

ITEM #:	20
DATE:	04-14-26
DEPT:	PW

COUNCIL ACTION FORM

SUBJECT: IOWA DOT FUNDING AGREEMENT FOR IOWA CLEAN AIR ATTAINMENT PROGRAM FUNDING OF \$1,213,760 AND CARBON REDUCTION PROGRAM FUNDING OF \$940,000 FOR THE INTELLIGENT TRANSPORTATION SYSTEMS PROGRAM (PHASE 5)

BACKGROUND:

The Intelligent Transportation System (ITS) Program is a project that will implement real-time optimization of traffic and pedestrian flow at signalized intersections. The FY 2025/26 and 2026/27 Capital Improvements Plan (CIP) includes the design and construction of Phase 5 of the City's ITS Master Plan. Phase 5 is the final phase of the ITS Network and completes the northwest, southeast, and eastern portions of Ames as shown in the attached map.

The City has been awarded two grants from the Iowa Department of Transportation (DOT) for the project. **Both grants have been combined into one agreement.** The two specific grant programs are the Iowa Clean Air Attainment Program (ICAAP) the Carbon Reduction Program (CRP) in the respective amounts of \$1,213,760 and \$940,000 for the Phase 5 project. **This Council Action is for approval of the grant agreement.**

Project design is anticipated to be completed in winter 2026 with a spring 2027 bid date. Project revenues and estimated expenses are shown below:

Revenues		Expenses	
ICAAP Grant (this council action)	\$1,213,760		
Carbon Reduction Program (CRP) Grant (this Council action)	\$940,000		
G.O. Bonds (FY 2025/26)	\$367,540		
G.O. Bonds (FY 2026/27)	\$178,756		
Road Use Tax	\$641,304		
		Design	\$389,070.50
		Administration	\$125,000
		Construction (estimate)	\$2,692,200
Total	\$3,341,360	Total	\$3,206,270.50

ALTERNATIVES:

1. Approve the Iowa DOT Funding Agreement for Iowa Clean Air Attainment Program funding of \$1,213,760 and Carbon Reduction Program funding of \$940,000 for the Intelligent Transportation Systems Program (Phase 5).
2. Reject the grant agreement and direct staff to identify alternative funding sources.

CITY MANAGER'S RECOMMENDED ACTION:

Approval of the grant funds is necessary to proceed with Phase 5 of the ITS program and finishing the final phase of the network. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

ATTACHMENT(S):

[Phase_5_Map.pdf](#)

[Ames 2026-ICAAP-02 5th Phase Project Agreement.pdf](#)