



January 21, 2025

Mayor and Ames City Council Members:

I am attaching for your review the City Manager's Recommended Capital Improvements Plan (CIP) for FY 2025/26 through FY 2029/30. This five-year plan reflects expenditures totaling \$458,365,990, which are supported by various funding sources, which are highlighted below.

Expenditures:		Funding Sources:	
Public Safety	\$6,734,747	Local Option Sales Tax	\$10,869,440
Utilities	282,792,000	Council Priorities Capital Fund	1,750,000
Transportation	156,685,224	Electric Utility	30,278,800
Culture & Recreation	10,904,019	Water Utility	22,102,000
Community Development	875,000	Sanitary Sewer Utility	16,565,000
General Government	375,000	Stormwater Utility	8,800,000
		Resource Recovery Utility	1,674,000
		Transit Capital Reserve	6,786,749
		Airport Improvement Fund	565,000
		Ice Arena Capital Reserve	120,000
		Road Use Tax	12,071,304
		Outside Funding (federal/state grants and donations)	77,576,691
		Debt Service (GO Bonds & State Revolving Loans)	269,207,006
Total	\$458,365,990	Total	\$458,365,990

The Capital Improvements Plan document reflects the financing, location, and timing of permanent structural changes to City property or assets to prolong the asset's life, increase its value, or enhance its capabilities. Many of the projects included in the CIP are needed to renovate our deteriorating infrastructure, accommodate growth within our city with new or expanded infrastructure, or achieve a City Council goal.

To help better understand the major projects in the attached CIP, I am providing the following summary.

Public Safety - \$6,734,747

Fire - \$3,484,747

To automate the process of alerting and dispatching fire personnel and apparatus to emergency incidents as quickly as possible, the City uses a **Station Alerting System** (page 25). It enables 911 dispatchers to automatically and instantaneously dispatch the most appropriate emergency response vehicles from any of the three fire stations. Additionally, it is used in partnership with Mary Greeley Medical Center for ambulance services. The current system, which is 17 years old, has reached the end of its service life, both in terms of equipment and technology. If Fire Station #2 is relocated after the completion of this project, most of the station alerting hardware will be transferable to the new facility.

This CIP includes the replacement/refurbishment of our fire apparatus, which are at the end of their operational lives. The **Fire Apparatus Replacement Program/Fire Engine #2** project (page 26) will replace this frontline apparatus, purchased in 2010, and refurbish the existing unit to replace a unit purchased in 1996 as a reserve pumper. In addition, the **Fire Apparatus Replacement Program/Fire Engine #4** (page 27) anticipates the addition of a fourth frontline unit if or when a fourth fire station is constructed in the future as the city expands its boundaries in accordance with our Ames 2040 Comprehensive Plan.

The **Self-Contained Breathing Apparatus (SCBA)** project (page 28) highlights an essential piece of equipment used by firefighters to enter hazardous environments to rescue trapped occupants and mitigate hazards. To ensure compliance with Occupational Safety and Health Association respiratory protection safety regulations, SCBAs have a 15-year replacement cycle. The current SCBAs and related equipment are approaching their 15-year life cycle, and replacements will be introduced in the fifth year of the CIP.

Animal Control - \$3,250,000

Our existing Animal Control Shelter was constructed in 1994. The building has proven unsuitable for long-term sheltering and control operations. The current facility has poor insulation, temperature control problems, water leaks, and insufficient space to serve the animals' needs.

The City has obtained a purchase option to acquire an existing building almost four times the size of our existing building with the intent to renovate it into a modern shelter facility. It is believed that the **Animal Shelter Relocation** project (page 30) will meet the current operational needs for a larger facility, expansion capabilities, and adherence to state code requirements for animal care. Funding for this project is anticipated to come from a combination of sources. Funding estimates for this new facility include 33% in private donations and 66% in prior General Fund savings, presently held in the Council Priorities Capital Fund.

It should be emphasized that the cost estimates for this facility should be considered preliminary, as a consultant has been hired to verify these totals. Therefore, the cost estimates and required funding totals may be revised following the issuance of the consultant's report.

Utilities - \$282,792,000

Electric Utility - \$175,410,000

Our long-range plan for the Electric Utility is grounded in three overriding principles: providing service reliability, mitigating customer cost, and promoting environmental sustainability. To this end, this five-year plan devotes \$19,175,000 to transmission improvements, \$8,720,000 to distribution improvements, and \$141,115,000 to electric production improvements to the existing infrastructure.

Of particular note are five significant new initiatives. The **New Thermal Generation** (page 47) will allow for three new generating units to be constructed at the Coal Yard. These investments are necessary to replace Unit #7 and meet customers' demands as they transition to higher electrical consumption, as envisioned in the City's Climate Action Plan. The **Prairie View 161kv Substation** (page 38), **Prairie View 161kv Line Expansion** (page 39), and **Boone Junction 161 kV Line Improvements** (page 40) projects will improve reliability and maintain electric service in the event we lose our other two major tie lines, as was the case during the 2020 Derecho. Finally, the **New Renewable Energy** project (page 57) calls for adding an estimated 50 MW of wind power to our energy portfolio, thereby increasing our renewables from 15% to 31% in our quest to accomplish the Council's Climate Action Plan goal to reduce carbon emissions.

These five new projects account for the significant increase in our investment in the Electric Utility when compared to last year's five-year CIP total. With the exception of the Renewable Energy project, it is estimated that funding for the other projects in the CIP can be covered by operational savings when we discontinue burning Refuse Derived Fuel (RDF).

Water Utility - \$34,953,000

The CIP projects for the Water Utility continue to emphasize efficiency, resiliency, security, and preventive maintenance. These investments will assure reliable service to our water customers and include **Water Plant Facilities Improvements** (page 60), **Well Field Standby Power** (page 61), **Physical and Cyber Security Improvements** (page 62), **SAM Pump Station Improvements** (page 63), **Wellhead Rehabilitation** (page 65), **Lime Lagoon Improvements** (page 66), and **Water Treatment Plant Pump/Drives** (page 67).

The most expensive project for the Water Utility includes the **Prairie View Industrial Center Elevated Tank** (page 64), which is reflected in the third year of the plan, but will be advanced or delayed depending on the pace of development and water demand in this industrial area.

Our water distribution system also continues to receive attention in the CIP with the **Water System Improvements** (page 78) program, which will allow us to replace older water mains in areas experiencing rusty water, frequent water main breaks, and low pressure/circulation.

Sanitary Sewer Utility - \$53,925,000

The CIP for the Sanitary Sewer Utility is once again dominated by the Iowa Department of Natural Resources' mandate, which requires the largest wastewater facilities in the state to install process changes that will meet their nutrient removal targets. In response to this state mandate, the **Nutrient Reduction Modifications** (page 71) project devotes \$33,490,000 in the Plan's first two years towards the estimated total cost of \$62,517,000 for Phase 1.

We hope to go beyond our on-site efforts by supporting the **Watershed-Based Nutrient Reduction** project (page 73). In addition to realizing the environmental benefits, incentivizing watershed-based best practices will yield the ancillary benefits of flood risk reduction, drought control, increased recreational opportunities, and bankable credits to offset any future federal or state requirements imposed on our facility.

Maintaining our existing infrastructure remains a priority with the **WPC Plant Facility Improvements** (page 74), **Lift Station Improvements** (page 75), and **Clarifier Maintenance** (page 76) programs.

The **Cogeneration System Maintenance** project (page 72) is an important component of implementing the City's Climate Action Plan. The project will result in the construction of a new fats, oil, and grease receiving station that will enhance our ability to accept food waste diverted to the Water Pollution Control Plant to produce on-site electricity rather than being processed through the Resource Recovery plant and landfilled.

As is the case in the Water Utility, the **Sanitary Sewer System Improvements** program (page 80) focuses on the collection system and reconstructing deficient sewer lines and manholes. The locations for this work were identified through previous field investigations utilizing smoke testing and televising. The project's goal is to eliminate the inflow/infiltration of clean water flowing to the Water Pollution Plant that does not need to be subject to the costly treatment process.

Stormwater Utility - \$9,950,000

Results from our annual Resident Satisfaction Survey consistently highlight the importance of Stormwater Utility projects to Ames residents. These priorities stem from the direct impacts of overland flooding on their properties, the effects of bank destabilization on waterway quality, and the influence of available developable land on the City's growth plans.

To mitigate the impact from the expansion of impervious surfaces related to development, a series of initiatives are included in the CIP. Programs such as **Stormwater Erosion Control** (page 83), **Stormwater Improvements** (page 84), **Stormwater Quality Improvements** (page 85), **Low Point Drainage Improvements** (page 86), and **Stormwater Detention/Retention Maintenance** (page 87) serve to mitigate this impact.

One unique project, **South Skunk River Improvements** (page 88), will stabilize the banks between South 16th Street and East Lincoln Way and armor them to protect a major north/south bike path planned for this area.

Resource Recovery Utility - \$8,554,000

The Resource Recovery Utility is on the brink of a significant change in our solid waste management model, which will take place over the next five years. Since 1975, garbage collected in Story County has been received and processed at the Resource Recovery Plant, where some recyclable materials have been removed. Much of the remaining materials have been converted into refuse-derived fuel (RDF) for use as a supplemental fuel source in the Power Plant.

Changes in federal regulations will make burning RDF in the Power Plant infeasible entering the 2030s, and the combination of the age of the equipment and the harsh environment resulting from burning RDF have caused staff to propose an alternative waste disposal strategy. The City is pursuing a new partnership with an alternative landfill. Additionally, staff is developing a concept for a **Resource Recovery and Recycling Campus** (page 90). This new transfer facility would receive solid waste and recyclables separately. The solid waste would be screened to remove additional recyclable materials before being transported in consolidated loads to a landfill. The recyclable materials would be transported to recyclers based on the best available market prices.

Anticipating this change, the **Resource Recovery System Improvements** program (page 91) has been adjusted to reduce some preventive maintenance and repairs at the existing facility. Further adjustments may be made to ramp down this activity as the transition to the new facility occurs.

Transportation - \$156,685,224

Once again, the results of our annual Resident Satisfaction Survey indicate that our residents place a high priority on transportation and traffic improvement projects. As a result of this feedback, the CIP supports a significant investment in projects that offer multi-modal opportunities that increase efficient movement throughout the city and decrease carbon emissions. Fortunately, Public Works and CyRide staff have done an excellent job in securing grant funding for these important projects. The CIP anticipates this success to continue with 43% of the expenditures over the five-year plan supported with federal and state grant funds.

Streets and Traffic - \$85,939,000

The **Asphalt Street Pavement** (page 95), **Concrete Pavement** (page 96), **Seal Coat Pavement** (page 97), **Collector Street Pavement** (page 98), **Alley Pavement** (page 99), **Right of Way Restoration** (page 101), and **Arterial Street Pavement** (page 102) programs, as well as the **Downtown Street Pavement** (page 100), **CyRide Route Pavement** (page 103), and **Campustown Public Improvements** (page 104) programs reflect a significant investment in street and traffic CIP projects, resulting from resident input.

While the majority of the projects listed above call for the total reconstruction of existing infrastructure, the **Pavement Restoration** program (page 118) involves preventive and proactive maintenance activities on our street system. Activities such as slurry sealing, asphalt patching, and joint sealing serve to prolong the life of the roadway before more costly reconstruction is required.

Streets and Traffic, continued

Commitment to our street improvements is a double-edged sword. On the one hand, our customers should be happy that we are fixing our deteriorated street infrastructure. On the other hand, to accomplish this task, our residents are inconvenienced over a long period of time as our contractors work to accomplish this road work. As you know, in many instances, we hear of residents' frustration with being inconvenienced outweighing the satisfaction of experiencing a new street.

Since Ames is situated at the intersection of two rivers, it is important that we inspect the many bridges within the city every two years. The **Lincoln Way Bridge Replacement** project (page 121) has been inserted into the CIP due to the latest 2024 inspection program. It is important to note that our consultant has indicated that this bridge is safe to travel on, but we should begin to prepare for full replacement within the life of this five-year plan.

The **Traffic System Capacity Improvements** program (page 111) will address capacity issues at various intersections throughout the city identified in the 2045 Long Range Transportation Plan. The **Traffic Signal Program** (page 113) will serve as a complementary program calling for the replacement of older traffic signals and the installation of newer ones throughout our street system.

The much-anticipated **Intelligent Transportation System** (page 112) will be completed in the second year of the CIP. Once completed, this new system will provide real-time data that will help us optimize traffic and pedestrian flow at signalized intersections through our major arterial corridors.

Shared Use Path Improvements - \$7,030,000

The City Council has established a goal to invest an annual average of \$1,200,000 in our trail system. This CIP exceeds that goal when taking into account the **Shared Use Path System Expansion** (page 107), **Multi-Modal Roadway Improvements** (page 108), and **Shared Use Path Maintenance** (page 109) programs, coupled with various other street, traffic, and bridge projects listed in the Plan that incorporate path improvements. The average annual total for these shared use path projects is \$1,633,000. The recently accepted Walk Bike Roll Plan influenced the projects reflected for these improvements.

Airport - \$37,105,000

Of the \$37,105,000 earmarked for the James Herman Banning Ames Municipal Airport projects, we expect to obtain \$33,266,250 (90%) from federal and state funding.

Airport Airside Improvements (page 129) represents a commitment to resurfacing and/or expanding the Airport's runways, taxiways, and aprons. This CIP will allow us to reconstruct Runway 01/19 and Taxiway B and rehabilitate Runway 13/31 and Taxiway A.

The projects included in the **Airport Facility Improvements** program (page 130) include relocating the National Weather Service Automated Observing System and the Fuel Farm.

The **Airport Entryway Improvements** project (page 131) will expand paved parking at the Airport and enhance landscaping in the central entrance area.

Transit - \$26,611,224

Public transportation is critical to a city by providing a low-cost transportation option to needed services and employment centers for those without vehicles. For those with vehicles, utilization of this service can help reduce carbon emissions consistent with the goals of our Climate Action Plan. For this five-year plan, we again are anticipating success in securing outside funding. Of the \$26,611,244 of expenditures reflected for Transit, we hope to obtain \$19,824,475 (75%) in federal and state funding.

It is imperative that we continue to upgrade the age of our fleet to guarantee reliability and accomplish the carbon reduction planned for in our Climate Action Plan. Therefore, over the next five years, our **CyRide Vehicle Replacement/Rehabilitation** program (page 123) will replace twenty 40-foot buses with new buses, and exchange five 40-foot buses with five battery-operated buses.

As our route system continues to grow and more battery electric buses (BEB) become part of our fleet, it is time to place attention on **CyRide Facility Improvements** (page 124). The improvements include installing safety enhancements to reduce fire safety risks related to BEBs. In addition, we plan to initiate architectural and engineering services related to our next building expansion. Finally, we intend to replace and upgrade our fuel fueling system with one that is faster, has less waste, and is more environmentally sustainable.

The **CyRide Technology Improvements** program (page 127) will continue to invest in technology to improve the rider experience. Real-time information regarding arrival times will be installed in key bus stop locations, and infotainment systems in our buses will display upcoming stops.

Culture and Recreation - \$10,904,019

Parks and Recreation - \$10,754,019

Great cities are defined not only by the quality of their public works and utility infrastructure, but also by the quality-of-life features that exist in the community. This CIP dedicates a significant amount of funding to this end.

The first year of the five-year plan reflects the final installment in the new \$28,300,000 **Fitch Family Indoor Aquatic Center** (page 135), which is scheduled to open in January 2026. This multi-purpose facility will fill a void created by the demolition of the old Municipal Pool, which made way for the new Ames High School.

The **Playground Equipment Improvements** program (page 138) will allow us to replace thirteen pieces of equipment in thirteen parks throughout the city. The **Park System/Facility Improvements Program** (page 137) will facilitate the renovation of several existing outdoor restrooms, shelters, parking lots, drinking fountains, canoe /kayak access, sound/lighting systems at the Auditorium, flooring in the Community Center, and upgrades to Tom Evans Plaza.

Parks and Recreation, continued

The crown jewel of the Ames Park System, **Ada Hayden Heritage Park** (page 139), is scheduled to receive the second and final phase of a conversion from a 10-foot asphalt to a 12-foot concrete trail system. Equally exciting is that a water detention area located in the northwest section of the park along the upland trail will be transformed into a new child-friendly fishing location in the third year of the Plan.

Funding for a new pedestrian bridge has been incorporated for **Moore Memorial Park** (page 141). The new bridge will link the City trail system across loway Creek south to the Ontario path through ISU property.

For those of you who play golf at our popular **Homewood Golf Course** (page 142), the existing bridge on Hole #9 will be replaced to safely handle the growing number of golfers who are using our golf carts and must now take a circuitous route to avoid the existing bridge which was not designed to accommodate golf carts.

The City Council's goal of providing an inclusive community will be furthered with the allocation of funds to implement **ADA Transition Plan Improvements** (page 140). The projects pursued each year will be selected based on an assessment of the park/facilities system completed in FY 2022/23.

Cemetery - \$150,000

The **Cemetery Improvements** (page 146) program will install a more decorative fence at the City's Ontario Cemetery site and purchase three additional columbaria to accommodate the growing demand for cremations at the Ames Municipal Cemetery.

Community Development - \$875,000

The City Council also understands that great communities must have great neighborhoods, both residential and commercial. Therefore, this five-year plan continues support for the **Downtown Façade Program** (page 149), **Campustown Façade Program** (page 150), and **Neighborhood Improvement Program** (page 151).

General Government - \$375,000

The City Hall's mechanical, electrical, sprinkler, and other support systems were installed in 1990. The **City Hall Improvements** (page 155) program allocates funds each of the next five years to respond to equipment, system, or sidewalks/parking lot needs for the City Hall building and the Veterans Memorial.

Prioritization of New Projects

Based on the feedback I received from the City Council, a new Animal Control Shelter has been incorporated into this five-year plan. This action leaves the following four projects to be prioritized in future CIPs.

Fire Station #2 Relocation

Relocating this facility to Iowa State University property on the west side of State Avenue is being considered as the preferred option for a new station location. This site offers several advantages, which include improving overall response times and eliminating safety concerns associated with emergency vehicles navigating the heavily congested Campustown Business District. In FY 2024/25, funds have been allocated to hire a consultant to develop preliminary cost estimates for the proposed new station.

Ontario Park Development

Following the recent acquisition of approximately 50 acres of land along Ontario Road for a new western community park, there is a need to develop key amenities such as trails, shelters, restrooms, bridges, and other recreational facilities. To support this effort, funds have been allocated in FY 2024/25 to hire a consultant to prepare preliminary cost estimates for the park's development.

Indoor Recreation Center

With just one City gymnasium and limited access to Ames School District gym spaces, we are unable to accommodate the community's growing demand for indoor recreation facilities. A new facility equipped with amenities such as indoor basketball and pickleball courts, volleyball courts, a soccer pitch, a running/jogging/walking track, and play areas would provide essential recreational opportunities for both youth and adults. This addition would align Ames with the amenities offered in many other communities, larger and smaller. I plan to include funds in the FY 2024/25 adjusted budget to hire a consultant to prepare preliminary cost estimates for this proposed facility.

Fire Station #4

As the City expands in accordance with the Ames 2040 Plan, a new fourth station will help maintain adequate emergency response times. The exact timing of the need for this new station will depend on the pace of the City's growth.

Special Thanks!

As always, I want to thank our Department Heads and staff members, who did their best to identify projects that respond to the City Council's stated priorities and to the input provided by our residents regarding the CIP.

In addition, our budget team comprised of our Finance Director, Corey Goodenow, our Budget Manager, Nancy Masteller, our Budget Analyst, Patti Lehman, our Finance Secretary, Bre Van Sickle, and our two Assistant City Managers, Brian Phillips and Pa Vang Goldbeck deserve recognition for their work in reviewing the department project recommendations, helping develop long-range revenue and expenditure projections, and coordinating the compilation of the CIP document.

Respectfully submitted,

A handwritten signature in cursive script that reads "Steve".

Steven L. Schainker
City Manger