

**COUNCIL ACTION FORM**

**SUBJECT: CHERRY AVENUE EXTENSION FUNDING AGREEMENT WITH IOWA DEPARTMENT OF TRANSPORTATION**

**BACKGROUND:**

The City of Ames has been awarded a **grant in the amount of \$1,890,000** through the Iowa Department of Transportation (Iowa DOT) **for the Cherry Avenue Extension**. This agreement is through the Surface Transportation Block Grant Program Federal-aid Swap to help fund transportation improvement projects on streets and highways in Iowa.

The Long Range Transportation Plan identifies the extension of Cherry Avenue south of East Lincoln Way as an important transportation connection for the community. By extending Cherry Avenue south and connecting both SE 3<sup>rd</sup> Street and SE 5<sup>th</sup> Street, traffic congestion will be further relieved from the South Duff Avenue corridor. This project will also include replacing the existing 4" water main along Cherry Avenue with a new larger water system to loop this part of the community to improve reliability and fire protection.

This project will have a bid letting through the Iowa DOT and a local match of 20 percent of eligible project costs. The summary of the revenues for this project are shown below:

<b>Funding Source</b>	<b>Available</b>
G.O. Bonds	\$ 510,000
Water Utility Funds	\$ 550,000
Federal/State Grants	\$1,890,000
<b>Total</b>	<b>\$2,950,000</b>

**ALTERNATIVES:**

1. Approve the Iowa DOT STBG Federal-aid Swap funding Agreement for the Cherry Avenue Extension in the amount of \$1,890,000.
2. Reject the Agreement.

**CITY MANAGER'S RECOMMENDED ACTION:**

Approval of this agreement with the Iowa DOT must happen before moving forward with construction of this project in the 2022 construction season. Delay or rejection of this agreement could delay this street project and will require additional funding. **Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.**

- **IN PLAN**
- **COST = \$2,340,000**



**PRELIMINARY  
SUBJECT TO CHANGE**



2035 Long Range Transportation Plan Update

**PROJECT NO. 26**  
Cherry Avenue Extension -  
Lincoln Way to SE 5th Street

**LEGEND**

PROPOSED ROAD

DATE  
JULY 2010

