss, City Clerk

GOVERNMENT OF STUDENT BODY

BY _____
Morgan Fritz, President

AMES TRANSIT AGENCY BOARD OF TRUSTEES

By _____
Jacob Schrader, President

IOWA STATE BOARD OF REGENTS

BY _____
Mark Braun, Executive Director

CYRIDE THREE PARTY REVENUE HISTORY
Budgeted Amount

YEAR	City Total	Tax Levy	Intermodal	ISU Total	ISU Basic	Intermodal	GSB Total	SG Basic	GSB MLX	3 Parties	Parking	Shuttles	Total Local
1981-82	\$271,160	\$271,160		\$100,000	\$100,000		\$355,600	\$355,600		\$726,760			\$726,760
1982-83	\$307,412	\$307,412		\$125,000	\$125,000		\$355,600	\$355,600		\$788,012			\$788,012
1983-84	\$324,610	\$324,610		\$133,000	\$133,000		\$424,180	\$424,180		\$881,790	\$37,200		\$918,990
1984-85	\$324,610	\$324,610		\$133,000	\$133,000		\$424,180	\$424,180		\$881,790	\$38,883		\$920,673
1985-86	\$324,610	\$324,610		\$133,000	\$133,000		\$489,391	\$489,391		\$947,001	\$39,253		\$986,254
1986-87	\$357,071	\$357,071		\$146,300	\$146,300		\$538,330	\$538,330		\$1,041,701	\$41,275		\$1,082,976
1987-88	\$368,140	\$368,140		\$150,835	\$150,835		\$555,018	\$555,018		\$1,073,993	\$44,509		\$1,118,502
1988-89	\$381,246	\$381,246		\$156,252	\$156,252		\$585,028	\$585,028		\$1,122,526	\$44,706		\$1,167,232
1989-90	\$396,496	\$396,496		\$162,502	\$162,502		\$608,429	\$608,429		\$1,167,427	\$43,637		\$1,211,064
1990-91	\$401,254	\$401,254		\$170,952	\$170,952		\$619,949	\$619,949		\$1,192,155	\$45,469		\$1,237,624
1991-92	\$418,909	\$418,909		\$178,474	\$178,474		\$647,227	\$647,227		\$1,244,610	\$50,265		\$1,294,875
1992-93	\$428,963	\$428,963		\$182,757	\$182,757		\$662,760	\$662,760		\$1,274,480	\$55,555		\$1,330,035
1993-94	\$458,990	\$458,990		\$195,550	\$195,550		\$761,496	\$741,043	\$20,453	\$1,416,036	\$67,177		\$1,483,213
1994-95	\$484,185	\$484,185		\$206,286	\$206,286		\$803,378	\$781,800	\$21,578	\$1,493,849	\$88,223		\$1,582,072
1995-96	\$503,552	\$503,552		\$214,537	\$214,537		\$835,513	\$812,847	\$22,666	\$1,553,602	\$128,662	\$41,720	\$1,723,985
1996-97	\$537,700	\$537,700		\$229,100	\$229,100		\$880,920	\$857,000	\$23,920	\$1,647,720	\$151,768	\$56,000	\$1,855,488
1997-98	\$561,897	\$561,897		\$264,410	\$264,410		\$947,065	\$920,565	\$26,500	\$1,773,372	\$157,034	\$56,000	\$1,986,405
1998-99	\$616,394	\$616,394		\$279,410	\$279,410		\$1,004,202	\$1,004,202		\$1,900,006	\$161,745	\$57,680	\$2,119,431
1999-2000	\$653,378	\$653,378		\$296,175	\$296,175		\$1,064,454	\$1,064,454		\$2,014,006	\$169,126	\$67,158	\$2,250,290
2000-01	\$702,381	\$702,381		\$318,388	\$318,388		\$1,144,288	\$1,144,288		\$2,165,057	\$182,702	\$71,266	\$2,419,025
2001-02	\$755,060	\$755,060		\$342,267	\$342,267		\$1,374,531	\$1,374,531		\$2,471,857	\$198,727		\$2,670,584
2002-03	\$811,689	\$811,689		\$355,957	\$355,957		\$2,125,842	\$2,125,842		\$3,293,488	\$208,000		\$3,501,488
2003-04	\$897,728	\$897,728		\$393,689	\$393,689		\$2,427,167	\$2,427,167		\$3,718,584	\$208,700		\$3,927,284
2004-05	\$925,558	\$925,558		\$405,893	\$405,893		\$2,470,955	\$2,470,955		\$3,802,406	\$213,000		\$4,015,406
2005-06	\$1,018,113	\$1,018,113		\$446,483	\$446,483		\$2,425,000	\$2,425,000		\$3,889,596	\$219,390		\$4,108,986
2006-07	\$1,080,218	\$1,080,218		\$473,718	\$473,718		\$2,572,925	\$2,572,925		\$4,126,861	\$226,450		\$4,353,311
2007-08	\$1,143,951	\$1,143,951		\$501,667	\$501,667		\$2,608,946	\$2,608,946		\$4,254,565	\$236,640		\$4,491,205
2008-09	\$1,210,300	\$1,210,300		\$530,764	\$530,764		\$2,760,265	\$2,760,265		\$4,501,329	\$246,106	\$60,931	\$4,808,366
2009-10	\$1,270,815	\$1,270,815		\$557,302	\$557,302		\$2,898,278	\$2,898,278		\$4,726,396	\$246,106	\$63,368	\$5,035,870
2010-11	\$1,315,294	\$1,315,294		\$576,808	\$576,808		\$3,008,118	\$3,008,118		\$4,900,220	\$253,489	\$36,100	\$5,189,809
2011-12	\$1,376,656	\$1,376,906	\$8,750	\$608,630	\$599,880	\$8,750	\$3,204,263	\$3,204,263		\$5,172,049	\$261,094	\$36,100	\$5,466,743
2012-13	\$1,472,409	\$1,463,659	\$8,750	\$650,622	\$641,872	\$8,750	\$3,499,053	\$3,499,053		\$5,604,584	\$268,927	\$36,100	\$5,927,110
2013-14	\$1,510,464	\$1,501,714	\$8,750	\$667,311	\$658,561	\$8,750	\$3,726,491	\$3,726,491		\$5,886,766	\$275,650	\$36,100	\$6,216,016
2014-15	\$1,576,444	\$1,567,694	\$8,750	\$696,245	\$687,495	\$8,750	\$4,169,944	\$4,169,944		\$6,425,133	\$281,852	\$36,100	\$6,760,585
2015-16	\$1,657,746	\$1,648,996	\$8,750	\$731,900	\$723,150	\$8,750	\$4,746,157	\$4,746,157		\$7,118,303	\$288,193	\$36,100	\$7,460,096
2016-17	\$1,736,393	\$1,736,393		\$761,477	\$761,477		\$4,997,703	\$4,997,703		\$7,495,573	\$294,678	\$36,100	\$7,826,351
2017-18	\$1,821,476	\$1,821,476		\$798,789	\$798,789		\$5,242,591	\$5,242,591		\$7,862,856	\$284,227	\$36,100	\$8,183,183
2018-19	\$1,907,085	\$1,907,085		\$836,332	\$836,332		\$5,488,993	\$5,488,993		\$8,232,410	\$290,906		\$8,523,316
2019-20	\$1,994,811	\$1,994,811		\$874,804	\$874,804		\$5,741,486	\$5,741,486		\$8,611,101	\$272,572		\$8,883,673
2020-21	\$2,037,720	\$2,037,720		\$893,621	\$893,621		\$5,741,486	\$5,741,486		\$8,672,827	\$295,023		\$8,967,850
2021-22	\$2,037,720	\$2,037,720		\$893,621	\$893,621		\$5,741,486	\$5,741,486		\$8,672,827	\$295,023		\$8,967,850
Total	\$38,380,608	\$38,336,858		\$16,773,828	\$16,730,078		\$90,678,689	\$90,563,572	\$115,117	\$145,745,625	\$6,911,941	\$762,923	\$153,507,989
Since '86	5.7%	5.7%		6.0%	6.0%		8.9%	7.6%			4.4%		

CYRIDE THREE PARTY REVENUE HISTORY

REVENUE HISTORY AS A PERCENTAGE OF YEARLY REVENUES

ANNUAL PERCENTAGE INCREASES

YEAR	CITY	ISU	SG	YEAR	CITY	ISU	SG
1981-82	37.3%	13.8%	48.9%	1982-83			
1982-83	39.0%	15.9%	45.1%	1983-84	13.4%	25.0%	0.0%
1983-84	36.8%	15.1%	48.1%	1984-85	5.6%	6.4%	19.3%
1984-85	36.8%	15.1%	48.1%	1985-86	0.0%	0.0%	0.0%
1985-86	34.3%	14.0%	51.7%	1986-87	0.0%	0.0%	15.4%
1986-87	34.3%	14.0%	51.7%	1987-88	10.0%	10.0%	10.0%
1987-88	34.3%	14.0%	51.7%	1988-89	3.1%	3.1%	3.1%
1988-89	34.0%	13.9%	52.1%	1989-90	3.6%	3.6%	5.4%
1989-90	34.0%	13.9%	52.1%	1990-91	4.0%	4.0%	4.0%
1990-91	33.7%	14.3%	52.0%	1991-92	1.2%	5.2%	1.9%
1991-92	33.7%	14.3%	52.0%	1992-93	4.4%	4.4%	4.4%
1992-93	33.7%	14.3%	52.0%	1993-94	2.4%	2.4%	2.4%
1993-94	32.4%	13.8%	53.8%	1994-95	7.0%	7.0%	14.9%
1994-95	32.4%	13.8%	53.8%	1995-96	5.5%	5.5%	5.5%
1995-96	32.4%	13.8%	53.8%	1996-97	4.0%	4.0%	4.0%
1996-97	32.6%	13.9%	53.5%	1997-98	6.8%	6.8%	5.4%
1997-98	31.7%	14.9%	53.4%	1998-99	4.5%	15.4%	7.5%
1998-99	32.4%	14.7%	52.9%	1999-2000	9.7%	5.7%	6.0%
1999-2000	32.4%	14.7%	52.9%	2000-01	6.0%	6.0%	6.0%
2000-01	32.4%	14.7%	52.9%	2001-02	7.5%	7.5%	7.5%
2001-02	30.5%	13.8%	55.6%	2002-03	7.5%	4.0%	20.1%
2002-03	24.6%	10.8%	64.5%	2003-04	7.5%	4.0%	54.7%
2003-04	24.1%	10.6%	65.3%	2004-05	10.6%	10.6%	14.2%
2004-05	24.3%	10.7%	65.0%	2005-06	3.1%	3.1%	1.8%
2005-06	26.2%	11.5%	62.3%	2006-07	10.0%	10.0%	-1.9%
2006-07	26.2%	11.5%	62.3%	2007-08	6.1%	6.1%	6.1%
2007-08	26.9%	11.8%	61.3%	2008-09	5.9%	5.9%	1.4%
2008-09	26.9%	11.8%	61.3%	2009-10	5.8%	5.8%	5.8%
2009-10	26.9%	11.8%	61.3%	2010-11	5.0%	5.0%	5.0%
2010-11	26.8%	11.8%	61.4%	2011-12	3.5%	3.5%	3.8%
2011-12	26.4%	11.6%	62.0%	2012-13	4.0%	4.0%	6.5%
2012-13	26.1%	11.5%	62.4%	2013-14	7.0%	7.0%	9.2%
2013-14	25.5%	11.2%	63.3%	2014-15	2.6%	2.6%	6.5%
2014-15	24.4%	10.7%	64.9%	2015-16	4.4%	4.4%	11.9%
2015-16	23.2%	10.2%	66.7%	2016-17	5.2%	5.2%	13.8%
2016-17	23.2%	10.2%	66.7%	2017-18	5.3%	5.3%	5.3%
2017-18	23.2%	10.2%	66.7%	2018-19	4.9%	4.9%	4.9%
2018-19	23.2%	10.2%	66.7%	2019-20	4.7%	4.7%	4.7%
2019-20	23.2%	10.2%	66.7%	2020-21	4.6%	4.6%	4.6%
2020-21	23.5%	10.3%	66.2%	2021-22	2.2%	2.2%	0.0%
2021-22	23.5%	10.3%	66.2%		0.0%	0.0%	0.0%
Average	26.3%	11.5%	62.2%	Average	5.2%	5.7%	7.5%