

SUBJECT: **APPROVAL OF OPERATING BUDGET
FOR INTERMODAL FACILITY**

BACKGROUND:

The City of Ames was fortunate to receive an \$8.5 million federal TIGER grant to construct an Intermodal Facility. The facility includes:

- 384 parking spaces for short and long-term parking (294 structured, 90 surface spaces)
- Bike path connections to the community with shower and bike locker facilities
- Connections with intercity bus carriers—Jefferson/Burlington Trailways
- 20 parking spaces for qualified car and vanpool parking
- Taxi stand for transportation within the community
- Public restrooms for the Campustown Business District

On February 22, 2011 the City Council approved an operating agreement for this new facility between the City of Ames and Iowa State University. This agreement designates the City Manager and ISU Vice President for Business and Finance as the managers of this facility to make all policy decisions. It was agreed that the daily supervision and all operational responsibilities for maintenance, revenue collection, parking enforcement, budget oversight, etc, at the facility will reside with ISU through its Parking Division Manager.

The agreement further stipulates that the staff from ISU and the City will mutually agree to a budget for the coming year. **However, ultimately the proposed budget for the facility must be approved by the City Council and Iowa Board of Regents.**

The approval of the budget is critical because the agreement requires that “should the revenues in the fund not cover the operations and capital improvement expenditures, the University and the City will each provide equal supplemental operational support in the form of subsidies as necessary to maintain a positive balance.”

Attached for your review is the proposed FY 2012/13 budget for the new Intermodal Facility. According to the current construction schedule, the facility should open in July

2012. **As you can see, there is an expectation for a breakeven budget during the first year of operations.**

The revenues are based on the following fee schedule:

- Van/Carpools (20 spaces) – Free per FTA requirement
- Uncovered Spaces (surface lot and top of parking deck) - \$175 (August – May)
- Covered Spaces (deck parking except top) - \$450 (August – May)
- Summer Permit Uncovered Spaces - \$30 (June and July)
- Summer Permit Covered Spaces - \$80 (June-July)
- Daily Maximum - \$10
- Hourly Meters - \$.75

ALTERNATIVES:

- 1) The City Council can approve the attached budget for the new Intermodal Facility for fiscal year 2012/13.
- 2) The City Council can reject the attached budget for fiscal year 2012/13 and instruct the City Manager to work with ISU officials to modify specific revenues and/or expenditures as directed.

MANAGER’S RECOMMENDED ACTION:

The development of an operating budget for the first year of the Intermodal Facility’s operation is quite difficult since there is no history to guide its preparation. In addition, in order to entice a shift to this facility, the parking rates will have to be below the current market rates throughout the City. The attached budget is the best estimate of revenues and expenditures that can be made at this time and represents a breakeven operation. Therefore, it is the recommendation of the City Manager that the City Council support Alternative #1 and approve the proposed FY 2012/13 operating budget for the new Intermodal Facility.

Intermodal Facility - FY2011

Projection 384 stalls

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	YTD
INCOME:													
Jefferson/Burlington Bus Lines	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00	\$10,800.00
Executive Express	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Uncovered Spaces	\$0.00	\$3,202.50	\$3,202.50	\$3,202.50	\$3,202.50	\$3,202.50	\$3,202.50	\$3,202.50	\$3,202.50	\$3,202.50	\$3,202.50	\$0.00	\$32,025.00
Uncovered Summer	\$450.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$450.00	\$900.00
Daily Airport (@ 75 days)	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$312.50	\$3,750.00
Covered spaces	\$0.00	\$5,940.00	\$5,940.00	\$5,940.00	\$5,940.00	\$5,940.00	\$5,940.00	\$5,940.00	\$5,940.00	\$5,940.00	\$5,940.00	\$0.00	\$59,400.00
Covered Spaces Summer	\$1,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,200.00	\$2,400.00
Hourly Meters (200 days)	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$15,000.00
Total Income	\$4,112.50	\$11,605.00	\$11,605.00	\$11,605.00	\$11,605.00	\$11,605.00	\$11,605.00	\$11,605.00	\$11,605.00	\$11,605.00	\$11,605.00	\$4,112.50	\$124,275.00
EXPENSES:													
Management Fee	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$24,000.00
Bank Charges	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$140.00	\$1,680.00
Liability Insurance	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$486.25	\$5,835.00
Property Insurance	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$576.58	\$6,918.96
Loss & Damage	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$2,499.96
Security Cameras	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$83.33	\$999.96
Computer Services	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$480.00
Utilities	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$2,033.33	\$24,399.96
Telephone Expenses	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$1,260.00
Office Supplies	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$62.50	\$750.00
General Maintenance	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$666.66	\$7,999.92
Elevator Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pay by Stall Machines/Maintenance	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$395.83	\$4,749.96
Snow Removal	\$0.00	\$0.00	\$0.00	\$0.00	\$1,540.00	\$1,540.00	\$1,540.00	\$1,540.00	\$1,540.00	\$0.00	\$0.00	\$0.00	\$7,700.00
Custodial/Sweeping	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$1,267.50	\$15,210.00
Landscape Maintenance	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$191.67	\$2,300.04
Repair & Replacement Fund	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$15,000.00
Miscellaneous Expenses	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$2,499.96
Total Operating Expenses	\$9,715.31	\$9,715.31	\$9,715.31	\$9,715.31	\$11,255.31	\$11,255.31	\$11,255.31	\$11,255.31	\$11,255.31	\$9,715.31	\$9,715.31	\$9,715.31	\$124,283.72
Net Revenue	-\$5,602.81	\$1,889.69	\$1,889.69	\$1,889.69	\$349.69	\$349.69	\$349.69	\$349.69	\$349.69	\$1,889.69	\$1,889.69	-\$5,602.81	-\$8.72

1. Agreement for 20 Vanpool or Carpool spaces at no charge
2. Agreement for 2 executive express spaces at no charge