DART Update for the City of Des Moines

February 5, 2020
Agenda

- Recent service enhancements
- Electric bus pilot program
- Shelter planning
- Transit Optimization Study
- Property tax formula evaluation
- Operations and maintenance facility
- Proposed FY 21 budget
- FY 20 legislative agenda
Service Enhancements
Recent Service Enhancements

- Comprehensive update to bus schedules in 2018 and 2019:
  - Improved efficiency
  - Added midday frequency
  - Added earlier service

- New or extended service, including:
  - Route 50 Euclid/Douglas Crosstown
  - Route 11 to Deer Ridge
  - Route 72 in West Des Moines
  - Route 93 to Grimes
Electric Bus Pilot Program
# Pilot Project Goals

## Project Assumptions
- Reduced energy costs
- Reduced maintenance
- Environmental benefit

## Questions to be Answered
- Impact on Total Cost of Ownership
- Climate considerations
- Vehicle compatibility (range)
Electric Bus Pilot Program

- Seven (7) electric buses
  - Range suitable for all-day service
- Electrical service upgrade
- Depot charging stations
- Transformer upgrade
Pilot Bus Route: Route 60
Timeline

- **Fall 2019/Winter 2020** – Construction of electrical infrastructure
- **Late Spring 2020** – Vehicles received
- **Summer 2020** – unveiling event & inaugural bus ride
- **Late summer/fall 2020** – Campaign launches in central Iowa
- **August 2020** – electric bus in Iowa State Fair parade and on display near MidAmerican wind turbine on the Fairgrounds
- **Late 2020** – Buses in service on Route 60, ridership campaign launches
Shelter Planning
Overview

- Bus shelters are a top customer request
- Shelters provide seating, protection from the elements, lighting and ADA improvements
- Shelters also make DART’s services more visible in the community and symbolize DART’s commitment to customer service
Current Shelters

- 47 active shelters in service
- Includes key corridors, high ridership stops
- Only installed where sidewalks are available and accessible
City of Des Moines Shelters

- 41 shelters in Des Moines
- Includes key corridors, high ridership stops
- Increasingly coordinated with City projects and private development
Focus on high ridership stops and coordination opportunities:

- 6th Ave.
- Douglas Ave.
- E Grand Ave.
- Hubbell Ave.
- Ingersoll Ave.
- SW 9th St.
- University Ave.
Expansion goals

- Add roughly 100 shelters system wide
  - Increase comfort, visibility, accessibility of transit
  - Respond to customer, community feedback

- Support aligned regional objectives
  - Regional connectivity and increased mobility
  - Neighborhood and corridor improvements
  - Every day, everywhere art
Art shelters

- 3-sided glass panel structure can include custom art glass featuring 2-dimensional work by local and national artists
- Offer a regional canvas for community expression
- Unites functionality with creativity
- Opportunity for collaboration between DART, member communities, local and regional public art organizations and potential funding partners
Shelter costs

- Standard costs: $25,000
  - Site prep, concrete, materials, installation
- Art costs*: $3,000 - $6,000
  - Artist concept fees, design coordination, fabrication

- Per Shelter Cost: $25,000 - $31,000
- Full Shelter Plan Cost: $2.5 – $3.1 million
- Identified funding: $1.5 million
- Funding Gap: $1.0 - $1.6 million

*Cost savings accrue when planning for multiple art shelters.
Fundraising

- Bravo Greater Des Moines Board of Directors approved allocation of up to $250,000 over two years to support DART art shelter vision.

- Other funding opportunities:
  - Public and Private partnerships
  - MPO TAP Grant
  - Prairie Meadows Legacy Grant
  - Shelter Funding Study
  - Private and corporate philanthropy
Next steps

- Continue to coordinate with streetscape projects and private development opportunities
- Continue to pursue funding opportunities
- Work with neighborhood leaders and Public Art Foundation to develop art that can be incorporated in the shelter glass
Transit Optimization Study
New mobility ecosystem
Study Overview

- **Goals of the TOS**
  - Optimize existing service
  - Evaluate **innovative** service delivery models
  - Long-term **vision** for DART service
  - Role of **DART and its member communities**
Project Approach

- Existing Conditions Analysis
- Market Analysis
- Regional Mobility Model Assessment
- Integrated Mobility Plan
Timeline

November 2019
Performance Evaluation & Market Analysis

March 2020
Regional Mobility Model Assessment Workshop #2

Summer 2020
Draft Recommendations, Workshop #3

September 10, 2019
Project kick-off

January 2020
Workshop #1

Spring 2020
Public outreach

Fall 2020
Final Report/Recommendations
Operations and Maintenance Facility
Current State - 1100 DART Way

- Beyond its useful life and in need of replacement of most major mechanical systems
- Undersized for current and future needs, especially electric bus infrastructure
- Located in the floodplain
- Landlocked amidst rapidly growing residential development
EXISTING CONDITIONS

STORED BUSES DO NOT HAVE SPACE TO EXERCISE LIFTS

MULTIPLE GARAGE DOORS (106) TO MAINTAIN AND REPLACE

DRIVERS MUST STOP, EXIT VEHICLE, FOLD MIRRORS BEFORE ENTERING BUILDING

CLEARANCE IS TIGHT WITH MIRRORS FOLDED OFTEN LEADING TO DAMAGED DOORS AND MIRRORS.

HEIGHT CLEARANCE ALSO TIGHT FOR TODAY’S BUSES.
EXISTING CONDITIONS

MANY ORIGINAL ELECTRICAL PANELS STILL EXIST

ELECTRICAL SERVICE IS ORIGINAL TO BUILDING (1977)

UTILITY DISTRIBUTION TUNNEL HAS BEEN FLOODED NUMEROUS TIMES. DISTRIBUTES:
WATER, FIRE PROTECTION, HEATING WATER, & ELECTRICAL

FULL SIZE BUS WILL NOT FIT IN PAINT BOOTH – REQUIRES DISASSEMBLY / REASSEMBLY

substancearchitecture

1100 DART WAY
DART Capital Improvement Plan

- In the next 10 years more than $10 Million programmed for 1100 DART Way

### Facility Project

<table>
<thead>
<tr>
<th>Facility Project</th>
<th>Total Cost</th>
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<tbody>
<tr>
<td>Architecture &amp; Engineering</td>
<td>$942,105</td>
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<tr>
<td>Mechanical Systems</td>
<td>$2,257,247</td>
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<td>Structural</td>
<td>$200,000</td>
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<td>Electrical</td>
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<td>Plumbing/Fire Suppression</td>
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<td>Concrete</td>
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<td>Gates and Fencing</td>
<td>$368,551</td>
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<td>Fuel Tanks and Pumps</td>
<td>$537,567</td>
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<tr>
<td><strong>10 Year Total</strong></td>
<td><strong>$8,570,109</strong></td>
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### Equipment Project

<table>
<thead>
<tr>
<th>Equipment Project</th>
<th>Total Cost</th>
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<tbody>
<tr>
<td>Lifts</td>
<td>$140,688</td>
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<tr>
<td>Shop Equipment</td>
<td>$1,094,990</td>
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<tr>
<td>Safety &amp; Security Improvements</td>
<td>$318,264</td>
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<tr>
<td><strong>10 Year Total</strong></td>
<td><strong>$1,553,942</strong></td>
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</table>
Future State - 1100 DART Way

- Facility study concluded that investment of $38,500,000 would need to occur over the next 20 years.
- Even with that investment the facility would still have operational challenges.
- DART should consider the feasibility of a new facility.
AERIAL VIEW OF EXISTING/PROPOSED SITES

DART CENTRAL STATION
620 CHERRY STREET

PROPOSED OPERATIONS & MAINTENANCE FACILITY
25TH AND MAURY

EXISTING OPERATIONS & MAINTENANCE FACILITY
1100 DART WAY
New Facility - SE 25th and Maury

- Designed to meet needs of current and future fleet options
- Potential site is located in a more industrial area with limited amounts of residential housing
Projected Funding

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>1100 DART Way</th>
<th>New Facility</th>
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<tbody>
<tr>
<td>Cost</td>
<td>$38,500,000</td>
<td>$67,800,000</td>
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<tr>
<td>Formula Funds – On Hand</td>
<td>-2,744,576</td>
<td>-2,744,576</td>
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<tr>
<td>Formula Funds – Available During Construction FY21-24</td>
<td>-2,361,007</td>
<td>-2,361,007</td>
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<tr>
<td>Discretionary Grants</td>
<td>0</td>
<td>-25,000,000</td>
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<tr>
<td>State of Iowa – PTIG</td>
<td>-1,000,000</td>
<td>-1,000,000</td>
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<tr>
<td>City of Des Moines Infrastructure</td>
<td>0</td>
<td>-514,142</td>
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<td>Land Sale – 1100 DART Way</td>
<td>0</td>
<td>-1,000,000</td>
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<td>Gap</td>
<td><strong>$32,394,417</strong></td>
<td><strong>$35,180,275</strong></td>
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New Facility Timeline

- **Spring 2021**: Design complete, phase 1 construction bid
- **Fall 2021**: Notification on 2nd bus and bus facilities grant
- **Spring 2022**: Phase 2 construction bid
- **Summer 2020**: Schematic design work begins
- **Summer 2021**: Phase 1 construction, apply for 2nd bus and bus facilities grant
- **Winter 2022**: Phase 2 construction bid
- **Summer 2024**: Construction complete
Potential Next Steps

- Commission decision on path forward
- New facility option:
  - Accept grant, re-program existing funds and complete FTA documentation
  - Update the 28E to get approval from member communities on bonding authority
  - Prepare to issue bonds
- Current facility:
  - Procure and implement projects that are currently funded through grants
  - Annual budgeting of needed repairs and associated levy impacts
Property Tax Formula Initiative
DART Property Tax Levy

- Property tax cap for transit is 95 cents per $1,000 of taxable valuation
- Property tax levy formula was changed in 2010 by the DART Commission
  - Base property tax rate from 2010 and all new growth spread evenly
  - If property tax levy is increased then every community goes up by the same number of pennies
- The DART Commission froze the levy's for the small cities for three years in November 2016
  - No levy increase FY 2018 or FY 2019
  - 2.5 cent levy increase in FY 2020 which did not apply to Bondurant, Grimes and Unincorporated Polk County
Property Tax Formula Evaluation

- Determine a new property tax formula that:
  - Meets the regional intent of DART;
  - Allows for DART’s member communities to continue to find value in maintaining their membership; and
  - Provides flexibility for DART to meet the future needs of the community
Process

- Stakeholder interviews with Scott Raecker
- Establish the guiding principles for a new property tax formula
- Develop new property tax formula options that work to fulfill the established guiding principles
Draft Guiding Principles

- Long-term viability
- Predictability
- Transparency
- Regional mindset
- Equity
- Base level of support
- Creative
FY 21 Budget
Budget calendar

- November/December – Staff Preparation
- January 17 - Commission Budget Workshop
- January 29 - City Managers Budget Review Meeting
- February –
  - 4th - Set Public Hearing Date
  - Public Hearing Notice to Publisher & Published
- March 3 – Public Hearing to Approve FY 2021 Budget
- March 15 – Budget Certified to County Auditor & Filed with IDOM
FY 2021 Budget Factors

- Projecting $169,000 decrease in Medicaid revenue
- Programmed an additional $100,000 towards capital facility needs
- Added Fixed Route service to Bondurant for $75,000
- Revenue, other than property taxes, remains stagnant
- Commission is considering some additional budget items that could increase levy by $0.50 to 1 cent
## FY 2021 Consolidated Budget Overview

<table>
<thead>
<tr>
<th>FY 2021 Budget</th>
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<tbody>
<tr>
<td>Operating Revenue</td>
<td>$7,879,410</td>
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<tr>
<td>Non-Operating Revenue</td>
<td>$28,938,600</td>
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<tr>
<td>Total Revenue</td>
<td>$36,818,010</td>
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<tr>
<td>Total Expenses</td>
<td>$36,818,010</td>
</tr>
<tr>
<td>Surplus (Deficit)</td>
<td>$0</td>
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</table>
Legislative Agenda
2020 Legislative Agenda

- **Potential Funding Solutions:**

<table>
<thead>
<tr>
<th>Legislative request</th>
<th>Additional Levies</th>
<th>Property Tax Cap Increase</th>
</tr>
</thead>
</table>
  |                     | Grant access to four additional levies municipal transit systems have access to:  
  |                     | Liability, property and self-insurance costs  
  |                     | FICA & IPERS  
  |                     | Other employee benefits  
  |                     | Debt Service Levy  
  | Financially sustainable through* | 2029 | 2040 |

*using current formula and existing service levels

- **Other Funding Diversification:** Identify any other potential revenue diversification options that may arise during the legislative session.
- **Medicaid:** Any legislative fix to current Medicaid challenges for DART
- **Property Tax Backfill:** The elimination of the property tax backfill would mean a loss in revenue of more than $700,000 annually for DART.
Questions?