



DEPARTMENT OF TRANSPORTATION

URBAN MASS TRANSPORTATION ADMINISTRATION

NEWS

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The U. S. Department of Transportation today announced plans to help Iowa City, Iowa, join the growing number of communities across the nation which own and operate their own public transportation systems.

The Department's Urban Mass Transportation Administration is giving Iowa City a grant of \$300,274 to purchase a basic transit fleet of 12 new buses, a bus garage and related repair equipment. The grant will enable Iowa City to start its own mass transit system when the city's privately-owned bus company terminates service this summer.

Secretary of Transportation John A. Volpe said that the Iowa City grant "will bring to nearly one dozen the number of American city transit systems we have saved in a little more than a year." During calendar year 1970, grants from the Department's Urban Mass Transportation Administration helped nine cities acquire private transit companies, transferring their ownership and operation to local government control and preventing a collapse of each city's transit service.

Today's grant of \$300,274 to Iowa City will cover half the city's transit purchase costs, including the cost of 12 new 45-passenger air-conditioned buses and the purchase of an existing bus garage. The private operator, Iowa City Coach Company, which plans to terminate city service on June 6th because of financial difficulties, will sell the garage to the city but will retain its 12 buses for use in a related school bus and charter service.

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An additional UMTA grant of \$100,090 will be available to Iowa City for their transit purchases after the city meets its full regional planning requirements.

This will bring the Federal share of meeting the city's mass transit needs to \$400,364, or two-thirds of the total \$600,548 project cost. Local contributions of \$300,274 will pay for the other third, according to UMTA Administrator Carlos C. Villarreal.

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For further information, contact the UMTA Public Affairs Office at (202) 426-4043, or:

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