

Date November 24, 2008

RESOLUTION APPROVING AGREEMENT WITH THE DES MOINES REGIONAL TRANSIT AUTHORITY FOR REGIONAL FUNDING OF MASS TRANSIT OPERATIONS

WHEREAS, it is in the best interest of the City to participate in a regionally cooperative effort to provide mass transit services on a metro-wide basis; and

WHEREAS, by Roll Call No. 08-436 of March 10, 2008, the City Council approved an agreement between the City and the Des Moines Regional Transit Authority (DART) for a revised funding structure for regional transit services; and

WHEREAS, certain DART participating communities objected to the funding formula set forth in such prior agreement and representatives of the City and DART have prepared a revised Agreement between the City and DART setting forth the revised funding structure for regional transit services; and

WHEREAS, the DART Commission has approved the revised Agreement which is on file in the Office of the City Clerk.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that the Agreement between the City and the Des Moines Regional Transit Authority, on file in the Office of the City Clerk, is hereby approved and the Mayor is authorized and directed to sign the Agreement on behalf of the City and the City Clerk is directed to attest to his signature.

BE IT FURTHER RESOLVED that the City Manager or his designee is hereby directed to administer the terms of the Agreement on behalf of the City.

APPROVED AS TO FORM:

[Signature]

Lawrence R. McDowell Deputy City Attorney

Moved by \_\_\_\_\_ to adopt.

(Council Communication No. 08-712)

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Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, HENSLEY, KIERNAN, MAHAFFEY, MEYER, VLASSIS, and TOTAL.

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

\_\_\_\_\_  
City Clerk

**AGREEMENT**

THIS AGREEMENT is hereby entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2008 by and between the City of Des Moines, Iowa, a municipal corporation (hereinafter "City") and the Des Moines Regional Transit Authority, a regional transit district (hereinafter "RTA").

IN CONSIDERATION of the covenants and agreements herein contained, the parties agree as follows:

1. To enable RTA to balance its budget, sustain its current levy rates and to provide a full range of transit services, including bus service on Sundays, the City has granted to the RTA \$400,000.00 prior to the date of this Agreement and shall grant an additional \$800,000.00 in fiscal year (July 1 to June 30) 2008-09. The grants are conditioned upon and subject to the RTA adopting and retaining a revised regional funding structure for regional transit services and implementing the corresponding tax rates for all RTA Participating Communities that is based on the regional cost allocation formula attached as Exhibit "A" and is approved by the City that will commence and be fully implemented in fiscal year 2009-10. The City grants shall be funded exclusively with City Park and Ride revenues. The additional grants shall be distributed in scheduled increments as reasonably determined by the City Finance Director and RTA General Manager.

2. Commencing July 1, 2009, the RTA shall assume all obligations of the City for payment of the Downtown Shuttle service under the Agreement between the City, RTA, the State of Iowa and the Downtown Community Alliance dated January, 2008 ("Shuttle Agreement"). RTA shall either directly pay each invoice for the City's share of the Downtown Shuttle service under the Shuttle Agreement or reimburse the City for all payments made by the City for such Downtown Shuttle service within ten days. The City's share for capital and operating costs of the Downtown Shuttle under the Shuttle Agreement shall become part of the overall operating and capital improvements cost for RTA to be paid by all RTA Participating Communities pursuant to the regional cost allocation formula attached as Exhibit "A". In accordance with the terms of the Shuttle Agreement, at expiration of the initial three year term RTA intends to continue the Downtown Shuttle service and RTA shall fund the entire capital and operating costs of the Downtown Shuttle as part of the overall operating and capital improvements cost for RTA to be paid by all RTA Participating Communities pursuant to the regional cost allocation formula attached as Exhibit "A".

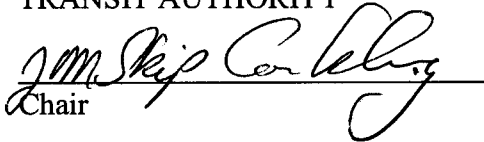
3. Commencing in fiscal year 2009-10, the City at its sole discretion may grant funds to the RTA to directly reduce the portion of the RTA subsidy requirement and corresponding tax levy to be charged to properties in the City of Des Moines pursuant to the regional cost allocation formula attached as Exhibit "A". The City shall notify RTA by December 31 of the amount of any City grant to be applied during the next fiscal year. RTA shall implement a reduced levy on properties in the City of Des Moines based upon the grant amount. One-half of the grant amount shall be distributed to RTA by October 12 of the fiscal year

following the notice and the remaining one-half of the grant amount shall be distributed to RTA by April 12 of the fiscal year following the notice.

4. This Agreement, including the regional cost allocation formula attached as Exhibit "A", shall be in effect through fiscal year 2019-20. In the event RTA amends the regional cost allocation formula in any fiscal year in such manner that results in an increased levy on properties in the City of Des Moines, RTA shall reimburse the City the full amount of the grants made pursuant to paragraph 1. Notwithstanding the above, there shall be no obligation for RTA to reimburse in the event an increased RTA subsidy requirement results in an increased levy on properties in the City of Des Moines and a proportional increased levy on all other Participating Communities based on the regional cost allocation formula attached as Exhibit "A". This Agreement shall replace the Agreement between the City and RTA dated March 10, 2008 in its entirety. The terms of such prior Agreement are hereby void.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly authorized and executed on or as of the date first written above.

DES MOINES REGIONAL  
TRANSIT AUTHORITY

  
Chair

STATE OF IOWA    )  
                                  ) ss:  
COUNTY OF POLK )

On this 18th day of November, 2008, before me, the undersigned, a Notary Public, personally appeared J.M. Skip Conkling, to me personally known, who, being by me duly sworn, did state that he is the Chair of the Des Moines Regional Transit Authority, that the seal affixed to the foregoing instrument is the seal of the corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Commission; and that he acknowledged the execution of the instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.

  
Notary Public for the State of Iowa

ATTEST:

THE CITY OF DES MOINES, IOWA

\_\_\_\_\_  
Diane Rauh  
City Clerk

\_\_\_\_\_  
T.M. Franklin Cownie  
Mayor

STATE OF IOWA    )  
                          ) ss:  
COUNTY OF POLK )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public, personally appeared T.M. FRANKLIN COWNIE and DIANE RAUH, to me personally known, who, being by me duly sworn, did state that they are the Mayor and City Clerk, respectively, of the City of Des Moines, Iowa; that the seal affixed to the foregoing instrument is the seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as Roll Call No. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and that T.M. Franklin Cownie and Diane Rauh acknowledged the execution of the instrument to be the voluntary act and deed of the municipal corporation, by it voluntarily executed.

\_\_\_\_\_  
Notary Public for the State of Iowa

## EXHIBIT "A"

### NEW RTA REGIONAL COST ALLOCATION FORMULA FOR THE OPERATING AND CAPITAL IMPROVEMENTS BUDGETS

#### Method of Computing Annual Tax Levy:

- For purposes of this formula, the "RTA Subsidy Requirement" is defined to be the amount required to subsidize the operating and capital improvements costs for all RTA services (excluding Paratransit) approved by the RTA Commission which amount is net of all other revenue sources available to RTA, except for City of Des Moines Downtown Shuttle funds and other non-local RTA tax levy funds.
- Effective in FY2010 (commencing July 1, 2009) the RTA Subsidy Requirement shall be converted to a Tax Levy value by:

**Step #1.** Allocating the first **\$4,789,223** of RTA Subsidy Requirement in the following manner:

Alleman	\$637
Altoona	\$54,837
Ankeny	\$122,605
Bondurant	\$2,462
Carlisle	\$3,645
Clive	\$60,547
Des Moines	\$3,315,929
Elkhart	\$424
Granger	\$1,101
Grimes	\$9,259
Johnston	\$53,455
Mitchellville	\$1,625
Pleasant Hill	\$10,544
Polk City	\$3,380
Runnells	\$328
Sheldahl	\$262
Unincorporated Polk County	\$56,150
Urbandale	\$241,814
West Des Moines	\$777,251
Windsor Heights	\$72,969
<b>TOTAL</b>	<b>\$4,789,223</b>

**Step #2.** The balance of RTA Subsidy Requirement (the total requirement less \$4,789,223) is then allocated to each Participating Community based upon each Community's proportional share of the total taxable property valuation in all RTA Participating Communities.

**Step #3.** An amount equal to \$532,326 in FY2010, \$597,348 in FY2011, and then \$650,000 in FY2012 and subsequent years, shall be reduced from the City of Des Moines' allocation from Steps #1 and #2 above. This same amount shall be added to the allocation amounts for all other member cities except for Des Moines in proportion to their share of total taxable property value in RTA Participating Communities except Des Moines.

**Step #4.** Add the values in each step listed above for each RTA Participating Community and then divide this amount into the taxable value for each Community then multiplying this value by \$1,000 to express the requirement in terms of a taxable levy per \$1,000 of taxable value.