

COUNCIL ACTION FORM

**SUBJECT: PUBLIC HEARING FOR INTERMODAL FACILITY BIDS,
CONTINUATION OF HEARING & DELAY OF BID AWARD**

BACKGROUND:

At the January 25, 2011 Council meeting, staff reported the results of the Intermodal Facility construction bids, where six bids were received. At that meeting, the City Manager discussed with the Council the need to have an Operating Agreement completed prior to award of a construction bid. This agreement would delineate the roles and responsibilities between Iowa State University, the City of Ames and the Ames Transit Agency (CyRide) for the ongoing management, maintenance, insurance and finance of the facility once it opens. The opening is currently scheduled for June 2012.

Even though this agreement is currently being negotiated, it has not been completed. Therefore, the public hearing and consideration of the construction bid award will need to be continued until the February 22, 2011, City Council meeting. At that time, it is anticipated that the Operating Agreement will be completed for approval, which will allow the public hearing process to be completed and the award of the construction bid to be considered. A tight deadline has been imposed by the Federal Transit Administration under the grant agreement funding the Intermodal Facility. Under this federal grant, a construction contract must be awarded no later than March 15, 2011.

ALTERNATIVES:

1. Continue the Intermodal Facility public hearing until the February 22, 2011 Council meeting, and delay award of the Intermodal Facility construction contract.

MANAGER'S RECOMMENDED ACTION:

Award of the Intermodal Facility construction contract will commit the City of Ames to building the Intermodal Facility. Without a final Operating Agreement between the three parties delineating how the facility will operate once it opens, the City is not able to commit to its construction at this time.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby continuing the public hearing until the February 22 City Council meeting, and also delay the award of construction bids. Staff expects that the Operating Agreement will be ready for approval at that meeting, thereby allowing the public hearing on approval of the construction contract to also proceed.