AGENDA REGULAR MEETING OF THE AMES CITY COUNCIL COUNCIL CHAMBERS - CITY HALL SEPTEMBER 9, 2025

NOTICE TO THE PUBLIC: The Mayor and City Council welcome comments from the public during discussion. The Standards of Decorum, posted at the door and available on the City website, define respectful conduct for public participation. If you wish to speak, please fill out the form on the tablet outside the door to the Council Chambers or scan the QR Code to the right to fill out the same form on a personal device. When your name is called, please step to



the microphone, state your name for the record, and keep your comments brief so that others may have the opportunity to speak.

CALL TO ORDER: 6:00 p.m.

CONSENT AGENDA: All items listed under the Consent Agenda will be enacted by one motion. There will be no separate discussion of these items unless a request is made prior to the time the Council members vote on the motion.

- 1. Motion approving payment of claims
- 2. Motion approving Report of Change Orders for period of August 16-31, 2025
- 3. Motion approving Summary of Minutes of the Regular City Council Meeting on August 26, 2025, and Special City Council Meeting on September 3, 2025
- 4. Motion approving Civil Service Candidates
- 5. Motion approving new Class E Retail Alcohol License MEGA SAVER, 3111 S Duff, effective October 1, 2025
- 6. Motion approving the renewal of the following Beer Permits, Wine Permits & Liquor Licenses:
 - a. Kum & Go #0217, 3111 S. Duff Avenue, Class E Retail Alcohol License
 - b. Lalo's Liquor Store Inc, 809 Wheeler Street #105, Class E Retail Alcohol License
 - c. Dollar General Store #22303 3407 Lincoln Way, Class B Retail Alcohol License
 - d. AJ's Ultra Lounge, 2401 Chamberlain Street, Class C Retail Alcohol License with Outdoor Service, Pending Dramshop Review
 - e. Neighborhood Liquor Mart, 3505 Lincoln Way Ste 105, Class E Retail Alcohol License
- 7. Motion approving revisions to City's Street Banner Policy
- 8. Motion authorizing the Mayor to sign a Certificate of Consistency with the 2024-2028 City of Ames CDBG Consolidated Plan on behalf of YSS for renewal funding under the State of Iowa Emergency Solutions Grant (ESG) and Shelter Assistance Fund (SAF) Programs
- 9. Resolution approving request from Fitness Sports Ames for modified road closures for Turkey Trot on November 27, 2025
- 10. Resolution waiving enforcement of Section 19.9 of Ames *Municipal Code* from 4:00 p.m. to 8:00 p.m. on Saturday, June 27, 2026, and from 3:30 a.m. to 1:00 p.m. on Sunday, June 28, 2026, to allow Iowa Multisport, LLC., to utilize two motorized golf carts or similar type vehicles on the Ada Hayden Heritage Park Trails for the Ames Triathlon
- 11. Resolution accepting FAA Airport Improvement Program (AIP) Grant Agreement Airport Airside Improvements (Runway 01-19 Reconstruction)
- 12. Resolution setting September 23, 2025, as date of public hearing for Digital Billboard

- Lease Agreement with Lamar Advertising Company
- 13. Resolution setting the date for sale of General Obligation Corporate Purpose Bonds, Series 2025A for September 23, 2025, and authorizing the use of preliminary official statement in connection therewith
- 14. Resolution setting September 23, 2025, as date of public hearing for first amendment to FY 2025/26 Adopted Budget
- 15. Resolution setting September 23, 2025, as date of public hearing on proposal to enter into a Sewer Revenue and Disbursement Agreement and to borrow money thereunder
- 16. Resolution approving plans and specifications for the 2025 Battery Electric Bus Facility Improvement Project, setting October 8, 2025, as the bid due date, and October 14, 2025, as the date of Public Hearing
- 17. Resolution approving Change Order No. 1 with ASK Studios of Des Moines, IA, in the amount of \$53,524.03 for On-Call Architecture and Engineering Services Contract for CyRide
- 18. Resolution approving contract and bond for the 2025/26 Water System Improvements Program (E. 14th St & Meadowlane Ave) Project with Jet Drain Services, LLC of Ames, IA, in the amount of \$314,426
- Resolution approving contract and bond for the 2024/25 Multi-Modal Roadway Improvements (6th Street, North of City Hall) with MidState Solution, LLC of Baxter, IA, in the amount of \$125,151.50
- 20. Resolution approving Plat of Survey for a Boundary Line Adjustment in rural Story County in the Ames Urban Fringe at 1568 & 2066 Stagecoach Road
- 21. Resolution accepting the 2022/23 Airport Improvements Program (South Apron Rehabilitation) as completed by Con-Struct, Inc., of Ames, IA, in the amount \$1,251,928.25
- 22. Lloyd Kurtz Mini Pitch Project:
 - a. Resolution accepting Bid Package No. 1, with changes, as completed by Caliber Concrete LLC, of Adair, IA, in the amount of \$186,640.37
 - b. Resolution accepting Bid Package No. 2 as completed by Caliber Concrete LLC, of Adair, IA, in the amount of \$109,300
 - c. Resolution accepting Bid Package No. 3 as completed by Van Maanen Electric, Inc., of Newton, IA, in the amount of \$7,610
- 23. Resolution accepting completion of public improvements and releasing the financial security on file for Amy & Corey Schmidt Sidewalk, 4004 & 4008 Cochrane Parkway

PUBLIC FORUM: This is a time set aside for comments from the public on topics of City business other than those listed on this agenda. Please understand that the Council will not take any action on your comments at this meeting due to requirements of the Open Meetings Law, but may do so at a future meeting.

ADMINISTRATION:

- 24. Resolution approving amendment to the FY 2025/26 ASSET contract with The Salvation Army
- 25. Developer Incentive Request Follow Up from May 27
- 26. Discussion of Fire Station No. 2 relocation

ELECTRIC:

27. Resolution establishing an energy upgrade program and authorizing staff to submit a federal loan application for the USDA Rural Energy Savings Program in the amount up to \$15,000,000

PLANNING & HOUSING:

28. Resolution approving request from Danfoss to waive sidewalk installation requirement at 2800 E. 13th Street

ORDINANCES:

- 29. Second reading of ordinance relating to rezoning of property at 3220 Cameron School Road from "A" (Agriculture) to "CGS" (Convenience General Service) and "FS-RM" (Floating Suburban Medium-Density Residential) Zone with Masterplan
- 30. Third reading and adoption of ORDINANCE NO. 4569 on Zoning Text Amendment to amend the PUD Overlay Open Space Standard for Infill Sites
- 31. Third reading and adoption of ORDINANCE NO. 4570 rezoning Property located at 2715 Dayton Avenue from Agricultural (A) to Government/Airport District (S-GA)
- 32. Third reading and adoption of ORDINANCE NO. 4571 for 400 South 4th Street PUD Overlay with Site Development Plan

DISPOSITION OF COMMUNICATIONS TO COUNCIL:

REPORT OF GOVERNING BODY:

- 33. Participation with agencies, boards and commissions:
 - a. Discover Ames (ACVB)
 - b. Ames Regional Economic Alliance (AREA)
 - c. Story County Emergency Management Agency (SCEMA)
 - d. Ames Transit Agency Board of Trustees

COUNCIL COMMENTS:

ADJOURNMENT:

Please note that this agenda may be changed up to 24 hours before the meeting time as provided by Section 21.4(2), *Code of Iowa*.





To: Mayor & City Council

From: Renee Hall, City Clerk

Date: September 9, 2025

Subject: Report of Contract Change Orders

The Report of Change Orders for the period of August 16-31, 2025, is attached for the City Council's review and consideration.

ATTACHMENT(S):

Change Order Report - August 16-31, 2025.docx



REPORT OF CONTRACT CHANGE ORDERS

| Doriode | | 1 st - 15 th | |
|------------------------|-------------------|------------------------------------|--|
| Periou: | \boxtimes | 16 th – End of Month | |
| Month & Year: | | | |
| For City Council Date: | September 9, 2025 | | |

| | | Contract | | | | | | Purchasing |
|-----------------------|--|----------|-------------------|---|----------------|--------------|-------------|------------|
| | General Description | Change | Original Contract | | Total of Prior | Amount this | Change | Contact |
| Department | of Contract | No. | Amount | Contractor/ Vendor | Change Orders | Change Order | Approved By | (Buyer) |
| Fleet & Facilities | Ames City Auditorium HVAC Improvements | 2 | \$1,430,000.00 | Mechanical Comfort | \$(25,030.00) | \$4,560.00 | P. Goldbeck | AM |
| Parks & | Project | 8 | ¢1 016 000 00 | Lansink Construction, Inc. | \$55,561.00 | ¢2.652.00 | K. Abraham | KS |
| Recreation | Bid Package 06-1 General Carpentry Work for Fitch Family Indoor Aquatic Center | | \$1,016,000.00 | Lansink Construction, inc. | | \$2,653.00 | K. Abraham | |
| Parks & Recreation | Bid Package 08-1 Entrance, Storefront, Curtainwall & Glazing Work for Fitch Family Indoor Aquatic Center | 3 | \$725,526.00 | Orning Glass Company, Inc. | \$-(2,080.00) | \$9,757.00 | K. Abraham | KS |
| Parks & Recreation | Bid Package 22-1 Plumbing & HVAC Work for Fitch Family Indoor Aquatic Center | 5 | \$4,184,363.00 | Brockway Mechanical & Roofing Co., Inc. | \$50,733.00 | \$7,180.00 | K. Abraham | KS |
| Parks & Recreation | Parks & Recreation Maintenance Building | 1 | \$1,344,075.00 | King Knutson Construction Inc. | \$0.00 | \$1,449.76 | J. Thompson | AM |
| Fleet & Facilities | Ames City Hall Interior Updates Phase II | 2 | \$336,500.00 | GTG Construction LLC | \$18,601.89 | \$5,408.00 | C. Mellies | AM |





To: Mayor & City Council

City Clerk's Office From:

September 9, 2025 Date:

Subject: Approval of Minutes

Attached are the minutes from the Regular City Council Meeting on August 26, 2025, and Special City Council Meeting on September 3, 2025.

ATTACHMENT(S):

C25-0826 Summary.pdf C25-0903 Summary.pdf

SUMMARY OF MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA AUGUST 26, 2025

The Regular Meeting of the Ames City Council was called to order by Mayor John Haila at 6:00 p.m. on the 26th day of August, 2025, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law. Present were Council Members Gloria Betcher, Bronwyn Beatty-Hansen, Amber Corrieri, Tim Gartin, and Anita Rollins. *Ex officio* Emily Boland was also present. Council Member Rachel Junck was absent.

CONSENT AGENDA: Council Member Betcher pulled Item No. 12.

Moved by Gartin, seconded by Corrieri, to approve the consent agenda less Item No. 12.

- 1. Motion approving payment of claims
- 2. Motion approving Report of Change Orders for period of August 1-15, 2025
- 3. Motion approving Summary of Minutes of the Regular City Council Meeting on August 12, 2025, and Minutes of the Special City Council Meeting on August 19, 2025
- 4. Motion approving Ownership Update for Class E Retail Alcohol License Hy-Vee Food and Drugstore #1, 3800 W. Lincoln Way
- 5. Motion approving Ownership Update for Class E Retail Alcohol License Hy-Vee Food and Drugstore #2, 640 Lincoln Way
- 6. Motion approving Ownership Update for Class E Retail Alcohol License Ames Fast and Fresh #1, 4018 Lincoln Way
- 7. Motion approving Ownership Update for Class E Retail Alcohol License Ames Fast and Fresh #2, 636 Lincoln Way
- Motion approving Premises Update for Class C Retail Alcohol License Levy @ Scheman Building, 1805 Center Street
- 9. Motion approving Temporary Outdoor Service for Class C Retail Alcohol License with Outdoor Service BN'C Fieldhouse, 206 Welch Avenue until March 3, 2026
- 10. Motion approving new 5-Day (September 2-6, 2025) Special Class C Retail Alcohol License with Outdoor Service Apres Bar Co, 2120 Lincoln Way, Pending Dramshop Review
- 11. Motion approving the renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Cyclone Liquors, 626 Lincoln Way, Class E Retail Alcohol License
 - Heartland Senior Services, 205 South Walnut Avenue, Special Class C Retail Alcohol License with Outdoor Service
 - c. The Recipe, 412 Burnett Avenue, Class C Retail Alcohol License
 - d. Wallaby's Grille, 2733 Stange Road, Class C Retail Alcohol License with Outdoor Service, Pending Dramshop Review
 - e. Whiskey River, 132 134 Main Street, Class C Retail Alcohol License with Catering Privilege
- 12. Motion approving request for Fireworks Permits for display from Jack Trice Stadium for 2025 ISU Home Football Games on the following dates:

- a. Saturday, August 30, 2025
- b. Saturday, September 6, 2025
- c. Saturday, September 27, 2025
- d. Saturday, October 25, 2025
- e. Saturday, November 1, 2025
- f. Saturday, November 22, 2025
- 13. RESOLUTION NO. 25-418 approving Memorandum of Understanding with Judicial Branch, Second Judicial District, Story County for court services in City Hall
- 14.RESOLUTION NO. 25-419 approving letter of support for Main Street Iowa Challenge Grant
- 15. Appointments to Watershed Management Authorities:
 - a. RESOLUTION NO. 25-420 appointing Dustin Albrecht as representative and Noel Steckelberg as alternate representative to the loway Creek Watershed Management Authority
 - RESOLUTION NO. 25-421 appointing Noel Steckelberg as alternate representative to the Headwaters of the South Skunk River Watershed Management Authority
- 16. Requests from Ames High School for Homecoming Parade on September 29, 2025:
 - a. Motion approving Blanket Temporary Obstruction Permit
 - RESOLUTION NO. 25-422 approving closure of City Parking Lot MM, southern three aisles of City Parking Lot M, from 5:30 p.m. to 7:15 p.m. for parade staging
 - c. RESOLUTION NO. 25-423 approving closure of Pearle Avenue, Burnett Avenue, Kellogg Avenue, and Clark Avenue (all from Main Street to 5th Street), Main Street from Pearle Avenue to Duff Avenue, and 5th Street from Grand Avenue to Clark Avenue, from 5:30 p.m. to approximately 7:45 p.m.
 - d. RESOLUTION NO. 25-424 approving closure of 219 metered parking spaces along the parade route from 1:00 p.m. to 8:00 p.m. and waiver of fees (Loss of \$750 to the Parking Fund)
 - e. RESOLUTION NO. 25-425 approving waiver of parking meter fees and enforcement from 4:00 p.m. to 6:00 p.m. for 19 metered parking spaces in Lot N (Loss of \$9.50 to the Parking Fund)
- 17. Police firearms and related equipment purchase:
 - a. RESOLUTION NO. 25-426 awarding a contract to Sioux Sales Company, of Sioux City, IA, for 60 Smith & Wesson M&P 2.0 handguns, related holsters, optic plates with trade in credit for a total of \$33,628
 - b. RESOLUTION NO. 25-427 awarding a contract to Arms Unlimited Inc., of Henderson, NV, for magazines and optics for a total of \$23,800
- 18. Water Treatment Plant Well Rehabilitation Program:
 - a. RESOLUTION NO. 25-428 accepting Year Three of the five-year Water Plant Well Rehabilitation Contract as completed by Northway Well and Pump Company, of Waukee, IA, in the amount of \$145,446.04
 - b. RESOLUTION NO. 25-429 awarding Year Four of the five-year Water Plant Well Rehabilitation Contract to Northway Well and Pump Company of

Waukee, IA, in the amount of \$126,472.94 for mobilization and rehabilitation of four wells in FY 2025/26

- 19. Water Meters and Related Accessories Supply Contract
 - a. RESOLUTION NO. 25-430 waiving competitive bidding requirements for water meters and related accessories
 - b. RESOLUTION NO. 25-431 approving contract with Badger Meter, Milwaukee, WI, to purchase water meters and related accessories for the one-year period of July 1, 2025, through June 30, 2026, in an amount not-to-exceed \$249,509
- 20. Lime Sludge Disposal Contract:
 - a. RESOLUTION NO. 25-432 accepting Year Two of the five-year Lime Sludge Disposal Contract as completed by Wulfekuhle Injection and Pumping of Peosta, IA, in the amount of \$504,952.30
 - b. RESOLUTION NO. 25-433 awarding Year Three of the five-year Lime Sludge Disposal Contract to Wulfekuhle Injection and Pumping of Peosta, IA, in an amount not-to-exceed \$392,140
- 21.FY 2025/26 Airport Facility Improvements Program (Jet Fuel Farm Replacement Jet A):
 - a. RESOLUTION NO. 25-434 approving State of Iowa Airport Improvement Program Grant Agreement
 - b. RESOLUTION NO. 25-435 allocating \$12,500 from the Airport Improvement Fund for the project
- 22. RESOLUTION NO. 25-436 approving contract renewal with GHD Services Inc, of Niagara Falls, NY, for Regulatory Compliance Monitoring at the Ash Pond in an amount not-to-exceed \$80,000
- 23.RESOLUTION NO. 25-437 approving preliminary plans and specifications for 2025/26 Shared Use Path Maintenance Contract No. 1, setting September 17, 2025, as bid due date and September 23, 2025, as date of Public Hearing
- 24. RESOLUTION NO. 25-438 approving Plat of Survey (Boundary Line Adjustment) for 22171 and 22085 580th Avenue

Roll Call Vote: 5-0. Motions/Resolutions declared carried/adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

FIREWORKS PERMITS FOR DISPLAY AT JACK TRICE STADIUM FOR 2025 ISU HOME FOOTBALL GAMES: Council Member Betcher stated that she pulled the item to allow anyone present to share input on the topic.

Mayor Haila opened and closed the Public Input when no one came forward to speak.

Moved by Corrieri, seconded by Gartin, to approve request for Fireworks Permits for display from Jack Trice Stadium for 2025 ISU Home Football Games on the following dates:

- a. Saturday, August 30, 2025
- b. Saturday, September 6, 2025
- c. Saturday, September 27, 2025
- d. Saturday, October 25, 2025

- e. Saturday, November 1, 2025
- f. Saturday, November 22, 2025

Vote on Motion: 5-0. Motion declared carried unanimously.

Mayor Haila noted that an item related to the Ames High School Homecoming Parade was approved as part of the Consent Agenda and invited the applicant to address the City Council.

Sarah Higgins, Ames High School Homecoming Parade Co-Chair, invited everyone to attend the parade on September 29 and emphasized that the event brings the community together.

PUBLIC FORUM: Mayor Haila opened the Public Forum.

Karen Sevde provided an update on the grants program of the Story County Community Foundation.

The Public Forum was closed by Mayor Haila when no one came forward to speak.

8-MONTH CLASS C RETAIL ALCOHOL LICENSE WITH OUTDOOR SERVICE FOR LA CASA MAYA, 631 LINCOLN WAY: Chief of Police Geoff Huff presented the Council Action Form (CAF), noting that La Casa Maya employees had completed both IPACT online training and Ames Police Department in-person, bilingual training since the City Council denied renewal of its 12-month license on July 22. Staff now recommended approval of the 8-month license, which allowed a shorter license period to monitor compliance.

The Public Input was opened and closed by Mayor Haila when no one came forward to speak.

Moved by Gartin, seconded by Betcher, to approve an 8-month Class C Retail Alcohol License with Outdoor Service for La Casa Maya, 631 Lincoln Way. Vote on Motion: 5-0. Motion declared carried unanimously.

REQUEST FROM ISU RESEARCH PARK TO INITIATE ZONING TEXT AMENDMENT TO STANDARDS FOR IMPROVEMENTS OF OFF-STREET PARKING AREAS AND DRIVEWAYS FOR AGRICULTURAL EQUIPMENT: Planning and Housing Director Kelly Diekmann presented the request for excluding space for agricultural equipment maneuvering from paving requirements and answered questions from the City Council.

The Public Input was opened and closed by Mayor Haila when no one came forward to speak.

Moved by Gartin, seconded by Beatty-Hansen, to approve Alternative 1: Within the Research Park Innovation District (RI), exclude agricultural equipment areas from paving requirements, as an accessory function and for areas behind a principal building, subject

to approval by the Planning Director.

Vote on Motion: 4-1, Rollins dissenting. Motion declared carried.

FITCH FAMILY INDOOR AQUATIC CENTER MONTHLY UPDATE: Parks and Recreation Director Keith Abraham, Story Construction Senior Project Manager Troy Turner, and RDG Planning and Design Architect Brad Rodenburg presented the update and answered questions from the City Council.

Moved by Beatty-Hansen, seconded by Betcher, to accept the Fitch Family Indoor Aquatic Center monthly update.

Vote on Motion: 5-0. Motion declared carried unanimously.

HEARING ON REZONING PROPERTY AT 3220 CAMERON SCHOOL ROAD FROM "A" (AGRICULTURAL) TO "CGS" (CONVENIENCE GENERAL SERVICE) AND "FS-RM" (FLOATING SUBURBAN MEDIUM-DENSITY RESIDENTIAL) ZONE WITH MASTERPLAN: Planner Justin Moore and Director Diekmann presented the CAF and answered questions from the City Council, noting that the rezoning request matches the land use identified in Ames Plan 2040 for the site. Fire Chief Rich Higgins explained that the proposed assisted living use would have unique demands on emergency services, which would reduce response times until a fourth fire station could be constructed.

Kurt Friedrich, Friedrich Land Development Company, and Patrick Anton, Dover Companies, presented the application and discussed the vision for an 87-unit Assisted Living and Memory Care Community on the site.

The Public Hearing was opened and closed by Mayor Haila when no one came forward to speak.

Moved by Gartin, seconded by Corrieri, to approve Alternative 1: pass on first reading an ordinance rezoning property at 3220 Cameron School Road from "A" (Agricultural) to "CGS" (Convenience General Service) and "FS-RM" (Floating Suburban Medium-Density Residential) Zone with Masterplan and to finalize a Zoning Agreement for the Master Plan prior to the third reading of the rezoning ordinance.

Roll Call Vote: 5-0. Motion declared carried unanimously.

HEARING ON GRANTING GAS PIPELINE EASEMENT ON CITY OF AMES PROPERTY AT 601 S. MAPLE AVENUE: Public Works Director Justin Clausen was available for questions.

The Public Hearing was opened and closed by Mayor Haila when no one came forward to speak.

Moved by Betcher, seconded by Rollins, to adopt RESOLUTION NO. 25-439 approving easement creating legal access for Alliant Energy to construct and maintain the proposed gas main.

Roll Call Vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and

hereby made a portion of these Minutes.

HEARING ON TEXT AMENDMENT TO CHAPTER 23 CONSERVATION SUBDIVISION ORDINANCE: City Attorney Mark Lambert presented the CAF and answered questions from the City Council.

The Public Hearing was opened and closed by Mayor Haila when no one came forward to speak.

Moved by Betcher, seconded by Beatty-Hansen, to pass on first reading an ordinance relating to a Text Amendment to Chapter 23 Conservation Subdivision Ordinance. Roll Call Vote: 5-0. Motion declared carried unanimously.

Moved by Betcher, seconded by Rollins, to suspend the rules and allow for second and third reading and adoption of ordinance relating to a Text Amendment to Chapter 23 Conservation Subdivision Ordinance.

Vote on Motion: 5-0. Motion declared carried unanimously.

Moved by Rollins, seconded by Beatty-Hansen, to pass on second reading an ordinance relating to a Text Amendment to Chapter 23 Conservation Subdivision Ordinance. Roll Call Vote: 5-0. Motion declared carried unanimously.

Moved by Rollins, seconded by Betcher, to pass on third reading and adopt ORDINANCE No. 4568 relating to a Text Amendment to Chapter 23 Conservation Subdivision Ordinance.

Roll Call Vote: 5-0. Motion declared carried unanimously.

Moved by Betcher, seconded by Rollins, to direct the City Attorney and City Clerk to develop a policy to improve the ordinance review process to prevent future errors. Vote on Motion: 1-4. Voting Aye: Betcher. Voting Nay: Beatty-Hansen, Corrieri, Gartin, and Rollins. Motion declared failed.

SECOND READING OF ORDINANCE ON ZONING TEXT AMENDMENT TO AMEND THE PUD OVERLAY OPEN SPACE STANDARD FOR INFILL SITES: Moved by Rollins, seconded by Beatty-Hansen, to pass on second reading an ordinance on Zoning Text Amendment to amend the PUD Overlay Open Space Standard for Infill Sites. Roll Call Vote: 5-0. Motion declared carried unanimously.

SECOND READING OF ORDINANCE REZONING PROPERTY LOCATED AT 2715 DAYTON AVENUE FROM AGRICULTURAL (A) TO GOVERNMENT/AIRPORT DISTRICT (S-GA): Moved by Rollins, seconded by Beatty-Hansen, to pass on second reading an ordinance rezoning Property located at 2715 Dayton Avenue from Agricultural (A) to Government/Airport District (S-GA).

Roll Call Vote: 5-0. Motion declared carried unanimously.

SECOND READING OF ORDINANCE FOR 400 SOUTH 4TH STREET PUD OVERLAY

WITH SITE DEVELOPMENT PLAN: Moved by Betcher, seconded by Beatty-Hansen, to pass on second reading an ordinance for 400 South 4th Street PUD Overlay with Site Development Plan.

Roll Call Vote: 5-0. Motion declared carried unanimously.

REPORT OF GOVERNING BODY: The Mayor and City Council Members provided highlights from their attendance at various board and commission meetings.

DISPOSITION OF COMMUNICATIONS TO COUNCIL: Mayor Haila noted that there were two items to consider.

The first item was an email from Ames Regional Economic Alliance Business Director Dylan Kline regarding a development opportunity at 13th Street and Interstate 35.

Moved by Beatty-Hansen, seconded by Rollins, to request an update from the City Manager's Office on the progress being made on this topic.

Vote on Motion: 5-0. Motion declared carried unanimously.

The second item, a memo from Traffic Engineer Damion Pregitzer relating to Game Day Parking by Stuart Smith Park, was noted by Mayor Haila to be for information only.

COUNCIL COMMENTS: The Mayor and City Council Members reported on various events attended, upcoming meetings, community events, and items of interest.

ADJOURNMENT: Moved by Beatty-Hansen, seconded by Betcher, to adjourn the meeting at 7:40 p.m.

Vote on Motion: 5-0. Motion declared carried unanimously.

| Jeramy Neefus, Principal Clerk | John A. Haila, Mayor | |
|--------------------------------|----------------------|--|
| Renee Hall. City Clerk | - | |

SUMMARY OF MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

SEPTEMBER 3, 2025

The Special Meeting of the Ames City Council was called to order by Mayor John Haila at 11:31 a.m. on the 3rd day of September 2025, pursuant to law. As it was impractical for the Council Members to attend in person, Council Members Bronwyn Beatty-Hansen, Amber Corrieri, Tim Gartin, Rachel Junck, and Anita Rollins joined the meeting electronically. Council Member Gloria Betcher and *ex officio* Emily Boland were absent.

CONSENT AGENDA: Mayor Haila shared that the Consent agenda items would be addressed individually and asked if the City Council had any questions for staff.

Moved by Gartin, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 25-440 approving Change Order No. 1 with HDR Engineering, Inc. of Omaha, NE, in the amount not to exceed \$967,715 for design of the Resource Recovery and Recycling Campus. Roll Call Vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by Rollins, seconded by Gartin, to adopt RESOLUTION NO 25-441 approving Change Order No. 1 with INVISION Architecture, LLC, of Des Moines, IA, in the amount of \$557,000.

Roll Call Vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

COUNCIL COMMENTS: None.

| ADJOURNMENT : Moved by Gartir at 11:37 a.m. | n, seconded by Beatty-Hansen, to adjourn the meeting |
|--|--|
| | |
| Renee Hall, City Clerk | John A. Haila, Mayor |





To: Mayor & City Council

From: City Clerk's Office

Date: September 9, 2025

Subject: Approval of Civil Service Candidates

Attached are the minutes for the Regular Meetings of the Civil Service Commission held on August 28, 2025.

ATTACHMENT(S):

August 28 2025 Civil Service Minutes.pdf

MINUTES OF THE REGULAR MEETING OF THE AMES CIVIL SERVICE COMMISSION

AMES, IOWA AUGUST 28, 2025

The Regular Meeting of the Ames Civil Service Commission met in regular session in Council Chambers of City Hall, 515 Clark Avenue, with Commission Members, Harold Pike, Larry Conley, and Kim Linduska, Commission Chair present. Also in attendance Commission Clerk, Vicki Hillock, Human Resources Director, Bethany Ballou, brought in telephonically.

APPROVAL OF MINUTES OF JULY 28, 2025: Moved by Pike, seconded by Conley, to approve the Minutes of the July 28, 2025, Regular Service Commission meeting. Vote on Motion: 3-0. Motion declared carried unanimously.

CERTIFICATION OF ENTRY-LEVEL APPLICANTS: Moved by Linduska, seconded by Conley, to certify the following individuals to the Ames City Council as Entry-Level Applicants:

| <u>Secretary I – Resource Recovery</u> | Melissa Larsen | 77 |
|--|--------------------|----|
| • | Melissa Turnis | 71 |
| | Jacquelynn Higgins | 70 |

^{*} Includes preference points

Vote on Motion: 3-0. Motion declared carried.

OTHER DISCUSSION – HOLIDAY SCHEDULE: It was discussed and approved to move the November and December meetings one week forward to November 20, 2025, and December 18, 2025, respectively.

Commission Chair inquired on hiring trends. HR Director Ballou, noted that numbers of applicants for position are trending upwards, especially for Firefighter and all Library positions. Police Officer applicant numbers continue to be low, which is trending the same statewide.

COMMENTS: The next Regular Meeting will be held in-person on Thursday, September 25, 2025, at 8:15 am in Council Chambers of City Hall.

ADJOURNMENT: The meeting adjourned at 8:21 AM.

| Kim Linduska, Chairperson | Vicki Hillock, Commission Clerk |
|---------------------------|---------------------------------|

^{**} Indicates carryover from prior certified list





To: Mayor & City Council

From: City Clerk's Office

Date: September 9, 2025

Subject: New Class E Retail Liquor License - MEGA SAVER

Please see attached documentation for a new Class E Retail Alcohol License - MEGA SAVER, 3111 S Duff effective October 1, 2025.

ATTACHMENT(S):

MEGA SAVER License Application.pdf



Applicant

NAME OF LEGAL ENTITY NAME OF BUSINESS (DBA) BUSINESS

TFL INC MEGA SAVER

ADDRESS OF PREMISES PREMISES SUITE/APT NUMBER CITY COUNTY ZIP

3111 S DUFF AVE AMES STORY 50010

MAILING ADDRESS CITY STATE ZIP

202 S 73RD ST OMAHA Nebraska 681144616

Contact Person

NAME PHONE EMAIL

ALYSSA RAY 4028102455 alyssa@megasaver.com

License Information

LICENSE NUMBER LICENSE/PERMIT TYPE TERM STATUS

Class E Retail Alcohol License 12 Month Submitted

to Local Authority

TENTATIVE EFFECTIVE DATE TENTATIVE EXPIRATION DATE LAST DAY OF BUSINESS

Sep 8, 2025 Sep 7, 2026

SUB-PERMITS

Class E Retail Alcohol License

PRIVILEGES 19



Status of Business

BUSINESS TYPE

Corporation

Ownership

Individual Owners

| NAME | CITY | STATE | ZIP | POSITION | % OF OWNERSHIP | U.S. CITIZEN |
|----------------------|-------|----------|-----------|-----------|-------------------|-----------------|
| Abdurashid Samiev | ОМАНА | Nebraska | 681545194 | PRESIDENT | 51.00 | Yes |
| Kamol Samiev | ОМАНА | Nebraska | 681545101 | VP | 49.00 | Yes |

Insurance Company Information

| INSURANCE COMPANY | POLICY EFFECTIVE DATE | POLICY EXPIRATION DATE |
|---------------------|--------------------------------|---------------------------------|
| DRAM CANCEL DATE | OUTDOOR SERVICE EFFECTIVE DATE | OUTDOOR SERVICE EXPIRATION DATE |
| BOND EFFECTIVE DATE | TEMP TRANSFER EFFECTIVE DATE | TEMP TRANSFER EXPIRATION DATE |

Item No. 6



To: Mayor John Haila and Ames City Council Members

From: Dan Walter, Major, Ames Police Department

Date: September 9, 2025

Subject: Beer Permits & Liquor License Renewals

The following alcohol license holders are eligible for renewal:

- a. Kum & Go #0217, 3111 S. Duff Avenue, Class E Retail Alcohol License
- b. Lalo's Liquor Store Inc, 809 Wheeler Street #105, Class E Retail Alcohol License
- c. Dollar General Store #22303 3407 Lincoln Way, Class B Retail Alcohol License
- d. AJ's Ultra Lounge, 2401 Chamberlain Street, Class C Retail Alcohol License with Outdoor Service, Pending Dramshop Review
- e. Neighborhood Liquor Mart, 3505 Lincoln Way Ste 105, Class E Retail Alcohol License

A review of police records for the past 12 months found no liquor law violations for Kum & Go, Lalo's Liquor Store or Dollar General. The Police Department recommends the license renewal for the listed businesses.

A review of police records for the past 12 months found that AJ's Ultra Lounge, 2401 Chamberlain Street, had seven citations issued for minor on premises. Of the seven, six used a fraudulent identification. Department records indicate seven employees attended the February 2025 quarterly meeting/ID training. Officers will send them reminders of upcoming meetings this fall. The Police Department recommends the license renewal for AJ's Ultra Lounge.

TTEM #: 7
DATE: 09-09-25
DEPT: ADMIN

COUNCIL ACTION FORM

SUBJECT: MODIFICATIONS TO THE CITY'S STREET BANNER POLICY

BACKGROUND:

The City's Banner Policy serves to protect public safety, protect City property, establish guidelines for the use of banner hardware, and guarantee a certain level of aesthetic quality. The policy was last modified in March 2024. Further review of the policy was prompted by replacement of street light poles along University Boulevard between Lincoln Way and Mortensen Road. The new poles require banners with different dimensions than the previous poles. Additionally, several applicants for Banner Permits in the Downtown area have requested the option for longer display periods when no other displays are scheduled.

A copy of the modified banner policy is attached. In addition to minor revisions and corrections, substantive changes are made to:

Page 1

- University Boulevard Lincoln Way to Mortensen Road
 - The boundaries of this banner display area were revised to reflect current practice for banner placement. Previously, the banners were allowed on University Boulevard from Lincoln Way to Highway 30.
- Organizations may display a banner over Main Street at the intersection with Kellogg Avenue for up to fourteen (14) days at a time. Applicants can request a conditional extension for a total display duration of up to three (3) months. These requests can be approved on the condition that any new requests for display submitted during the conditional extension period automatically override the extension.
 - The display duration was standardized to a 14-day guaranteed period year-round with the added option for applicants to request a conditional extension in the case that conflicting requests for display are not submitted.

Page 4

- Requests for banner displays are coordinated with the Ames Regional Economic Alliance (515-232-2310).
 - This section was revised to reflect the renaming of the Ames Regional Economic Alliance.

Page 7

- Banner Size: 7' x 2.5'; Sewn Banner Sizes: 7' x 2.5' (84" x 30")
 - New poles were recently installed along this section of University Boulevard, and the banner sizes were revised to fit the new poles.

Page 10

• Requests for banner displays are coordinated with the Ames Regional Economic Alliance (515-232-2310).

 This section was revised to reflect the renaming of the Ames Regional Economic Alliance.

<u>Page 11</u>

- Length of use: 14 days. Conditional extensions can be requested for a total display duration of up to 3 months. These extensions can be approved on the condition that any new requests for display submitted during the conditional extension period automatically override the extension.
 - The display duration was standardized to a 14-day limit year-round with the added option for applicants to request a conditional extension in the case that conflicting requests for display are not submitted.

<u>Page 14</u>

- Length of use: 14 days. Conditional extensions can be requested for a total display duration of up to 3 months. These extensions can be approved on the condition that any new requests for display submitted during the conditional extension period automatically override the extension.
 - The display duration was standardized to a 14-day limit year-round with the added option for applicants to request a conditional extension in the case that conflicting requests for display are not submitted.

ALTERNATIVES:

- Approve the revised Street Banner Policy as attached, including revisions to the size of banners for displays on University Boulevard between Lincoln Way and Mortensen Road and the duration of displays in the Downtown area, as well as the other corrections and clarifications detailed above.
- 2. Direct staff to modify the proposed changes to the Banner Policy.
- 3. Do not approve the revised Street Banner Policy as attached.

CITY MANAGER'S RECOMMENDED ACTION:

These changes are needed to revise the size of banners displayed on new street light poles on University Boulevard between Lincoln Way and Mortensen Road and to provide for longer displays in the Downtown area when no other displays are scheduled, as well as to update other provisions of the Banner Policy. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the revised Street Banner Policy.

ATTACHMENT(S):

Proposed Banner Policy 2025.pdf



The City of Ames Street Banner Policy is for regulating all banners to be placed in the following locations: Campustown, Downtown, University Boulevard - Lincoln Way to Mortensen Road, University Boulevard - ISU Research Park, South Duff Avenue, and Main Street.

Requests for Display

Applications for permits to display banners may be obtained from the City Clerk's Office or the City of Ames website (http://www.cityofames.org), and should be submitted to the City Clerk's Office. Reservations will be considered no earlier than one year prior to the first day of the month in which the display is desired (e.g. the earliest a request for June 10 display may be accepted is June 1 of the previous year).

Permits will be issued by the City Clerk's Office. In the event that display date requests conflict and cannot be resolved through the primary organization, the City Manager's Designee will attempt to mediate an agreement. If necessary, a final appeal for resolution may be made to the City Council.

Length of Display

There is no time limit on pole banner displays.

Organizations may display a banner over Main Street at the intersection with Kellogg Avenue for up to fourteen (14) days at a time. Applicants can request a conditional extension of the 14-day limit for a total display duration of up to three (3) months. These requests can be approved on the condition that any new requests for display submitted during the conditional extension period automatically override the extension.

Organizations may display a banner on the bollards located on Main Street at the intersections of Douglas, Kellogg, Burnett, and/or Clark for up to fourteen (14) days prior to and including the day and/or days of a special event approved by the City of Ames.

Insurance

Applicants and installers shall provide certificates of insurance evidencing general liability coverage in the amount of \$500,000 combined single limit and naming the City of Ames and its employees and assigns as additional insured (with endorsement naming political subdivision).



Installation & Removal

Permit holders shall be responsible for coordinating installation and removal of banners by insured installers, with the following exception: Banners may be installed on poles and the bollards in the Main Street Cultural District by adult volunteers working on behalf of the District.

Methods of installation shall conform with instructions provided by the City of Ames. Traffic control measures shall be employed as needed. Permit holders shall be responsible for the cost of repairing any damage done to banner hardware, light poles, bollards, landscaping or grass in medians and parking areas.

Banners shall be removed on or before the permit expiration date.

Maintenance of Hardware

Routine maintenance of hardware on **University Boulevard - Lincoln Way to Mortensen Road** poles will be managed by Iowa State University. Problems should be reported to Iowa State's Facilities Planning and Management Service Desk at 515-294-5100.

Routine maintenance of hardware on **University Boulevard - ISU Research Park** poles will be managed by ISU Research Park. Problems should be reported to the Operations Manager at 515-296-0735.

Routine maintenance of bollards located on Main Street will be managed by the City's Public Works Department. Problems should be reported to 515-239-5160.

Routine maintenance of hardware in all other locations will be managed by the City's Electric Services Department. Problems should be reported to 515-239-5500.

Maintenance of Banners

Problems with banners on display will be reported to permit holders. Corrective action shall be made within 24 hours of notification. The City of Ames reserves the right to immediately remove banners and/or revoke permits if any hazard is deemed present. Costs that may be incurred for the removal of banners by City staff shall be charged to permit holders.



Prioritization

Banner permits will generally be issued on a first-come, first-served basis. See supplemental information pages for prioritization standards specific to poles on University Boulevard.

Content & Design

The overhead banner on Main Street shall be utilized only to advertise or announce particular civic, political, religious, fraternal, or other non-profit activities.

The bollard banners on Main Street and the banner space at the east end of Main Street shall be utilized only to advertise or announce activities occurring within the Main Street Cultural District.

Pole banners are intended to celebrate and/or promote the Ames/ISU community or specific local events. Sponsorship recognition, if any, must be restricted to the lower 15% of banners designed for poles.

All banners shall be non-offensive.

Disclaimer

The City of Ames does not assume responsibility for damage to all types of banners.



CAMPUSTOWN POLE BANNERS

Requests for banner displays are coordinated with the Ames Regional Economic Alliance (515-232-2310).

Total Number of Banners: 37 (1 banner/pole)

Welch Avenue – 22 Lincoln Way – 12

Minimum number to be used per application: 21

Banner Size: 5' by 2.5' (60" x 30")

Note: Banner brackets should be double-checked and re-measured (preferably by the manufacturer) before orders are placed. These mounting brackets are moveable and also susceptible to rotation or wrenching by high winds.

Banner Construction: Banners should have rod pockets or tabs that slide onto the banner arm. There is nothing that secures the banner to the arms or the pole. Applicants may consult with manufacturers about a means of securing banners more tightly to the fixtures.

Method of Installation: Slide banner rod pockets onto bracket arms.

Traffic control measures must be followed. Guidance for traffic control for temporary work zones and short duration mobile operations can be found in the Manual on Uniform Traffic Control Devices (MUTCD) at the Federal Highway Administration=s website (https://mutcd.fhwa.dot.gov/kno_2009r1r2.htm). Part 6, Temporary Traffic Control, should be reviewed and special attention should be given to Chapter 6G for mobile or short duration operations. Any additional questions about work zones may be directed to the City of Ames Traffic Engineer at 515-239-5275.

Length of season: Year-round

Length of use: Unlimited



DOWNTOWN POLES (MAIN ST., FIFTH ST., SIXTH ST., CLARK AVE., KELLOGG AVE., BURNETT AVE., DOUGLAS AVE.)

Requests for display are coordinated with the Main Street Cultural District (515-233-3472).

Total Number of Banners: 191 (1 banner/pole)

Main Street - 62

Fifth Street - 42

Sixth Street - 54

Clark Avenue - 4

Kellogg Avenue - 15

Burnett Avenue - 10

Douglas Avenue - 4

Minimum Number to be used per application:

Main Street - 20

Fifth Street - 14

Sixth Street - 18

(Main Street Cultural District banners, artistic banners, and seasonal banners are usually displayed on every third pole in the Central Business District. When requests to use the hardware for other displays are approved, seasonal banners are removed first and artistic banners second.)

Banner Size: 4' high by 22" wide

Sewn Banner Sizes: approximately 49.25" high and 22" wide with 3.25@ rod pockets Note: Mounting brackets can shift, and should be double-checked and re-measured (preferably by the manufacturer) before orders are placed!

Method of Installation:

Remove the wire retaining clip holding the ball at the end of the rod; remove the ball from the rod.

Remove seasonal banner; slide new banner onto rod.

Replace ball to the end of the rod and secure with the wire retaining clip.

Traffic control measures must be followed. Guidance for traffic control for temporary work zones and short duration mobile operations can be found in the Manual on





Uniform Traffic Control Devices (MUTCD) at the Federal Highway Administration's website (https://mutcd.fhwa.dot.gov/kno_2009r1r2.htm). Part 6, Temporary Traffic Control, should be reviewed and special attention should be given to Chapter 6G for mobile or short duration operations. Any additional questions about work zones may be directed to the City of Ames Traffic Engineer at 515-239-5275.

Note: The lower banner arm is 11 feet above the base of all utility poles, but some poles are mounted on top of two-foot brick pedestals.

Length of season: Year-round

Length of use: Unlimited



UNIVERSITY BOULEVARD - LINCOLN WAY TO MORTENSEN ROAD

lowa State University is the primary user of poles along this section of University Boulevard, and requests for display are coordinated with the Director of University Marketing (515-294-3134).

Total Number of Banners: 74 (34 poles with double brackets; 6 poles with single brackets)

Minimum number to be used per application: 70

(Two different designs may be used to provide a full complement of banners.)

Banner Size: 7' x 2.5'

Sewn Banner Sizes: 7' x 2.5' (84" x 30") laid flat, with 3" rod pockets Grommets should be installed on one side of the banner so it may be secured to the light pole.

Method of Installation:

Traffic control measures must be followed. Guidance for traffic control for temporary work zones and short duration mobile operations can be found in the Manual on Uniform Traffic Control Devices (MUTCD) at the Federal Highway Administration=s website (https://mutcd.fhwa.dot.gov/kno_2009r1r2.htm). Part 6, Temporary Traffic Control, should be reviewed and special attention should be given to Chapter 6G for mobile or short duration operations. Any additional questions about work zones may be directed to the City of Ames Traffic Engineer at 515-239-5275.

Length of Season: Year round

Length of Use: Unlimited

Prioritization:

- 1) Major multi-day events with community-wide involvement (e.g. lowa Games)
- 2) General community or ISU promotions and events (Ames High Homecoming)
- 3) Other major events and conferences (e.g. Order of the Arrow Conference)



Note: Iowa State University purchases the University Boulevard banner hardware and donates it to the City of Ames. Iowa State's Office of Facilities Planning and Management maintains, repairs and installs banner hardware when necessary. It also is responsible for installing and removing banners on this roadway. The Office of University Marketing is responsible for scheduling displays and arranging for the installation/removal of banners.



UNIVERSITY BOULEVARD - ISU RESEARCH PARK

ISU Research Park is the primary user of poles along this section of University Boulevard, and requests for display are coordinated with the ISU Research Park Operations Manager (515-296-0735).

Total Number of Banners: 49 (1 banner/pole)

20 (2 banner/pole)

Minimum number to be used per application: 44

(Two different designs may be used to provide a full complement of banners.)

Banner Size: 84" high x 30" wide, with the bottom of the banner at 10' above grade

Method of Installation:

Traffic control measures must be followed. Guidance for traffic control for temporary work zones and short duration mobile operations can be found in the Manual on Uniform Traffic Control Devices (MUTCD) at the Federal Highway Administration's website (https://mutcd.fhwa.dot.gov/kno_2009r1r2.htm). Part 6, Temporary Traffic Control, should be reviewed and special attention should be given to Chapter 6G for mobile or short duration operations. Any additional questions about work zones may be directed to the City of Ames Traffic Engineer at 515-239-5275.

Length of Season: Year round

Length of Use: Unlimited

Note: ISU Research Park purchases the University Boulevard banner hardware and donates it to the City of Ames. ISU Research Park arranges for Iowa State's Office of Facilities Planning and Management to maintain, repair and install banner hardware when necessary. It also is responsible for installing and removing banners on this roadway. ISU Research Park is responsible for scheduling displays and arranging for the installation/removal of banners by Facilities Planning and Management staff.



SOUTH DUFF AVENUE

Requests for display are coordinated with the Ames Regional Economic Alliance (515-232-2310).

Total Number of Banners: 13 (1 banner/pole)

Minimum number to be used per application: 19

Banner Size: 8' high x 2.5' wide (96" x 30")

Note: These brackets are moveable and may be affected by high winds or ice loading. Banner brackets should be double-checked and re-measured (preferably by the manufacturer) before orders are placed.

Banner Construction: Banners should have rod pockets or tabs that slide onto the banner arm. Manufacturers may suggest a means of securing banners to the hardware.

Method of Installation: Slide banner rod pockets onto bracket arms.

Traffic control measures must be followed. Guidance for traffic control for temporary work zones and short duration mobile operations can be found in the Manual on Uniform Traffic Control Devices (MUTCD) at the Federal Highway Administration's website (https://mutcd.fhwa.dot.gov/kno_2009r1r2.htm). Part 6, Temporary Traffic Control, should be reviewed and special attention should be given to Chapter 6G for mobile or short duration operations. Any additional questions about work zones may be directed to the City of Ames Traffic Engineer at 515-239-5275.

Length of Season: Year round

Length of use: Unlimited



MAIN STREET OVERHEAD BANNER

Total Number of Banners: 1

Banner Size: Vertical height – 3 feet (33-34 inches when hemmed)

Horizontal length – 30 feet

Banner Construction: Banners shall be constructed of heavy-duty canvas or plastic tarpaulin material or netting. Metal grommets shall be imbedded near each of the four corners and along the top and bottom edges. The upper and lower edges should each have at least six grommets. Wind-relief flaps approximately 6" by 6" in area shall be evenly distributed throughout the banner. A minimum of one wind-relief flap per five square feet of banner area is required.

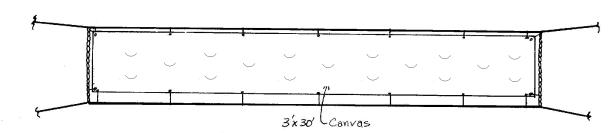
Method of Installation: Banners shall be attached to the permanent cables and chains with metal chains, threaded links and snap links. Corner connections must be capable of carrying a 1000 lb. load; all others must carry a 500 lb. load. (Wire may not be used.) Banners shall be secured via metal grommets as described above.

Length of Season: Year round

Length of use: 14 days. Conditional extensions can be requested for a total display duration of up to 3 months. These extensions can be approved on the condition that any new requests for display submitted during the conditional extension period automatically override the extension.



Sample Banner Configuration





MAIN STREET BOLLARD BANNER

Requests for display are coordinated with the Main Street Cultural District (515-232-2310).

Total Number of Banners: 8

Douglas and Main – 2 Clark and Main – 2 Burnett and Main – 2

Kellogg and Main – 2

Banner Size: Vertical height – no more than 3 feet (36 inches when hemmed)

Horizontal length – 5 feet.

Banner Construction: Banners shall be constructed of heavy-duty canvas or plastic tarpaulin material or netting. Metal grommets shall be imbedded near each of the four corners.

Method of Installation: Banners shall be attached to the bollards with bungee cords to the metal grommets on the four corners of the banners as described above.

Length of Season: Year round

Length of use: 14 days prior to and including the day and/or days of the special event approved by the City of Ames.

City of Ames Street Banner Policy



MAIN STREET - EAST END BANNER

Requests for display are coordinated with the Main Street Cultural District (515-232-2310).

Location Description: Banners in this location may be placed within the area bordered by Duff Avenue to the west, the Union Pacific Railroad property to the south, East Main Street to the north, and the Power Plant fence to the east. Banners shall not be placed in a manner that interferes with pedestrians, traffic, railroad operations, or the visibility of motor vehicle operators.

Total Number of Banners: 1

Banner Size: Vertical height – 4 feet (45-46 inches when hemmed)

Horizontal length – 10 feet

Banner Construction: Banners shall be constructed of heavy-duty canvas or plastic tarpaulin material or netting. Metal grommets shall be embedded near each of the four corners. Wind-relief flaps approximately 6" by 6" in area shall be evenly distributed throughout the banner. A minimum of one wind-relief flap per five square feet of banner area is required.

Method of Installation: Banners shall be attached to stakes with metal chains, threaded links and snap links. Corner connections must be capable of carrying a 1000 lb. load; all others must carry a 500 lb. load. (Wire may not be used.) Banners shall be secured via metal grommets as described above.

Length of Season: Year round

Length of use: 14 days. Conditional extensions can be requested for a total display duration of up to 3 months. These extensions can be approved on the condition that any new requests for display submitted during the conditional extension period automatically override the extension.

TTEM #: 8

DATE: 09-09-25

DEPT: P&H

COUNCIL ACTION FORM

SUBJECT: CERTIFICATE OF CONSISTENCY WITH THE 2024-2028 CITY OF AMES

CDBG CONSOLIDATED PLAN ON BEHALF OF YSS FOR RENEWAL FUNDING UNDER THE STATE OF IOWA EMERGENCY SOLUTIONS GRANT (ESG) AND SHELTER ASSISTANCE FUND (SAF) PROGRAMS

BACKGROUND:

Youth and Shelter Services (YSS) receives funding from the State of Iowa through the Emergency Solutions Grant (ESG) and Shelter Assistance Fund (SAF) programs, administered by the Iowa Finance Authority (IFA). For the 2026-27 program year, for YSS to continue to receive funding through these programs, YSS must have approval from the City, as an Entitlement Community, that its program applications match the goals of the City's current 2024-2028 Consolidated Plan.

YSS is seeking to renew its contract for \$80,000, of which approximately 10% (\$8,164) will be allocated to the City of Ames to continue administering its Youth Transitional Housing Services. These grant dollars will continue to help cover the cost of rent and utilities at four units in the City of Ames.

Staff has discussed and received information from YSS and finds that the request for renewal funding is consistent with goals and priorities outlined in the City's Community Development Block Grant (CDBG) 2024-2028 Five-year Consolidated Plan, which is to: "Reduce the cost burden for low- and moderate- income (LMI) households to access or maintain rental housing city-wide".

The Plan also emphasizes the importance of local non-profit organizations seeking additional funding opportunities from state and federal resources to have a greater impact on the needs of homeless, chronically homeless, extremely low-, very low-, and low-to-moderate-income households.

Attached for the City Council's review and approval is the Certificate of Consistency for YSS, which must be submitted to the Iowa Balance of State Continuum of Care Application for its renewed program funding before September 15.

ALTERNATIVES:

- Authorize the Mayor to sign the Certificate of Consistency on behalf of YSS to receive its lowa Balance of State Continuum of Care Grant renewal funding for the ESG and SAF Programs.
- 2. Do not authorize the Mayor to sign the Certificate of Consistency.

CITY MANAGER'S RECOMMENDED ACTION:

It is important for local non-profit organizations to seek additional funding opportunities from state and federal resources in order to have a greater impact on the needs of the homeless, chronic homeless, extremely low, very low, and low and moderate income households in the community than can be accomplished with only local funding. The proposed programming is also consistent with the City's 2024-2028 Consolidated Plan. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1.

ATTACHMENT(S):

Certificate of Consistency -YSS-Completed.pdf



| ESG/SAF Nonprofit Applicant: | Youth & Shelter Services Inc. (YSS) |
|---|---|
| ESG/SAF Shelter Project: | YSS Transitional Housing Services |
| Unit of General Purpose Local Government for the geographic area served (city or county): | City of Ames |
| Project Description (2-3 sentences): | YSS provides Transitional Living and Rapid Rehousing for Transitional-Aged Youth in Ames. This grant renewal will continue to assist in proving much need housing and other services to assist this population. |

To the best of your knowledge, does the Shelter Project named above meet the following definition of "Homeless shelter" or "Shelter" or "Domestic violence shelter" in full, as specified in Chapter 41, Shelter Assistance Fund, and Chapter 42, Emergency Solutions Grant, Iowa Administrative Code 265?

"Homeless shelter" or "shelter" means a facility properly zoned and lawfully operating in compliance with all state, county and municipal laws and regulations, including possessing all permits, licenses, certifications and other authorizations required for the facility's location, which provides temporary shelter with overnight sleeping accommodations for homeless persons and which does not require occupants to sign leases or occupancy agreements.

"Domestic violence shelter" means a homeless shelter primarily or exclusively serving clients who are homeless due to domestic violence.

| If no, please explain: | |
|------------------------|--|
| | |

Yes ■ No □

I certify that I am duly authorized to act on behalf of the unit of general purpose local government named above and that I hereby approve* of this project.

| Bv: | | |
|-----|-----------|------|
| ۵,۰ | Signature | Date |

John A. Haila, Mayor

Printed Name and Title of Signatory Local Official

Iowa Statewide ESG and SAF Policy: This certification is required for all Shelters at least once every two years.

^{*}This approval is made to carry out 24 CFR Part 576.202(a), which states the following:

^{*...}The recipient must subgrant the remaining funds in its fiscal year grant to:

⁽¹⁾ Units of general purpose local government in the State, which may include metropolitan cities and urban counties that receive ESG funds directly from HUD; or

⁽²⁾ Private nonprofit organizations, provided that for emergency shelter activities the recipient obtains a certification of approval from the unit of general purpose local government for the geographic area in which those activities are to be carried out."

Item No. 9



To: Mayor and City Council

From: Taylor Swanson, Deputy City Clerk

Date: September 9, 2025

Subject: Modified Road Closures for Turkey Trot on November 27, 2025

On January 14, 2025, the City Council approved requests from Fitness Sprots Ames. Attached is the documentation of the City Council's approval of the requests from Fitness Sports Ames for the Turkey Trot run to be held Thanksgiving morning on November 27, 2025 (see attached original CAF).

Due to scheduled construction projects, the race must be re-routed from the originally approved plan, which brought runners further west into Brookside Park. The organizers are requesting street closures at the following locations to accommodate the new route from the hours of 6:00 a.m. to 11:30 a.m.:

- 5th Street from Kellogg Avenue to Pearle Avenue
- Clark Avenue from 5th Street to Main Street
- Burnett Avenue from 5th Street to Main Street
- Pearle Avenue from 5th Street to Main Street
- Main Street from Douglas Avenue to 6th Street
- Northwestern Avenue from 6th Street to 9th Street
- 9th Street from Northwestern Avenue to Ridgewood Avenue
- Ridgewood Avenue from 9th Street to 13th Street
- 13th Street from Ridgewood Avenue to Northwestern Avenue
- Northwestern Avenue from 13th Street to 10th Street
- 10th Street from Northwestern Avenue to Roosevelt Avenue
- Roosevelt Avenue from 10th Street to 9th Street
- 9th Street from Roosevelt Avenue to Hodge Avenue
- Hodge Avenue from 9th Street to 6th Street
- 6th Street from Hodge Avenue to Northwestern Avenue
- Douglas Avenue from Main Street to 7th Street
- 7th Street from Douglas Avenue to Kellogg Avenue
- Kellogg Avenue from 7th Street to Main Street

ATTACHMENT(S):

Turkey Trot CAF 01.14.25

COUNCIL ACTION FORM

SUBJECT: REQUESTS FROM FITNESS SPORTS AMES FOR TURKEY TROT ON NOVEMBER 27, 2025

BACKGROUND:

Fitness Sports Ames has requested to host a Thanksgiving morning 5k, known as a "Turkey Trot", on November 27, 2025. This is the second year of the event. An estimated 300 people will enter the race. The event will begin and end in the downtown area. A portion of the route along 13th Street will utilize a shared-use path. Other portions of the route will require street closures. In order to facilitate this event, organizers are requesting partial street closures on Thursday, November 27, 2025, at the following locations:

- 5th Street from Burnett Avenue to Clark Avenue
- Clark Avenue from 5th Street to Main Street
- Main Street from Clark Avenue to 6th Street
- 6th Street from Northwestern Avenue to Brookside Park
- Ridgewood Avenue from 13th Street to 6th Street
- Burnett Avenue from Main Street to 5th Street

Metered parking spaces along the route will also be closed. Since Thanksgiving is a City holiday, no parking meter revenue will be lost. Volunteers will be stationed at intersections along the route to assist traffic. Furthermore, because several blocks of residences between Ioway Creek and Ridgewood Avenue rely on Ridgewood Avenue to gain access, organizers will ensure runners are primarily concentrated on the left side of the road while on Ridgewood to ensure maximum visibility to motorists.

City staff will provide barricades and traffic cones to facilitate this event, blocking a dedicated running lane while allowing vehicle traffic to continue using other lanes.

A letter of support has been obtained from Ames Main Street for the event.

ALTERNATIVES:

- 1. Approve the requests for the Turkey Trot on November 27, 2025, as outlined above.
- 2. Do not approve the requests for the Turkey Trot.

CITY MANAGER'S RECOMMENDED ACTION:

The Turkey Trot offers an opportunity to attract the public to Downtown Ames for a unique event. The applicant has provided all necessary documentation to support these requests. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative 1, as described above.

ATTACHMENT(S):

2025 Turket Trot Fitness Sports Ames Letter of Support.pdf Special Event Application.pdf





travis@amesalliance.com

December 11, 2024

Mayor and City Councill City of Ames 515 Clark Ave Ames, IA 50010

Mayor Haila and Members of the Ames City Council,

Ames Main Street is pleased to offer its support for the 2025 Ames Turkey Trot, hosted by Fitness Sports-Ames, on November 27, 2025. We also endorse the closure of the streets in the Downtown Ames district to make this event happen, to keep all runners, walkers, and spectators safe.

Events of this nature help Downtown Ames achieve its vision of making it the primary destination of Central Iowa by creating an economically vibrant district with unique living, dining, and entertainment experiences.

Onward!



SPECIAL EVENT APPLICATION

Applications received less than thirty (30) days before the event may not be processed by the City in time for the event and will automatically be denied. Each application is viewed as a new event regardless of previous occasions.

Event Name

Location/Address

Region (Select one or more)

Ames Main Street (Downtown)

Campustown District

Iowa State University Property

City Parks

Other (please explain)

Please note that events occurring in the Downtown, Campustown, in City parks, or on ISU property require prior approvals. A letter of support will be required from CAA if the event occurs in Campustown or from Ames Main Street if the event occurs in Downtown. Please contact the appropriate office well in advance:

Downtown - Ames Main Street: (515) 232-2310 Campustown Action Association: (515) 232-2310 ISU - Events Authorization Committee: (515) 294-1437 director@amesdowntown.org sarahd@ameschamber.com eventauthorization@iastate.edu

TIMELINE

Setup Date Time M T W R F Sa Su

Event Starts Date Time M T W R F Sa Su

Detailed Description of Event Activities (written overview of event and what's going to happen)

Event Ends Date Time M T W R F Sa Su

Teardown

Complete Date Time M T W R F Sa Su

Event Category

Athletic/Recreation Concert/Performance
Exhibits/Misc. Farmer/Outdoor Market
Festival/Celebration Other (please explain)

Parade/Procession/March

Rain Date Rain Location

Yes No

Is this an annual event? If yes, how many years?

For Office Use Only

| Documents Received |
|---|
| Date: |
| Completed Application Fireworks Application (\$25 fee) |
| Insurance Certificate Public Safety & Event Management Plan |
| Site Plan/Route Map (\$25 fee) (Road Race) Vendor List |
| (\$50 fee/each) Parking fees |
| Special Events Meeting |
| Date |
| Time |
| Room |
| Documents Sent: Alcohol License |
| ABD Fireworks Permit Road Race Permit TOP |
| Vending Permit Other |
| Departments Included City Manager: Brian Phillips and Tasheik Kerr |
| CyRide: Jenny Bethurem or Rob Holm or Kevin Grie |
| Electric: Mark Imhoff Fire: Jason Ziph or Rich Higgins |
| Parks & Rec: Craig Kaufman or Joshua Thompson |
| Public Works: Brad Becker or Dave Cole Police: Tom Shelton or |
| Mike Arkovich Water: Heidi Petersen Risk Management: Bill Walton |
| CAA: Sarah Dvorsky AMS: Sarah Dvorsky |
| ISU: Events Authorization Committee |
| City Council Meeting |
| Date Added to Agenda with CAF Approved Y N |
| Reminder Date |

CONTACTS

Sponsor/Applicant Name

Address

City State Zip Code

Daytime Phone Cell Phone

E-mail

Alternate Contact Name

Daytime Phone Cell Phone

E-mail

ATTENDANCE

Anticipated Daily Attendance

Yes No

Is this event open to the public?

Is your event being held in conjunction with another event (e.g. Farmers' Market, 4th of July, etc.)? If yes, please list:

ORGANIZATION STATUS/PROCEEDS

For-Profit

Bona Fide Tax Exempt

Nonprofit

Yes No

Are patron admission, entry, or participant fees required? If yes, please describe and provide amounts:

Are vendor or other fees required? If yes, please provide amounts:

Percentage of net proceeds going towards fundraising %

Percentage of net proceeds going towards for-profit entity %

SECURITY

Ames Police Department 24 hour non-emergency phone number: 515-239-5133

Please complete the course at https://www.crowdmanagers.com/training for crowd management training.

Yes No

Have you hired a professional security company to develop and manage your event's security plan? If yes, please fill out the following information:

Security Organization

Address

City State Zip Phone

Email

TTEM #: 10
DATE: 09-09-25
DEPT: P&R

COUNCIL ACTION FORM

SUBJECT: REQUEST TO USE MOTORIZED GOLF CARTS ON PATHS AT ADA HAYDEN HERITAGE PARK FOR 2026 AMES TRIATHLON

BACKGROUND:

lowa Multisport (IM) is requesting to use Ada Hayden Heritage Park (AHHP) to host its Ames Triathlon on June 28, 2026. The event consists of a 500 M swim in the north lake, a 12-mile bike ride that starts in the park and travels through north Ames, northwestern portions of Story County and finishes in the park, and a 5k run that uses the hard surface path in the park. The north parking lot is used for staging bikes and safety vehicles for the event. The shelter area is used for registration and the finish line for the event. Over 350 individuals participated in the 2025 Ames Triathlon that was held this past June.

Staff met with representatives from IM in July to review the 2025 event. Overall, the 2025 event was very successful. IM presented staff with some changes they would like to implement for the 2026 event. These changes were presented to the Parks and Recreation Commission at its August 21, 2025, meeting. The requests are summarized below. Only requests #3 and #6, to allow motorized golf carts to be used on the paths at Ada Hayden, require City Council approval. The remaining requests are either under the jurisdiction of the Parks and Recreation Commission or staff or require no further action.

IM requested the following for its 2026 event:

1. Event Setup

For many years IM was given permission to set up bike racks and fencing on the evening prior to the triathlon. For 2026, they requested to set up in the morning, the day prior to the event.

Staff approved this change administratively.

2. No Swimming Waiver

IM requested a waiver of the enforcement of the "No Swimming" rule at AHHP for the 2026 event. Swimming would occur between 7:00 - 10:00 AM on June 28.

Since this is a park rule, the Parks and Recreation Commission approved the waiver at its August 21, 2025 meeting.

3. Motorized Vehicles on Paths - City Council Action Requested

IM requested the use of two motorized golf carts or similar type vehicles to use for the duration of the 2026 event to set up water stations as well as assist volunteers in the event of an emergency.

Since the operation of motorized vehicles on trails is prohibited by City ordinance, the Parks and Recreation Commission recommends City Council waive enforcement of Section 19.9 of Municipal Code for this event.

4. Early Park Entry

IM is requesting to enter the park on Sunday, June 28, 2026, for set up as early as 2:30 AM, which is prior to regular park hours (6:00 AM- 10:30 PM). In previous years, the Commission approved entry into the park as early as 5:00 AM, however, IM is requesting approval for early park entry as early as 2:30 AM to set up in the event of unexpected weather conditions (wind, rain, etc.)

City Ordinance delegates this authority to the Parks and Recreation Commission. Staff took no issue with the request but recommended allowing IM entry into the park beginning at 3:30 AM. Commission approved allowing IM into the park beginning at 3:30 AM.

5. Personal Watercraft

IM requested the approval to have a qualified and experience lifeguard with a personal watercraft (jet ski) in the water during the swimming portion of the event to respond efficiently in the event of a swimming participant emergency.

The City's Risk Manager reviewed this request and did not recommend approving the use of a private individual's gas-powered personal watercraft based on the additional risk to the City. IM will continue to utilize the Story County Dive Team, Ames Fire Department, Gilbert Fire Department, certified lifeguards, and local paddlers to assist with the swimming portion of the event. The Commission denied this request.

6. Youth Triathlon - City Council Action Requested

IM is requesting the option to host a youth triathlon at the park on the evening of Saturday, June 27, 2026, to introduce youth to the sport.

Staff is in favor of this request as long as IM provides the same level of organization and have in place the safety protocol as it would for the Sunday Triathlon. A no swimming waiver for June 27, 4:00 - 8:00 pm, was approved by the Commission at its August 21 meeting. Additionally, the Commission recommends Council approve waiving enforcement of no motorized vehicles on the paths for this event.

7. Youth Triathlon Clinic

IM would like to start a youth triathlon course/clinic that would be hosted by the City of Ames and taught by IM. The course would provide teaching and training for youth interested in participating in a triathlon.

Staff is in favor of this request and will work with IM to develop, advertise, and implement the course. No Commission or Council action was needed for this matter.

8. Swimming Practice

IM requested approval for participants of the Sunday event the ability to practice swimming in the lake on the Saturday evening prior to acclimate themselves to the lake.

Since this is a park rule, the Commission can grant this waiver. However, staff doesn't feel this is necessary as the opportunity is given for individuals to acclimate themselves to the lake prior to the start of the event on June 28, 2026. The Commission denied this request.

ALTERNATIVES:

- 1. Waive enforcement of Section 19.9 of Ames *Municipal Code* to allow Iowa Multisport to utilize two motorized golf carts or similar type vehicles on the trails at Ada Hayden Heritage Park on the following dates:
 - a. From 4:00 8:00 p.m. on Saturday, June 27, 2026, for the Youth Triathlon
 - b. From 3:30 a.m. 1:00 p.m. on Sunday, June 28, 2026, for the Ames Triathlon
- 2. Do not approve a waiver of enforcement of Section 19.9 of *Municipal Code* for these events.
- 3. Refer this item back to staff for further information.

CITY MANAGER'S RECOMMENDED ACTION:

lowa Multisport has done an excellent job in organizing and implementing a plan to ensure a safe and high-quality event that showcases Ames and Ada Hayden Heritage Park. Also, with the addition of the youth event, the weekend will only get better as it provides an opportunity for the younger generation to participate in triathlons. Having the ability to use golf carts or other like vehicles on the paths at the park allow efficient response in many situations that may arise during the event. IM is in agreement with the actions taken and/or recommended. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1.

ITEM #: 11
DATE: 09-09-25
DEPT: PW

COUNCIL ACTION FORM

SUBJECT: ACCEPTANCE OF FAA AIRPORT IMPROVEMENT PROGRAM (AIP) GRANT AGREEMENT - AIRPORT AIRSIDE IMPROVEMENTS (RUNWAY 01-19 RECONSTRUCTION)

BACKGROUND:

The Federal Aviation Administration (FAA) has offered the City of Ames a grant under the Airport Improvement Program (AIP) to fund the design, bidding, and grant administration services for the Runway 01/19 Reconstruction project at Ames Municipal Airport. This project will provide comprehensive design services for the reconstruction of Runway 01/19 (5,701 feet long by 100 feet wide) and its associated pavements.

The design scope includes topographic surveying, geotechnical investigations, aircraft fleet mix analysis, FAA pavement design, construction safety and phasing plan development, and preparation of complete bid documents. It also includes FAA grant administration for this design phase. The pavement will be designed for up to 100,000 lb. aircraft, consistent with FAA Aircraft Approach Category C and Airplane Design Group II standards, with potential adjustments if future funding allows. The project also includes evaluation and adjustments to airfield lighting, signage, and pavement markings as required to meet FAA criteria, with the ability to incorporate Part 139 upgrades where applicable.

Construction is anticipated to be delivered in two phases through separate FAA construction grants (FY 2026 and FY 2027). However, the design and bidding documents will be prepared as a single package to ensure consistency and efficiency. The total estimated cost of the design phase is \$1,196,600, with the FAA grant funding of eligible costs up to a maximum of \$1,140,095. The City's local share will be funded with Airport Improvement Funds (\$56,505), consistent with the adopted Capital Improvements Plan.

| Revenue Source | |
|---------------------------|-------------|
| FAA AIP Grant Funds | \$1,140,095 |
| Airport Improvement Funds | \$56,505 |
| Total Revenues | \$1,196,600 |

| Expense Category | | |
|------------------|-------------|--|
| Design | \$1,196,600 | |
| Total Expenses | \$1,196,600 | |

ALTERNATIVES:

- 1. Accept the FAA AIP Grant Agreement for the Runway 01/19 Reconstruction Design project in the amount of \$1,140,095, with a local match of \$56,505 from Airport Improvement Funds.
- 2. Do not accept the FAA grant and provide direction to staff on how to proceed.

CITY MANAGER'S RECOMMENDED ACTION:

The reconstruction of Runway 01/19 is a vital airside upgrade to ensure safety and operational dependability at Ames Municipal Airport. Accepting this FAA grant guarantees the City 95% federal funding for the design phase for eligible costs up to a maximum of \$1,140,095 and sets the project up for FAA construction funding in the future. Therefore, it is the recommendation of the City Manager that the City Council adopts Alternative 1, as shown above.

ATTACHMENT(S):

Previous CAF - Approval of PSA AMW-CEG-3-19-0004-034-2025-Grant Agreement.pdf

TEM #: 20
DATE: 04-08-25
DEPT: PW

COUNCIL ACTION FORM

SUBJECT: AIRPORT AIRSIDE IMPROVEMENTS (RUNWAY 01-19 RECONSTRUCTION)

BACKGROUND:

The primary runway at the Ames Municipal Airport, Runway 01/19, is in deteriorated condition. The surface consists of hot-mix asphalt over portland cement concrete and has a current Pavement Condition Index (PCI) of 45—well below the Federal Aviation Administration (FAA) threshold of 55 for reconstruction eligibility. Additionally, underlying structural issues such as joint blowups present a safety concern for aircraft operations.

The project involves full reconstruction of Runway 01/19 and portions of associated taxiways, including A1–A4, parts of Crosswind Runway 13/31, and Parallel Taxiway B within the Runway Safety Area.

Design efforts under this agreement will address all elements necessary for FAA approval and grant eligibility, including topographic and geotechnical investigations, aircraft fleet mix analyses, and full construction plan development. The project will be designed to FAA standards for Aircraft Approach Category C and Airport Design Group II.

Design work is scheduled to begin in FY 2024/25, with construction anticipated to start in Spring 2026 (pending grant funding). The overall design will include phasing and construction planning intended to minimize the duration of any full airport closures required during the reconstruction work.

Funding is programmed in the Capital Improvements Plan in FY 2025/26 and in FY 2026/27 based on guidance from the FAA staff overseeing the grant application process. The design phase was previously programmed in FY 2024/25, with funding from an anticipated FAA grant and the Airport Improvements Fund.

Bolton & Menk, Inc., has been selected to complete the design work through a task order under their existing master agreement. The proposed fee of \$1,196,600 was reviewed through a n Independent Fee Evaluation (IFE) performed by Foth Engineering. That evaluation confirmed the proposed fee to be fair and reasonable in accordance with FAA guidelines.

FUNDING SUMMARY:

| Revenue Source | FY 2024/25 | FY 2025/26 | FY 2026/27 | Total |
|-----------------|---------------|--------------|--------------|--------------|
| Federal Funds | \$735,000 | \$10,103,250 | \$14,307,000 | \$25,145,250 |
| G.O. Bond Funds | _ | \$531,750 | \$753,000 | \$1,284,750 |

| Revenue Source | FY 2024/25 | FY 2025/26 | FY 2026/27 | Total | |
|---------------------------|---------------|--------------|--------------|--------------|--|
| Airport Improvement Funds | \$130,000 | - | _ | \$130,000 | |
| Total Revenues | \$865,000 | \$10,635,000 | \$15,060,000 | \$26,560,000 | |

| Expense Category | FY 2025/26 | FY 2026/27 | Total | |
|---------------------|---------------|------------|--------------|--------------|
| Design | \$865,000 | \$331,000 | - | \$1,196,000 |
| Construction*** | - | - | \$24,079,250 | \$24,079,250 |
| Inspection/Admin*** | _ | - | \$1,284,750 | \$1,284,750 |
| Total Expenses | \$865,000 | \$331,000 | \$25,364,000 | \$26,560,000 |

^{***} Estimated funds available for construction and inspection services. These numbers are based on preliminary engineering and are expected to be updated upon receipt of bids.

ALTERNATIVES:

- 1. a. Approve a professional service agreement with Bolton & Menk, Inc. in an amount not to exceed \$1,196,600, contingent on FAA grant funding.
 - b. Approve the grant application for Federal Funds with the FAA.
- 2. Do not approve a professional services agreement with Bolton and Menk and thereby not proceed with this airport improvement project at this time.

CITY MANAGER'S RECOMMENDED ACTION:

The reconstruction of Runway 01/19 is a critical airside improvement to ensure long-term safety and operational reliability at the Ames Municipal Airport. Proceeding with the design phase now ensures the City remains eligible for FAA funding and can position the project for construction in FY 2026/27. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative 1, as shown above.

ATTACHMENT(S):

Ames-Runway 1-19 Design PSA IFE Consultant Fees Comparison FAA Grant Application



Federal Aviation Administration Airports Division Central Region Iowa, Kansas, Missouri, Nebraska FAA ACE-600 901 Locust Kansas City, MO 64106

Mr. Damion Pregitzer Traffic Engineer City of Ames 515 Clark Avenue Ames, IA 50010

Dear Mr. Pregitzer:

The Grant Offer for Airport Improvement Program (AIP) Project No. 3-19-0004-034-2025 at Ames Municipal Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the grant offer carefully.

You may not make any modification to the text, terms or conditions of the grant offer.

Steps You Must Take to Enter Into Agreement. To properly enter into this agreement, you must do the following:

- 1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
- 2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
- 3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
- 4. On the <u>same day or after</u> the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.
- 5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than **September 12, 2025**.
- 6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (Federal Payment), each payment request for reimbursement under this grant must be made electronically via the Delphi elnvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date (1,460 days from the grant execution date). We will be monitoring your progress to ensure proper stewardship of these Federal funds. We expect you to submit payment requests for reimbursement of allowable incurred project expenses consistent with project progress. Your grant may be placed in "inactive" status if you do not make draws

on a regular basis, which will affect your ability to receive future grant offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
 - A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
 - 2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit <u>FAA Form 5100-140</u>, <u>Performance Report</u> within 30 days of the end of the Federal fiscal year.
- For construction projects, you must submit <u>FAA Form 5370-1</u>, <u>Construction Progress and Inspection Report</u>, within 30 days of the end of each Federal fiscal quarter.

Audit Requirements. As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR Part 200. Subpart F requires non-Federal entities that expend \$1,000,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Ryan DaMetz, Ph: (816) 329-2628, is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,

Rodney N. Joel

Rodney n. Joel

Director, Central Region Airports Division



U.S. Department of Transportation Federal Aviation Administration

FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM (AIP)

FY 2025 AIP

GRANT AGREEMENT

Part I - Offer

| Federal Award Offer Date | | |
|--------------------------|--------------------|--|
| Airport/Planning Area | Ames Municipal | |
| AIP Grant Number | 3-19-0004-034-2025 | |
| Unique Entity Identifier | WV9ZMFEMMH38 | |

TO: City of Ames

(herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **April 08, 2025**, for a grant of Federal funds for a project at or associated with the **Ames Municipal Airport**, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the **Ames Municipal Airport** (herein called the "Project") consisting of the following:

Reconstruct Runway 1-19 (5,701 ft. by 100 ft.) and Portions of Associated Taxiways and Runway 13-31 (within Runway 1-19 Safety Area) Phase 1 - Design

which is more fully described in the Project Application.

NOW THEREFORE, Pursuant to and for the purpose of carrying out the Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (Public Law Number (P.L.) 115-254); the Department of Transportation Appropriations Act, 2021 (P.L. 116-260, Division L); the Consolidated Appropriations Act, 2022 (P.L. 117-103); Consolidated Appropriations Act, 2023 (P.L. 117-328); Consolidated Appropriations Act, 2024 (P.L. 118-42); FAA

Reauthorization Act of 2024 (P.L. 118-63); and the representations contained in the Project Application; and in consideration of: (a) the Sponsor's adoption and ratification of the Grant Assurances dated April 2025, interpreted and applied consistent with the FAA Reauthorization Act of 2024; (b) the Sponsor's acceptance of this Offer; and (c) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay Ninety-Five (95%) of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. <u>Maximum Obligation</u>. The maximum obligation of the United States payable under this Offer is \$1,140,095.00.

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

- **\$0** for planning
- \$1,140,095.00 for airport development or noise program implementation; and,
- \$0 for land acquisition.

The source of this Grant includes funding from the Small Airport Fund, in accordance with 49 U.S.C. § 47116.

- 2. Grant Performance. This Grant Agreement is subject to the following Federal award requirements:
 - a. Period of Performance:
 - Shall start on the date the Sponsor formally accepts this Agreement and is the date signed by the last Sponsor signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.
 - 2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions or budget periods (2 Code of Federal Regulations (CFR) § 200.1) except as noted in 49 U.S.C § 47142(b).
 - b. Budget Period:
 - 1. For this Grant is 4 years (1,460 calendar days) and follows the same start and end date as the Period of Performance provided in paragraph 2(a)(1). Pursuant to 2 CFR § 200.403(h), the Sponsor may charge to the Grant only allowable costs incurred during the Budget Period except as stated in 49 U.S.C § 47142(b). Eligible project related costs incurred on or after November 15, 2021, that comply with all Federal funding, procurement requirements and FAA standards are allowable costs.

Means the time interval from the start date of a funded portion of an award to the end date
of that funded portion during which the Sponsors are authorized to expend the funds
awarded, including any funds carried forward or other revisions pursuant to 2 CFR
§ 200.308.

c. Close Out and Termination:

Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 120 calendar days after the end date of the Period of Performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the grant within one year of the Period of Performance end date with the information available at the end of 120 days (2 CFR § 200.344). The FAA may terminate this agreement and all of its obligations under this agreement if any of the following occurs:

- (a) (1) The Sponsor fails to obtain or provide any Sponsor grant contribution as required by the agreement;
 - (2) A completion date for the Project or a component of the Project is listed in the agreement and the Recipient fails to meet that milestone by six months after the date listed in the agreement;
 - (3) The Sponsor fails to comply with the terms and conditions of this agreement, including a material failure to comply with the Project Schedule even if it is beyond the reasonable control of the Sponsor;
 - (4) Circumstances cause changes to the Project that the FAA determines are inconsistent with the FAA's basis for selecting the Project to receive a grant; or
 - (5) The FAA determines that termination of this agreement is in the public interest.
- (b) In terminating this agreement under this section, the FAA may elect to consider only the interests of the FAA.
- (c) The Sponsor may request that the FAA terminate the agreement under this section.
- 3. <u>Ineligible or Unallowable Costs.</u> In accordance with 49 U.S.C. § 49 U.S.C. § 47110, the Sponsor is prohibited from including any costs in the grant funded portions of the project that the FAA has determined to be ineligible or unallowable, including costs incurred to carry out airport development implementing policies and initiatives repealed by Executive Order 14148, provided such costs are not otherwise permitted by statute.
- 4. <u>Indirect Costs Sponsor</u>. The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages.
- 5. <u>Determining the Final Federal Share of Costs</u>. The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the

Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.

- 6. Completing the Project Without Delay and in Conformance with Requirements. The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, 49 U.S.C. Chapters 471 and 475, the regulations, policies, and procedures of the Secretary. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage. The Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.
- 7. <u>Amendments or Withdrawals before Grant Acceptance</u>. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
- 8. <u>Offer Expiration Date.</u> This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before **September 12, 2025** or such subsequent date as may be prescribed in writing by the FAA.
- 9. Improper Use of Federal Funds and Mandatory Disclosure.
 - a. The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.
 - b. The Sponsor, a recipient, and a subrecipient under this Federal grant must promptly comply with the mandatory disclosure requirements as established under 2 CFR § 200.113, including reporting requirements related to recipient integrity and performance in accordance with Appendix XII to 2 CFR Part 200.
- 10. <u>United States Not Liable for Damage or Injury</u>. The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.
- 11. System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).
 - a. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if

- required by changes in information or another award term. Additional information about registration proocedures may be found at tche SAM website (currently at http://www.sam.gov).
- **b.** Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit or governmental entity. A UEI may be obtained from SAM.gov at https://sam.gov/content/entity-registration.
- 12. <u>Electronic Grant Payment(s)</u>. Unless otherwise directed by the FAA, the Sponsor must make each payment request under this Agreement electronically via the Delphi elnvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
- 13. <u>Informal Letter Amendment of AIP Projects</u>. If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

The FAA can also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.

- 14. <u>Environmental Standards</u>. The Sponsor is required to comply with all applicable environmental standards, as further defined in the Grant Assurances, for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.
- 15. <u>Financial Reporting and Payment Requirements</u>. The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
- 16. <u>Buy American</u>. Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured goods produced outside the United States to be used for any project for which funds are provided under this Grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.
- 17. <u>Build America</u>, Buy America. The Sponsor must comply with the requirements under the Build America, Buy America Act (P.L. 117-58).
- 18. <u>Maximum Obligation Increase</u>. In accordance with 49 U.S.C. § 47108(b)(3), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this Grant:
 - a. May not be increased for a planning project;
 - b. May be increased by not more than 15 percent for development projects if funds are available;
 - c. May be increased by not more than the greater of the following for a land project, if funds are available:

- 1. 15 percent; or
- 2. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

If the Sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in 49 U.S.C. § 47110, or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same Federal share provided herein for any amount increased over the initial grant amount. The FAA may adjust the Federal share as applicable through an informal letter of amendment.

19. Audits for Sponsors.

The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at http://harvester.census.gov/facweb/. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than \$1,000,000 in Federal awards and are exempt from Federal audit requirements must make records available for review or audit by the appropriate Federal agency officials, State, and Government Accountability Office. The FAA and other appropriate Federal agencies may request additional information to meet all Federal audit requirements.

- 20. **Suspension or Debarment.** When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:
 - a. Verify the non-Federal entity is eligible to participate in this Federal program by:
 - 1. Checking the System for Award Management (SAM.gov) exclusions to determine if the non-Federal entity is excluded or disqualified; or
 - 2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or
 - 3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.
 - b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions with their contractors and sub-contractors.
 - c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns it has entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debars a contractor, person, or entity.

21. Ban on Texting While Driving.

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
 - 1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.

- 2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - i. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - ii. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- b. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.

22. Trafficking in Persons.

- a. Posting of contact information.
 - 1. The Sponsor must post the contact information of the national human trafficking hotline (including options to reach out to the hotline such as through phone, text, or TTY) in all public airport restrooms.
- b. Provisions applicable to a recipient that is a private entity.
 - a. Under this Grant, the recipient, its employees, subrecipients under this Grant, and subrecipient's employees must not engage in:
 - i. Severe forms of trafficking in persons;
 - ii. The procurement of a commercial sex act during the period of time that the grant or cooperative agreement is in effect;
 - iii. The use of forced labor in the performance of this grant; or any subaward; or
 - iv. Acts that directly support or advance trafficking in persons, including the following acts:
 - a) Destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents;
 - b) Failing to provide return transportation of pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, unless:
 - Exempted from the requirement to provide or pay for such return transportation by the federal department or agency providing or entering into the grant; or
 - The employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or witness in a human trafficking enforcement action;
 - Soliciting a person for the purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment;
 - d) Charging recruited employees a placement or recruitment fee; or
 - e) Providing or arranging housing that fails to meet the host country's housing and safety standards.
 - b. The FAA may unilaterally terminate this Grant or take any remedial actions authorized by 22 U.S.C. § 7104b(c), without penalty, if any private entity under this Grant:

- i. Is determined to have violated a prohibition in paragraph (2)(a) of this Grant; or
- ii. Has an employee that is determined to have violated a prohibition in paragraph(2)(a) of this Grant through conduct that is either:
 - a) Associated with the performance under this Grant; or
 - b) Imputed to the recipient or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 2 CFR Part 1200.
- 3. Provisions applicable to a recipient other than a private entity.
 - a. The FAA may unilaterally terminate this award or take any remedial actions authorized by 22 U.S.C. § 7104b(c), without penalty, if subrecipient than is a private entity under this award:
 - i. Is determined to have violated a prohibition in paragraph (2)(a) of this Grant or
 - ii. Has an employee that is determined to have violated a prohibition in paragraph (2)(a) of this Grant through conduct that is either:
 - a) Associated with the performance under this Grant; or
 - b) Imputed to the recipient or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 2 CFR Part 1200.
- 4. Provisions applicable to any recipient.
 - a. The recipient must inform the FAA and the DOT Inspector General immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (2)(a) of this Grant.
 - b. The FAA's right to unilaterally terminate this Grant as described in paragraphs (2)(b) or (3)(a) of this Grant, implements the requirements of 22 U.S.C. chapter 78, and is in addition to all other remedies for noncompliance that are available to the FAA under this Grant.
 - c. The recipient must include the requirements of paragraph (2)(a) of this Grant award term in any subaward it makes to a private entity.
 - d. If applicable, the recipient must also comply with the compliance plan and certification requirements in 2 CFR 175.105(b).
- 5. Definitions. For purposes of this Grant award, term:
 - a. "Employee" means either:
 - i. An individual employed by the recipient or a subrecipient who is engaged in the performance of the project or program under this Grant; or
 - ii. Another person engaged in the performance of the project or program under this Grant and not compensated by the recipient including, but not limited to, a

volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing requirements.

b. "Private Entity" means:

- Any entity, including for-profit organizations, nonprofit organizations, institutions of higher education, and hospitals. The term does not include foreign public entities, Indian Tribes, local governments, or states as defined in 2 CFR 200.1.
- ii. The terms "severe forms of trafficking in persons," "commercial sex act," "sex trafficking," "Abuse or threatened abuse of law or legal process," "coercion," "debt bondage," and "involuntary servitude" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).
- 23. AIP Funded Work Included in a PFC Application. Within 120 days of acceptance of this Grant Agreement, the Sponsor must submit to the FAA an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this Grant Agreement as described in the project application. The airport sponsor may not make any expenditure under this Grant Agreement until project work addressed under this Grant Agreement is removed from an approved PFC application by amendment.
- 24. <u>Exhibit "A" Property Map</u>. The Exhibit "A" Property Map dated March 01, 1997, is incorporated herein by reference or is submitted with the project application and made part of this Grant Agreement.
- 25. Employee Protection from Reprisal. In accordance with 2 CFR § 200.217 and 41 U.S.C. § 4712, an employee of a grantee, subgrantee contractor, recipient or subrecipient must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. 4712 information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. The grantee, subgrantee, contractor, recipient, or subrecipient must inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. § 4712. See statutory requirements for whistleblower protections at 10 U.S.C. § 4701, 41 U.S.C. § 4712, 41 U.S.C. § 4304, and 10 U.S.C. § 4310.
- 26. <u>Co-Sponsor</u>. The Co-Sponsors, if any, understand and agree that they jointly and severally adopt and ratify the representations and assurances contained therein and that the word "Sponsor" as used in the application and other assurances is deemed to include all Co-Sponsors.
- 27. <u>Prohibited Telecommunications and Video Surveillance Services and Equipment</u>. The Sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [P.L. 115-232 § 889(f)(1)] and 2 CFR § 200.216.
- 28. Critical Infrastructure Security and Resilience. The Sponsor acknowledges that it has considered and addressed physical and cybersecurity and resilience in its project planning, design, and oversight, as determined by the DOT and the Department of Homeland Security (DHS). For airports that do not have specific DOT or DHS cybersecurity requirements, the FAA encourages the voluntary adoption of the cybersecurity requirements from the Transportation Security Administration and Federal Security Director identified for security risk Category X airports.

- 29. Title VI of the Civil Rights Act. As a condition of a grant award, the Sponsor shall demonstrate that it complies with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq) and implementing regulations (49 CFR part 21), the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), U.S. Department of Transportation and Federal Aviation Administration (FAA) Assurances, and other relevant civil rights statutes, regulations, or authorities, including any amendments or updates thereto. This may include, as applicable, providing a current Title VI Program Plan to the FAA for approval, in the format and according to the timeline required by the FAA, and other information about the communities that will be benefited and impacted by the project. A completed FAA Title VI Pre-Grant Award Checklist is required for every grant application, unless excused by the FAA. The Sponsor shall affirmatively ensure that when carrying out any project supported by this grant that it complies with all federal nondiscrimination and civil rights laws based on race, color, national origin, sex, creed, age, disability, genetic information, in consideration for federal financial assistance. The Department's and FAA's Office of Civil Rights may provide resources and technical assistance to recipients to ensure full and sustainable compliance with Federal civil rights requirements. Failure to comply with civil rights requirements will be considered a violation of the agreement or contract and be subject to any enforcement action as authorized by law.
- 30. FAA Reauthorization Act of 2024. This grant agreement is subject to the terms and conditions contained herein including the terms known as the Grant Assurances as they were published in the Federal Register on April 2025. On May 16, 2024, the FAA Reauthorization Act of 2024 made certain amendments to 49 U.S.C. chapter 471. The Reauthorization Act will require FAA to make certain amendments to the assurances in order to best achieve consistency with the statute. Federal law requires that FAA publish any amendments to the assurances in the Federal Register along with an opportunity to comment. In order not to delay the offer of this grant, the existing assurances are attached herein; however, FAA shall interpret and apply these assurances consistent with the Reauthorization Act. To the extent there is a conflict between the assurances and Federal statutes, the statutes shall apply. The full text of the FAA Reauthorization Act of 2024 is at https://www.congress.gov/bill/118th-congress/house-bill/3935/text
- 31. <u>Applicable Federal Anti-Discrimination Laws.</u> Pursuant to Section (3)(b)(iv), Executive Order 1473, Ending Illegal Discrimination and Restoring Merit-Based Opportunity, the sponsor:
 - a. Agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of 31 U.S.C. 3729(b)(4) and
 - b. certifies that it does not operate any programs promoting diversity, equity, and inclusion (DEI) initiatives that violate any applicable Federal anti-discrimination laws.
- 32. Federal Law and Public Policy Requirements. The Sponsor shall ensure that Federal funding is expended in full accordance with the United States Constitution, Federal law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination; and the Sponsor will

cooperate with Federal officials in the enforcement of Federal law, including cooperating with and not impeding U.S. Immigration and Customs Enforcement (ICE) and other Federal offices and components of the Department of Homeland Security in and the enforcement of Federal immigration law.

33. National Airspace System Requirements

- a. The Sponsor shall cooperate with FAA activities installing, maintaining, replacing, improving, or operating equipment and facilities in or supporting the National Airspace System, including waiving permitting requirements and other restrictions affecting those activities to the maximum extent possible, and assisting the FAA in securing waivers of permitting or other restrictions from other authorities. The Sponsor shall not take actions that frustrate or prevent the FAA from installing, maintaining, replacing, improving, or operating equipment and facilities in or supporting the National Airspace System.
- b. If FAA determines that the Sponsor has violated subsection (a), the FAA may impose a remedy, including:
 - (1) additional conditions on the award;
 - (2) consistent with 49 U.S.C chapter 471, any remedy permitted under 2 C.F.R. 200.339—200.340, including withholding of payments; disallowance of previously reimbursed costs, requiring refunds from the Recipient to the DOT; suspension or termination of the award; or suspension and debarment under 2 C.F.R. part 180; or
 - (3) any other remedy legally available.
- c. (In imposing a remedy under this condition, the FAA may elect to consider the interests of only the FAA.
- d. The Sponsor acknowledges that amounts that the FAA requires the Sponsor to refund to the FAA due to a remedy under this condition constitute a debt to the Federal Government that the FAA may collect under 2 C.F.R. 200.346 and the Federal Claims Collection Standards (31 C.F.R. parts 900–904).
- 34. <u>Signage Costs for Construction Projects.</u> The Sponsor agrees that it will require the prime contractor of a Federally- assisted airport improvement project to post signs consistent with a DOT/FAA-prescribed format, as may be requested by the DOT/FAA, and further agrees to remove any signs posted in response to requests received prior to February 1, 2025.
- 35. <u>Title 8 U.S.C., Chapter 12, Subchapter II Immigration</u>. The sponsor will follow applicable federal laws pertaining to Subchapter 12, and be subject to the penalties set forth in 8 U.S.C. § 1324, Bringing in and harboring certain aliens, and 8 U.S.C. § 1327, Aiding or assisting certain aliens to enter.

SPECIAL CONDITIONS

- 36. Protection of Runway Protection Zone Airport Property. The Sponsor agrees to prevent the erection or creation of any structure, place of public assembly, or other use in the Runway Protection Zone, as depicted on the Exhibit "A": Property Map, except for Navigational Aids (NAVAIDS) that are fixed by their functional purposes or any other structure permitted by the FAA. The Sponsor further agrees that any existing structures or uses within the Runway Protection Zone will be cleared or discontinued by the Sponsor unless approved by the FAA.
- 37. **Protection of Runway Protection Zone Easement.** The Sponsor, under the easement, agrees to take any and all steps necessary to ensure that the owner of the land within the designated Runway Protection Zone will not build any structure in the Runway Protection Zone that is an airport hazard or which might create glare or misleading lights or lead to the construction of residences, fuel handling and storage facilities, smoke generating activities, or places of public assembly, such as churches, schools, office buildings, shopping centers, and stadiums.
- 38. <u>Plans and Specifications Prior to Bidding</u>. The Sponsor agrees that it will submit plans and specifications for FAA review prior to advertising for bids.
- 39. <u>Design Grant</u>. This Grant Agreement is being issued in order to complete the design of the project. The Sponsor understands and agrees that within two (2) years after the design is completed that the Sponsor will accept, subject to the availability of the amount of Federal funding identified in the Airport Capital Improvement Plan (ACIP), a grant to complete the construction of the project in order to provide a useful and usable unit of work. The Sponsor also understands that if the FAA has provided Federal funding to complete the design for the project, and the Sponsor has not completed the design within four (4) years from the execution of this Grant Agreement, the FAA may suspend or terminate grants related to the design.
- 40. <u>Airports Geographic Information System (GIS) Survey</u>. If the Airport's GIS survey is not reflected in the Airports Data Information Portal (ADIP) meeting FAA requirements within four (4) years from the date of grant execution, then the Sponsor may be required to repay that portion of this Grant related to survey work.
- 41. <u>Buy American Executive Orders</u>. The Sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.¹

(Signature of Sponsor's Authorized Official)

Rodney N Joel

(Typed Name)

Acting Director, Central Region Airports Division
(Title of FAA Official

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¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

PART II - ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.²

Dated

| | City of Ames |
|---|---|
| *************************************** | (Name of Sponsor) |
| | (Signature of Sponsor's Authorized Official) |
| Ву: | (Typed Name of Sponsor's Authorized Official) |
| Title: | (Title of Sponsor's Authorized Official |

² Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Lowa. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; and Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (P.L. 115-254); the Department of Transportation Appropriations Act, 2021 (P.L. 116-260, Division L); the Consolidated Appropriations Act, 2022 (P.L. 117-103); Consolidated Appropriations Act, 2023 (P.L. 117-328); Consolidated Appropriations Act, 2024 (P.L. 118-42); FAA Reauthorization Act of 2024 (P.L. 118-63); and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

| I declare under penalty of perjury that the foregoing is true and correct. | ı | declare | under | penalty o | f perjury | that the | foregoing | is true and | d correct. |
|--|---|---------|-------|-----------|-----------|----------|-----------|-------------|------------|
|--|---|---------|-------|-----------|-----------|----------|-----------|-------------|------------|

Dated at

| Ву: | | |
|-----|-----------------------------------|--|
| - | (Sianature of Sponsor's Attorney) | |

³ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

ASSURANCES

AIRPORT SPONSORS

A. General.

- 1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
- 2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
- 3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. Airport Development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.

The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, 37, and 40 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant. Performance under this agreement shall be governed by and in compliance with the following requirements, as applicable, to the type of organization of the Sponsor and any applicable sub-recipients. The applicable provisions to this agreement include, but are not limited to, the following:

FEDERAL LEGISLATION

- a. 49 U.S.C. subtitle VII, as amended.
- b. Davis-Bacon Act, as amended 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.¹
- c. Federal Fair Labor Standards Act 29 U.S.C. § 201, et seq.
- d. Hatch Act 5 U.S.C. § 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.^{1, 2}
- f. National Historic Preservation Act of 1966 Section 106 54 U.S.C. § 306108.¹
- g. Archeological and Historic Preservation Act of 1974 54 U.S.C. § 312501, et seq.¹
- h. Native Americans Grave Repatriation Act 25 U.S.C. § 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended 42 U.S.C. § 7401, et seq.
- j. Coastal Zone Management Act, P.L. 92-583, as amended 16 U.S.C. § 1451, et seq.
- k. Flood Disaster Protection Act of 1973 Section 102(a) 42 U.S.C. § 4012a.1
- I. 49 U.S.C. § 303, (formerly known as Section 4(f)).
- m. Rehabilitation Act of 1973 29 U.S.C. § 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) (prohibits discrimination on the basis of race, color, national origin).
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 42 U.S.C. § 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968, as amended 42 U.S.C. § 4151, et seq.¹
- s. Powerplant and Industrial Fuel Use Act of 1978 Section 403 42 U.S.C. § 8373.¹
- t. Contract Work Hours and Safety Standards Act 40 U.S.C. § 3701, et seq.¹
- u. Copeland Anti-kickback Act 18 U.S.C. § 874.¹
- v. National Environmental Policy Act of 1969 42 U.S.C. § 4321, et seg.¹

- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 31 U.S.C. § 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).
- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Infrastructure Investment and Jobs Act, P.L. 117-58, Title VIII.
- cc. Build America, Buy America Act, P.L. 117-58, Title IX.
- dd. Endangered Species Act 16 U.S.C. 1531, et seq.
- ee. Title IX of the Education Amendments of 1972, as amended 20 U.S.C. 1681–1683 and 1685–1687.
- ff. Drug Abuse Office and Treatment Act of 1972, as amended 21 U.S.C. 1101, et seq.
- gg. Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended 42 U.S.C. § 4541, et seq.
- hh. Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended 42 U.S.C. § 4541, et seq.
- ii. Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions 31 U.S.C. § 1352.

EXECUTIVE ORDERS

- a. Executive Order 11990 Protection of Wetlands
- b. Executive Order 11988 Floodplain Management
- c. Executive Order 12372 Intergovernmental Review of Federal Programs
- Executive Order 12699 Seismic Safety of Federal and Federally Assisted New Building Construction¹
- e. Executive Order 14005 Ensuring the Future is Made in all of America by All of America's Workers
- f. Executive Order 14149 Restoring Freedom of Speech and Ending Federal Censorship
- g. Executive Order 14151 Ending Radical and Wasteful Government DEI Programs and Preferencing
- h. Executive Order 14154 Unleashing American Energy
- Executive Order 14168 Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
- j. Executive Order 14173 Ending Illegal Discrimination and Restoring Merit-Based Opportunity

FEDERAL REGULATIONS

a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).

- b. 2 CFR Part 200 and 1201 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. ^{3,4,5}
- c. 2 CFR Part 1200 Nonprocurement Suspension and Debarment.
- d. 14 CFR Part 13 Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 Airport Noise Compatibility Planning.
- g. 28 CFR Part 35 Nondiscrimination on the Basis of Disability in State and Local Government Services.
- h. 28 CFR § 50.3 U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
- i. 29 CFR Part 1 Procedures for Predetermination of Wage Rates.¹
- j. 29 CFR Part 3 Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.¹
- k. 29 CFR Part 5 Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).¹
- 41 CFR Part 60 Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).¹
- m. 49 CFR Part 20 New Restrictions on Lobbying.
- n. 49 CFR Part 21 Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.^{1, 2}
- q. 49 CFR Part 26 Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
- r. 49 CFR Part 27 Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.¹
- s. 49 CFR Part 28 Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
- t. 49 CFR Part 30 Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
- u. 49 CFR Part 32 Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).
- v. 49 CFR Part 37 Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 38 Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
- x. 49 CFR Part 41 Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

- ¹ These laws do not apply to airport planning sponsors.
- ² These laws do not apply to private sponsors.
- ³ 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
- Cost principles established in 2 CFR Part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁵ Audit requirements established in 2 CFR Part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. Subject to 49 U.S.C. § 47107(a)(16) and (x), it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and

procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
 - 1. Operating the airport's aeronautical facilities whenever required;
 - 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed

as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:
 - 1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable

classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act

of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
 - 2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 - 3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
- c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary
may reasonably request and make such reports available to the public; make available to the
public at reasonable times and places a report of the airport budget in a format prescribed by
the Secretary;

- for airport development projects, make the airport and all airport records and documents
 affecting the airport, including deeds, leases, operation and use agreements, regulations and
 other instruments, available for inspection by any duly authorized agent of the Secretary upon
 reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. The airport owner or operator will maintain a current airport layout plan of the airport showing:

- 1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto:
- the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
- 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
- 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.
- b. Subject to subsection 49 U.S.C. § 47107(x), the Secretary will review and approve or disapprove the plan and any revision or modification of the plan before the plan, revision, or modification takes effect.
- c. The owner or operator will not make or allow any alteration in the airport or any of its facilities unless the alteration—
 - 1. is outside the scope of the Secretary's review and approval authority as set forth in subsection (x); or
 - 2. complies with the portions of the plan approved by the Secretary.
- d. When the airport owner or operator makes a change or alteration in the airport or the facilities which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
 - 1. eliminate such adverse effect in a manner approved by the Secretary; or
 - 2. bear all costs of relocating such property or its replacement to a site acceptable to the Secretary and of restoring the property or its replacement to the level of safety, utility, efficiency, and cost of operation that existed before the alteration was made, except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d to 2000d-4); creed and sex per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or

conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

- 1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
- 2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
- 3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2. So long as the sponsor retains ownership or possession of the property.
- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The ([sponsor name]), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, all businesses will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability in consideration for an award."

e. Required Contract Provisions.

- 1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

- 3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex, age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
 - 1. Reinvestment in an approved noise compatibility project;
 - 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
 - 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
 - 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
 - 5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such

land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

- 1. Reinvestment in an approved noise compatibility project;
- 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
- 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
- 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
- 5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.
- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to,

current FAA Advisory Circulars (https://www.faa.gov/sites/faa.gov/files/aip-pfc-checklist_0.pdf) for AIP projects as of April 08, 2025.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

- 1. Describes the requests;
- 2. Provides an explanation as to why the requests could not be accommodated; and
- 3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

40. Access to Leaded Aviation Gasoline

- a. If 100-octane low lead aviation gasoline (100LL) was made available at an airport, at any time during calendar year 2022, an airport owner or operator may not restrict or prohibit the sale of, or self-fueling with, 100-octane low lead aviation gasoline.
- b. This requirement remains until the earlier of December 31, 2030, or the date on which the airport or any retail fuel seller at the airport makes available an unleaded aviation gasoline that has been authorized for use by the FAA as a replacement for 100-octane low lead aviation gasoline for use in nearly all piston-engine aircraft and engine models; and meets either an industry consensus standard or other standard that facilitates the safe use, production, and distribution of such unleaded aviation gasoline, as determined appropriate by the FAA.
- c. An airport owner or operator understands and agrees, that any violation of this grant assurance is subject to civil penalties as provided for in 49 U.S.C. § 46301(a)(8).

TEM #: 12
DATE: 09-09-25
DEPT: ADMIN

COUNCIL ACTION FORM

<u>SUBJECT:</u> SETTING DATE OF PUBLIC HEARING FOR DIGITAL BILLBOARD LEASE

BACKGROUND:

On February 11, 2025, the City Council discussed issues related to a proposed digital billboard on City property along U.S. Hwy. 30 near the Hunziker Youth Sports Complex. The proposed billboard would replace two standard billboards located on the Linc development site on Lincoln Way near downtown.

During that meeting, the City Council reviewed key terms of the proposed lease, as well as aspects of the Zoning Ordinance that would require revision to accommodate a digital billboard per the requests of the billboard company, Lamar Advertising Company. On May 13, the City Council held a hearing on a Zoning Text Amendment to revise the billboard standards, and the ordinance adopting the text amendment was adopted on June 10, 2025.

Staff has continued to work with Lamar to finalize the terms of the lease agreement. A key issue related to this was the completion of a survey of the City property on Billy Sunday Road. The survey has been completed and a Minor Final Plat for the subdivision of the property into three lots is anticipated to be on the September 23 City Council agenda for approval. The property to be leased to Lamar is a portion of Lot 3 of the planned Billy Sunday Subdivision.

The lease is being prepared to include a 20-year initial term, in addition to two optional ten-year renewal terms. Under state law, a lease of City property for a period exceeding three years requires the City Council to hold a public hearing prior to approval.

ALTERNATIVES:

- 1. Set September 23, 2025, as the date of public hearing for a lease of City property to Lamar Advertising Company for the installation of a digital billboard.
- 2. Do not set a date of public hearing, and do not proceed with the potential lease.
- 3. Refer this item back to staff for further information.

CITY MANAGER'S RECOMMENDED ACTION:

The City Council has previously discussed the prospect of a digital billboard on City property adjacent U.S. Hwy. 30. A zoning text amendment to facilitate a digital billboard has been adopted. Subdivision of City property to facilitate future commercial development is anticipated to be considered at the September 23, 2025, City Council meeting. The billboard lease location is for lot 3 of the planned subdivision.

A public hearing must be set in order to consider the approval of a lease for the property at that same meeting. The lease is in the process of being finalized and will be

presented to the City Council at that time. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ITEM #: 13
DATE: 09-09-25
DEPT: FIN

COUNCIL ACTION FORM

SUBJECT: RESOLUTION SETTING THE DATE FOR SALE OF GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2025A FOR SEPTEMBER 23, 2025, AND AUTHORIZING THE USE OF PRELIMINARY OFFICIAL STATEMENT IN CONNECTION THEREWITH

BACKGROUND:

The FY 2025/26 Budget includes General Obligation (G.O.) Bond–funded capital improvement projects totaling **\$13,610,195**. As part of the budget process, the City Council held the required public hearing on March 25, 2025, which authorized the proceedings under *lowa Code* Section 384.24A.

To finance these improvements, the City proposes to enter into two loan agreements.

The first is an **Essential Purpose Loan Agreement in a principal amount not to exceed \$13,500,000,** to fund street and related public infrastructure, lighting, signage, and signalization improvements, trail improvements at Ada Hayden Heritage Park, and improvements at the municipal airport.

The second is a **General Purpose Loan Agreement in a principal amount not to exceed \$235,000,** to fund the fire station alerting system improvements.

To proceed with the FY 2025/26 issuance, the City Council will need to approve the Preliminary Official Statement, which provides financial disclosures to prospective investors and is on file in the City Clerk's Office. The Council must also establish the bond sale date, recommended as September 23, 2025, and authorize the use of electronic bidding, which is permitted by *Iowa Code* and ensures a secure and competitive sale process.

The Capital Improvements Plan's FY 2025/26 G.O. Bond issue includes the following:

| Fire Station Alerting System (General Corporate Purpose) | \$ 211,905 |
|--|---------------|
| Asphalt Street Pavement Improvements | 4,000,000 |
| Concrete Pavement Improvements | 3,800,000 |
| Seal Coat Street Pavement Improvements | 1,000,000 |
| Collector Street Pavement Improvements | 500,000 |
| Alley Pavement Improvements | 400,000 |
| Downtown Street Pavement Improvements | 250,000 |
| Traffic System Capacity Improvements | 1,520,000 |
| Intelligent Transportation System | 367,540 |
| Airport Airside Improvements | 531,750 |

| Airport Facility Improvements | 329,000 |
|-------------------------------|--------------|
| Ada Hayden Heritage Park | 700,000 |
| Total Project Costs | \$13,610,195 |
| | |

Issuance Costs/Rounding 124,805

Total Issuance Amount \$13,735,000

The public hearing requirement has already been met, and the issuance complies with the City's debt management policy and statutory obligations governing municipal debt.

ALTERNATIVES:

- 1. Adopt a resolution approving the Official Statement for General Obligation Corporate Purpose Bonds, Series 2025A, setting the date of sale for September 23, 2025, and authorize electronic bidding for the sale.
- 2. Refer the Official Statement back to City staff for modifications.

CITY MANAGER'S RECOMMENDED ACTION:

Issuance of these bonds is necessary in order to accomplish the City's approved Capital Improvements Plan for the current fiscal year. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

ATTACHMENT(S):

Ames_IA_2025A_GO_Preliminary_OS_for_City_Council_Approval.pdf

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 9, 2025

New Issue Rating: Moody's Investors Service 6

In the opinion of Dorsey & Whitney LLP, Bond Counsel, according to present laws, rulings and decisions and assuming the accuracy of certain representations and compliance with certain covenants, the interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code). Interest on the Bonds is exempt from the taxes imposed by Subchapter II (Personal Net Income Tax) and Subchapter III (Business Tax on Corporations) of Chapter 422 of the Code of Iowa, 2025, as amended (the "Iowa Code"). Interest on the Bonds is subject to the taxes imposed by Subchapter V (Taxation of Financial Institutions) of Chapter 422 of the Iowa Code. See "TAX EXEMPTION AND RELATED TAX MATTERS" herein

CITY OF AMES, IOWA

\$13,735,000* General Obligation Corporate Purpose Bonds, Series 2025A

BIDS RECEIVED: Tuesday, September 23, 2025, 10:00 A.M., Central Time AWARD: Tuesday, September 23, 2025, 6:00 P.M., Central Time

Principal Due: June 1, as shown inside front cover

Dated: Date of Delivery (October 14, 2025)

The \$13,735,000* General Obligation Corporate Purpose Bonds, Series 2025A (the "Bonds") are being issued pursuant to Division III of Chapters 384 of the Code of Iowa and a resolution to be adopted by the City Council of the City of Ames, Iowa (the "City"). The Bonds are being issued for the purpose of paying the costs, to that extent, of constructing street and incidental public infrastructure improvements; acquiring and installing street lighting, signage and signalization improvements; undertaking trail and related improvements to Ada Hayden Heritage Park; undertaking improvements to the municipal airport and undertaking

alerting system improvements at municipal fire station facilities.

The purchaser of the Bonds agrees to enter into a loan agreement (the "Loan Agreement") with the City pursuant to the authority contained in Section 384.24A of the Code of Iowa. The Bonds are issued in evidence of the City's obligations under the Loan Agreement. The Bonds are general obligations of the City for which the City will pledge its power of levy direct ad valorem taxes against all taxable property within the City without limitation as to rate or amount to the repayment of the Bonds.

The Bonds will be issued as fully registered Bonds without coupons and, when issued, will be registered in the name of Cede Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Individual & purchases may be made in book-entry-only form, in the principal amount of \$5,000 and integral multiples thereof. The purchaser will not receive certificates representing their interest in the Bonds purchased. The City's Treasurer as Registrar/Paying Agent (the "Registrar") will pay principal on the Bonds, payable annually on June 1, beginning June 1, 2026, and interest on the Bonds payable initially on June 1, 2026 and thereafter on each December 1 and June 1 to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursements to the beneficial owners of the Bonds as described herein. Interest and principal shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding the interest payment date (the "Record Date").

THE BONDS WILL MATURE AS LISTED ON THE INSIDE FRONT COVER

MINIMUM BID: \$13,597,650

GOOD FAITH DEPOSIT: \$137,350 Required of Purchaser Only

TAX MATTERS: Federal: Tax-Exempt

State: Taxable

See "TAX EXEMPTION AND RELATED TAX

MATTERS" for more information.

The Bonds are offered, subject to prior sale, withdrawal or modification, when, as, and if issued subject to the legal opinion as to legality, validity and tax exemption of Dorsey & Whitney LLP, Bond Counsel, Des Moines, Iowa, to be furnished upon delivery of the Bonds. It is expected the Bonds will be available for delivery on or about October 14, 2025. This Preliminary Official Statement in the form presented is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to revisions, corrections of modifications as determined to be appropriate, and is authorized to be distributed in connection with the offering of the Bonds for sale.

^{*}Preliminary; subject to change.

CITY OF AMES, IOWA

\$13,735,000* General Obligation Corporate Purpose Bonds, Series 2025A

MATURITY: The Bonds will mature June 1 in the years and amounts as follows:

| <u>Year</u> | Amount* | <u>Year</u> | Amount* |
|-------------|-------------|-------------|-------------|
| 2026 | \$1,025,000 | 2032 | \$1,140,000 |
| 2027 | 895,000 | 2033 | 1,200,000 |
| 2028 | 940,000 | 2034 | 1,260,000 |
| 2029 | 985,000 | 2035 | 1,320,000 |
| 2030 | 1,035,000 | 2036 | 1,390,000 |
| 2031 | 1,090,000 | 2037 | 1,455,000 |

*PRINCIPAL ADJUSTMENT:

Preliminary; subject to change. The aggregate principal amount of the Bonds is subject to reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each scheduled maturity thereof in increments of \$5,000 but the total amount to be issued will not exceed \$13,735,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

INTEREST: Interest on the Bonds will be payable on June 1, 2026 and semiannually thereafter.

REDEMPTION: Bonds due after June 1, 2033 will be subject to call for prior redemption on said date or on any day

thereafter upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of

the Bonds to be redeemed at the address shown on the registration books.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to General Rules and Regulations, Securities Exchange Act of 1934, Rule 15c2-12 Municipal Securities Disclosure.

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to prospective bidders. Its primary purpose is to disclose information regarding the Bonds to prospective bidders in the interest of receiving competitive bids in accordance with the "TERMS OF OFFERING" contained herein. Unless an addendum is received prior to the sale, this document shall be deemed the final "Preliminary Official Statement".

Review Period: This Preliminary Official Statement has been distributed to City staff as well as to prospective bidders for an objective review of its disclosure. Comments, omissions or inaccuracies must be submitted to PFM Financial Advisors LLC (the "Municipal Advisor") at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will <u>not</u> be considered a qualification of a bid received. If there are any changes, corrections or additions to the Preliminary Official Statement, prospective bidders will be informed by an addendum at least one business day prior to the sale.

Final Official Statement: Upon award of sale of the Bonds, the legislative body will authorize the preparation of a final Official Statement that includes the offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, anticipated delivery date and other information required by law and the identity of the underwriter (the "Syndicate Manager") and syndicate members. Copies of the final Official Statement will be delivered to the Syndicate Manager within seven business days following the bid acceptance.

REPRESENTATIONS

No dealer, broker, salesman or other person has been authorized by the City, the Municipal Advisor or the underwriter to give any information or to make any representations other than those contained in this Preliminary Official Statement or the final Official Statement and, if given or made, such information and representations must not be relied upon as having been authorized by the City, the Municipal Advisor or the underwriter. This Preliminary Official Statement or the final Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are believed to be reliable, but it is not to be construed as a representation by the Municipal Advisor or underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Preliminary Official Statement or the final Official Statement, nor any sale made thereafter shall, under any circumstances, create any implication there has been no change in the affairs of the City or in any other information contained herein, since the date hereof. This Preliminary Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

This Preliminary Official Statement and any addenda thereto were prepared relying on information from the City and other sources, which are believed to be reliable.

The Bonds are being offered when, and if issued by the City and accepted by the underwriter, subject to receipt of an opinion as the legality, validity and tax exemption by Dorsey & Whitney LLP, Des Moines, Iowa, Bond Counsel. It is expected that the Bonds in the definitive form will be available on or about October 14, 2025.

Compensation of the Municipal Advisor, payable entirely by the City, is contingent upon the sale of the Bonds.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Preliminary Official Statement for purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

City of Ames, Iowa

Mayor/City Council

| <u>Member</u> | Office | Initial Term Commenced | Term Expires |
|-----------------------|---------------------------------------|------------------------|-------------------|
| John Haila | Mayor | January 02, 2018 | December 31, 2025 |
| Bronwyn Beatty-Hansen | Council Member – 1 st Ward | January 01, 2016 | December 31, 2025 |
| Tim Gartin | Council Member – 2 nd Ward | January 02, 2014 | December 31, 2027 |
| Gloria Betcher | Council Member – 3rd Ward | January 02, 2014 | December 31, 2025 |
| Rachel Junck | Council Member – 4 th Ward | January 02, 2020 | December 31, 2027 |
| Anita Rollins | Council Member – At Large | January 03, 2022 | December 31, 2027 |
| Amber Corrieri | Council Member – At Large | January 02, 2014 | December 31, 2025 |
| Emily Boland | Ex-Officio | | |

Administration

Steven Schainker, City Manager
Corey Goodenow, Director of Finance
Renee Hall, City Clerk
Roger Wisecup II, City Treasurer
John Dunn, Director of Water and Pollution Control
Justin Clausen, Public Works Director
Donald Kom, Director of Electric Utility

City Attorney

Mark Lambert Ames, Iowa

Bond Counsel

Dorsey & Whitney LLP Des Moines, Iowa

Municipal Advisor

PFM Financial Advisors LLC Des Moines, Iowa

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TERMS OF OFFERING

CITY OF AMES, IOWA

Bids for the purchase of the City of Ames, Iowa's (the "City") \$13,735,000* General Obligation Corporate Purpose Bonds, Series 2025A (the "Bonds") will be received on Tuesday, September 23, 2025, before 10:00 A.M., Central Time, after which time they will be tabulated. The City Council will consider award of the Bonds at 6:00 P.M., Central Time, on the same day. Questions regarding the sale of the Bonds should be directed to the City's Municipal Advisor, PFM Financial Advisors LLC (the "Municipal Advisor"), 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309, telephone 515-724-5734. Information may also be obtained from Mr. Roger Wisecup, City Treasurer, City of Ames, 515 Clark Avenue, Ames, Iowa, 50010, telephone 515-239-5119.

The following section sets forth the description of certain terms of the Bonds, as well as the "TERMS OF OFFERING" with which all bidders and bid proposals are required to comply.

DETAILS OF THE BONDS

GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2025A, in the principal amount of \$13,735,000* to be dated the date of delivery (anticipated to be October 14, 2025), in the denomination of \$5,000 or multiples thereof, will mature on June 1 as follows:

| <u>Year</u> | Amount* | <u>Year</u> | Amount* |
|-------------|-------------|-------------|-------------|
| 2026 | \$1,025,000 | 2032 | \$1,140,000 |
| 2027 | 895,000 | 2033 | 1,200,000 |
| 2028 | 940,000 | 2034 | 1,260,000 |
| 2029 | 985,000 | 2035 | 1,320,000 |
| 2030 | 1,035,000 | 2036 | 1,390,000 |
| 2031 | 1,090,000 | 2037 | 1,455,000 |

^{*} Preliminary; subject to change.

ADJUSTMENT TO BOND MATURITY AMOUNTS

The aggregate principal amount of the Bonds is subject to reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each scheduled maturity thereof in increments of \$5,000 but the total amount to be issued will not exceed \$13,735,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

INTEREST ON THE BONDS

Interest on the Bonds will be payable on June 1, 2026, and semiannually on the 1st day of December and June thereafter. Principal and interest shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding the interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

OPTIONAL REDEMPTION

Bonds due after June 1, 2033, will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on said date or on any date thereafter at the option of the City, upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Bonds to be redeemed at the address shown on the registration books.

TERM BOND OPTION

Bidders shall have the option of designating the Bonds as serial bonds or term bonds, or both. The bid must designate whether each of the principal amounts shown above represent a serial maturity or a mandatory redemption requirement for a term bond maturity. (See the "OFFICIAL BID FORM" for more information.) In any event, the above principal amount scheduled shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both.

GOOD FAITH DEPOSIT

A good faith deposit in the amount of \$137,350 (the "Deposit") is required from the lowest bidder only. The lowest bidder is required to submit such Deposit payable to the order of the City, not later than 12:00 P.M., Central Time, on the day of the sale of the Bonds and in the form of either (i) a cashier's check provided to the City or its Municipal Advisor, or (ii) a wire transfer as instructed by the City's Municipal Advisor. If not so received, the bid of the lowest bidder may be rejected and the City may direct the second lowest bidder to submit a deposit and thereafter may award the sale of the Bonds to the same. No interest on a deposit will accrue to the successful bidder (the "Purchaser"). The Deposit will be applied to the purchase price of the Bonds. In the event a Purchaser fails to honor its accepted bid proposal, any deposit will be retained by the City.

FORM OF BIDS AND AWARD

All bids shall be unconditional for the entire issue of Bonds for a price not less than \$13,597,650, plus accrued interest, and shall specify the rate or rates of interest in conformity to the limitations as set forth in the "BIDDING PARAMETERS" section herein. Bids must be submitted on or in substantial compliance with the "OFFICIAL BID FORM" provided by the City. The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a true interest cost (the "TIC") basis assuming compliance with the "ESTABLISHMENT OF ISSUE PRICE" herein, and "GOOD FAITH DEPOSIT" herein. The TIC shall be determined by the present value method, i.e., by ascertaining the semiannual rate, compounded semiannually, necessary to discount to present value as of the dated date of the Bonds, the amount payable on each interest payment date and on each stated maturity date or earlier mandatory redemption, so that the aggregate of such amounts will equal the aggregate purchase price offered therefore. The TIC shall be stated in terms of an annual percentage rate and shall be that rate of interest which is twice the semiannual rate so ascertained (also known as the Canadian Method). The TIC shall be as determined by the Municipal Advisor based on the "TERMS OF OFFERING" and all amendments, and on the bids as submitted. The Municipal Advisor's computation of the TIC of each bid shall be controlling. In the event of tie bids for the lowest TIC, the Bonds will be awarded by lot.

The City will reserve the right to: (i) waive non-substantive informalities of any bid or of matters relating to the receipt of bids and award of the Bonds, (ii) reject all bids without cause, and (iii) reject any bid which the City determines to have failed to comply with the terms herein.

BIDDING PARAMETERS

Each bidder's proposal must conform to the following limitations:

- 1. Each annual maturity must bear a single rate of interest from the dated date of the Bonds to the date of maturity.
- 2. Rates of interest bid must be in multiples of one-eighth or one-twentieth of one percent.
- 3. The initial price to the public for each maturity must be 98% or greater.

RECEIPT OF BIDS

<u>Forms of Bids</u>: Bids must be submitted on or in substantial compliance with the "TERMS OF OFFERING" and "OFFICIAL BID FORM" provided by the City or through PARITY® competitive bidding system (the "Internet Bid System"). The City shall not be responsible for malfunction or mistake made by any person, or as a result of the use of an electronic bid or the means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be accepted after the time specified in the "OFFICIAL BID FORM". The time as maintained by the Internet Bid System shall constitute the official time with respect to all bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered.

<u>Sealed Bidding</u>: Sealed bids may be submitted and will be received at the office of the City's Treasurer, City Hall, 515 Clark Avenue, Ames, Iowa 50010.

<u>Electronic Internet Bidding</u>: Electronic internet bids will be received at the office of the City's Municipal Advisor, PFM Financial Advisors LLC, Des Moines, Iowa, and at the office of the City's Treasurer. Electronic internet bids must be submitted through the Internet Bid System. Information about the Internet Bid System may be obtained by calling 212-849-5021.

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purposes of submitting its electronic internet bid in a timely manner and in compliance with the requirements of the "TERMS OF OFFERING" and "OFFICIAL BID FORM". The City is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the electronic internet bidding and the Internet Bid System is not an agent of the City. Provisions of the "TERMS OF OFFERING" and "OFFICIAL BID FORM" shall control in the event of conflict with information provided by the Internet Bid System.

BOOK-ENTRY-ONLY ISSUANCE

The Bonds will be issued by means of a book-entry-only system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The Purchaser, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC.

MUNICIPAL BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that initial rating fee. Any other rating agency fees shall be the responsibility of the Purchaser. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery on the Bonds. The City reserves the right in its sole discretion to accept or deny changes to the financing documents requested by the insurer selected by the Purchaser.

DELIVERY

The Bonds will be delivered to the Purchaser through DTC in New York, New York, against full payment in immediately available cash or federal funds. The Bonds are expected to be delivered within forty-five days after the sale. Should delivery be delayed beyond sixty days from the date of sale for any reason except failure of performance by the Purchaser, the Purchaser may withdraw their bid and thereafter their interest in and liability for the Bonds will cease. When the Bonds are ready for delivery, the City will give the Purchaser five working days' notice of the delivery date and the City will expect payment in full on that date; otherwise reserving the right at its option to determine that the Purchaser failed to comply with the offer of purchase.

ESTABLISHMENT OF ISSUE PRICE

In order to establish the issue price of the Bonds for federal income tax purposes, the City requires bidders to agree to the following, and by submitting a bid, each bidder agrees to the following.

If a bid is submitted by a potential underwriter, the bidder confirms that (i) the underwriters have offered or reasonably expect to offer the Bonds to the public on or before the date of the award at the offering price (the "initial offering price") for each maturity as set forth in the bid and (ii) the bidder, if it is the winning bidder, shall require any agreement among underwriters, selling group agreement, retail distribution agreement or other agreement relating to the initial sale of the Bonds to the public to which it is a party to include provisions requiring compliance by all parties to such agreements with the provisions contained herein. For purposes hereof, Bonds with a separate CUSIP number constitute a separate "maturity," and the public does not include underwriters of the Bonds (including members of a selling group or retail distribution group) or persons related to underwriters of the Bonds.

If, however, a bid is submitted for the bidder's own account in a capacity other than as an underwriter of the Bonds, and the bidder has no current intention to sell, reoffer, or otherwise dispose of the Bonds, the bidder shall notify the City to that effect at the time it submits its bid and shall provide a certificate to that effect in place of the certificate otherwise required below.

If the winning bidder intends to act as an underwriter, the City shall advise the winning bidder at or prior to the time of award whether (i) the competitive sale rule or (ii) the "hold-the-offering price" rule applies.

If the City advises the Purchaser that the requirements for a competitive sale have been satisfied and that the competitive sale rule applies, the Purchaser will be required to deliver to the City at or prior to closing a certification, substantially in the form attached hereto as EXHIBIT 1-A, as to the reasonably expected initial offering price as of the award date.

If the City advises the Purchaser that the requirements for a competitive sale have not been satisfied and that the hold-the-offering price rule applies, the Purchaser shall (1) upon the request of the City confirm that the underwriters did not offer or sell any maturity of the Bonds to any person at a price higher than the initial offering price of that maturity during the period starting on the award date and ending on the earlier of (a) the close of the fifth business day after the sale date or (b) the date on which the underwriters have sold at least 10% of that maturity to the public at or below the initial offering price; and (2) at or prior to closing, deliver to the City a certification substantially in the form attached hereto as EXHIBIT 1-B, together with a copy of the pricing wire.

Any action to be taken or documentation to be received by the City pursuant hereto may be taken or received on behalf of the City by Municipal Advisor.

Bidders should prepare their bids on the assumption that the Bonds will be subject to the "hold-the-offering-price" rule. Any bid submitted pursuant to the "TERMS OF OFFERING" and "OFFICIAL BID FORM" shall be considered a firm offer for the purchase of the Bonds, and bids submitted will not be subject to cancellation or withdrawal.

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds. The Preliminary Official Statement will be further supplemented by offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, anticipated delivery date and underwriter, together with any other information required by law or deemed appropriate by the City, shall constitute a final Official Statement of the City with respect to the Bonds, as that term is defined in Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"). By awarding the Bonds to any underwriter or underwriting syndicate submitting an "OFFICIAL BID FORM" therefore, the City agrees that no more than seven (7) business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded up to 25 copies of the final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of the Rule. The City shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the final Official Statement to the Participating Underwriter. Any underwriter executing and delivering an "OFFICIAL BID FORM" with respect to the Bonds, agrees thereby, if its bid is accepted by the City, (i) it shall accept such designation, and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the final Official Statement.

ELECTRONIC EXECUTED DOCUMENTS

Purchaser consents to the receipt of electronic transcripts and acknowledges the City's intended use of electronically executed documents. Chapter 554D of the Iowa Code establishes electronic signatures have the full weight and legal authority as manual signatures.

CONTINUING DISCLOSURE

The City will covenant in a Continuing Disclosure Certificate for the benefit of the Owners and Beneficial Owners of the Certificates to provide annually certain financial information and operating data relating to the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City not later than June 30th after the close of each fiscal year, commencing with the close of the fiscal year ending June 30, 2025, with the Municipal Securities Rulemaking Board, at its internet repository named "Electronic Municipal Market Access" ("EMMA"). The notices of events, if any, are also to be filed with EMMA. See "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE". The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE". These covenants have been made in order to assist the Purchaser in complying with section (b)(5) of the Rule.

In accordance with the reporting requirements of paragraph (f)(3) of the Rule, within the past five years, the City has not failed to comply, in all material respects, with any previous undertakings it has entered into with respect to the Rule.

Regarding the Mary Greeley Medical Center's (the "Medical Center") the Annual Financial Information and Operating Data Report for the Fiscal Year ending June 30, 2021 was not timely filed.

Breach of the undertakings will not constitute a default or an "Event of Default" under the Bonds or the resolution for the Bonds. A broker or dealer is to consider a known breach of the undertakings, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the undertakings may adversely affect the transferability and liquidity of the Bonds and their market price.

CUSIP NUMBERS

It is anticipated that Committee on Uniform Security Identification Procedures ("CUSIP") numbers will be printed on the Bonds and the Purchaser must agree in the bid proposal to pay the cost thereof. In no event will the City, Bond Counsel or Municipal Advisor be responsible for the review or express any opinion that the CUSIP numbers are correct. Incorrect CUSIP numbers on said Bonds shall not be cause for the Purchaser to refuse to accept delivery of said Bonds.

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BY ORDER OF THE CITY COUNCIL City of Ames, Iowa /s/ Roger Wisecup, City Treasurer

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SCHEDULE OF BOND YEARS

\$13,735,000* City of Ames, Iowa General Obligation Corporate Purpose Bonds, Series 2025A

Bonds Dated: October 14, 2025

Interest Due: June 1, 2026 and each December 1 and June 1 to maturity

Principal Due: June 1, 2026-2037

| <u>Year</u> | Principal * | Bond Years | Cumulative Bond Years |
|-------------|-------------|-------------------|------------------------------|
| 2026 | \$1,025,000 | 646.32 | 646.32 |
| 2027 | 895,000 | 1,459.35 | 2,105.67 |
| 2028 | 940,000 | 2,472.72 | 4,578.39 |
| 2029 | 985,000 | 3,576.10 | 8,154.49 |
| 2030 | 1,035,000 | 4,792.63 | 12,947.11 |
| 2031 | 1,090,000 | 6,137.31 | 19,084.42 |
| 2032 | 1,140,000 | 7,558.83 | 26,643.25 |
| 2033 | 1,200,000 | 9,156.67 | 35,799.92 |
| 2034 | 1,260,000 | 10,874.50 | 46,674.42 |
| 2035 | 1,320,000 | 12,712.33 | 59,386.75 |
| 2036 | 1,390,000 | 14,776.47 | 74,163.22 |
| 2037 | 1,455,000 | 16,922.46 | 91,085.68 |

Average Maturity (dated date): 6.632 Years

^{*} Preliminary; subject to change.

EXHIBIT 1

FORMS OF ISSUE PRICE CERTIFICATES

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EXHIBIT 1-A \$____ CITY OF AMES, IOWA GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2025A

ISSUE PRICE CERTIFICATE

(competitive sale 3 bids)

The undersigned, on behalf of [NAME OF UNDERWRITER] ("[SHORT NAME OF UNDERWRITER]"), hereby certifies as set forth below with respect to the sale of the obligations named above (the "Bonds").

1. Reasonably Expected Initial Offering Price.

- (a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.
- (b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.
- (c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.
 - 2. **Defined Terms**. For purposes of this Issue Price Certificate:
 - (a) *City* means City of Ames, Iowa.
- (b) *Maturity* means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (c) Member of the Distribution Group means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).
- (d) Public means any person (i.e., an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a "related party" to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) Sale Date means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was September 23, 2025.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Dorsey & Whitney LLP, Des Moines, Iowa in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

| | [UNDERWRITER] | |
|-------------------------|---------------|--|
| | By: | |
| | Name: | |
| Dated: October 14, 2025 | | |

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SCHEDULE A EXPECTED OFFERING PRICES

SCHEDULE B COPY OF UNDERWRITER'S BID

EXHIBIT 1-B \$_____ CITY OF AMES, IOWA GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2025A

ISSUE PRICE CERTIFICATE

(Form - Fewer than 3 bids)

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (["[SHORT NAME OF UNDERWRITER]")][the "Representative")][, on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the "Underwriting Group"),] hereby certifies as set forth below with respect to the sale of the obligations named above (the "Bonds").

- 1. **Initial Offering Price of the Bonds**. [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Bonds to the Public for purchase at the specified initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire for the Bonds is attached to this certificate as Schedule B.
- 2. *First Price at which Sold to the Public*. On the Sale Date, at least 10% of each Maturity [listed in Schedule C] was first sold to the Public at the respective Initial Offering Price [or price specified [therein][in Schedule C], if different].
- 3. Hold the Offering Price Rule. [SHORT NAME OF UNDERWRITER][The Underwriting Group] has agreed in writing that, (i) for each Maturity less than 10% of which was first sold to the Public at a single price as of the Sale Date, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "Hold-the-Offering-Price Rule"), and (ii) any agreement among underwriters, selling group agreement, or third-party distribution agreement contains the agreement of each underwriter, dealer, or broker-dealer who is a party to such agreement to comply with the Hold-the-Offering-Price Rule. Based on the [SHORT NAME OF UNDERWRITER][Representative]'s own knowledge and, in the case of sales by other Members of the Distribution Group, representations obtained from the other Members of the Distribution Group, no Member of the Distribution Group has offered or sold any such Maturity at a price that is higher than the respective Initial Offering Price during the respective Holding Period.
 - 4. **Defined Terms**. For purposes of this Issue Price Certificate:
- (a) Holding Period means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (September 30, 2025), or (ii) the date on which Members of the Distribution Group have sold at least 10% of such Maturity to the Public at one or more prices, none of which is higher than the Initial Offering Price for such Maturity.
 - (b) *City* means City of Ames, Iowa.
- (c) *Maturity* means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (d) Member of the Distribution Group means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

- (e) Public means any person (i.e., an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a "related party" to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).
- (f) Sale Date means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was September 23, 2025.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER][The Underwriting Group]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Dorsey & Whitney LLP, Des Moines, Iowa in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

| By: | | | |
|-------|------|------|--|
| Name: | | | |

Dated: October 14, 2025

SCHEDULE A

INITIAL OFFERING PRICES OF THE BONDS

SCHEDULE B PRICING WIRE

SCHEDULE C

SALES OF AT LEAST 10% OF MATURITY TO THE PUBLIC ON THE SALE DATE AT THE INITIAL OFFERING PRICE

PRELIMINARY OFFICIAL STATEMENT

CITY OF AMES, IOWA

\$13,735,000* General Obligation Corporate Purpose Bonds, Series 2025A

INTRODUCTION

This Preliminary Official Statement contains information relating to the City of Ames, Iowa (the "City") and its issuance of \$13,735,000* General Obligation Corporate Purpose Bonds, Series 2025A (the "Bonds"). This Preliminary Official Statement has been authorized by the City and may be distributed in connection with the sale of the Bonds authorized therein. Inquiries may be made to the City's Municipal Advisor, PFM Financial Advisors LLC (the "Municipal Advisor"), 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309, telephone 515-724-5734. Information may also be obtained from Mr. Roger Wisecup, City Treasurer, City of Ames, 515 Clark Avenue, Ames, Iowa, 50010, telephone 515-239-5119.

AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to Division III of Chapters 384 and 403 of the Code of Iowa and a resolution to be adopted by the City Council of the City. The Bonds are being issued for the purpose of paying the costs, to that extent, of constructing street and incidental public infrastructure improvements; acquiring and installing street lighting, signage and signalization improvements; undertaking trail and related improvements to Ada Hayden Heritage Park; undertaking improvements to the municipal airport and undertaking alerting system improvements at municipal fire station facilities.

The estimated sources and uses of the Bonds are as follows:

Sources of Funds*

| Sources of Funds | |
|------------------|--|
| Par Amount | |

\$13,735,000.00

Uses of Funds*

| Deposit to Project Fund | \$13,520,350.00 |
|----------------------------------|-----------------|
| Underwriter's Discount | 137,350.00 |
| Cost of Issuance and Contingency | 77,300.00 |
| Total Uses | \$13,735,000.00 |

^{*} Preliminary; subject to change.

INTEREST ON THE BONDS

Interest on the Bonds will be payable on June 1, 2026 and semiannually on the 1st day of December and June thereafter. Principal and interest shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding the interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

OPTIONAL REDEMPTION

Bonds due after June 1, 2033 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on said date or on any date thereafter at the option of the City, upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Bonds to be redeemed at the address shown on the registration books.

PAYMENT OF AND SECURITY FOR THE BONDS

Pursuant to the Resolution and the Act, the Bonds and the interest thereon are general obligations of the City, and all taxable property within the corporate boundaries of the City is subject to the levy of taxes to pay the principal of and interest on the Bonds without constitutional or statutory limitation as to rate or amount. See "APPENDIX A – GENERAL INFORMATION ABOUT THE CITY OF AMES, IOWA."

Section 76.2 of the Code of Iowa, 2025, as amended (the "Iowa Code"), provides that when an Iowa political subdivision issues general obligation bonds, the governing authority of such political subdivision shall, by resolution adopted before issuing the bonds, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds. A certified copy of this resolution shall be filed with the County Auditor in which the City is located, giving rise to a duty of the County Auditor to annually enter this levy for collection from the taxable property within the boundaries of the City, until funds are realized to pay the bonds in full.

For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Bonds as the same become due, the Resolution provides for the levy of a tax sufficient for that purpose on all the taxable property in the City in each of the years while the Bonds are outstanding. The City shall file a certified copy of the Resolution with the County Auditor, pursuant to which the County Auditor is instructed to enter for collection and assess the tax authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the City and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the City and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the Bonds and for no other purpose whatsoever.

Pursuant to the provisions of Section 76.4 of the Iowa Code, each year while the Bonds remain outstanding and unpaid, any funds of the City which may lawfully be applied for such purpose, may be appropriated, budgeted and, if received, used for the payment of the principal of and interest on the Bonds as the same become due, and if so appropriated, the taxes for any given fiscal year as provided for in the Resolution, shall be reduced by the amount of such alternate funds as have been appropriated for said purpose and evidenced in the City's budget.

BOOK-ENTRY-ONLY ISSUANCE

The information contained in the following paragraphs of this subsection "BOOK-ENTRY-ONLY ISSUANCE" has been extracted from a schedule prepared by Depository Trust Company ("DTC") entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE". The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry-only transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct

Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has S&P Global Ratings: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry-only system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co., nor any other DTC nominee, will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date identified in a listing attached to the Omnibus Proxy.

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of

redemption proceeds, distributions, and dividend payments to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry-only credit of tendered Securities to Remarketing Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FUTURE FINANCING

The City does not anticipate issuing any additional general obligation debt within 90 days of this Official Statement.

LITIGATION

The City is not aware of any threatened or pending litigation affecting the validity of the Bonds or the City's ability to meet its financial obligations.

At closing, the City will certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the Bonds, or the titles of the City officers to their respective positions, or the validity of the Bonds, or the power and duty of the Bonds to provide and apply adequate taxes for the full and prompt payment of the principal and interest of the Bonds, and that no measure or provision for the authorization or issuance of the Bonds has been repealed or rescinded."

DEBT PAYMENT HISTORY

The City knows of no instance in which they have defaulted in the payment of principal and interest on its debt.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and with regard to the tax-exempt status of the interest thereon (see "TAX EXEMPTION AND RELATED TAX MATTERS" herein) are subject to the approving legal opinion of Dorsey & Whitney LLP, Des Moines, Iowa, Bond Counsel, a form of which is attached hereto as APPENDIX B to this Preliminary Official Statement. Signed copies of the opinion, dated and premised on law in effect as of the date of original delivery of the Bonds, will be delivered to the purchaser at the time of such original delivery. The Bonds are offered subject to prior sale and to the approval of legality of the Bonds by Bond Counsel.

The legal opinion to be delivered will express the professional judgment of Bond Counsel, and by rendering a legal opinion, Bond Counsel does not become an insurer or guarantor of the result indicated by that expression of professional judgment of the transaction or the future performance of the parties to the transaction."

TAX EXEMPTION AND RELATED TAX MATTERS

<u>Federal Income Tax Exemption</u>: The opinion of Bond Counsel will state that under present laws and rulings, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers under the Code.

The opinion set forth in the preceding sentence will be subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. In the resolution authorizing the issuance of the Bonds, the City will covenant to comply with all such requirements.

There may be certain other federal tax consequences to the ownership of the Bonds by certain taxpayers, including without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security and Railroad Retirement benefits, taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations, and corporations that may be subject to the alternative minimum tax. Bond Counsel will express no opinion with respect to other federal tax consequences to owners of the Bonds. Prospective purchasers of the Bonds should consult with their tax advisors as to such matters.

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

State of Iowa Income Taxes: The interest on the Bonds is NOT exempt from present Iowa income taxes.

<u>Proposed Changes in Federal and State Tax Law</u>: From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. No prediction is made whether such provisions will be enacted as proposed or concerning other future legislation affecting the tax treatment of interest on the Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax exempt status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Not Qualified Tax-Exempt Obligations: In the resolution authorizing the issuance of the Bonds, the City will NOT designate the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes a portion of the interest expense that is allocable to tax-exempt obligations. In the opinion of Bond Counsel, the Bonds are "not qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

Original Issue Discount: The Bonds maturing in the years ______ (collectively, the "Discount Bonds") are being sold at a discount from the principal amount payable on such Discount Bonds at maturity. The difference between the price at which a substantial amount of the Discount Bonds of a given maturity is first sold to the public (the "Issue Price") and the principal amount payable at maturity constitutes "original issue discount" under the Internal Revenue

Code. The amount of original issue discount that accrues to a holder of a Discount Bond under section 1288 of the Internal Revenue Code is excluded from federal gross income to the same extent that stated interest on such Discount Bond would be so excluded. The amount of the original issue discount that accrues with respect to a Discount Bond under section 1288 is added to the owner's federal tax basis in determining gain or loss upon disposition of such Discount Bond (whether by sale, exchange, redemption or payment at maturity).

Interest in the form of original issue discount accrues under section 1288 pursuant to a constant yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bond. The amount of original issue discount that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Discount Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Discount Bonds, over (2) the amount of stated interest actually payable. For purposes of the preceding sentence, the adjusted issue price is determined by adding to the Issue Price for such Discount Bonds the original issue discount that is treated as having accrued during all prior semiannual accrual periods. If a Discount Bond is sold or otherwise disposed of between semiannual compounding dates, then the original issue discount that would have accrued for that semiannual accrual period for federal income tax purposes is allocated ratably to the days in such accrual period.

An owner of a Discount Bond who disposes of such Discount Bond prior to maturity should consult owner's tax advisor as to the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bond prior to maturity.

Owners who purchase Discount Bonds in the initial public offering but at a price different than the Issue Price should consult their own tax advisors with respect to the tax consequences of the ownership Discount Bonds.

The Internal Revenue Code contains provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as Discount Bonds. Owners who do not purchase Discount Bonds in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Original issue discount that accrues each year to an owner of a Discount Bond may result in collateral federal income tax consequences to certain taxpayers. No opinion is expressed as to state and local income tax treatment of original issue discount. All owners of Discount Bonds should consult their own tax advisors with respect to the federal, state, local and foreign tax consequences associated with the purchase, ownership, redemption, sale or other disposition of Discount Bonds.

Original Issue Premium: The Bonds maturing in the years ______ are being issued at a premium to the principal amount payable at maturity. Except in the case of dealers, which are subject to special rules, Bondholders who acquire the Bonds at a premium must, from time to time, reduce their federal tax bases for the Bonds for purposes of determining gain or loss on the sale or payment of such Bonds. Premium generally is amortized for federal income tax purposes on the basis of a bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Bondholders who acquire any Bonds at a premium might recognize taxable gain upon sale of the Bonds, even if such Bonds are sold for an amount equal to or less than their original cost. Amortized premium is not deductible for federal income tax purposes. Bondholders who acquire any Bonds at a premium should consult their tax advisors concerning the calculation of bond premium and the timing and rate of premium amortization, as well as the state and local tax consequences of owning and selling the Bonds acquired at a premium.

BONDHOLDER'S RISKS

An investment in the Bonds involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Preliminary Official Statement (including the appendices hereto) in order to make a judgment as to whether the Bonds are an appropriate investment.

<u>Tax Levy Procedures:</u> The Bonds are general obligations of the City, payable from and secured by a continuing advalorem tax levied against all of the taxable property within the boundaries of the City. As part of the budgetary process of the City, each fiscal year the City will have an obligation to request a debt service levy to be applied against all of the taxable property within the boundaries of the City. A failure on the part of the City to make a timely levy request, or a

levy request by the City that is inaccurate or is insufficient to make full payments of the debt service on the Bond for a particular fiscal year, may cause Bondholders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds.

<u>Changes in Property Taxation</u>: From time to time the Iowa General Assembly has altered the method of property taxation and could do so again. Any alteration in property taxation structure could affect property tax revenues available to pay the Bonds.

Historically, the Iowa General Assembly has applied changes in property taxation structure on a prospective basis; however, there is no assurance that future changes in property taxation structure by the Iowa General Assembly will not be retroactive. It is impossible to predict the outcome of future property tax changes by the Iowa General Assembly or their potential negative impact, if any, on the Bonds and the security for the Bonds.

Matters Relating to Enforceability of Agreements: Bondholders shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Bonds, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the Resolution.

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Resolution or the Loan Agreement. The remedies available to the Bondholders upon an event of default under the Resolution or the Loan Agreement, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Loan Agreement or the Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies will result in sufficient funds to pay all amounts due under the Resolution or the Loan Agreement, including principal of and interest on the Bonds.

<u>Secondary Market</u>: There can be no guarantee there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, secondary marketing practices in connection with a particular note or bond issue are suspended or terminated. Additionally, prices of bond or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.

Rating Loss: Moody's Ratings ("Moody's") has assigned a rating of ' ' to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

<u>Bankruptcy</u> and <u>Insolvency</u>: The rights and remedies provided in the Resolution for the Bonds may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditor's rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in

the State of Iowa. The various opinions of counsel to be delivered with respect to the Bonds, the Loan Agreement and the Resolution for the Bonds, including the opinion of Bond Counsel, will be similarly qualified. If the City were to file a petition under chapter nine of the federal bankruptcy code, the owners of the Bonds could be prohibited from taking any steps to enforce their rights under the Resolution for the Bonds. In the event the City fails to comply with its covenants under the Resolution for the Bonds or fails to make payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Bonds.

Under Iowa Code Chapter 76 sections 76.16 and 76.16A of the Act, as amended, a city, county, or other political subdivision may become a debtor under Chapter 9 of the Federal bankruptcy code, if it is rendered insolvent, as defined in 11 U.S.C. §101(32)(c), as a result of a debt involuntarily incurred. As used therein, "debt" means an obligation to pay money, other than pursuant to a valid and binding collective bargaining agreement or previously authorized bond issue, as to which the governing body of the city, county, or other political subdivision has made a specific finding set forth in a duly adopted resolution of each of the following: (1) all or a portion of such obligation will not be paid from available insurance proceeds and must be paid from an increase in general tax levy; (2) such increase in the general tax levy will result in a severe, adverse impact on the ability of the city, county, or political subdivision to exercise the powers granted to it under applicable law, including without limitation providing necessary services and promoting economic development; (3) as a result of such obligation, the city, county, or other political subdivision is unable to pay its debts as they become due; and (4) the debt is not an obligation to pay money to a city, county, entity organized pursuant to chapter 28E of the Code of Iowa, or other political subdivision.

Forward-Looking Statements: This Preliminary Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Preliminary Official Statement, the words "anticipated," "plan," "expect," "projected," "estimate," "budget," "pro forma," "forecast," "intend," and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the City to pay debt service when due on the Bonds.

<u>Cybersecurity:</u> The City, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the City's information systems could impact business operations and systems, and the costs of remedying any such damage could be significant.

The City maintains cybersecurity insurance coverage. The City cannot predict whether this coverage would be sufficient in the event of a cyber-incident.

Tax Matters and Loss of Tax Exemption: As discussed under the heading "TAX EXEMPTION AND RELATED TAX MATTERS" herein, the interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Bonds, as a result of acts or omissions of the City in violation of its covenants in the Resolution. Should such an event of taxability occur, the Bonds would not be subject to a special redemption and would remain outstanding until maturity or until redeemed under the redemption provisions contained in the Bonds, and there is no provision for an adjustment of the interest rate on the Bonds.

It is possible that actions of the City after the closing of the Bonds will alter the tax exempt status of the Bonds, and, in the extreme, remove the tax-exempt status from the Bonds. In that instance, the Bonds are not subject to mandatory prepayment, and the interest rate on the Bonds does not increase or otherwise reset. A determination of taxability on the Bonds, after closing of the Bonds, could materially adversely affect the value and marketability of the Bonds.

<u>Risk of Audit</u>: The Internal Revenue Service has an ongoing program to audit tax-exempt obligations to determine the legitimacy of the tax status of such obligations. No assurance can be given as to whether the Internal Revenue Service will commence an audit of the Bonds. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

<u>DTC-Beneficial Owners</u>: Beneficial Owners of the Bonds may experience some delay in the receipt of distributions of principal of and interest on the Bonds since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through indirect Participants. Neither the City nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Bonds can be effected only through DTC Participants, indirect participants and certain banks, the ability of a Beneficial Owner to pledge the Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See "BOOK-ENTRY-ONLY ISSUANCE" herein.

<u>Proposed Federal Tax Legislation</u>: From time to time, Presidential proposals, federal legislative committee proposals or legislative proposals are made that would, if enacted, alter or amend one or more of the federal tax matters described herein in certain respects or would adversely affect the market value of the Bonds. It cannot be predicted whether or in what forms any of such proposals that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. See "TAX EXEMPTION AND RELATED TAX MATTERS" herein.

Pension and Other Post-Employment Benefits ("OPEB") Information: The City contributes to the Iowa Public Employees' Retirement System ("IPERS"), which is a state-wide multiple-employer cost-sharing defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. All full-time employees of the Issuer are required to participate in IPERS. IPERS plan members are required to contribute a percentage of their annual salary, in addition to the Issuer being required to make monthly contributions to IPERS. Contribution amounts are set by State statute. The IPERS Annual Comprehensive Financial Report for its fiscal year ended June 30, 2024 (the "IPERS ACFR"), indicates that as of June 30, 2024, the date of the most recent actuarial valuation for IPERS, the funded ratio of IPERS was 90.75%, and the unfunded actuarial liability was approximately \$4.375 billion. The IPERS ACFR identifies the IPERS Net Pension Liability at June 30, 2024, at approximately \$3.641 billion (market value), while its net pension liability at June 30, 2023, was approximately \$4.514 billion (market value). The IPERS ACFR is available on the IPERS website, or by contacting IPERS at 7401 Register Drive, Des Moines, IA 50321. See "APPENDIX C – JUNE 30, 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT" for additional information on IPERS. However, the information presented in such financial reports or on such websites is not incorporated into this Preliminary Official Statement by any references.

Bond Counsel, Disclosure Counsel, the Municipal Advisor, the Underwriter and the City undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor's website or links to other internet sites accessed through the IPERS website.

In the Fiscal Year ended June 30, 2024, the City's IPERS contribution totaled approximately \$11,525,155. The City is current in its obligations to IPERS.

At June 30, 2024, the City reported a liability of \$16,567,020 for its proportionate share of the net pension liability (asset). While the City's contributions to IPERS are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See "EMPLOYEES AND PENSIONS" included in APPENDIX A to this Preliminary Official Statement, and "JUNE 30, 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT" included in APPENDIX C to this Preliminary Official Statement for additional information on pension and liabilities of the City.

Bond Counsel, the Municipal Advisor and the City undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the IPERS website.

The City contributes to Municipal Fire and Police Retirement System of Iowa ("MFPRSI"), which is a multiple-employer cost-sharing defined benefit pension plan for fire fighters and police officers, administered under Chapter 411 of the Code of Iowa. MFPRSI plan members are required to contribute a percentage of their annual salary, in addition to the City being required to make annual contributions to MFPRSI. Contribution amounts are set by State statute. The MFPRSI Annual Comprehensive Financial Report for its fiscal year ended June 30, 2024 (the "MFPRSI Report") indicates that as of June 30, 2024, the date of the most recent actuarial valuation for MFPRSI, the funded ratio of MFPRSI was 84.43%, and the unfunded actuarial liability was approximately \$617 million. The MFPRSI Report identifies the MFPRSI Net Pension Liability at June 30, 2024, at approximately \$660.7 million (market value), while its net pension liability at June 30, 2023, at approximately \$626.2 million (market value). The MFPRSI Report is available on the MFPRSI website.

See "EMPLOYEES AND PENSIONS" included in APPENDIX A to this Preliminary Official Statement, and "JUNE 30, 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT" included in APPENDIX C to this Preliminary Official Statement for additional information on MFPRSI.

In the Fiscal Year ended June 30, 2024, the City's MFPRSI contribution totaled approximately \$2,148,157. The City is current in its obligations to MFPRSI.

At June 30, 2024, the City reported a liability of \$15,880,608 for its proportionate share of the net pension liability (asset). While the City's contributions to MFPRSI are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See "EMPLOYEES AND PENSIONS" included in APPENDIX A to this Preliminary Official Statement, and "JUNE 30, 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT" included in APPENDIX C to this Preliminary Official Statement for additional information on pension and liabilities of the City.

Bond Counsel, the Municipal Advisor and the City undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the MFPRSI discussed above or included on the MFPRSI website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the MFPRSI website.

The City and hospital provide health and dental care benefits for retirees and their beneficiaries through a single-employer, defined benefit plan. The hospital also provides a life insurance benefit. The City has the authority to establish and amend benefit provisions of the plan. Participants must be age 55 or older. The contribution requirements of the City are established and may be amended by the City. Plan members are currently not required to contribute. The City funds on a pay-as-you-go basis. For additional information, see "OTHER POST-EMPLOYMENT BENEFITS" included in APPENDIX A to this Preliminary Official Statement, and "JUNE 30, 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT" included in APPENDIX C to this Preliminary Official Statement.

<u>Summary</u>: The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Preliminary Official Statement and the appendices hereto.

RATING

The Bonds have been rated '___' by Moody's. Currently, Moody's rates the City's outstanding General Obligation long-term debt 'Aa1'. The existing rating on long-term debt reflects only the view of the rating agency and any explanation of the significance of such rating may only be obtained from Moody's. The ratings described above are not recommendations to buy, sell or hold the Bonds. There is no assurance that any such rating will continue for any period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of Moody's, circumstances so warrant. Therefore, after the date hereof, investors should not assume that the ratings are still in effect. A downward revision or withdrawal

of either rating is likely to have an adverse effect on the market price and marketability of the Bonds. The City has not assumed any responsibility either to notify the owners of the Bonds of any proposed change in or withdrawal of any rating subsequent to the date of this Preliminary Official Statement, except in connection with the reporting of events as provided in the Continuing Disclosure Certificate, or to contest any revision or withdrawal.

MUNICIPAL ADVISOR

The City has retained PFM Financial Advisors LLC, Des Moines, Iowa as Municipal Advisor in connection with the preparation of the issuance of the Bonds. In preparing the Preliminary Official Statement, the Municipal Advisor has relied on government officials and other sources to provide accurate information for disclosure purposes. The Municipal Advisor is not obligated to undertake, and has not undertaken, an independent verification of the accuracy, completeness or fairness of the information contained in this Preliminary Official Statement. PFM Financial Advisors LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CONTINUING DISCLOSURE

The City will covenant in a Continuing Disclosure Certificate for the benefit of the owners and beneficial owners of the Bonds to provide annually certain financial information and operating data relating to the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City no later than June 30th after the close of each fiscal year, commencing with the fiscal year ending June 30, 2025, with the Municipal Securities Rulemaking Board, at its internet repository named "Electronic Municipal Market Access" ("EMMA"). The notices of events, if any, are also to be filed with EMMA. See "FORM OF CONTINUING DISCLOSURE CERTIFICATE" included in APPENDIX D to this Preliminary Official Statement The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in the "FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the "Rule").

In accordance with the reporting requirements of paragraph (f)(3) of the Rule, within the past five years, the City has not failed to comply, in all material respects, with any previous undertakings it has entered into with respect to the Rule.

Regarding the Mary Greeley Medical Center's (the "Medical Center") the Annual Financial Information and Operating Data Report for the Fiscal Year ending June 30, 2021 was not timely filed.

Breach of the undertakings will not constitute a default or an "Event of Default" under the Bonds or the resolution for the Bonds. A broker or dealer is to consider a known breach of the undertakings, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the undertakings may adversely affect the transferability and liquidity of the Bonds and their market price.

FINANCIAL STATEMENTS

The City's "JUNE 30, 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT", as prepared by City management and audited by a certified public accountant, is reproduced as APPENDIX C. The City's certified public accountant has not consented to distribution of the audited financial statements and has not undertaken added review of their presentation. Further information regarding financial performance and copies of the City's prior Annual Comprehensive Financial Report may be obtained from PFM Financial Advisors LLC.

CERTIFICATION

The City has authorized the distribution of this Preliminary Official Statement for use in connection with the initial sale of the Bonds. I have reviewed the information contained within the Preliminary Official Statement prepared on behalf of the City by PFM Financial Advisors LLC, Des Moines, Iowa, and to the best of my knowledge, information and belief, said Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading regarding the issuance of \$13,735,000* General Obligation Corporate Purpose Bonds, Series 2025A.

CITY OF AMES, IOWA
/s/ Roger Wisecup, City Treasurer

^{*} Preliminary; subject to change.

APPENDIX A

GENERAL INFORMATION ABOUT THE CITY OF AMES, IOWA

The \$13,735,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2025A (the "Bonds") are general obligations of the City of Ames, Iowa (the "City") for which the City will pledge its power to levy direct ad valorem taxes against all taxable property within the City without limitation as to rate or amount to the repayment of the Bonds.

* Preliminary, subject to change.

CITY PROPERTY VALUATIONS

IOWA PROPERTY VALUATIONS

In compliance with Section 441.21 of the Code of Iowa, the State Director of Revenue annually directs the county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The 2024 final Actual Values were adjusted by the Story County Auditor. The reduced values, determined after the application of rollback percentages, are the taxable values subject to tax levy. For assessment year 2024 (applicable to fiscal year 2025-26), the taxable value rollback rate is 47.4316% of actual value for residential property; 73.8575% of actual value for agricultural property and 100.0000% of the actual value of utility property. The residential taxable rollback rate of 47.4316% would apply to the value of each property unit of commercial, industrial and railroad property that exceeds zero dollars (\$0), but does not exceed one hundred fifty thousand dollars (\$150,000) with a taxable value rollback rate of 90.0000% to the value that exceeds one hundred fifty thousand dollars (\$150,000). No adjustment was ordered for utility property because its assessed value did not increase enough to qualify for reduction. Utility property is limited to an 8% annual growth.

The Legislature's intent has been to limit the growth of statewide taxable valuations for the specific classes of property to 3% annually. Political subdivisions whose taxable values are thus reduced or are unusually low in growth are allowed to appeal the valuations to the State Appeal Board, in order to continue to fund present services. See "PROPERTY TAX LEGISLATION" herein for a discussion on recent legislative revisions to the administration of certain property taxes in Iowa.

PROPERTY VALUATIONS (1/1/2024 Valuations for Taxes Payable July 1, 2025 through June 30, 2026)

| | 100% Actual Value | Taxable Value (With Rollback) |
|------------------------------|-------------------|-------------------------------|
| Residential | \$5,188,992,500 | \$2,461,222,098 |
| Commercial | 1,206,442,900 | 1,035,801,105 |
| Industrial | 181,839,700 | 160,211,162 |
| Railroads | 13,544,448 | 12,180,773 |
| Utilities w/o Gas & Electric | 441,319 | 441,319 |
| Gross valuation | \$6,591,260,867 | \$3,669,856,457 |
| Less exemptions 1) | (21,280,020) | (21,280,020) |
| Net valuation | \$6,569,980,847 | \$3,648,576,437 |
| TIF Increment | \$23,779,100 | \$22,973,002 |
| Taxed separately | | |
| Ag. Land & Building | \$5,448,100 | \$4,023,828 |
| Gas & Electric Utilities | \$37,401,784 | \$8,093,207 |

¹⁾ Includes both Military and Homestead Exemptions.

2024 GROSS TAXABLE VALUATION BY CLASS OF PROPERTY 1)

| | <u>Taxable Valuation</u> | Percent of Total |
|--|--------------------------|------------------|
| Residential | \$2,461,222,098 | 66.92% |
| Gas & Electric Utilities | 8,093,207 | 0.22% |
| Commercial, Industrial, Railroads, Utility | 1,208,634,359 | 32.86% |
| Total Gross Taxable Valuation | \$3,677,949,664 | 100.00% |

¹⁾ Excludes Taxable TIF Increment and Ag. Land & Buildings.

TREND OF VALUATIONS

| Assessment Year | Payable <u>Fiscal Year</u> | 100% <u>Actual Valuation</u> | Taxable Valuation (With Rollback) | Taxable <u>TIF Increment</u> |
|-----------------|----------------------------|---------------------------------|-----------------------------------|------------------------------|
| 2020 | 2021-22 | \$5,191,529,367 | \$3,257,725,869 | \$81,120,190 |
| 2021 | 2022-23 | 5,516,177,632 | 3,399,701,391 | 57,260,674 |
| 2022 | 2023-24 | 5,545,568,538 | 3,406,697,589 | 17,675,578 |
| 2023 | 2024-25 | 6,566,910,557 | 3,564,175,150 | 16,426,500 |
| 2024 | 2025-26 | 6,636,609,831 | 3,656,669,644 | 22,973,002 |

The 100% Actual Valuation, before rollback and after the reduction of exemptions, includes Ag. Land & Buildings, TIF Increment and Gas & Electric Utilities. The Taxable Valuation, with the rollback and after the reduction of exemptions, includes Gas & Electric Utilities and excludes Ag. Land & Buildings and Taxable TIF Increment. Iowa cities certify operating levies against Taxable Valuation excluding Taxable TIF Increment and debt service levies are certified against Taxable Valuation including the Taxable TIF Increment.

LARGER TAXPAYERS

Set forth in the following table are the persons or entities which represent larger taxpayers within the boundaries of the City, as provided by the Story County Auditor's office. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City. With the exception of the electric and natural gas provider noted below (which is subject to an excise tax in accordance with Iowa Code chapter 437A), the City's mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the City from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

| Taxpayer 1) | Type of Property/Business | 1/1/2024 ²⁾ <u>Taxable Valuation</u> |
|-------------------------------------|---------------------------|---|
| Iowa State University Research Park | Commercial | \$65,556,728 |
| Barilla America Inc. | Industrial | 49,660,560 |
| Clinic Building Company Inc. | Commercial | 36,195,632 |
| Campus Investors IS LLC | Commercial | 29,636,493 |
| Bricktowne Ames LC | Commercial | 25,729,076 |
| Spirit Realty LP | Commercial | 23,762,165 |
| FPA6 University West LLC | Commercial | 21,833,321 |
| Dayton Park LLC | Commercial | 21,415,797 |
| Walmart Inc. Store 4256-00 | Commercial | 19,040,628 |
| Midwest Centers LP | Commercial | 18,639,317 |

- 1) This list represents some of the larger taxpayers in the City, not necessarily the 10 largest taxpayers.
- 2) The January 1, 2024 Taxable valuations listed represents only those valuations associated with the title holder and may not necessarily represent the entire taxable valuation.

Source: Story County Auditor

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CITY INDEBTEDNESS

DEBT LIMIT

Article XI, Section 3 of the State of Iowa Constitution limits the amount of debt outstanding at any time of any county, municipality or other political subdivision to no more than 5% of the Actual Value of all taxable property within the corporate limits, as taken from the last state and county tax list. The debt limit for the City, based on its 2024 Actual Valuation currently applicable to the Fiscal Year 2025-26, is as follows:

| 2024 Gross Actual Valuation of Property | \$6,636,609,831 1) |
|---|--------------------|
| Legal Debt Limit of 5% | 0.05 |
| Legal Debt Limit | \$331,830,491 |
| Less: G.O. Debt Subject to Debt Limit | (87,940,000)* |
| Less: Other Debt Subject to Debt Limit | $(550,000)^{2}$ |
| Net Debt Limit | \$243,340,491 * |

¹⁾ Actual Valuation of property as reported by the Iowa Department of Management for the Fiscal Year 2025-26.

DIRECT DEBT

General Obligation Debt Paid by Taxes and Other Sources ¹⁾ (Includes the Bonds)

| | | | | Principal |
|----------|---------------|--|-----------------|------------------|
| Date | Original | | Final | Outstanding |
| of Issue | <u>Amount</u> | <u>Purpose</u> | Maturity | As of 10/14/2025 |
| 9/14 | \$9,695,000 | Corporate Purpose Improvements | 6/26 | \$665,000 |
| 9/15A | 18,445,000 | Corporate Purpose Improvements & Refunding | 6/35 | 3,015,000 |
| 9/16A | 11,650,000 | Corporate Purpose Improvements & Refunding | 6/28 | 2,470,000 |
| 9/17A | 10,975,000 | Corporate Purpose Improvements & Refunding | 6/29 | 2,645,000 |
| 9/18A | 7,490,000 | Corporate Purpose Improvements | 6/30 | 3,560,000 |
| 9/19A | 10,775,000 | Corporate Purpose Improvements | 6/31 | 5,720,000 |
| 9/20A | 17,865,000 | Corporate Purpose Improvements & Refunding | 6/32 | 7,695,000 |
| 9/21A | 19,640,000 | Corporate Purpose Improvements & Refunding | 6/33 | 12,105,000 |
| 11/22A | 12,440,000 | Corporate Purpose Improvements | 6/34 | 9,620,000 |
| 11/23D | 12,110,000 | Corporate Purpose Improvements | 6/35 | 10,215,000 |
| 9/24A | 17,495,000 | Corporate Purpose Improvements | 6/44 | 16,495,000 |
| 10/25A | 13,735,000* | Corporate Purpose Improvements | 6/37 | 13,735,000 * |
| Total | | | | \$87,940,000 * |

¹⁾ The City's general obligation debt is abated by tax increment reimbursements, water revenues, sewer revenues, airport revenues, resource recovery revenues and special assessments.

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²⁾ Other Debt Subject to Debt Limit includes TIF rebate agreement payments appropriated for Fiscal Year 2025-26.

^{*} Preliminary; subject to change.

Annual Fiscal Year Debt Service Payments (Includes the Bonds)

| | <u>Existi</u> | ing Debt | The B | onds | Total Out | tstanding |
|-----------------------|---------------|------------------------|---------------|-------------------------|---------------|-------------------------|
| Fiscal <u>Year</u> | Principal | Principal and Interest | Principal* | Principal and Interest* | Principal* | Principal and Interest* |
| 2025-26 | \$9,660,000 | \$12,549,031 | \$1,025,000 | \$1,458,034 | \$10,685,000 | \$14,007,065 |
| 2026-27 | 9,270,000 | 11,753,156 | 895,000 | 1,530,500 | 10,165,000 | 13,283,656 |
| 2027-28 | 8,355,000 | 10,450,806 | 940,000 | 1,530,750 | 9,295,000 | 11,981,556 |
| 2028-29 | 7,775,000 | 9,583,731 | 985,000 | 1,528,750 | 8,760,000 | 11,112,481 |
| 2029-30 | 7,385,000 | 8,884,981 | 1,035,000 | 1,529,500 | 8,420,000 | 10,414,481 |
| 2030-31 | 6,870,000 | 8,102,531 | 1,090,000 | 1,532,750 | 7,960,000 | 9,635,281 |
| 2031-32 | 6,085,000 | 7,102,644 | 1,140,000 | 1,528,250 | 7,225,000 | 8,630,894 |
| 2032-33 | 4,255,000 | 5,066,725 | 1,200,000 | 1,531,250 | 5,455,000 | 6,597,975 |
| 2033-34 | 3,450,000 | 4,084,050 | 1,260,000 | 1,531,250 | 4,710,000 | 5,615,300 |
| 2034-35 | 2,265,000 | 2,740,500 | 1,320,000 | 1,528,250 | 3,585,000 | 4,268,750 |
| 2035-36 | 990,000 | 1,353,300 | 1,390,000 | 1,532,250 | 2,380,000 | 2,885,550 |
| 2036-37 | 850,000 | 1,163,800 | 1,455,000 | 1,527,750 | 2,305,000 | 2,691,550 |
| 2037-38 | 885,000 | 1,164,800 | | | 885,000 | 1,164,800 |
| 2038-39 | 920,000 | 1,164,400 | | | 920,000 | 1,164,400 |
| 2039-40 | 960,000 | 1,167,600 | | | 960,000 | 1,167,600 |
| 2040-41 | 995,000 | 1,164,200 | | | 995,000 | 1,164,200 |
| 2041-42 | 1,035,000 | 1,164,400 | | | 1,035,000 | 1,164,400 |
| 2042-43 | 1,080,000 | 1,168,000 | | | 1,080,000 | 1,168,000 |
| 2043-44 | 1,120,000 | 1,164,800 | | | 1,120,000 | 1,164,800 |
| Total | \$74,205,000 | | \$13,735,000* | | \$87,940,000* | |

^{*} Preliminary; subject to change.

OTHER DEBT

Water Revenue Debt

The City has water revenue debt paid solely from the net revenues of the Water Utility as follows:

| Date of Issue | Original <u>Amount</u> | <u>Purpose</u> | Final <u>Maturity</u> | Principal Outstanding As of 10/14/2025 |
|---------------|---------------------------|---------------------------|--------------------------|--|
| 1/15 | \$61,482,339 1) | Water Revenue Bonds (SRF) | 6/37 | \$38,780,000 |
| 8/22 | 3,500,000 | Water Revenue Bonds (SRF) | 6/42 | 2,434,000 |
| 6/23C | 12,161,000 | Water Revenue Bonds (SRF) | 6/43 | <u>11,411,000</u> ²⁾ |
| Total | | | | \$52,625,000 |

¹⁾ Final loan amount is net of \$6,598,621.20 forgiven on April 2, 2021.

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²⁾ Based on preliminary debt service schedule established prior to final project draws. The City has an outstanding balance of \$6,860,976.87 based on draws through August 20, 2025.

Sewer Revenue Debt

The City has sewer revenue debt paid solely from the net revenues of the Sewer Utility as follows:

| | | | | Principal |
|----------|---------------|-----------------------------------|-----------------|----------------------|
| Date | Original | | Final | Outstanding |
| of Issue | <u>Amount</u> | <u>Purpose</u> | <u>Maturity</u> | As of 10/14/2025 |
| 11/12 | \$2,474,250 | Sewer Revenue Bonds (SRF) | 6/33 | \$1,029,000 |
| 9/16 | 641,332 | Sewer Revenue Bonds (SRF) | 6/36 | 370,000 |
| 2/18-1 | 767,771 | Sewer Revenue Bonds (SRF) | 6/38 | 516,000 |
| 10/18-2 | 5,206,055 | Sewer Revenue Bonds (SRF) | 6/38 | 3,802,000 |
| 1/23-1 | 3,685,175 | Sewer Revenue Bonds (SRF) | 6/42 | 3,324,175 |
| 1/23-2 | 7,631,852 | Taxable Sewer Revenue Bonds (SRF) | 6/42 | 7,000,000 |
| 8/23-3 | 1,409,021 | Sewer Revenue Bonds (SRF) | 6/43 | 1,344,000 |
| 11/24 | 65,185,000 | Sewer Revenue Bonds (SRF) | 6/46 | <u>65,185,000</u> 1) |
| Total | | | | \$82,570,175 |

¹⁾ Based on preliminary debt service schedule established prior to final project draws. The City has an outstanding balance of \$13,827,078.58 based on draws through August 20, 2025.

Electric Revenue Debt

The City has electric revenue debt paid solely from the net revenues of the Electric Utility as follows:

| | | | | Principal |
|----------|---------------|------------------------|-----------------|------------------|
| Date | Original | | Final | Outstanding |
| of Issue | <u>Amount</u> | <u>Purpose</u> | <u>Maturity</u> | As of 10/14/2025 |
| 12/15B | \$9,500,000 | Electric Revenue Bonds | 6/27 | \$1,855,000 |

Hospital Revenue Debt

The City has hospital revenue debt paid solely from the net revenues of Mary Greeley Medical Center as follows:

| | | | | Principal |
|----------|---------------|---|-----------------|------------------|
| Date | Original | | Final | Outstanding |
| of Issue | <u>Amount</u> | <u>Purpose</u> | <u>Maturity</u> | As of 10/14/2025 |
| 11/12 | \$26,000,000 | Mary Greeley Medical Center & Refunding | 6/27 | \$980,000 |
| 06/16 | 64,790,000 | Mary Greeley Medical Center & Refunding | 6/36 | 50,325,000 |
| 11/19 | 35,000,000 | Mary Greeley Medical Center | 6/34 | 22,665,000 |
| Total | | | | \$73,970,000 |

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OVERLAPPING DEBT

| | | Portion of | | | City's |
|--|----------------------|-------------------|-------------------|-------------------------|---------------|
| | 1/1/2024 | Taxable Valuation | Percent | | Proportionate |
| Taxing District | Taxable Valuation 1) | Within the City | <u>Applicable</u> | G.O. Debt ²⁾ | <u>Share</u> |
| Story County | \$6,373,667,959 | \$3,683,666,474 | 57.80% | \$2,404,287 | \$1,389,678 |
| Ames CSD | 3,333,815,007 | 3,278,261,660 | 98.33% | 63,905,000 | 62,837,787 |
| Gilbert CSD | 768,033,031 | 391,336,397 | 50.95% | 33,300,000 | 16,966,350 |
| Nevada CSD | 647,900,585 | 1,364,690 | 0.21% | 6,035,000 | 12,674 |
| United CSD | 434,599,747 | 12,703,727 | 2.92% | 890,000 | 25,988 |
| DMACC | 70,226,515,406 | 3,683,666,474 | 5.25% | 66,060,000 | 3,468,150 |
| City's share of total overlapping debt: \$84,700,627 | | | | | |

- 1) Taxable Valuation excludes military and homestead exemptions and includes Ag Land, Ag Buildings, all Utilities and TIF Increment.
- 2) Includes general obligation bonds, PPEL notes, certificates of participation and new jobs training certificates.

DEBT RATIOS

| | Debt/Actual | | |
|----------------------------------|---------------|--------------------------|---------------|
| | | Market Value | Debt/66,427 |
| | G.O. Debt | $(\$6,636,609,831)^{1)}$ | Population 2) |
| Total General Obligation Debt | \$87,940,000* | 1.33%* | \$1,323.86* |
| City's Share of Overlapping Debt | \$84,700,627 | 1.28% | \$1,275.09 |

- 1) Based on the City's 1/1/2024 100% Actual Valuation; includes Ag Land, Ag Buildings, all Utilities and TIF Increment.
- 2) Population based on the City's 2020 U.S. Census.

LEVIES AND TAX COLLECTIONS

| | | Collected During | Percent |
|-------------|--------------|------------------|------------|
| Fiscal Year | <u>Levy</u> | Collection Year | Collected |
| 2020-21 | \$31,838,345 | \$30,756,123 | 96.60% |
| 2021-22 | 32,428,985 | 31,361,804 | 96.71% |
| 2022-23 | 33,548,230 | 31,685,079 | 94.45% |
| 2023-24 | 34,833,360 | 33,922,305 | 97.38% |
| 2024-25 | 36,044,753 | In Process of C | Collection |
| 2025-26 | 37,684,403 | In Process of C | Collection |

Collections include delinquent taxes from all prior years. Taxes in Iowa are delinquent each October 1 and April 1 and a late payment penalty of 1.5% per month of delinquency is enforced as of those dates. If delinquent taxes are not paid, the property may be offered at the regular tax sale on the third Monday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property and funds so received are applied to taxes. A property owner may redeem from the regular tax sale but, failing redemption within three years, the tax sale purchaser is entitled to a deed, which in general conveys the title free and clear of all liens except future tax installments.

Source: The City's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2024 and the City's Adoption of Budget and Certification of City Taxes Form 85-811 for FY2024-25 and FY2025-26.

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^{*} Preliminary; subject to change.

TAX RATES

| | FY 2021-22 <u>\$/\$1,000</u> | FY 2022-23 <u>\$/\$1,000</u> | FY 2023-24 <u>\$/\$1,000</u> | FY 2024-25 \$/\$1,000 | FY 2025-26 \$/\$1,000 |
|-------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------|--------------------------|
| Story County | 4.95627 | 4.50207 | 4.50196 | 4.41532 | 4.03184 |
| Story County Hospital | 0.87250 | 0.93350 | 0.93090 | 0.93090 | 0.99500 |
| County Ag. Extension | 0.07582 | 0.11527 | 0.11735 | 0.11259 | 0.11254 |
| City of Ames | 9.87363 | 9.82936 | 10.20097 | 10.09446 | 10.30432 |
| City Assessor | 0.38331 | 0.33790 | 0.35183 | 0.32228 | 0.30049 |
| Ames Comm. School District | 14.34470 | 14.28616 | 13.93640 | 14.00913 | 14.05780 |
| Gilbert Comm. School District | 17.20522 | 17.05730 | 16.80418 | 17.00785 | 17.99487 |
| Nevada Comm. School District | 14.91083 | 14.71344 | 14.69969 | 13.57043 | 13.94817 |
| United Comm. School District | 10.44720 | 9.76510 | 9.76371 | 9.69845 | 9.67843 |
| Des Moines Area Comm. College | 0.67789 | 0.69448 | 0.74410 | 0.75916 | 0.78046 |
| State of Iowa | 0.00260 | 0.00240 | 0.00180 | 0.00180 | 0.00000 |
| Total Tax Rate: | | | | | |
| Ames CSD Resident | 31.18672 | 30.70114 | 30.78531 | 30.64564 | 30.58245 |
| Gilbert CSD Resident | 34.04724 | 33.47228 | 33.65309 | 33.64436 | 34.51952 |
| Nevada CSD Resident | 31.75285 | 31.12841 | 31.54860 | 30.20694 | 30.47282 |
| United CSD Resident | 27.28922 | 26.18008 | 26.61262 | 26.33496 | 26.20308 |

LEVY LIMITS

On May 4, 2023, the Governor signed House File 718 ("HF 718"), a property tax reform law aimed at reducing property tax growth in Iowa. Among other things, HF 718 permanently consolidates several existing city property tax levies and creates a new adjusted city general fund levy ("ACGFL"). To control the growth of property taxes, the new ACGFL is subject to potential limitation or reduction by constraining growth each year depending on if certain growth triggers are met or exceeded during the prior year. The levy limitation is only applicable Fiscal Year 2024-25 through Fiscal Year 2027-28 and will be specific to each city. For Fiscal Year 2023-24, the City will calculate the new ACGFL as the baseline rate and the first annual ACGFL adjustment will begin Fiscal Year 2024-25. The ACGFL rates for Fiscal Years 2024-25 through 2027-28 are based on growth in city taxed value and the previous year's city tax rate. Beginning in Fiscal Year 2028-29, all cities go to a \$8.10 ACGFL maximum and the levy limitation calculation ceases. Certain levies like debt service, pensions, employee benefits and capital improvement reserve fund are not included in the new ACGFL limitation.

The City's recent property valuation growth has, on occasion, exceeded the new legislative caps. Assuming the City exceeds the legislative caps in the future, the City's general fund levies will lag its relative valuation growth. For Fiscal Year 2024-25, the City's non TIF tax valuation growth was 4.62% causing the City's property tax revenue from the ACGFL to be reduced by 2% of its revenues. The City's Budget for Fiscal Year 2024-25 accommodated this mitigation of tax revenue relative to its non-TIF tax valuation growth.

On May 1, 2024, new legislation ("SF 2442") was signed by the Governor adjusting the growth triggers and the calculation of the ACGFL for Fiscal Year 2025-2026 and beyond. For Fiscal Year 2025-26, the City's non-TIF tax valuation growth was 2.59% causing no change to the ACGFL.

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FUNDS ON HAND (CASH AND INVESTMENTS AS OF JULY 31, 2025)

| Governmental | |
|-----------------------------|---------------|
| General Fund | \$9,276,923 |
| Debt Service Fund | 3,685,558 |
| Capital Projects Fund | 34,009,767 |
| Other Governmental Funds | 31,010,582 |
| Business-type | |
| Mary Greeley Medical Center | \$454,580,443 |
| Electric Utility | 59,253,906 |
| Sewer Utility | 18,456,082 |
| Water Utility | 21,704,895 |
| Other Enterprise Funds | 39,671,608 |
| Internal Service Funds | 31,667,347 |
| Total all funds | \$703,317,111 |

GENERAL FUND BUDGETS (ACCRUAL BASIS)

The table below represents a comparison between the final Fiscal Year 2023-24 actual financial performance, the amended Fiscal Year 2024-25 budget, and the adopted Fiscal Year 2025-26 budget on an accrual basis.

| | Actual FY 2023-24 | Amended FY 2024-25 | Adopted FY 2025-26 |
|---|----------------------|-----------------------|---------------------|
| Revenues: | | <u></u> _ | <u></u> _ |
| Property taxes | \$23,467,362 | \$24,240,520 | \$25,503,450 |
| Other City taxes | 2,932,275 | 2,859,076 | 2,861,555 |
| Licenses and permits | 1,480,274 | 1,539,301 | 1,539,301 |
| Use of money and property | 2,465,817 | 1,167,913 | 928,118 |
| Intergovernmental | 3,285,843 | 3,293,315 | 3,287,824 |
| Charges for fees and services | 2,351,933 | 2,409,820 | 3,008,855 |
| Miscellaneous | 240,948 | 195,302 | 198,504 |
| Transfers in | 10,224,793 | 10,123,772 | 10,137,630 |
| Proceeds of Capital Asset Sales | | _ | |
| Total revenues | \$46,449,245 | \$45,829,019 | \$47,465,237 |
| Expenditures: | | | |
| Public safety | \$21,247,451 | \$22,925,948 | \$24,298,049 |
| Public works | 1,177,531 | 1,117,274 | 1,176,129 |
| Health and social services | 0 | 12,000 | 0 |
| Culture and recreation | 9,452,811 | 10,208,497 | 11,235,798 |
| Community & economic development | 1,041,611 | 1,190,860 | 1,292,206 |
| General government | 3,133,888 | 4,049,898 | 3,690,201 |
| Capital projects | 1,101,324 | 3,642,631 | 180,000 |
| Transfers out | <u>8,561,424</u> | 8,740,528 | <u>5,592,854</u> |
| Total expenditures | \$45,716,040 | \$51,887,636 | \$47,465,237 |
| Excess (deficiency) of revenues over (under) expenditures | 733,205 | (6,058,617) | - |
| Fund balance at beginning of year | <u>\$16,229,557</u> | \$16,287,013 | \$10,229,903 |
| Fund balance at end of year | <u>\$16,962,763</u> | <u>\$10,228,396</u> | <u>\$10,229,903</u> |

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THE CITY

CITY GOVERNMENT

The City of Ames, Iowa (the "City") is governed under and operates under a Mayor-Council form of government with a City Manager. The principle of this type of government is that the Council sets policy and the City Manager carries it out. The six members of the Council are elected for staggered four-year terms. One member is elected from each of the four wards and two are elected at large. The Council appoints the City Manager as well as the City Attorney. The City Manager is the chief administrative officer of the City. The Mayor is elected for a four-year term, presides at Council meetings and appoints members of various City boards, commissions and committees with the approval of the Council.

EMPLOYEES AND PENSIONS

The City currently has 1,426 full-time employees, of which 516 are governmental employees and 910 are employees of the Mary Greeley Medical Center, and 1,295 part-time employees (including seasonal employees) of which 615 are governmental employees and 680 are employees of the Mary Greeley Medical Center. Included in the City's full-time employees are 50 sworn police officers and 56 firefighters.

The City participates in two statewide employee retirement systems, the Iowa Public Employees Retirement System ("IPERS") and the Municipal Fire and Police Retirement System of Iowa ("MFPRSI"). The State of Iowa administers IPERS and a nine-member board of trustees governs the MFPRSI. Though separate and apart from state government, the MFPRSI board is authorized by state legislature, which also establishes by statute the pension and disability benefits and the system's funding mechanism. Some eligible employees are able to participate in a defined contribution plan if their positions are funded in whole or in party by a utility.

<u>Iowa Public Employees Retirement System</u>: The City contributes to IPERS, which is a cost-sharing, multiple-employer, contributory defined benefit public employee retirement system administered by the State of Iowa. IPERS provides retirement and death benefits, which are established by state statute, to plan members and beneficiaries. IPERS is authorized to adjust the total contribution rate up or down each year, by no more than 1 percentage point, based upon the actuarially required contribution rate. The City's contributions to IPERS for the past three fiscal years, as shown below, equal the required contributions for each year.

| | <u>FY 2021-22</u> | <u>FY 2022-23</u> | <u>FY 2023-24</u> |
|--------------------------------|-------------------|-------------------|-------------------|
| IPERS City Contribution | \$10,223,542 | \$11,205,032 | \$11,525,155 |

At June 30, 2024, the City reported a liability of \$16,567,020 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation of that date. The City's proportion of the net pension liability (asset) was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all employers participating in IPERS, actuarily determined. At June 30, 2023, the City's proportion was 1.3213%, which was an increase of 0.0155% from its proportion measured as of June 30, 2022.

For additional information on IPERS, refer to Section 4.6, beginning on page 59 of the City's June 30, 2024 ACFR contained in APPENDIX C to this Preliminary Official Statement.

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the IPERS website.

<u>Municipal Fire and Police Retirement System of Iowa:</u> The City contributes to MFPRSI, which is a cost-sharing, multiple-employer defined benefit pension plan. MFPRSI provides retirement, disability, and death benefits to firefighters and police offers. Benefit provisions are established by state statute, and vest after four years of credited service.

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MFPRSI plan members are required to contribute a percentage of their annual covered salary, and the City is required to contribute at an actuarially determined rate of annual covered payroll. The contribution requirements of plan members and the City are established, and may be amended by state statute. The City's contributions to MFPRSI for the past three fiscal years, as shown below, equal the required contributions for each year.

| | <u>FY 2021-22</u> | <u>FY 2022-23</u> | <u>FY 2023-24</u> |
|--------------------------|-------------------|-------------------|-------------------|
| MFPRSI City Contribution | \$2,268,424 | \$2,197,536 | \$2,148,157 |

At June 30, 2024, the City reported a liability of \$15,880,608 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all employers participating in IPERS, actuarily determined. At June 30, 2023, the City's proportion was 2.5360%, which was a decrease of 0.0298% from its proportion measured as of June 30, 2022.

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from MFPRSI discussed above or included on the MFPRSI websites, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the MFPRSI websites.

For additional information on MFPRSI, refer to Section 4, Municipal Fire and Police Retirement System of Iowa (MFPRSI) beginning on page 63 of the City's June 30, 2024 ACFR contained in APPENDIX C to this Preliminary Official Statement.

OTHER POST-EMPLOYMENT BENEFITS ("OPEB")

The City provides health and dental care benefits for retired employees and their beneficiaries through a single-employer, defined benefit plan. The hospital also provides a life insurance benefit. The City has the authority to establish and amend benefit provisions of the plan. The post-employment benefit is limited to the implied subsidy since retirees pay 100% of the premium for the insurance benefits, since the premium rates are based on the entire pool of covered members, the retirees receive an implied subsidy since their rate are not risk adjusted. As of June 30, 2024 there were 601 active employees and 20 inactive employees or beneficiaries receiving benefits.

The following table shows the components of the City's annual OPEB cost for the Fiscal Year ended June 30, 2024, the amount actually contributed to the plan, and changes in the City's annual OPEB obligation.

| | <u>City</u> |
|---|-------------|
| Balance, beginning of Year | \$2,960,490 |
| Changes for the year: | |
| Service Cost | 195,071 |
| Interest | 109,999 |
| Difference between expected and actual experience | 2,017,659 |
| Change in Assumptions or other inputs | (232,831) |
| Benefit Payments | (283,759) |
| Net Changes | 2,271,801 |
| Net OPEB obligation, end of year | \$5,232,291 |

For additional information regarding the City's Other Post-Employment Benefits, refer to 4.7, beginning on page 67 of the City's June 30, 2024 ACFR contained in APPENDIX C to this Preliminary Official Statement.

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UNION CONTRACTS

City employees are represented by the following bargaining units:

Bargaining Unit Contract Expiration Date

International Association of Firefighters

Public, Professional and Maintenance Employees

International Union of Operating Engineers (Local 234C)

International Union of Operating Engineers (Local 234D)

June 30, 2028

June 30, 2028

June 30, 2028

June 30, 2028 (Preliminary)

INSURANCE

The City purchases insurance policies providing coverage for business needs including but not limited to general liability including auto liability, wrongful acts, excess (over all other coverage except Iowa liquor liability), law enforcement, public official, employee benefit, medical malpractice, underinsured motorist, and uninsured motorist; commercial property including commercial property & boiler and machinery (power generation related), municipal properties & boiler and machinery (non-power generation), and terrorism – TRIA (Federally defined terrorist acts); commercial property flood insurance including non-flood plain facilities (power generation), non-flood plain facilities (non-power), flood plain facilities including transit, water pollution control, airport and all other; airport liability; and cyber liability.

Source: the City

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GENERAL INFORMATION

LOCATION AND TRANSPORTATION

The City is located in Story County in central Iowa. It is approximately thirty miles north of Des Moines, Iowa, the State capital and largest city in the state. The City is located on Interstate Highways 35 and 30. The City was incorporated in 1864 under the laws of the State of Iowa, later amended in July, 1975 under the Home Rule City Act.

The City, with a United States Census Bureau 2020 population of 66,427, is known for its excellent quality of life which includes a relatively crime-free environment, an extensive park system, superior cultural/recreations facilities and a nationally recognized school system. The City is the home of Iowa State University ("ISU"). ISU was established in 1859 and is an integral part of the community.

The City operates a mass transit system to provide efficient and economical transportation to all members of the community. A fixed routing service is available on a daily basis to most residents and a Dial-A-Ride service is available for elderly or handicapped residents. The City operates a municipal airport, which handles primarily charter services. National air service is available at the Des Moines International Airport, approximately thirty miles south of the City. The City is also provided freight services through the Union Pacific Railroad line.

LARGER EMPLOYERS

A representative list of larger employers in the City is as follows:

| <u>Employer</u> | Type of Business | Number of Employees 1) |
|-----------------------------------|-----------------------|------------------------|
| Iowa State University | Higher Education | 16,116 ²⁾ |
| Mary Greeley Medical Center | Health Care | 1,590 |
| City of Ames | Municipal Government | 1,131 |
| Iowa Department of Transportation | Public Transportation | 975 |
| Danfoss Corp. | Hydro-Transmissions | 951 |
| USDA | Federal Agency | 700 |
| McFarland Clinic, P.C. | Health Care | 675 |
| Ames Community School District | Education | 650 |
| Workiva | Software | 550 |
| Ames Laboratories | Federal Agency | 415 |

1) Includes full-time, part-time and seasonal employees.

2) Source: Iowa State University Fact Book.

Source: The City

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BUILDING PERMITS

Permits for the City are reported on a calendar year basis. City officials reported most recently available construction activity for a portion of the current calendar year, as of July 31, 2025. The figures below include both new construction and remodeling.

| | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|---------------------------|---------------------|---------------------|----------------------|----------------------|---------------------|
| Residential Construction: | | | | | |
| Number of units: | 397 | 402 | 457 | 426 | 265 |
| Valuation: | \$34,201,457 | \$33,826,621 | \$28,211,202 | \$37,258,746 | \$25,751,122 |
| Commercial Construction: | | | | | |
| Number of units: | 162 | 163 | 213 | 143 | 124 |
| Valuation: | <u>\$62,880,240</u> | <u>\$76,251,698</u> | <u>\$161,910,873</u> | <u>\$104,350,984</u> | <u>\$59,952,604</u> |
| Total Permits | 559 | 565 | 670 | 569 | 389 |
| Total Valuations | \$97,081,697 | \$110,078,319 | \$190,122,075 | \$141,609,730 | \$85,703,726 |

U.S. CENSUS DATA

Population Trend

| Population Trend: | 1980 U.S. Census | 43,775 |
|-------------------|------------------|--------|
| • | 1990 U.S. Census | 47,198 |
| | 2000 U.S. Census | 50,731 |
| | 2010 U.S. Census | 58,965 |
| | 2020 U.S. Census | 66,427 |

Source: U.S. Census Bureau

UNEMPLOYMENT RATES

| | | City of Ames | Story County | State of Iowa |
|------------------|-------------------|--------------|--------------|---------------|
| Annual Averages: | 2021 | 2.9% | 3.0% | 3.9% |
| - | 2022 | 2.2% | 2.3% | 2.8% |
| | 2023 | 2.2% | 2.3% | 2.9% |
| | 2024 | 2.3% | 2.3% | 3.0% |
| | 2025 (as of July) | 2.8% | 2.9% | 3.5% |

Source: U.S. Bureau of Labor Statistics

EDUCATION

Public education is provided by the Ames Community School District, with a fall 2024 certified enrollment of 4,534.0. The district, with approximately 650 employees, owns and operates one early childhood center, five elementary schools, one middle school, one high school and a facilities and maintenance building. Nevada Community School District, Gilbert Community School District and United Community School District all lie partially within the City and provide public education to portions of the City.

The Iowa State University ("ISU") 2024 Fall enrollment was 30,432. ISU is the City's largest employer with faculty and staff totaling approximately 16,116, including teaching assistants and hourly part-time employees. ISU, in addition to its educational function, is a leading agricultural research and experimental institution.

The Iowa State Center is the cultural center of ISU and the City. It attracts major dramatic and musical events, as well as seminars and conferences to the City. It is a complex of three structures: two theaters with capacities of approximately 2,750 and 450, and a continuing education building with a 450-seat auditorium and 24 meeting rooms. Connected to this

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complex are two of Iowa State University's major Big 12 athletic venues: Jack Trice football stadium with a seating capacity of 61,500 and Hilton Coliseum with capacity for approximately 15,000.

In addition to ISU located in the City, the following institutions provide higher education within 30 miles of the City: Drake University, Grand View University, Des Moines University (formerly University of Osteopathic Medicine and Health Services). Two-year degree programs are offered at Des Moines Area Community College, Upper Iowa University, Vatterott College and Kaplan University (formerly Hamilton College).

FINANCIAL SERVICES

Financial services for the residents of the City are provided by First National Bank Ames, Iowa and VisionBank of Iowa. In addition, the City is served by branch offices of Availa Bank, Bank of the West, Bankers Trust Company, Central State Bank, CoBank ACB, Exchange State Bank, First Interstate Bank, Midwest Heritage Bank F.S.B., South Story Bank & Trust; US Bank, N.A., and Wells Fargo Bank, as well as by several credit unions.

First National Bank Ames and VisionBank of Iowa report the following deposits as of June 30 for each year:

| <u>Year</u> | First National Bank Ames | VisionBank of Iowa |
|-------------|--------------------------|--------------------|
| 2020 | \$855,840,000 | \$448,663,000 |
| 2021 | 952,731,000 | 490,477,000 |
| 2022 | 978,988,000 | 486,110,000 |
| 2023 | 964,888,000 | 658,718,000 |
| 2024 | 935,488,000 | 701,572,000 |

Source: Federal Deposit Insurance Corporation (FDIC)

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APPENDIX B

FORM OF LEGAL OPINION

APPENDIX C

JUNE 30, 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

OFFICIAL BID FORM

| To: | City Council of City of Ames, Iowa | | | | Sale Da | nte: September 23, 2025 10:00 A.M., CT |
|---------------------------|---|---|--|---|---|---|
| RE: | \$13,735,000* General Obligation Corporate | e Purpose Bonds, Ser | ies 2025A (th | e "Bonds") | | |
| form a | oid is a firm offer for the purchase of the Boand "TERMS OF OFFERING", and is not s itting this bid, we confirm we have an establish | ubject to any condition | ns, except as | permitted by | y the "TERM | S OF OFFERING". By |
| For al | l or none of the above Bonds, in accordance | with the "TERMS Ol | F OFFERING | ", we will pa | ay you \$ | (not less |
| | \$13,597,650) plus accrued interest to date of as follows: | delivery for fully reg | sistered Bond | s bearing int | erest rates an | d maturing in the stated |
| J | Coupon Maturity | <u>Yield</u> | Coupon | <u>Maturity</u> | Yield | |
| | 2026 | | _ | 2032 | | |
| | 2027 | | | 2033 | | |
| | 2028 | | | 2034 | | |
| | 2029 | | | 2035 | | |
| | 2030 | | | 2036 | | |
| | 2031 | | | 2037 | | |
| | \$5,000 but the total amount to be issued will no not change. Final adjustments shall be in the so. The dollar amount of the purchase price propos adjusted as described above. Any change in the possible, the successful bidder's net compensati modify its bid as a result of any post-bid adjustn | le discretion of the City. ed by the successful bid principal amount of an on, calculated as a percuent. Any adjustment sl | der will be chay maturity of the chage of bond hall be conclusion. | anged if the ag he Bonds will principal. Th ve and shall b | ggregate princi be made while ne successful b e binding upor | pal amount of the Bonds is e maintaining, as closely as idder may not withdraw or n the successful bidder. |
| | ereby designate that the following Bonds to ving amounts (leave blank if no term bonds a | | rm bonds ma | turing on Jui | ne 1 of the fo | llowing years and in the |
| | Years Aggregated | Maturity Y | <u>ear</u> | Agg | regate Amou | <u>nt</u> |
| | through | | | | | - |
| | through through | | | | | - |
| Stater of mu Prelin | king this offer we accept all of the terms an ment dated September 9, 2025, and represent unicipal bonds. In the event of failure to de ninary Official Statement and made a part her be immediately returned. All blank spaces | we are a bidder with a liver the Bonds in ac- reof, we reserve the ri | n established a cordance with ght to withdra | industry repunted in the "TERM wour offer, | itation for und IS OF OFFE whereupon th | derwriting new issuances RING" as printed in the de deposit accompanying |
| | s a part of our offer, the above quoted prices llowing computations: | s being controlling, bu | ıt only as an a | aid for the ve | erification of | the offer, we have made |
| NET I | INTEREST COST: \$ | | | | | |
| TRUE | E INTEREST COST: | % (Based | on dated dat | e of October | 14, 2025) | |
| Accou | unt Manager: | By: | | | | |
| Accou | unt Members: | | | | | |
| The fo | oregoing offer is hereby accepted by and on b | oehalf of the City Cou | ncil of the Cit | y of Ames, I | owa this 23rd | day of September 2025. |
| Attest | : | Ву | : | | | |
| Title: | | Tit | le: | | | |

ITEM #: 14
DATE: 09-09-25
DEPT: FIN

COUNCIL ACTION FORM

SUBJECT: FIRST AMENDMENT TO FY 2025/26 ADOPTED BUDGET

BACKGROUND:

The Code of Iowa requires that city spending by program not exceed Council-approved budget amounts at any time during the year. To maintain compliance, the City monitors spending against the approved budget and prepares amendments to the budget several times during the fiscal year.

The following is the customary budget amendment schedule:

Amendment #1 (THIS ACTION) - In the fall, a first amendment is prepared to carry over unspent project amounts from the prior fiscal year. These amounts are primarily related to delays in completing budgeted capital improvement projects.

Amendment #2 - The second amendment is prepared as part of the adoption process for the next fiscal year's budget. This is typically completed in March or April.

Amendment #3 - A final spring amendment is completed to adjust for any significant changes that have occurred since the prior amendment. This amendment typically is restricted to the early start of CIP projects approved for the following fiscal year, new grants that have been received and their associated project expenses, and any significant changes in CIP projects, operating expenses, or revenues from the March amendment process.

The fall amendments have been prepared for City Council review and approval. This amendment provides formal Council authority to carry forward the appropriation for capital improvements and other significant incomplete projects at the end of FY 2024/25. A report highlighting the carryovers will be presented to the City Council at the September 23, 2025, hearing.

ALTERNATIVES:

- 1. Adopt a resolution setting September 23, 2025, as the date of public hearing for the first amendment to the FY 2025/26 budget.
- 2. Refer this item back to staff for additional information or other adjustments to the amendments.

CITY MANAGER'S RECOMMENDED ACTION:

Amending the FY 2025/26 budget for carryover amounts from the FY 2024/25 budget early in the fiscal year will provide for improved budget monitoring and tracking. It will also provide assurance that Council-approved projects and work not completed in the prior year will not be delayed due to spending authority. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1, as described above.

TEM #: 15
DATE: 09-09-25
DEPT: FIN

COUNCIL ACTION FORM

SUBJECT:

RESOLUTION SETTING SEPTEMBER 23, 2025, AS DATE OF PUBLIC HEARING ON PROPOSAL TO ENTER INTO A SEWER REVENUE AND DISBURSEMENT AGREEMENT AND TO BORROW MONEY THEREUNDER

BACKGROUND:

The Water Resource Restoration (WRR) Sponsored Projects Program is administered through lowa's Clean Water State Revolving Fund (CWSRF), a low-interest loan program operated by the lowa Department of Natural Resources (DNR) and the lowa Finance Authority (IFA). Established under *lowa Code* § 384.84, the program allows wastewater utilities to finance both system improvements and watershed-based nonpoint source projects through a single loan.

The loan carries a reduced interest rate, ensuring that utilities pay no more in overall debt service than they would for the wastewater project alone. This structure effectively allows communities to complete both infrastructure and restoration projects for the cost of one.

The City is seeking to utilize this program to support the loway Creek Stabilization Project in Brookside Park. Construction began on June 16, 2025, and is scheduled for completion in December 2025. The project addresses significant erosion that has been impacting both public parkland and adjacent private property.

The planned improvements include installation of in-stream rock features, relocation of approximately 500 feet of creek channel, stabilization of streambanks, establishment of appropriate native vegetation, and the extension of an existing storm sewer. These measures are consistent with the types of natural channel design and stabilization practices eligible under the WRR program and are expected to provide lasting environmental benefits, including protection of natural habitat, reduced sedimentation, and improved downstream water quality.

To finance this work, the City proposes to amend its 2023 CWSRF loan, which provided approximately \$7.5 million for sewer collection system improvements. By enrolling in the WRR program, the City is eligible for a 0.5 percent interest rate reduction on that loan, resulting in projected savings of approximately \$337,000. Those savings would then be applied to support the loway Creek project through a separate SRF loan in the same amount at zero percent interest, amortized over the remaining term of the 2023 loan. This financing structure would ensure that the City does not incur higher debt service costs than it would have under the original wastewater-only loan.

In accordance with *lowa Code* § 384.24A, the City Council must hold a public hearing before entering into this amended loan agreement. Staff is therefore recommending that the Council set September 23, 2025, as the date for the hearing. Following that hearing, Council will be asked to adopt a resolution authorizing the loan agreement, thereby allowing the City to formally participate in the WRR program and secure the financial support

necessary to fund the Ioway Creek Stabilization Project.

ALTERNATIVES:

- 1. Adopt a resolution setting the date of a public hearing to consider an amendment to the City's amended loan agreement as September 23, 2025.
- 2. Refer this item to staff for modifications.

CITY MANAGER'S RECOMMENDED ACTION:

Through the State's Water Resource Restoration Sponsored Projects program, the City is able to pair its wastewater financing with a qualified stormwater initiative, receiving a reduced loan interest rate that generates funding for additional water quality improvements. In this instance, the interest rate adjustment provides \$337,000 in funding to support the loway Creek stabilization project. This approach allows the City to advance critical streambank and habitat restoration efforts without increasing the utility's debt service costs. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

TEM #: 16

DATE: 09-09-25

DEPT: TRANSIT

COUNCIL ACTION FORM

SUBJECT: RESOLUTION APPROVING CYRIDE 2025 BATTERY ELECTRIC BUS FACILITY IMPROVEMENT PROJECT PLANS AND SPECIFICATIONS

BACKGROUND:

The Transit Board has previously approved the purchase of charging equipment to support the five electric buses expected to be delivered in fall 2025. CyRide has worked with the on-call architecture and engineering firm to develop final plans and specifications for the installation of the purchased charging equipment at the CyRide facility. The plans and specifications call for installing two ChargePoint chargers and four dual dispensers at the front of bus storage lanes 1 and 2. All new equipment will be installed at a height that reduces the risk of water damage in the event of flooding and allows access for general facility maintenance.

CyRide currently has \$54,986 budgeted for the installation of the charging equipment, which was programmed in the FY 2024/25 Capital Improvements Plan. The current cost estimate from the architectural and engineering consultant is \$165,344, which includes a 5% contingency. To support this project, staff recommends using the Battery Electric Bus Reserve Fund to cover the shortfall. The reserve fund currently has \$1,258,260 available.

If approved by the Council, CyRide will work with the Purchasing Division to bid the project. Listed below is the proposed schedule for this project.

| Date | Project Element |
|--------------------|---|
| September 9, 2025 | City Council approval of plans and specifications |
| September 10, 2025 | Project release |
| September 24, 2025 | Prebid meeting |
| October 8, 2025 | Bids Due |
| October 14, 2025 | Report of bids to City Council |
| October 16, 2025 | Transit Board award of contract |
| October 28, 2025 | City Council award of contract |

The plans and specifications were approved by the Transit Board at its meeting on August 28, 2025. Plans and specifications are now on file in the City Clerk's Office.

ALTERNATIVES:

- 1. Approve plans and specifications for the 2025 Battery Electric Bus Facility Improvement Project, and establish October 8, 2025, as the bid due date, and October 14, 2025, as the date to report bid results to Council.
- 2. Direct staff to work with the A&E consultant and refine the project plans in accordance with Council priorities.

CITY MANAGER'S RECOMMENDED ACTION:

Approving the plans and specifications would allow CyRide to proceed with the installation of the charging infrastructure necessary to operate the five battery electric buses scheduled for delivery in fall 2025. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

TEM #: 17
DATE: 09-09-25
DEPT: TRANSIT

COUNCIL ACTION FORM

<u>SUBJECT:</u> CHANGE ORDER FOR ON-CALL ARCHITECTURE AND ENGINEERING SERVICES CONTRACT FOR CYRIDE

BACKGROUND:

CyRide typically budgets \$50,000 each year for Architecture and Engineering (A&E) Services to assist with Capital Improvement Plan projects, grant applications, and general facility repairs. In 2021, CyRide awarded an On-Call A&E Services contract to ASK Studios of Des Moines, Iowa.

During FY 2024/25, CyRide relied heavily on this contract and utilized it for 11 projects, a significant increase compared to the two or three projects typically worked on in a year.

CyRide issued its standard annual Purchase Order No. 64805 for \$50,000 in FY 2024/25. However, due to the unusually high number of projects, the total billed amount for services provided was \$103,524.03, with the Maintenance Shop Improvement Project and Fire Protection Improvement Project accounting for the majority of the costs.

This increase was driven by a concentration of grant opportunities and facility improvement needs in FY 2024/25, many of which required professional design support to remain competitive for federal/state funding or to maintain regulatory compliance. While future needs may vary from year to year, the on-call services contract provides a cost-effective way to scale resources up or down depending on project demand.

The following table summarizes the portion of project costs that exceed the original purchase order and require Council approval:

| Project | Amount |
|--|-------------|
| First Floor Flooring Replacement | \$1,491.25 |
| Electric Bus System Upgrades Phase II - Charger Installation | \$1,135.00 |
| Steam Clean Bay Hoist Replacement Grant Submission | \$712.50 |
| Shop Walkthrough Overhead Door Replacement | \$1,010.00 |
| Breakroom Improvements | \$3,130.00 |
| HVAC Improvements Phase III | \$57.50 |
| Bus Storage Addition Grant Submission | \$287.50 |
| Maintenance Shop Improvement Project | \$29,132.20 |
| Fire Protection Improvement Project | \$16,802.15 |
| Outstanding Balance | \$53,758.10 |

To date, \$49,765.93 has been paid under the original purchase order. To pay the remaining balance of \$53,758.10, Council approval of a change order to Purchase Order No. 64805 is required. Funding is available from the Maintenance Shop Improvement

Project, which was completed under budget and left \$55,658 in unallocated local funds. Staff recommends using a portion of these savings to cover the \$53,524.03 change order.

Contract Summary

| Item | Amount |
|-----------------------------------|--------------|
| Original Purchase Order No. 64805 | \$50,000.00 |
| Paid to Date | \$49,765.93 |
| Total Amount Billed in FY 2024/25 | \$103,524.03 |
| Current Balance of Purchase Order | \$234.07 |
| Outstanding Balance | \$53,758.10 |
| Change Order Required | \$53,524.03 |
| Amended Purchase Order Total | \$103,524.03 |

CyRide has reviewed all invoices and confirmed that billed hours were appropriate and labor assignments within the firm were properly managed. Based on this review, CyRide believes the costs are reasonable and directly tied to project needs. The change order to Purchase Order No. 64805 to amend the purchase order total to \$103,524.03 was approved by the Transit Board at its meeting on August 28, 2025.

ALTERNATIVES:

- 1. Approve a change order to Purchase Order No. 64805 in the amount of \$53,524.03 to ASK Studios of Des Moines, Iowa, bringing the total contract amount to \$103,524.03.
- 2. Direct staff to proceed according to Council direction.

CITY MANAGER'S RECOMMENDED ACTION:

Approving the change order and new contract amount would ensure that all work performed under the on-call services contract is fully funded, supporting CyRide's long-term facility improvement and capital planning goals by ensuring critical project design and grant development activities remain properly resourced. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.





To: Mayor and City Council

From: City Clerk's Office

Date: September 9, 2025

Subject: Contract and Bond Approval

There is no Council Action Form for the 2025/26 Water System Improvements Program (E. 14th St & Meadowlane Ave) Project with Jet Drain Services, LLC of Ames, Iowa, in the amount of \$314,426. City Council approval of the contract and bond for the project is simply fulfilling a *State Code* requirement.





To: Mayor and City Council

From: City Clerk's Office

Date: September 9, 2025

Subject: Contract and Bond Approval

There is no Council Action Form for the 2024/25 Multi-Modal Roadway Improvements (6th Street, North of City Hall) with MidState Solution, LLC of Baxter, Iowa, in the amount of \$125,151.50. City Council approval of the contract and bond for the project is simply fulfilling a *State Code* requirement.

TTEM #: 20
DATE: 09-09-25
DEPT: P&H

COUNCIL ACTION FORM

SUBJECT: PLAT OF SURVEY FOR A BOUNDARY LINE ADJUSTMENT IN RURAL STORY COUNTY IN THE AMES URBAN FRINGE AT 1568 & 2066
STAGECOACH ROAD

BACKGROUND:

The subdivision regulations in Chapter 23 of the Ames *Municipal Code* include the process for creating or modifying property boundaries and for determining if any improvements are required in conjunction with the platting of property. The regulations also describe the process for combining existing platted lots or conveyance parcels in order to create a parcel for development purposes. A plat of survey is allowed by Section 23.309 for the consolidation of conveyance parcels and for boundary line adjustments.

This request relates to a proposed plat of survey for properties located at 1568 & 2066 Stagecoach Road. The proposed plat of survey is a boundary line adjustment between the two existing parcels (see attached location map). Both parcels are outside the Ames corporate limits, but within the 2-mile area where the City of Ames has jurisdiction for the review of land divisions in addition to Story County. The subject properties are within the Urban Reserve (see attached Map excerpt). Adjusting the boundaries of existing parcels in a manner that does not create new developable area is consistent with the policies of the Urban Reserve described within Ames Plan 2040.

1568 Stagecoach Road contains an existing 97.17 acre parcel. An existing 69.01 acre parcel is located at 2066 Stagecoach Road to the north. The existing parcels will be reconfigured into Parcels J and K (see attached Plat of Survey). The 1568 Stagecoach parcel (parcel J) will be reduced in size to 93.54 acres and the northwestern portion of the boundary line shifted to the north. The 2066 Stagecoach Road parcel (parcel K) will be enlarged in size accordingly to 77.39 acres with its southeast portion of its south boundary line shifted to the south.

As a boundary line adjustment, no infrastructure improvements are required. Therefore, no requests for waivers of subdivision standards and accompanying covenants are required. Approval of this plat of survey will allow the applicant to prepare the official plat of survey and submit it to the Planning and Housing Director for review. The Director will sign the plat of survey confirming that it fully conforms to all conditions of approval. The prepared plat of survey may then be signed by the surveyor, who will submit it for recording in the Office of the Story County Recorder.

ALTERNATIVES:

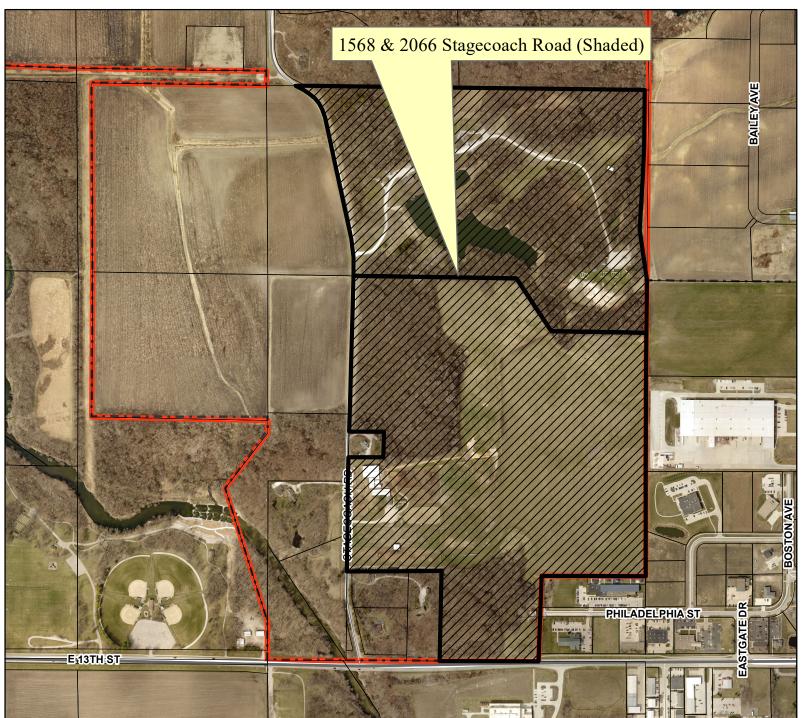
- 1. Approve the proposed plat of survey.
- 2. Deny the proposed plat of survey on the basis that the City Council finds that the requirements for plats of survey as described in Section 23.309 have not been satisfied.
- 3. Refer this request back to staff and/or the owner for additional information.

CITY MANAGER'S RECOMMENDED ACTION:

As rural development, the plat of survey does not meet the urban development standards of the City. However, the boundary line adjustment does not trigger any additional infrastructure improvements per City requirements. Staff finds that the proposed plat of survey complies with Ames Plan 2040, as no new development parcels are being created. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as described above.

ATTACHMENT(S):

1568 & 2066 Stagecoach Road Location.pdf 1568 & 2066 Stagecoach Plat of Survey.pdf





■ US Hwy

US Interstate Hwy

PLAT OF SURVEY

LOCATION:

IN THE W1/2, SE1/4, THE E1/2, SW1/4, THE SE1/4, NW1/4 & THE SW1/4, NE1/4 OF SEC. 36-84-24, STORY COUNTY, IOWA

PROPRIETOR:

AMES CHAPTER OF THE IZAAK WALTON LEAGUE OF AMERICA HAILA FAMILY FARMS, LLC

REQUESTED BY: CHIP BALTIMORE

PREPARED BY & RETURN TO:

R. BRADLEY STUMBO, PLS #17161 STRAND ASSOCIATES, INC. AMES, IA 50010 515-233-0000

Survey Description - Parcel J: Survey Description - Parcel J:
Part of Parcel A, as shown on the Plat of Survey filed in Book 11, Page 104, except Parcel C thereof, as shown on the Plat of Survey filed at Inst. No. 99-10160, all in the East Half of the Southwest Quarter and the West Half of the Southeast Quarter, part of the Southeast Quarter of the Northwest Quarter, lying East of Stagecoach Road and part of the Southwest Quarter of the Northeast Quarter, all in Section 36, Township 84 North, Range 24 West of the 5th P.M., Story County, Iowa, and all together being more particularly described as follows: Beginning at the South Quarter Corner of said Section 36; thence following the boundary of said Parcel A N89°40'14"W, 115.72 feet; thence N01°18'44"E, 627.00 feet; thence S89°27'34"W, 657.03 feet to the centerline of Stagecoach Road; thence N00°29'07"E, 807.97 feet to the Southwest Corner of an existing tract, as described by deed filed at Inst. No. 2011-11887; thence running coincident with the boundary thereof S89°30'53"E, 242.00 feet; thence N00°29'07"E, 180.00 feet; thence N89°30'53"W, 242.00 feet to the Northwest Corner thereof; thence N02°22'16"E, 1068.27 feet to the Northwest Corner of said Parcel A, said point being on the north line of the Southwest Quarter of said Section 36; thence departing the boundary of said Parcel A and following the centerline of Stagecoach Road N00°27'45"E, 35.64 feet; thence Northerly, 94.99 feet along a curve having a radius of 2203.89 feet, concave to the West, a central angle of 2°28'11" and being subtended by a chord Quarter of said Section 36; thence departing the boundary of said Parcel A and following the centerline of Stagecoach Road N00°27'45"E, 35.64 feet; thence Northerly, 94.99 feet along a curve having a radius of 2203.89 feet, concave to the West, a central angle of 2°28'11" and being subtended by a chord bearing N02°43'34"W, 94.99 feet; thence departing said centerline N86°00'40"E, 95.07 feet; thence Northeasterly, 98.45 feet along a curve having a radius of 106.00 feet, concave Northwesterly, a central angle of 53°12'45" and being subtended by a chord bearing N59°24'17"E, 94.95 feet; thence N32°47'55"E, 64.37 feet; thence Northeasterly, 165.89 feet along a curve having a radius of 256.00 feet, concave to the West, a central angle of 37°07'45" and being subtended by a chord bearing N14°14'02"E, 163.01 feet; thence N04°19'50"W, 88.01 feet; thence N04°47'40"E, 51.24 feet; thence S89°47'19"E, 118.23 feet; thence S39°56'08"W, 42.85 feet; thence S31°00'02"E, 208.54 feet; thence S37°16'05"E, 68.59 feet; thence S62°30'35"E, 40.35 feet; thence S51°21'21"E, 207.84 feet; thence S79°04'09"E, 76.38 feet; thence N19°01'11"E, 78.26 feet; thence N86°33'19"E, 25.90 feet; thence S00°00'00"E, 218.07 feet to the north line of said Parcel A; thence S10°49'31"E, 290.91 feet; thence S28°47'34"E, 300.40 feet; thence S63°23'40"E, 358.69 feet; thence S89°47'06"E, 687.94 feet to the east line of said Parcel A; thence S00°19'37"W, 629.93 feet to the Northeast Corner of the Southwest Quarter of said Southeast Quarter: thence S00°21'30"W, 727.17 feet to the Northeast Corner of Walter Family Campus Subdivision, formerly said Parcel C: thence Southeast Quarter; thence S00°21'30"W, 727.17 feet to the Northeast Corner of Walter Family Campus Subdivision, formerly said Parcel C; thence N89°46'02"W, 722.59 feet to the Northwest Corner thereof; thence S02°17'58"W, 595.00 feet to the Southwest Corner thereof, said point being on the south line of said Section 36; thence N89°44'34"W, 569.52 feet to the point of beginning, all together containing 93.54 acres, which includes 2.12 acres of existing public right of way.

Survey Description - Parcel K:

Part of Parcel A, as shown on the Plat of Survey filed in Book 11, Page 104, except Parcel C thereof, as shown on the Plat of Survey filed at Inst. No. 99-10160, in the West Half of the Southeast Quarter, part of the Southeast Quarter of the Northwest Quarter, lying East of Stagecoach Road, part of the Southwest Quarter of the Northeast Quarter and part of the Northwest Quarter of the Southeast Quarter, all in Section 36, Township 84 North, Range 24 West of the 5th P.M., Story County, Iowa, and all together being more particularly described as follows: Commencing at the Northwest Corner of said Southeast Quarter of the Northwest Quarter; thence N89°47'58"E, 197.69 feet along the north line thereof to the centerline of Stagecoach Road and the point of beginning; thence continuing N89°47'58"E, 1158.05 feet to the Northwest Corner of said Southeast Quarter of the Northwest Quarter; thence S00°30'29"W, 400.00 feet; thence S02°57'29"W, 373.00 feet; thence S07°24'38"E, 354.81 feet to the Northeast Corner of said Northwest Quarter of the Southeast Quarter; thence S00°19'37"W, 694.89 feet along the east line thereof; thence N89°47'06"W, 687.94 feet; thence N63°23'40"W, 358.69 feet; thence N28°47'34"W, 300.40 feet; thence N10°49'31"W, 290.91 feet to the North line of said Parcel A; thence N00°00'00"W, 218.07 feet; thence S690'19'37"W, 290.91 feet to the North line of said Parcel A; thence N00°00'00"W, 218.07 feet; thence S690'19'11"W, 78.26 feet; thence N79°04'09"W, 76.38 feet; thence N57°21'21"W, 207.84 feet; thence N62°30'35"W, 40.35 feet; thence N37°16'05"W, 68.94 feet; thence N31°00'02"W, 208.54 feet; thence N35°50'08"E, 42.85 feet; thence N89°47'19"W, 118.23 feet; thence S04°47'40"W, 51.24 feet; thence S04°19'50"E, 88.01 feet; thence S04°47'40"W, 51.24 feet; thence S04°47'40"W, 30.40 feet; thence S04°47'40"W, 3 Southwest Quarter of the Northeast Quarter and part of the Northwest Quarter of the Southeast Quarter, all in Section 36, Township 84 North, Range 24

Access Easement Description:

Access Easement Description:
A strip of land 50.00 feet in width across that part of Parcel K lying in the Southeast Quarter of the Northwest Quarter of Section 36, Township 84 North, Range 24 West of the 5th P.M., Story County, Iowa, being situated 25.00 feet on each side of the following centerline: Commencing at the Southwest Corner of said Parcel K; thence Northerly, 25.00 feet along a curve having a radius of 2203.89 feet, concave Westerly, a central angle of 0°39'00 and being subtended by a chord bearing N04°17'09"W, 25.00 feet; thence N86°00'40"E, 33.00 feet to the Easterly right of way line of Stagecoach Road and the point of beginning; thence continuing N86°00'40"E, 62.20 feet; thence Northeasterly, 75.23 feet along a curve having a radius of 81.00 feet, concave Northwesterly, a central angle of 53°12'45" and being subtended by a chord bearing N59°24'17"E, 72.55 feet; thence N32°47'55"E, 64.37 feet; thence Northeasterly, 149.69 feet along a curve having a radius of 231.00 feet, concave Northwesterly, a central angle of 37°07'45" and being subtended by a chord bearing N14°14'02"E, 147.09 feet; thence N04°19'50"W, 88.01 feet, and there terminating.

PARCEL

| BOUNDARY LINES | | | | | | | | |
|----------------|---------|---------|-----------|-------------|-------------|---------|--|--|
| L# / C# | Radius | Arc | Delta | Bearing | Bearing | Chord | | |
| C1 | 106.00' | 98.45' | 53°12'45" | N59°24'17"E | S59°24'17"W | 94.95' | | |
| C2 | 256.00' | 165.89' | 37°07'45" | N14°14'02"E | S14°14'02"W | 163.01' | | |
| L1 | | | | N86°00'40"E | S86°00'40"W | 95.07' | | |
| L2 | | | | N32°47'55"E | S32°47'55"W | 64.37' | | |
| L3 | | | | N04°19'50"W | S04°19'50"E | 88.01' | | |
| L4 | | | | N04°47'40"E | S04°47'40"W | 51.24' | | |
| L5 | | | | S39°56'08"W | N39°56'08"E | 42.85' | | |
| L6 | | | | S37°16'05"E | N37°16'05"W | 68.94' | | |
| L7 | | | | S62°30'35"E | N62°30'35"W | 40.35' | | |
| L8 | | | | S79°04'09"E | N79°04'09"W | 76.38' | | |
| L9 | | | | N19°01'11"E | S19°01'11"W | 78.26' | | |
| L10 | | | | N86°33'19"E | S86°33'19"W | 25.90' | | |

ACCESS EASEMENT

| | BOUNDARY LINES | | | | | | | | |
|---------|----------------|---------|-----------|-------------|---------|---------|--|--|--|
| L# / C# | Radius | Arc | Delta | Bearing | Bearing | Chord | | | |
| С3 | 2203.89' | 25.00' | 0°39'00" | N04°17'09"W | | 25.00' | | | |
| C4 | 81.00' | 75.23' | 53°12'45" | N59°24'17"E | | 72.55' | | | |
| C5 | 231.00' | 149.69' | 37°07'45" | N14°14'02"E | | 147.09' | | | |
| L11 | | | | N86°00'40"E | | 33.00' | | | |
| L12 | | | | N86°00'40"E | | 62.20' | | | |
| L13 | | | | N32°47'55"E | | 64.37' | | | |
| L14 | | | | N04°19'50"W | | 88.01' | | | |

| The Ames City Council approved this Plat of Survey on | , 2025, with Resolution Number | . I certify that it conforms to all conditions of approval. |
|---|--------------------------------|---|

Planning & Housing Director



Strand Associates, Inc. 414 South 17th Street, Suite 107

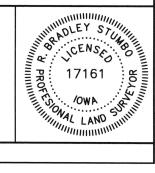
Ames, Iowa 50010 Phone: (515) 233-0000 FAX: (515) 233-0103

l hereby certify that this land surveying document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Land Surveyor under the laws of the State of Iowa.

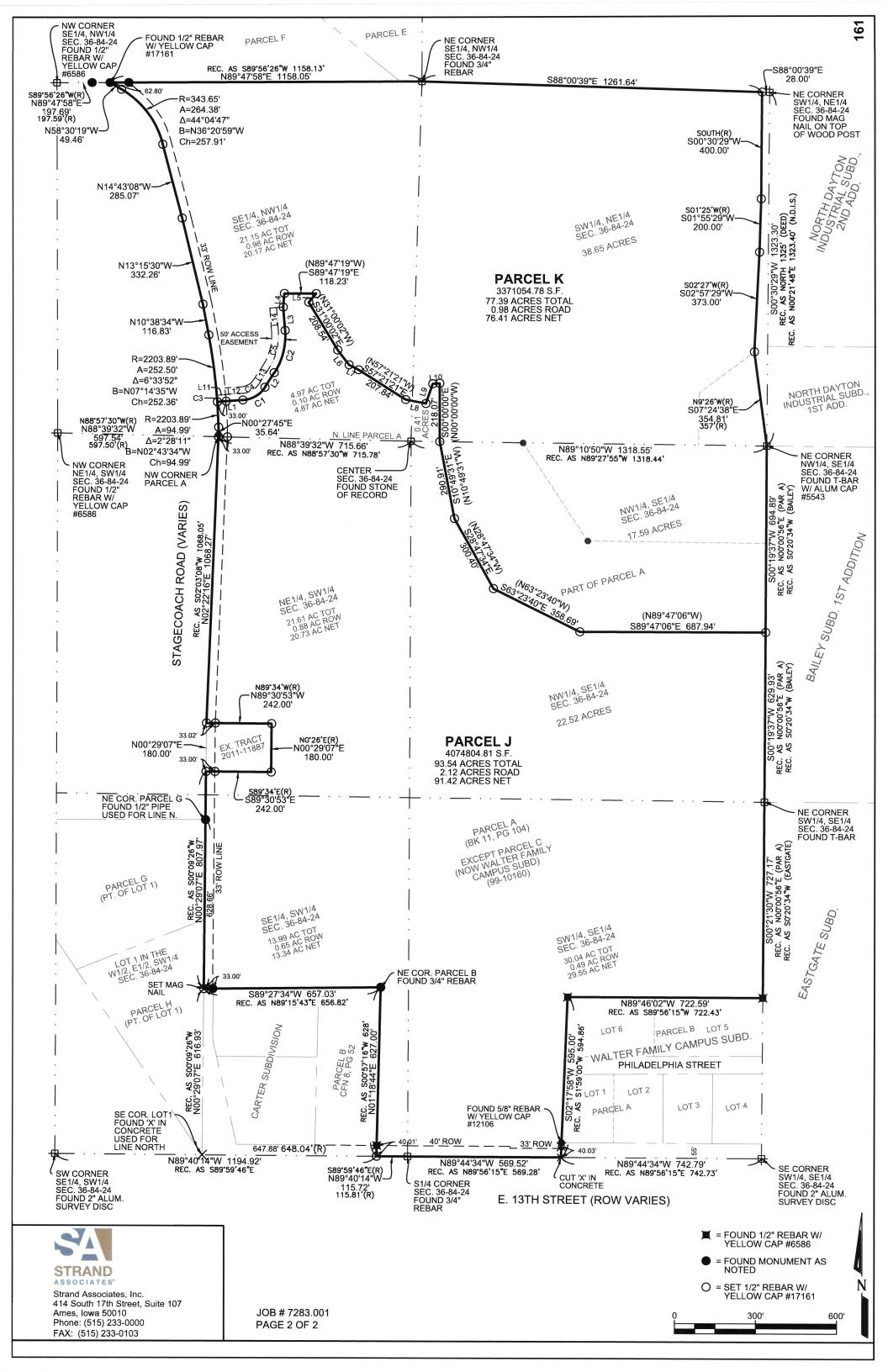
R. BRADLEY STUMBO, PLS License number 17161

My license renewal date is December 31, 2025.

DATE



JOB# 7283.001 DATE: 7/16/25 FIELDWORK COMPLETED: 7/15/25 PAGE 1 OF 2



ITEM #: 21 DATE: 09-09-25 DEPT: PW

COUNCIL ACTION FORM

SUBJECT: 2022/23 AIRPORT IMPROVEMENTS PROGRAM (SOUTH APRON REHABILITATION - FINAL ACCEPTANCE)

BACKGROUND:

The Airport Improvements Program in the Capital Improvement Plan (CIP) provides for projects included in the Federal Aviation Administration (FAA) approved Airport Master Plan. Rehabilitation of the South Apron was included in the FY 2022/23 Airport Improvements CIP Program.

On April 25, 2023, City Council awarded a contract to Con-Struct, Inc. in the amount of \$1,251,705. Four change orders were approved during construction:

- Change Order No. 1 required no additional funding, however it added requirements for Targeted Small Business (TSB) participation.
- Change Order No. 2, in the amount of \$13,888.60, was administratively approved by staff and addressed gate and fencing revisions required during construction operations.
- Change Order No. 3, in the amount of \$21,866, was also administratively approved by staff to cover changes to the work to further address airport operational needs.
- Change Order No. 4, the balancing change order for the project, a deduction in the amount of \$35,531.35 was approved by City Council on July 8, 2025. This change order reflected final field installed quantities.

Construction was completed in the amount of \$1,251,928.25. The project was considered substantially complete as of June 10, 2025. A formal final inspection was completed that day with the Project Manager and Airport Manager present, and a punch list was issued. All punch list items have now been completed. Bolton & Menk, Inc., serving as project engineer, has recommended formal acceptance.

Below is the final summary of revenues and expenses for this project:

| Revenues | Amount | Expenses | Amount |
|---------------------------|----------------|----------------------------------|----------------|
| Federal | \$1,181,000.00 | Design | \$77,000.00 |
| State | \$129,600.00 | Inspection | \$107,700.00 |
| Airport Improvements Fund | \$154,328.25 | Inspection – CO #1 | \$28,300.00 |
| | | Construction (Original Contract) | \$1,251,705.00 |

| Revenues | Amount | Expenses | Amount |
|----------|----------------|--|----------------|
| | | Construction – CO #1 (TSB Requirements) | \$0.00 |
| | | Construction – CO #2 (Fencing & Gate Changes) | \$13,888.60 |
| | | Construction – CO #3 (Additional Work) | \$21,866.00 |
| | | Construction – CO #4 (Final Quantity Reconciliation) | (\$35,531.35) |
| | | Final Construction Cost | \$1,251,928.25 |
| Total | \$1,464,928.25 | Total | \$1,464,928.25 |

Attached to this Council Action Form are the Engineer's Statement of Completion from Bolton & Menk and a draft final payment request that shows the final project quantities and the retainage that will be paid after the 30-day waiting period.

ALTERNATIVES:

- 1. Accept the South Apron Rehabilitation project as complete by Con-Struct, Inc. of Ames, IA, in the amount \$1,251,928.25.
- 2. Direct staff to pursue modifications to the project.

CITY MANAGER'S RECOMMENDED ACTION:

The South Apron Rehabilitation project has been completed in compliance with the approved plans and specifications. All inspection and punch list requirements have been satisfied, and final quantities have been reconciled. Formal Council acceptance is required prior to retainage release and initiation of the warranty period. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as shown above.

ATTACHMENT(S):

Engineer's Statement of Completion Certification Letter 22-23 Airport Improvements Program (South Apron Rehab).pdf Draft Final Retainage Payment Showing Final Quantities

ENGINEER'S STATEMENT OF PROJECT COMPLETION

| To: _ | City of Ames, Iowa | Date: | 08/26/2025 |
|-------------------------------|--|---|---|
| | Ames Municipal Airport | Project: | South Apron Reconstruction |
| | 515 Clark Ave | | Ames Municipal Airport (AMW) |
| _ | Ames, IA 50010 | | BMI Project Number: 0T5.128665.000 |
| | | | |
| above-r | referenced project was completed on Ju | ne 10th, 2025. Th st was developed | th, 2025. A formal final inspection of the e Project Manager and Airport Manager and forwarded to attendees and the d. |
| change The fina dollars | order reconciling quantities and establis al construction cost is one million two | thing the exact find hundred fifty-on which is slightly a | y accept the project as Complete. A final al construction cost has been completed. e thousand nine hundred twenty-eight above the original contract value of one rs (\$1,251,705.00). |
| recomn | | | I 30-day waiting period has passed, we inage on the project. At that time, the |
| | Bolton | & Menk, Inc. | |
| | | Canada | 4 1 1 |
| | ВУ | : Garrett | 8/26/2025 Jacobs, P.E. Date |
| | | Gurrett | acceps, i.e. |
| | דוד | LE: <u>Aviation</u> | Project Manager |
| | | | |
| | ACCEPTANCE C | F PROJECT COM | PLETION |
| | y of Ames, Iowa formally accepts the pro day of , | = | as COMPLETE as of August 26, 2025, this |
| | ВУ | : | |
| | тіт | TLE: | |



September 4, 2025

Honorable Mayor and Council Members City of Ames Ames, Iowa 50010

Dear Mayor and Council Members:

I hereby certify the 2022/23 Airport Improvements Program (South Apron Rehab) project was completed in an acceptable manner by Con-Struct, Inc., of Ames, Iowa, in the amount of \$1,251,928.25 and was inspected by the Public Works Department of the City of Ames, Iowa.

Sincerely,

Justin A. Clausen, PE, CPWP-M

Public Works Director

JAC/lbc

cc: City Clerk, Finance, Contractor, Administrative Services, Project File

www.CityofAmes.org

515.239.5404 fax Ames, IA 50010

515.239.5160 main

Contractor's Application for Payment

| Owner: | City of A | Ames | Owner's Pro | ject No.: N/A | | |
|--|-------------------------------|------------------|--|------------------------------------|--------------|--|
| Engineer: | Engineer: Bolton & Menk, Inc. | | Engineer's Pro | Engineer's Project No.: 0T5.128665 | | |
| Contractor: | Con-Str | uct, Inc. | Agency's Pro | ject No.: N/A | | |
| Project: | South A | pron Reconst | ruction | | | |
| Contract: | FAA: 3- | 19-0004-030-2 | 2023, -031-2023 & -032-2024 laDOT:9I | 240AMW100 | | |
| Application | No.: | 7 - Final | Application Date: 8/26/20 | 025 | | |
| Application | Period: | From | 6/1/2025 to 8/25/20 | 025 | | |
| | | | | | | |
| 1. Orig | ginal Con | tract Price | | \$ | 1,251,705.00 | |
| 2. Net | change | by Change Or | ders | \$ | 223.25 | |
| 3. Cur | rent Con | tract Price (Lir | ne 1 + Line 2) | \$ | 1,251,928.25 | |
| 4. Tota | al Work | completed and | d materials stored to date | | | |
| (Sur | ກ of Colເ | umn G Lump S | Sum Total and Column J Unit Price Total) | \$ | 1,251,928.25 | |
| 5. Reta | ainage | | | | | |
| a. | | X \$ 1,251 | 1,928.25 Work Completed | \$ | - | |
| b. | | X \$ | - Stored Materials | \$ | - | |
| c. Total Retainage (Line 5.a + Line 5.b) | | | | | - | |
| 6. Amount eligible to date (Line 4 - Line 5.c) | | | | \$ | 1,251,928.25 | |
| 7. Less | s previou | ıs payments (F | From Unit Price Sheet - Previous Est.) | \$ | 1,189,331.84 | |
| 8. Am | ount due | this applicati | on | \$ | 62,596.41 | |

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such liens, security interest, or encumbrances); and

| security interest, or encumbrances); and (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective; and (4) The provisions of M. S. 290.92 have been complied with and that all claims against me by reason of the Contract have been paid or satisfactorily secured. | | | | | | | |
|--|------------------------------------|----------------------------|---------------------|-----------------|--|--|--|
| Contract | tor: Con-Struct, Inc. | | | | | | |
| Signatur | STOVON I Harris CN=Steven J Harris | etructions com O_*Coo-etru | ct, Inc.*. Date: | 08/26/2025 | | | |
| Name: | Steven J Harris | | Title: | Project Manager | | | |
| Recommended by Engineer By: By: Name: Garrett Jacobs, P Name: Damion Pregitzer | | | | | | | |
| Title: | Aviation Project Manager | Title: | Traffic Engineering | | | | |
| Date: | 8/26/2025 | Date: | 8/26/2025 | | | | |
| | | | | | | | |

Progress Estimate - Unit Price Work

Contractor's Application for Payment

| Owner: | City of Ames | Owner's Project No.: N/A |
|-------------|--|------------------------------------|
| Engineer: | Bolton & Menk, Inc. | Engineer's Project No.: 0T5.128665 |
| Contractor: | Con-Struct, Inc. | Contractor's Project No.: N/A |
| Project: | South Apron Reconstruction | Agency's Project No.: |
| Contract: | FAA: 3-19-0004-030-2023, -031-2023 & -032-2024 | |

| Application No.: | 7 - Final Application Period: | From | 06/01/25 | to | 08/25/25 | | | | | Application Date: | 08/26/25 |
|------------------|---|---------------|----------|--------------------|--------------------------------------|-------------------------------|----------------------------|--|---|---|--|
| Α | В | С | D | E | F | F1 F2 | | G | Н | I | J |
| | | | Contract | Information | | Previous Estimate | | Work Completed | | | |
| Bid Item No. | Description | Item Quantity | Units | Unit Price (\$) | Value of Bid Item (C X E) (\$) | Quantity Previous Estimate | Value Previous Estimate | Estimated Quantity Incorporated in the Work | Value of Work Completed to Date (E X G) (\$) | Materials Currently Stored (not in G) (\$) | Work Completed and Materials Stored to Date (H + I) (\$) |
| D: 4 !! 4 | INSTALLATION OF FILTER SOCKS | 500.00 | | F. CO. | 2 222 22 | 404.00 | 2 245 60 | 404.00 | 2 245 62 | | 2 245 60 |
| Div 1 - Item 1 | | 500.00 | | 5.60 | 2,800.00 | 401.00 | 2,245.60 | 401.00 | 2,245.60 | | 2,245.60 |
| Div 1 - Item 2 | REMOVAL OF FILTER SOCKS | 500.00 | | 1.50 | 750.00 | 401.00 | 601.50 | 401.00 | 601.50 | | 601.50 |
| Div 2 - Item 3 | FILTER SOCK CLEANOUT | 500.00 | | 0.15 | 75.00 | - | | | - | | |
| Div 1 - Item 4 | SWPPP ESTABLISHMENT AND MANAGEMENT | 1.00 | | 2,050.00 | 2,050.00 | 1.00 | 2,050.00 | 1.00 | 2,050.00 | | 2,050.00 |
| Div 1 - Item 5 | MOBILIZATION TRAFFIC CONTROL | 1.00 | | 95,000.00 | 95,000.00 | 1.00 | 95,000.00 | 1.00 | 95,000.00 | | 95,000.00 |
| Div 1 - Item 6 | CONSTRUCTION SURVEY | 1.00 | | 20,000.00 | 20,000.00 | 1.00 | 20,000.00 | 1.00 | 20,000.00 | | 20,000.00 |
| Div 1 - Item 7 | | 1.00 | | 11,850.00 | 11,850.00 | 1.00 | 11,850.00 | 1.00 | 11,850.00 | | 11,850.00 |
| Div 1 - Item 8 | PAVEMENT REMOVAL, PCC PAVEMENT | 40.00 | | 35.00 | 1,400.00 | 54.60 | 1,911.00 | 54.60 | 1,911.00 | | 1,911.00 |
| Div 1 - Item 9 | PAVEMENT REMOVAL, HMA PAVEMENT | 5,800.00 | | 10.00 | 58,000.00 | 5,673.00 | 56,730.00 | 5,673.00 | 56,730.00 | | 56,730.00 |
| Div 1 - Item 10 | UNCLASSIFIED EXCAVATION | 1,350.00 | | 20.00 | 27,000.00 | 1,350.00 | 27,000.00 | 1,350.00 | 27,000.00 | | 27,000.00 |
| | REMOVE AND REPLACE UNSUITABLE MATERIAL | 200.00 | | 50.00 | 10,000.00 | | - | | - | | |
| Div 1 - Item 13 | CEMENT TREATED SUBGRADE, 12" | 5,600.00 | SY | 8.00 | 44,800.00 | 5,521.00 | 44,168.00 | 5,521.00 | 44,168.00 | | 44,168.00 |
| Div 1 - Item 14 | CEMENT, 8% | 260.00 | TON | 260.00 | 67,600.00 | 215.91 | 56,136.60 | 215.91 | 56,136.60 | | 56,136.60 |
| | RECYCLED CONCRETE AGGREGATE BASE COURSE, 6" | 5,650.00 | - | 10.50 | 59,325.00 | 5,574.70 | 58,534.35 | 5,574.70 | 58,534.35 | | 58,534.35 |
| Div 1 - Item 18 | PAVEMENT, PCC, 9.5" | 5,550.00 | SY | 95.00 | 527,250.00 | 5,470.60 | 519,707.00 | 5,470.60 | 519,707.00 | | 519,707.00 |
| Div 1 - Item 20 | PAVEMENT MARKING REMOVALS | 120.00 | | 38.00 | 4,560.00 | 120.00 | 4,560.00 | 120.00 | 4,560.00 | | 4,560.00 |
| | 6" SUBDRAIN | 1,100.00 | | 45.00 | 49,500.00 | 992.30 | 44,653.50 | 992.30 | 44,653.50 | | 44,653.50 |
| Div 1 - Item 24 | SUBDRAIN CLEANOUT | 7.00 | | 4,100.00 | 28,700.00 | 9.00 | 36,900.00 | 9.00 | 36,900.00 | | 36,900.00 |
| Div 1 - Item 25 | SEEDING FERTILIZING AND MULCHING | 1.00 | LS | 14,000.00 | 14,000.00 | 1.00 | 14,000.00 | 1.00 | 14,000.00 | | 14,000.00 |
| Div 1 - Item 26 | NO. 8 AWG 5KV, L-824, TYPE C CABLE, INSTALLED IN TRENCH, DUCT BANK OR CONDUIT | 300.00 | | 11.00 | 3,300.00 | 276.00 | 3,036.00 | | 3,036.00 | | 3,036.00 |
| Div 1 - Item 29 | NON-ENCASED 2" PVC/HDPE CONDUIT | 300.00 | LF | 12.30 | 3,690.00 | 247.00 | 3,038.10 | 247.00 | 3,038.10 | | 3,038.10 |
| Div 1 - Item 30 | L-861 T (L) MITL, BASE MOUNTED TAXIWAY EDGE LIGHT (REMOVE AND REINSTALL ON NEW BASE) | 2.00 | EA | 2,465.00 | 4,930.00 | 2.00 | 4,930.00 | 2.00 | 4,930.00 | | 4,930.00 |
| Div 1 - Item 31 | L-858 (L) GUIDANCE SIGN, SIZE 1, DOUBLE FACE, 2 MODULE | 1.00 | EA | 10,670.00 | 10,670.00 | 1.00 | 10,670.00 | 1.00 | 10,670.00 | | 10,670.00 |
| Div 1 - Item 32 | DEMOLITION AND REMOVAL OF PARTIAL EXISTING EDGE LIGHTING SYSTEM | 1.00 | LS | 18,050.00 | 18,050.00 | 1.00 | 18,050.00 | 1.00 | 18,050.00 | | 18,050.00 |
| Div 1 - Item A1 | NO. 6 AWG, 600V, THWN-2, INSTALLED IN TRENCH, DUCT BANK OR CONDUIT | 1,600.00 | LF | 5.75 | 9,200.00 | 1,600.00 | 9,200.00 | 1,600.00 | 9,200.00 | | 9,200.00 |
| Div 1 - Item A2 | NO. 6 AWG, 600V EQUIPMENT GROUND, THWN-2, INSTALLED IN TRENCH, DUCT BANK OR CONDUIT | 800.00 | LF | 5.75 | 4,600.00 | 800.00 | 4,600.00 | 800.00 | 4,600.00 | | 4,600.00 |
| Div 1 - Item A3 | NON-ENCASED 2" PVC/HDPE CONDUIT | 500.00 | LF | 10.00 | 5,000.00 | 472.00 | 4,720.00 | 472.00 | 4,720.00 | | 4,720.00 |
| Div 1 - Item A4 | OVERHEAD AREA LIGHTING POLE WITH FIXTURES | 5.00 | EA | 17,000.00 | 85,000.00 | 5.00 | 85,000.00 | 5.00 | 85,000.00 | - | 85,000.00 |

Contractor's Application for Payment

| Owner: Engineer: | City of Ames Bolton & Menk, Inc. | | | | | | | Owner's Project No.: N/A Engineer's Project No.: 0T5.128665 | | | | |
|---|---|---------------|-------|-------------------|-------------------|-------------------|-----------------|---|------------------------------------|-------------------------------|---|--|
| Contractor: | Con-Struct, Inc. | | | | | | | | | Contractor's Project No.: N/A | | |
| Project: | South Apron Reconstruction | | | | | | | | A | gency's Project No.: | | |
| Contract: | FAA: 3-19-0004-030-2023, -031-2023 & -032-2024 I | aDOT:9I240AMW | 100 | | | | | | _ | | | |
| Application No.: | 7 - Final Application Period: From 06/01/25 to 08/25/25 | | | | | | | | | Application Date: | 08/26/25 | |
| Α | В | С | D | E | F | F1 | F2 | G | Н | 1 | J | |
| | Contract Information Previous Estimate Work Completed | | | | | | | | | | | |
| | | | | | Value of Bid Item | | | Estimated Quantity | Value of Work Completed to Date | Materials Currently Stored | Work Completed and Materials Stored to Date | |
| | | | | Unit Price | (C X E) | Quantity Previous | Value Previous | Incorporated in | (E X G) | (not in G) | (H + I) | |
| Bid Item No. | Description | Item Quantity | Units | (\$) | (\$) | Estimate | Estimate | the Work | (\$) | (\$) | (\$) | |
| Div 2 - Item 10 | UNCLASSIFIED EXCAVATION | 50.00 | | 20.00 | 1,000.00 | 50.00 | 1,000.00 | 50.00 | 1,000.00 | (4) | 1,000.00 | |
| Div 2 - Item 11 | SUBGRADE PREPARATION, 12" | 400.00 | | 3.50 | 1,400.00 | 352.20 | 1,232.70 | 352.20 | 1,232.70 | | 1,232.70 | |
| | MODIFIED SUBBASE, 8" | 300.00 | | 18.50 | 5,550.00 | 264.00 | 4,884.00 | 264.00 | 4,884.00 | | 4,884.00 | |
| | PAVEMENT, PCC, 8" | 250.00 | SY | 85.00 | 21,250.00 | 222.00 | 18,870.00 | 222.00 | 18,870.00 | | 18,870.00 | |
| Div 2 - Item 19 | PAVEMENT, PCC, 4", SIDEWALK | 125.00 | SY | 65.00 | 8,125.00 | 109.00 | 7,085.00 | 109.00 | 7,085.00 | | 7,085.00 | |
| | FENCE REMOVAL, CHAIN LINK | 25.00 | LF | 21.00 | 525.00 | 25.00 | 525.00 | 25.00 | 525.00 | | 525.00 | |
| Div 2 - Item 22 | GATE, AUTOMATIC POWERED 25' ALUMINUM CANTILEVER, 4' TALL, BLACK PVC COATED | 1.00 | LS | 23,750.00 | 23,750.00 | 1.00 | 23,750.00 | 1.00 | 23,750.00 | | 23,750.00 | |
| Div 2 - Item 27 | NO. 6 AWG, 600V, THWN-2, INSTALLED IN TRENCH, DUCT BANK OR CONDUIT | 700.00 | LF | 5.75 | 4,025.00 | 700.00 | 4,025.00 | 700.00 | 4,025.00 | | 4,025.00 | |
| Div 2 - Item 28 | NO. 6 AWG, 600V EQUIPMENT GROUND, THWN-2, INSTALLED IN TRENCH, DUCT BANK OR CONDUIT | 400.00 | | 5.75 | 2,300.00 | 400.00 | 2,300.00 | | · · | | 2,300.00 | |
| Div 2 - Item 29 | NON-ENCASED 2" PVC/HDPE CONDUIT | 100.00 | | 31.50 | 3,150.00 | | 2,425.50 | 77.00 | 2,425.50 | | 2,425.50 | |
| Div 2 - Item B1 | SUBGRADE PREPARATION, 12" | 140.00 | | 3.50 | 490.00 | 131.50 | 460.25 | 131.50 | 460.25 | | 460.25 | |
| | MODIFIED SUBBASE, 8" | 140.00 | | 18.50 | 2,590.00 | | 2,432.75 | 131.50 | 2,432.75 | | 2,432.75 | |
| Div 2 - Item B3 | PAVEMENT, PCC, 6" | 130.00 | SY | 65.00 | 8,450.00 | 125.00 | 8,125.00 | 125.00 | 8,125.00 | | 8,125.00 | |
| | | - | | - | - | | | | - | 4 | - | |
| Original Contract Totals \$ 1,251,705.00 \$ 1,216,406.85 \$ 1,216,406.85 \$ - \$ 1,216,406.85 | | | | | | | | | | | | |
| | | | | Ch | ange Orders | | | | | | | |
| | INCORPAGE USIGNET OF ASIA METOA AATIG DOMESTED GUANN | | I | Ln | ange Orders | | | I | | | | |
| CO2-1 | INCREASE HEIGHT OF 25' AUTOMATIC POWERED CHAIN LINK CANTILEVER GATE TO 8' TALL, REMOVE EXISTING 4' CHAIN LINK FENCE AND REPLACE WITH 8' TALL BLACK PVC COATED CHAIN LINK FENCING | 1.00 | LS | 9,521.60 | 9,521.60 | 1.00 | 9,521.60 | 1.00 | 9,521.60 | | 9,521.60 | |
| CO2-2 | ADD 6' WIDE 8' TALL, BALCK PVC COATED, CHAIN LINK PEDESTRIAN GATE WITH GATE CLOSURE AND MECHANICAL KEYLESS LEVER LOCK SET, OUTDOOR RATED | 1.00 | LS | 4,367.00 | 4,367.00 | 1.00 | 4,367.00 | 1.00 | 4,367.00 | | 4,367.00 | |
| CO3-1 | ADDITIONAL MOBILIZATION | 1.00 | LS | 4,500.00 | 4,500.00 | 1.00 | 4,500.00 | 1.00 | 4,500.00 | | 4,500.00 | |
| CO3-2 | UNCLASSIFIED EXCAVATION (INCLUDING TOPSOIL STRIP, SALVAGE, AND RESPREAD) | 1.00 | LS | 5,706.00 | 5,706.00 | 1.00 | 5,706.00 | 1.00 | 5,706.00 | | 5,706.00 | |
| CO3-3 | SUBGRADE PREPARATION, 12" | 100.00 | SY | 4.00 | 400.00 | 98.00 | 392.00 | 98.00 | 392.00 | | 392.00 | |
| CO3-4 | MODIFIED SUBBASE, 6" | 100.00 | | 19.60 | 1,960.00 | | 1,920.80 | 98.00 | 1,920.80 | | 1,920.80 | |
| CO3-5 | PAVEMENT, PCC, 8" | 100.00 | | 93.00 | 9,300.00 | 98.00 | 9,114.00 | 98.00 | 9,114.00 | | 9,114.00 | |
| CO4-1 | RECONCILIATION OF FINAL QUANTITIES | 1.00 | LS | (35,531.35) | (35,531.35) | | - | | - | | - | |
| | | | | | - | | | | - | | - | |
| | | | Cha | ange Order Totals | \$ 223.25 | | \$ 35,521.40 | | \$ 35,521.40 | \$ - | \$ 35,521.40 | |
| | Original Contract and Change Orders | | | | | | | | | | | |
| | | | | | | leis l | \$ 1,251,928,25 | | 6 1 251 020 25 | ć | ć 1 3F1 03C 3F | |
| Project Totals \$ 1,251,928.25 \$ 1,251,928.25 \$ - \$ 1,251,928.25 | | | | | | | | | | | | |

Stored Materials Summary Contractor's Application for Payment

 Owner:
 City of Ames
 Owner's Project No.: N/A

 Engineer:
 Bolton & Menk, Inc.
 Engineer's Project No.: OTS.128665

 Contractor:
 Con-Struct, Inc.
 Contractor's Project No.: N/A

 Project:
 South Apron Reconstruction
 Agency's Project No.: N/A

 Contract:
 FAA: 3-19-0004-030-2023, -031-2023 & -032-2024 | IaDOT:9I240AMW100
 Agency's Project No.: N/A

| Application No.: | 7 - Final | | | Application Period: | From | 06/01/25 | to | 08/25/25 | - | | Application Date: | 08/26/25 |
|---|--------------------|---|-------------------------------|---------------------|---|--------------|--------|--------------|--|---|--|--|
| Α | В | С | D | E | F | G | Н | I | J | K | L | M |
| Item No. (Lump Sum Tab) or Bid Item No. | Supplier | Submittal No. (with Specification | Description of Materials or | | Application No. When Materials Placed in | Stored | Period | Date (G+H) | Amount Previously Incorporated in the Work | Incorporated in the Work this Period | Total Amount Incorporated in the Work (J+K) | Materials Remaining in Storage (I-L) |
| (Unit Price Tab) | Invoice No. | Section No.) | Equipment Stored | Storage Location | Storage | (\$) | (\$) | (\$) | (\$) | (\$) | (\$) | (\$) |
| Div 1 - Item A4 | S512013126.0 02 | L-125 | Apron Overhead Light Fixtures | Contractor Shop | 1 | 1,324.20 | - | 1,324.20 | 1,324.20 | - | 1,324.20 | 1 |
| Div 1 - Item A4 | S512013125.0 03 | L-125 | Apron Overhead Light Fixtures | Contractor Shop | 1 | 12,806.43 | = | 12,806.43 | 12,806.43 | 1 | 12,806.43 | • |
| | | | | | | | | - | | | - | - |
| | - | | | | | | | - | | | - | - |
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| | | | | | | | | - | | | - | - |
| | | | | | | | | - | | | - | - |
| _ | | | | | | | _ | - | _ | | - | - |
| | | | | | | | | - | | | - | |
| | | | | | | | | - | | | - | - |
| | Tot | | | | | \$ 14,130.63 | \$ - | \$ 14,130.63 | \$ 14,130.63 | \$ - | \$ 14,130.63 | \$ - |

ITEM #: 22
DATE: 09-09-25
DEPT: P&R

COUNCIL ACTION FORM

SUBJECT: COMPLETION OF LLOYD KURTZ MINI PITCH (FRIEDRICH PITCH)
PROJECT

BACKGROUND:

The Lloyd Kurtz Mini Pitch Project includes the construction of a mini pitch and accessible sidewalks at Lloyd Kurtz Park, 3710 Hyde Ave.

The mini pitch consists of a 108-foot by 53-foot post-tension concrete court designed for small-sided soccer (futsal). The pitch is enclosed by a rebound fence system with goals, benches, and lights. Sidewalks were installed within the project making the mini pitch accessible from the Bloomington Road shared use path, Stonebrook Community Church parking lot, and north trail which also connects to the existing basketball court, shelter and playground.

Prior to this project, a public meeting was held with the neighborhood. Several concerns neighbors expressed were addressed in the final design of the project, including the accessible sidewalks, a drinking fountain, a push button for lights after sunset, in-school and summer programmed hours for the lights, and the pitch dedicated to soccer (futsal play) only.

In August 2024 City Council approved plans and specifications for the project. Clapsaddle-Garber Associates, Inc. (CGA) developed a survey, along with plans and specifications for the project. CGA's services within the project totals \$22,624.

At its January 14, 2025 meeting, City Council awarded three contracts in the amount of \$299,372.27. City Council also approved the reallocation of Capital Improvement Project (CIP) savings for the Community Center Gym Flooring Project in the amount of \$90,230, to be used for this project.

Bid Package 1 was awarded to Caliber Concrete LLC for concrete and grading, in the amount of \$182,462.27. Four change orders were issued within the bid package, which included one deduct, for a total change of \$4,178.10. This resulted in a total contract amount of \$186,640.37.

Bid Package 2 was issued to Caliber Concrete LLC for the mini pitch system, lights, and acrylic surfacing in the amount of \$109,300.

Bid Package 3 was awarded to Van Maanen Electric, Inc. in the amount of \$7,610 to make the electrical connections from Bloomington Road to the Mini Pitch.

Other miscellaneous expenses associated with the project including installation of the drinking fountain, testing and inspections, signage, and donor recognition. These miscellaneous expenses total \$34,657.20.

Additional revenues in the amount of \$84,500 were also obtained for the project through

community donations and a grant through the Delta Dental of Iowa Foundation.

A breakdown of total project cost is shown below.

| Item | Expenses | Revenues |
|---|---------------|---------------|
| Design - CGA | \$ 22,624.00 | |
| Bid Package 1 - Caliber Concrete LLC (includes change orders) | 186,640.37 | |
| Bid Package 2 - Caliber Concrete LLC | 109,300.00 | |
| Bid Package 3 - Van Maanen Electric Inc | 7,610.00 | |
| Miscellaneous | 34,657.21 | |
| | | |
| Initial Project Funding | | 351,190.00 |
| Delta Dental Foundation of Iowa Grant | | 20,000.00 |
| Community Donations | | 64,500.00 |
| TOTAL | \$ 360,831.58 | \$ 435,690.00 |

In accordance with previous City Council direction, the savings from this project have been reallocated to the Park Maintenance Facility Expansion Project.

The project is now complete and a ribbon cutting ceremony was held in early August 2025.

ALTERNATIVES:

- 1. Accept completion of the contract(s) for the Lloyd Kurtz Mini Pitch Project, including:
 - a. Caliber Concrete LLC in the amount of \$186,640.37(bid package 1, with changes).
 - b. Caliber Concrete LLC in the amount of \$109,300 (bid package 2).
 - c. Van Maanen Electric Inc in the amount of \$7,610 (bid package 3).
- 2. Do not accept the completion of the contract(s) for the Lloyd Kurtz Mini Pitch Project, and direct staff to make changes to the project.
- Refer back to staff.

CITY MANAGER'S RECOMMENDED ACTION:

The City desires to offer diverse recreational opportunities throughout the community. The addition of the Mini Pitch (Friedrich Pitch) at Lloyd Kurtz Park is a new, unique amenity within the park system. Staff presented the project to the neighborhood and implemented many of their suggestions and addressed their concerns within the project. The project has received positive support from the neighborhood, Stonebrook Community Church, and community overall. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.





To: Mayor & City Council

From: Ameilia Schoeneman, Planning & Housing

Date: September 9, 2025

Subject: Release of Financial Security

On November 14, 2023, in conjunction with a Boundary Line Adjustment, the City Council granted a deferral of sidewalk installation at 4004 and 4008 Cochrane Parkway. The property owners posted financial security with the City. The Sidewalk has now been completed, and the financial security in the amount of \$3,073 can now be released.

The attached memo provides further details regarding this request.

ATTACHMENT(S):

4008 Cochrane Sidewalk Release.pdf





To: Renee Hall, City Clerk

From: Amelia Schoeneman, Department of Planning & Housing

Date: September 3, 2025

Subject: Release of Financial Security for Amy and Corey Schmidt Sidewalk, 4004

and 4008 Cochrane Parkway

On November 14, 2023, in conjunction with a Boundary Line Adjustment, Council granted a deferral of sidewalk installation at 4004 and 4008 Cochrane Parkway. Ames Municipal Code Chapter 23 Subdivisions requires the extension of a sidewalk when only partial frontage improvements exist prior to approval of a Boundary Line Adjustment. As an alternative to constructing an improvement prior to platting, deferral can be requested to postpone the sidewalk installation until after approval of a plat. Cash security covering the estimated cost is to be provided.

As part of the initial deferral, the sidewalk's installation was to be completed within 13 months of the Planning Director's approval of the plat (by December 28, 2024). Construction was to occur concurrently with the construction of a pool.

Due to construction delays, the owners requested an additional nine-month deferral until August 28, 2025. This request was granted by Council on <u>December 10, 2024</u>.

The sidewalk has been completed and the installation approved. Please process the release of \$3,073 to:

Amy Schmidt 4008 Cochrane Parkway Ames, Iowa, 50014

Planning and Housing

Please let me know if I can provide additional information or assistance.

173

TTEM #: 24

DATE: 09-09-25

DEPT: CMO

COUNCIL ACTION FORM

<u>SUBJECT:</u> AMENDMENT TO ASSET CONTRACT WITH THE SALVATION ARMY FOR FY 2025/26

BACKGROUND:

Starting in FY 2024/25, The Salvation Army (TSA) has been providing emergency shelter through managing a hotel voucher program at a significantly larger scale than has been previously provided by the organization to meet community needs. In FY 2024/25, the City allocated \$130,000 for emergency shelter/hotel vouchers through the Analysis of Social Services Evaluation Team (ASSET) process. Story County allocated \$100,000 and United Way of Story County allocated \$16,228. For the 2024/25 fiscal year, TSA reported that 547 unique clients were served through the hotel vouchers.

For FY 2025/26, the City Council approved \$120,000 for emergency shelter at a unit rate of \$75.91, which includes 24 hours of shelter and one meal per person. Story County has approved \$88,000 for this service, and United Way of Story County has approved \$16,228. The City's current contract with TSA is included as Attachment A.

As of August 20, 2025, \$53,820.19 (approximately 45% of the annual allocation) of City funding has been expended and \$66,179.81 remains. Due to the year-round need for sheltering services, staff was concerned about the rate of expenditures, and, therefore, in early August requested TSA pause the hotel voucher program until the City and TSA develop and agree on a plan going forward.

Staff has been engaged in several conversations with TSA in August and attached is an amendment outlining additional requirements for the emergency shelter hotel voucher services. The contract amendment (attached) does not add any additional funds to any of the ASSET services TSA provides; however, it includes Exhibit B (see Attachment C) which provides additional requirements for TSA's emergency shelter services to be reimbursable by the City.

The key elements include:

- 1. A payment/reimbursable schedule that outlines a schedule for the use of the remaining funds.
- 2. Criteria for eligibility for hotel voucher recipients and documentation requirements
- 3. Requiring TSA to develop or incorporate into its intake process for the hotel voucher program a process asking the potential recipients of the service a set of questions to learn more about their situation and needs. TSA would disclose this information to the City at an aggregate level for client confidentiality purposes.
- 4. Requiring TSA to develop an agreed upon form for hotel voucher recipients to opt out of

- allowing TSA to discuss their situation with service providers at the Homelessness Outreach Services Team meetings.
- 5. Requiring TSA to provide at an aggregate level the information outlined in number 3 above information for clients that were served through the hotel voucher program.

ALTERNATIVES:

- Approve the contract amendment to the ASSET contract with The Salvation Army for FY 2025/26.
- 2. Deny the amendment.

CITY MANAGER'S RECOMMENDED ACTION:

The City and TSA remain committed to serving the community through emergency temporary sheltering. The proposed amendment to the existing ASSET contract with The Salvation Army is an opportunity to outline expectations of the emergency shelter services program while establishing a schedule for expenditure of the remaining of hotel voucher funds for the rest of the fiscal year.

Additionally, the amendment includes a process for gathering information from participants receiving a hotel voucher that will be shared with the City at the aggregate level. This information has the potential to provide critical insight into community needs around sheltering, which can help inform policymakers for the future.

The needs for sheltering outweigh funding available, as homelessness is a nation-wide issue that is complex and difficult to address. This amendment will allow for the City and TSA to continue their partnership in assisting unsheltered individuals/families through the emergency sheltering/hotel voucher program. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ATTACHMENT(S):

Attachment A: FY2025-26 TSA Agreement.pdf

Attachment B: FY2025.26 TSA First Amendment.pdf

Attachment C: FY2025.26 TSA - First Amendment - Exhibit B.pdf

CONTRACT FOR HUMAN SERVICES OF AMES, IOWA

THIS AGREEMENT, made and entered into the 1st day of July, 2025, by and between the CITY OF AMES, IOWA, a municipal corporation organized and existing pursuant to the laws of the State of Iowa (hereinafter sometimes called "City") and The Salvation Army (a nonprofit corporation or governmental unit organized and existing pursuant to the laws of the State of Iowa and hereinafter called "Provider");

WITNESSETH THAT:

WHEREAS, the City of Ames has, by its City Council acting in open and regular session, determined that certain services and facilities to be provided to the City of Ames and its citizens by Provider, such services and facilities being hereinafter described and set out, should be purchased in accordance with the terms of a written agreement as hereinafter set out, in accordance with all applicable Federal, State, and Local laws or regulations, and

WHEREAS, the purchase of these services constitutes a public purpose by providing assisting with disaster assistance, food, rent and/or mortgage, utility services, hotel vouchers for temporary emergency shelter, vehicle maintenance and repair, and payee services for those requiring assistance with managing their finances;

NOW, THEREFORE, the parties hereto have agreed and do agree as follows:

I PURPOSE

The purpose of this Agreement is to procure for the City of Ames and its citizens certain services and facilities as hereinafter described and set out; to establish the methods, procedures, terms and conditions governing payment by the City of Ames for such services; and, to establish other duties, responsibilities, terms and conditions mutually undertaken and agreed to by the parties hereto in consideration of the services to be performed and monies paid.

II SCOPE OF SERVICES

Provider shall provide the services and facilities to the City of Ames and its citizens as set out in the Provider's 2025/26 ASSET proposal. The Provider's proposal is incorporated into and made part of this agreement by this reference and shall be considered Exhibit "A" of the agreement. Exhibit "A" is available for viewing by the public in the Ames City Clerk's office. The programs or services must conform to the standardized definitions used by the Analysis of Social Services Evaluation Team (ASSET), and unit costs must be consistent between all ASSET funders.

The cost per unit of service shall equal that proposed cost indicated in the Provider's ASSET Budget Forms. In the event that actual ASSET funds or other revenues differ from the

Provider's request, the cost per unit shall remain as requested, but the number of units provided shall be adjusted.

The City will be contracting for services at the cost per unit indicated, not to exceed the following amounts:

| SERVICE | COST PER UNIT | UNITS | AMOUNT |
|---|---------------|-------|-----------|
| Homelessness Prevention (Rent/Utility Assistance) | \$419.61 | 107 | \$45,000 |
| Food Pantry | \$179.58 | 144 | \$26,000 |
| Disaster Services | \$432.88 | 2 | \$1,200 |
| Budget Counseling - Rep Payee | \$18.04 | 1,164 | \$21,000 |
| Emergency Shelter (Hotel Vouchers) | \$75.91 | 1,580 | \$120,000 |
| Vehicle Maintenance & Repair | \$422.78 | 9 | \$4,000 |

III METHOD OF PAYMENT

- A. All payments to be made by the City of Ames pursuant to this Agreement shall be made on a reimbursement basis for services provided in amounts not to exceed those outlined in Section II above.
 - B. The City will disburse payment monthly on requisition of Provider.
- C. Requisitions for disbursement shall be made in such form and in accordance with such procedures as the Director of Finance for the City shall prescribe. Said form shall include but not be limited to an itemization of the nature and amount of services provided and must be filled out completely.
- D. The maximum total amount payable by the City of Ames under this agreement is \$217,200 as detailed in the SCOPE OF SERVICES (Section II of this contract), and no greater amount shall be paid.
- E. The Provider shall requisition for funds on a monthly basis. If Provider wishes to request disbursement of funds on other than a monthly basis, the Provider must request in writing that an alternate disbursement period be adopted and approved by the Director of Finance for the City. Provider shall have up to 90 days from the date that services are provided to request payment from the City. Any request made by Provider in excess of 90 days after services are provided shall be deemed a waiver by the Provider and the City shall have no obligation to pay for said untimely requests for payment. Failure to request reimbursement in a timely manner shall be grounds for termination of this agreement by the City.

IV FINANCIAL ACCOUNTING AND ADMINISTRATION

A. All monies disbursed under this Agreement shall be accounted for by the accrual

method of accounting or other generally accepted comprehensive basis.

- B. All services for which payment is claimed shall be supported by documentation evidencing in proper detail the nature and propriety of the charges. The City-provided claim form shall be completed and include the service name, the unit cost claimed for each service, and the client code where required. A client code shall be required for any service in which the individual has entered the program through a third party referral, intake process, personal application, or emergency response. Exceptions shall include one-time educational sessions, confidential telephone counseling, or where the identity and residency of a person cannot be reasonably determined. The Provider may assign whatever client code it deems appropriate, as long as it can be used to verify the client's Ames or Story County residency and participation in City-subsidized programs of service and/or sliding fee scale.
- C. All checks or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified as such and readily accessible for examination and audit by the City or its authorized representative.
- D. All records shall be maintained in accordance with procedures and requirements established by the City Finance Director, and the City Finance Director may, prior to any disbursement under this Agreement, conduct a pre-audit of record keeping and financial accounting procedures of the Provider for the purpose of determining changes and modifications necessary with respect to accounting for funds made available hereunder. All records and documents required by this Agreement shall be maintained for a period of three (3) years following final disbursement by the City.
- E. At such time and in such form as the City may require, there shall be furnished to the City such statements, records, reports, data, and information as the City may require with respect to the use made of monies disbursed hereunder.
- F. At any time during normal business hours, and as often as the City may deem necessary, there shall be made available to the City for examination all records with respect to all matters covered by this Agreement and Provider will permit the City to audit, examine, and make excerpts or transcripts from such records.
- G. Monies provided under this agreement shall not be used as matching funds for a grant to fund activities in any county other than Story County.
- H. If Provider's annual budget is over \$250,000, within six months of the end of the Provider's fiscal year the Provider shall submit to the City an annual financial audit prepared by an independent certified public accounting firm and a copy of IRS Form 990. If Provider's annual budget is \$250,000 or less, within six months of the end of the Provider's fiscal year the Provider shall submit to the City a copy of IRS Form 990 and a balance sheet prepared externally and independently. Failure to submit documentation in accordance with this section shall result in withholding payments under this contract. If withheld, payments may resume when required documentation is delivered to the City and City staff has had a reasonable period to review it.
- I. The Provider agrees to participate in the Clear Impact Scorecard outcomes measurement system, or an equivalent outcomes measurement system identified by the City. The provider shall identify a minimum of one (1) performance measure acceptable to the City, and shall regularly update the outcomes measurement system with the Provider's progress and achievements in relation to such outcome(s). The Provider shall not be entitled to payment from the City under this Agreement if the Provider has not provided updated progress and achievement reports to the City's satisfaction.

V DURATION

This Agreement shall be in full force and effect from and after July 1, 2025, until June 30, 2026. Provider will continue to provide services under this agreement for the entire term of the agreement, even if the City funds are exhausted prior to the end of the term of the agreement. The City Council may terminate this Agreement by giving written notice to the Provider at least sixty (60) days before the effective date of such termination. From and after the effective date of termination the City shall have no obligation to pay Provider for any services provided under this Agreement.

VI DISCRIMINATION PROHIBITED

In accordance with Chapter 14 of the *Municipal Code*, no person shall, on the grounds of age, race, color, creed, religion, national origin, disability, sexual orientation, sex, or gender identity be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Agreement.

IN WITNESS WHEREOF the parties hereto have, by their authorized representatives, set their hand and seal as of the date first above written.

| BY John Haila, Mayor | ATTEST: Renee Hall, City Clerk |
|---|---|
| 00 1 | Remoditant, Only Clerk |
| The Salvation Army BY Authorized Representative | Organization Address (please print): The Solvation Army 16755 BUF St. Complay NE 168 114 |
| Print Name: | Phone Number: |
| Major Scott Shelbourn Divisional Commander | 460-898-7700 |

AMENDMENT NO. 1 TO CONTRACT FOR HUMAN SERVICES BETWEEN THE CITY OF AMES AND THE SALVATION ARMY

WHEREAS, effective July 1, 2025, the City of Ames and The Salvation Army entered into an agreement for funding for social services to be provided by The Salvation Army through the City's ASSET program; and,

WHEREAS, the parties wish to amend the agreement by the City around "Emergency Shelter Services"; and

THEREFORE, the parties agree to amend their FY2025/26 prior agreement as follows:

- 1. Under Section II, "SCOPE OF SERVICES," pertaining to the category of services called "Emergency Shelter Services" is added:
 - Emergency Shelter Services will follow the process and schedule outlined in Exhibit B.
- 2. Under Section III, "METHOD OF PAYMENT", Paragraph A is stricken and replaced with the following:
 - "A. All payments to be made by the City of Ames pursuant to this Agreement shall be made on a reimbursement basis for services provided in amounts not to exceed those outlined in Section II above and following the schedule, if specified, as outlined in Exhibit B.
- 3. All other provisions of the original agreement remain in full force and effect.

IT WITNESS WHEREOF, the parties hereto have, by their authorized representatives, set their hand and seal:

| CITY OF AMES, IOWA | ATTEST: |
|--------------------------|--------------------------|
| BY: John A. Haila, Mayor | Renee Hall, City Clerk |
| Date signed: | Reflect Hall, City Clerk |
| [Continued on next page] | |

Page 2 Amendment to agreement between City of Ames and The Salvation Army.

| THE SALVATION ARMY (AGENCY) | Organization Address (please print) |
|-----------------------------|-------------------------------------|
| BY: | |
| Print Name and Title: | Phone Number: |
| Date signed: | |

EXHIBIT B: Contract for Human Services Between the City of Ames and The Salvation Army

Emergency Shelter Services Guidelines

Payment Schedule:

Below is a payment schedule. Any funds not expended in the payment period will automatically be carried over to the next period throughout the term of this contract, which ends June 30, 2026.

| Payment Period | Unit Rate | Units per Period | Amount |
|-------------------------|-----------|------------------|-------------|
| 1 – September – October | \$75.91 | 88 | \$6,680.08 |
| 2 – November – February | \$75.91 | 608 | \$46,153.28 |
| 3 – March – June | \$75.91 | 175 | \$13,284.25 |

Beginning September 2025, when providing hotel vouchers, the provider agrees to

- 1. Use the following criteria to determine eligibility for the voucher:
 - a. 30-day City of Ames residency
 - b. Verified referral or documentation (to be provided with reimbursement claims) by HOST, ACCESS, Romero House, Mary Greeley, The Bridge Home, or other local service providers as agreed upon by the City and The Salvation Army.
 - c. Recepient of voucher attests in writing to being unsheltered (to be provided with reimbursement claims)
 - d. Prioritization based on vulnerability

a. Do you legally own a home? Yes/No

- 2. Complete the reimbursement claim form per the claim's instructions
- 3. Develop or incorporate into its intake process for the hotel voucher program a process asking the recipients of the hotel vouchers for the following information, informing recipients of hotel vouchers that this following information will be disclosed to the funders at the aggregate level:

| b. | Current Living Situation (identified by the client): |
|----|--|
| | ☐ Medical Vulnerability |
| | ☐ Unsheltered (e.g., street, car, encampment) |
| | ☐ Emergency Shelter |
| | ☐ Couch-surfing/Temporarily staying with others |
| | ☐ Prefer not to answer |
| | ☐ Other: |
| | 7.0.11 |
| c. | Referral Agency |
| | Agency Name: |

Referring Staff Name:

| d. | Client Request Details |
|----|---|
| | • Date of Request: / / |
| | • Requested Check-in Date: / / |
| | • Length of Stay Requested: nights |
| | • Employed? Yes or No. If yes, how many hours per week: |
| e. | Urgent Need / Reason for Request (identified by the client): |
| | ☐ Medical Vulnerability |
| | ☐ Extreme Weather |
| | ☐ Safety/Domestic Violence |
| | ☐ Recent Displacement |
| | ☐ Prefer not to answer |
| | ☐ Other: |
| f. | Please list the barriers you are experiencing in trying to secure housing (identified |
| | by the client): |
| | |

- 4. Develop an agreed upon consent form required for hotel voucher recipients to opt out of allowing The Salvation Army, abiding by HIPPA rules, to discuss their situation with the HOST service providers to see if additional care coordination and services can be provided to support the client while unhoused. This form must be shared with the City upon request.
- 5. Provide to the City within 30 days following the end of each payment period the information outlined in number three (3) for clients served through the hotel voucher program for the previous period (the period that most recently ended). This information shall be provided at an aggregate level.

Item No. 25 **MEMO**



To: Mayor and City Council

From: City Clerk's Office

Date: September 9, 2025

Subject: Developer Incentive Requests

Please see the attached staff report and supplemental materials regarding the Developer Incentive Requests.

ATTACHMENT(S):

Incentives Staff Report Sept 9th.pdf

- 1 Attachment Response Auburn Trail.pdf
- 2 Attachment Response Domani I.pdf
- 3 Attachment Response Greenbriar.pdf
- 4 Attachment Response The Bluffs at Dankbar.pdf
- 5 Attachment Development Project Overviews.pdf
- 6 Attachment Development Incentive Maps for Pioneer & Oversizing.pdf

Staff Report

DEVELOPER INCENTIVE REQUESTS

September 9, 2025

BACKGROUND:

City Council reviewed a <u>staff report at its May 27 meeting</u> describing recent incentive requests totaling approximately \$10 million for residential developments within Ames. At this meeting staff presented the following questions in effort to guide the Council in prioritizing the incentive requests:

- 1) What types of development issues should receive City financial assistance?
- 2) What type of land use (single family, multi-family, commercial) should be prioritized, if any, when determining who would receive financial assistance?
- 3) Should there be priority given to near-term housing opportunities (for example, within three years) to receive financial assistance?
- 4) What is the maximum amount of financial assistance to which the Council would be willing to commit to each year to accommodate the developers' requests? (By total amount or by each fund)

Although the Council did not address these questions directly, it did request additional information to help prepare for a continued discussion of the request. Therefore, staff generated the following questions for the developers:

- 1) Are there any community benefits that extend beyond the boundary of the project? (Example was given at the meeting of a water buyout applying only to the project, but completing a missing street connection could benefit other areas?
- 2) What aspects of the project address City Council goals beyond land use development goals, such as the Climate Action Plan initiatives, sustainability, varied price points of housing, affordable housing, rental vs. ownership housing opportunities?
- 3) What is the estimated incentive cost per dwelling unit within the project?
- 4) Are the incentive requests immediate needs to start a project or long-term needs of the project over the many years of buildout?
- 5) What is the projected return on investment for the initial phase(s) as well as the overall development returns?

- 6) Are there changes to zoning standards that would increase yield and reduce incentive requests?
- 7) Some developers requested ending the single-family ownership housing tax abatement program that was requested last year and allowing for a developer TIF rebates instead. What is the benefit of changing from a property tax abatement incentive to a developer TIF incentive?

Developers for Domani I, Greenbriar, Dankbar, and Auburn Trail provided responses to questions 1-7. The responses are included in Attachments 1, 2, 3, and 4. The developer of Hayden's Preserve did not reply.

In addition to these seven questions for the Developers, staff identified another important policy question to be examined by the City Council. This question, researched by staff and addressed within the report, is below:

8) What are other communities' approaches to incentivizing development?

This report includes: 1) the original development description and development incentive requests from the May Council meeting, additional information provided by developers in response to Council questions, 2) a summary by staff of short-and long-term costs by funding source, and 3) proposed infrastructure categorization of Pioneer Infrastructure and Oversizing.

PROJECT SUMMARIES:

Attached to the report is a project location map and identification of the specific requests for each project (Attachment 5). The following is a summary of each project and their total financial request. The descriptions have been updated since May, as appropriate.

Hayden's Preserve

This development is a 170-acre site with Master Plan approval for up to 620 units. The developer intends to propose increasing the total units of this site to approximately 660 units with a split of approximately 550 single family and 110 multi-family, along with 5.5 acres of commercial. The single family is a combination of townhomes and detached single family. The developer was focused on a large first phase development concept that could include 50 detached lots, 176 townhomes, and 110 apartment dwellings.

It should be noted that staff was notified at the beginning of August that the current owner has put the property up for auction. The developer indicated that their request for assistance would still be important to whomever the future developer of site would be and, therefore, wanted their requested incentives to continue to be considered by Council.

The developer's total ask is estimated at \$3.5 million to \$4.7 million, depending on rural water territory buyout calculations. The developer indicates that this level of financial support is needed to make development of the site competitive with sites they are developing in other communities.

Auburn Trail

This development is 70 acres on the west side of Hyde with a master plan approval for 181 single family dwellings. The developer intends to increase density to approximately 200 units. Details regarding the first phase of development are unknown at this time.

The developer's total direct ask is estimated at \$486,000 to \$736,000, depending on rural water territory buyout calculations. They also indicate that there is potentially an additional financial gap depending on the final layout of the project and total number of units to be developed.

Since May, Staff has reviewed a revised layout for the site the developer believes improves the financial viability of the site. The developer noted in their responses that based upon their recent subdivision layout updates, their request is now at the lower end of the requested incentive range, \$486,000.

Greenbriar

This development is a 150-acre site that is currently under consideration for annexation. The City Council has directed staff to address infrastructure improvements related to sewer, roads, and open space with a development agreement at the time of rezoning.

No land use plan for development has yet been approved for the site. Based upon the Ames Plan 2040 designations, it will include commercial, multi-family, and single family attached and detached homes. Staff estimates the plan may include 450+ dwelling units, split between 250 multi-family units and 200 single family units, plus 5-8 acres of commercial land.

Development of the site requires extension of an east/west sewer from Hyde Avenue that is related to the Hayden's Preserve project timing. The overall timing of Greenbriar and the sewer extension is unknown.

The developers have indicated that a first phase of single-family homes could be started next year without the Hyde trunk line extension if a "slip lining" project for an existing sewer segment in Moore Memorial Park is completed independent of the Hyde sewer extension. Staff estimates the slip line project would cost \$250,000 and could increase the capacity of this existing line to serve the southwest quadrant of the site, which may yield capacity for 100+ single family housing units.

The developer's total direct ask is estimated at \$4.3 million, plus additional park development costs that are not yet estimated. Additionally, the developer believes that even with the requested infrastructure assistance that the project is not financially feasible without an opportunity to generate a 20% return on investment of the land development. Therefore, they claim that a TIF rebate may also be required to develop the project.

Bluffs at Dankbar Farms Corner Outlot

This site is 20 acres in size and has been recently approved for rezoning of 6 acres of commercial and 14 acres for a Senior/Assisted Living facility.

The current development agreement for this site requires turn lane improvements on Cameron School Road and G.W. Carver Avenue at the developer's cost. The site is also subject to a sanitary sewer capacity limitation.

The developer's direct ask is estimated at \$1.2 million to complete turn lanes along Cameron School Road and GW Carver Avenue. Because of the existing agreements, the developer is required to make these improvements with the next Bluffs plat and development of the corner site, which is anticipated to be within the upcoming year. The developer indicates that the City assistance would facilitate a quicker rate of development for their project and potentially the Bluffs to the west.

Domani I

The project has an approved PRD plan that is partially built out. The extension of Cottonwood is triggered with the next phase of development. The current development agreement requires the extension at the expense of the developer. The remaining two phases include 11 additional Domani lots and 12 custom home lots for a total of 23 lots.

The developer's direct ask is estimated at \$371,000 for the cost of the Cottonwood extension as a 31-foot residential collector street.

Ansley

Ansley is an approved Planned Unit Development with 170 residential lots. The approved development is a mix of attached and detached single family dwellings with one site intended for a commercial building. As part of the original subdivision approval, City Council agreed to waive the developer's responsibility to pave ½ of Cedar Lane with the other half to be paid for by ISU. ISU had inherited the partial paving obligation from buying land on the west side of Cedar Lane that was subject to development agreement with the City.

While a development agreement has yet to be formally approved by the Council, the waiver includes stipulations that Ansley's engineers provide road construction plans to the City at the time of a future final plat to then allow for improvement of Cedar Lane at a time of the City's choosing. The estimated cost to the City for half of the roadway was \$250,000.

FINANCIAL CATEGORIES:

The developers' "ask" for incentives is based upon their financial need in relation to their desired return on investment. They proposed specific cost savings in relation to Water, Sewer, Roads, Trails, and Parks improvements. In some cases, the requests are to waive water and sewer connection fees and, in other cases, their request is for the City to directly spend funds.

Staff has prepared below a summary by "Funding Source" of the total requests, including the previous Ansley approval. Attached are tables broken down by project for each source of funding. Ultimately, Council will want to consider the financial impacts to the various funding sources as well as the total dollar amount requested.

Table 1. Total of All Six Developer Incentive Requests by Source

| Incentive | Source | Total | Years 1-3 | Year 4+ |
|---------------------------|------------------|-------------|-------------|-------------|
| Category | | Requests* | Projected | Projected |
| Sewer | Sewer Utility | \$475,044 | \$154,006 | \$321,038 |
| Connection Fee | | | | |
| Waive | | | | |
| Water Connection | Water Utility | \$60,804 | \$18,241 | \$42,563 |
| Fee Waive | | | | |
| Road/Signals Fee | Road Use Tax | \$291,000 | \$291,000 | \$0 |
| Collection Waive | | | | |
| Sub-Total Waived | | \$826,848 | \$463,247 | \$363,601 |
| Trail Construction | LOST | \$250,000 | \$ 250,000 | \$0 |
| Rural Water | Water Utility | \$1,410,000 | \$ 430,100 | \$979,900 |
| Buyout# | | | | |
| Road | GO Bonds | \$5,391,000 | \$3,341,000 | \$2,050,000 |
| Construction | (Property Taxes) | | | |
| Water | Water Utility | | | \$0 |
| Construction | | | | |
| Sewer | Sewer Utility | \$1,802,000 | \$1,802,000 | \$0 |
| Construction | | | | |
| Parkland | LOST | \$265,000 | | \$265,000 |
| Acquisition | | | | |
| Sub-Total New | | \$9,118,000 | \$5,823,100 | \$3,294,899 |
| Total | | \$9,944,848 | \$6,286,347 | \$3,658,501 |

^{*}Constant dollars based upon developer estimates, costs may be greater at the time of construction

Assumes renegotiated buyout fee for Hayden's Preserve and Auburn Trail at \$4,000 per acre. Greenbriar already has a buyout figure of \$3,000 per acre.

Table 2. Summary Of Developer Incentive Request By Source

| | <u> </u> | | | | | |
|-------------------------------------|----------|-------------|--------------------|-----------|-------------------|-----------|
| | Tot | al Requests | Projected Years 1- | | Projected Year 4+ | |
| Sewer Utility | \$ | 2,277,044 | \$ | 1,956,006 | \$ | 321,037 |
| Water Utility | \$ | 1,470,804 | \$ | 448,341 | \$ | 1,022,462 |
| Road Use Tax | \$ | 291,000 | \$ | 291,000 | \$ | - |
| Local Option Sales Tax (LOST) | \$ | 515,000 | \$ | 250,000 | \$ | 265,000 |
| GO Bonds (Property Taxes) | \$ | 5,391,000 | \$ | 3,341,000 | \$ | 2,050,000 |
| Totals | \$ | 9,944,848 | \$ | 6,286,347 | \$ | 3,658,501 |

NOTE: There remain approximately \$2,7748,750 of Federal ARPA monies that are available to fund some of the requests.

DEVELOPMENT PHASES:

Based upon developer responses, staff estimated the following costs for each project and unit production for three years. The three-year average would be nearly 110 units a year. These figures are specific to the developments requesting incentives. Other housing could also be developed on infill sites elsewhere in the City and within other previously platted subdivisions.

Table 3. Development Costs and Phases

| Name | Buildout | Buildout | Buildout | Years 1- | Years 1-3 | Years 1-3 | Years |
|---|--|-------------|--|----------|-------------|-----------|-------|
| Humo | SF/MF Est. | Total | Total | 3 SF/MF | Total Costs | % of | 1-3 % |
| | Units | Incentive | Cost Per | Units | Total Goots | Incentive | of |
| | Omto | Request | Unit | O into | | Total | Units |
| | | rtoquoot | S.I.I. | | | rotar | Built |
| Hayden's Preserve | 660 | \$3,534,748 | \$,5355 | 125 | \$2,782,824 | 79% | 19% |
| Auburn Trail | 180 | \$486,000 | \$2,700 | 75 | \$223,600 | 46% | 42% |
| Greenbriar | 450 | \$4,103,100 | \$9,112 | 75 | 1,708,923 | 42% | 17% |
| Dankbar | Assisted | \$1,200,000 | NA | -0- | \$1,200,000 | 100% | NA |
| Farms at | Living and | | | | | | |
| the Bluffs | Commercial | | | | | | |
| Domani I | 23 new lots (original project total 63 units) | \$371,000 | \$16,100 (\$5800 for total units) | 25 | \$371,000 | 100% | 75% |
| Ansley Council previously agreed to waiver of Cedar Ln paving | 162 remaining lots (original PUD approval for 170 units) | \$250,000 | \$1,470 | 25 | -0- | 0% | 25% |
| Total | 1,475 | \$9,944,848 | \$6,742 | 325 | \$6,286,347 | 63% | 22% |

PIONEER AND OVERSIZED INFRASTRUCTURE:

Ames Plan 2040 discusses growth policies and infrastructure needs within the Growth and Land Use Chapter. The Plan describes the concepts of pioneer infrastructure and oversizing of infrastructure to serve long term growth. No specific policy is established in the Ames Plan 2040 as the timing and costs of infrastructure improvements were not predictable, making it a decision of future Councils on how to proceed with infrastructure related to growth.

Staff would define the infrastructure described in Plan 2040 as follows:

<u>PIONEER INFRASTRUCTURE</u> consists of the large-scale improvements needed to serve large areas of land consistent with growth areas of Ames Plan 2040. Such infrastructure may fill a gap in development or be a type of improvement that must be coordinated with multiple developments in one phase. Typically, Pioneer Infrastructure would be pre-planned and included by the City Council within the 5-year CIP.

Funding of Pioneer Infrastructure is dependent upon budgeting decisions of the City Council on an annual basis. Pioneer Infrastructure costs may be recaptured in whole or in part through property assessments, connection districts, and in-lieu-of fees. In some cases, there may be no recapture of costs by the City.

Examples of Pioneer Infrastructure include the recent water and sanitary sewer investments made by the City for the east, west, and south that either filled a gap or allowed for development opportunities for multiple properties. These recent improvements were financed with one-time ARPA funds.

Another example of Pioneer Infrastructure would include paving of a gravel road in two situations. The first situation includes paving a road when its improvement is beyond the scope or scale of any one project and there is a benefit to multiple development sites. The second situation may be that a limited amount of frontage is improved along a longer gravel road that does not connect to other paved roads and it would not be an improvement of long-term value.

<u>OVERSIZING</u> is a more common infrastructure policy intended to help defray the cost of infrastructure that is sized beyond the immediate development project need, in order to serve other properties in the future.

Examples include increased pipe diameter, pipe depth, road width, and road thickness. Other features of roads such as bike lanes and traffic calming could be included within this category to implement complete streets policies. Typically, these costs are 20-30% of the project construction costs.

For oversizing, the City has paid for the share of excess cost related to the greater dimensions through completing off-setting projects, since payment to the developer is not allowed for a public improvement.

The AEDC Taskforce letter discussed in December 2023 referenced a need for the City to consider support for pioneer and oversized infrastructure. The letter urged a broad view

of Pioneer Infrastructure that included potentially widening of roads for turn lanes and intersection improvements that otherwise might be viewed as development impacts. This would relate to turn lanes on Hyde and for GW Carver as requested by developers.

In review of the developer requests, staff believes that some of the infrastructure requests clearly fit within the concept of Pioneer Infrastructure and Oversizing as described above. The following table identifies these projects and estimated costs. Attachment 6 includes a map of these projects.

Table 4. Proposed Pioneer and Oversizing Projects

| Immerayanant | Davelenment Draiget | Diamage Fot | Oversining Fet |
|-------------------------|---------------------|--------------|-------------------|
| Improvement | Development Project | Pioneer Est. | Oversizing Est. |
| | Affected | Cost | Cost (% of total) |
| Hyde Avenue Trail- | Hayden's Preserve & | \$1,000,000 | |
| Harrison to 190th | Auburn Trail | (100%) | |
| East/West Sewer -Hyde | Hayden's Preserve & | \$1,500,000 | |
| to under the Rail Road, | Greenbriar & | (100%) | |
| could be considered | AGCC/Irons | | |
| pioneer or as partially | | | |
| oversizing | | | |
| Sewer Slip Lining | Greenbriar | \$250,000 | |
| | | (100%) | |
| Stange Road Extension | Greenbriar | | \$540,000 |
| (assumed constructed in | | | (30%) |
| phases and not at one | | | |
| time) | | | |
| Cameron Traffic Signal | Greenbriar/ Dankbar | | \$250,000 |
| | | | (50%) |
| Cottonwood Extension | Domani I | | \$92,750 |
| | | | (25%) |
| Total | | \$2,750,000 | \$882,750 |

The Hyde Trail is part of the Hayden's Preserve request for the City to take over the obligation to construct an off-site trail across the Sturges and Iowa Natural Heritage Foundation (INHF) property frontage at an estimated cost of \$250,000. The remaining segments are to be built by the developers of Hayden's Preserve and Auburn Trail. However, staff proposes that the entire project from Harrison to 190th be categorized as a City Pioneer Infrastructure project rather than just the one segment as requested, to avoid piecemealing.

The East/West Sewer project is unique because of the Hayden's Preserve Development agreement with the City. The current development agreement requires the majority of the extension to be completed by the developer at their cost as they develop. In this scenario it appears it would be a very long wait for the sewer line to be constructed and reach the west property line at the railroad where it would then cross to Greenbriar. Additionally, as originally contemplated, this was an extremely deep sewer that was not in a desirable location, creating challenges both for the developer and the City staff who would be required to maintain it.

Staff has investigated an alternate route south of Hayden's Preserve that crosses through INHF land before then going through the southern portion of Hayden's Preserve and then under the railroad to the Greenbriar site.

To accomplish this new sewer line route, an easement would be required from INHF and Hayden's Preserve. Preliminary discussions with INHF indicate this is possible. Hayden's Preserve would also have to agree to an alignment and easement to allow for this Pioneer Infrastructure project to proceed. A portion of the sewer through INHF would clearly be Pioneer Infrastructure as closing a gap, while the remaining length could be viewed as Pioneer Infrastructure by serving two developments similar to the recently built sewer extensions to the south and west.

HOW OTHER CITIES ADDRESS INFRASTRUCTURE EXTENSION IN GROWTH AREAS

City Council requested information about how other cities address infrastructure extensions for planned growth areas. Not all cities have the same utility and water territory issues as Ames, which complicates comparisons. From staff's experience there is wide range of practices, from no City financial assistance to substantial financial assistance (either directly or indirectly). At the time of the Council's consideration of the city-wide tax abatement program, staff discussed incentives being offered by various cities. Generally, smaller cities were more inclined to offer incentives and larger communities did not offer residential incentives to developers.

With that said, staff has a good understanding of how Ankeny and Waukee, two of the fastest growing cities, approach development.

<u>Ankeny</u>

Ankeny will make "Pioneer" infrastructure investments as part of its CIP for roadways, water, and sewer. The city does not provide direct incentives to residential developers. Pioneer roadways are commonly constructed by Ankeny and an assessment is applied to abutting properties, which, depending on timing and whether it is an agriculture use, may or may not be partially recouped by the City based upon terms of state law.

Ankeny also will provide financial assistance in limited situations for culverts, but the financial support depends on timing and budgeting in response to a developer's request.

Ankeny utilizes connection districts for water and sewer extensions where the city is reimbursed from fee payments when a connection is made to its systems. Ankeny will contribute to oversizing credit when applicable for water and sewer infrastructure. While Ankeny does not have rural water territory that requires buyouts, it does require park dedication or in-lieu-of fees with each subdivision.

Waukee

Waukee does not directly incentivize residential development and has variable policies about extending infrastructure and oversizing. Waukee is generally similar to Ankeny, but does not appear to have as proactive of a roadway improvement program at this time.

Waukee has used commercial TIF to fund arterial street extensions that could benefit growth areas, but does not utilize residential TIF. Waukee will assist in large box culvert costs for stream crossings. Water territory buyouts do apply in Waukee, but the cost is based on the depreciated value of rural water infrastructure, not on territory buyout acreage basis.

Waukee does have a park dedication requirement.

Overall, it appears that there is some investment by communities in Pioneer Infrastructure and Oversizing, but it is guided primarily by each city's own planning and budgeting with some costs recouped through assessments and connection fees.

POSSIBLE OPTIONS:

1) The City Can Pay For The Cost Of Oversizing Projects As Described in Table 4 Of This Report

With staff's categorization of Oversizing, \$882,750 or 9% of the overall developer requests are addressed with the City assuming responsibility for the projects as shown in Table 4. These costs would be primarily allocated to utility funds, the Local Option Sales Tax Fund, and the General Fund through General Obligation bonds financed by property taxes.

2) The City Can Provide The Remaining ARPA Monies To Fund The Developers' Incentive Requests

With the City's \$2,748,750 of remaining ARPA funding, 28% of the developers' incentive requests will be addressed. This is the same source of funding that was used recently to pay for Pioneer Infrastructure to the Ames 2040 Plan growth areas.

These funds can be directed towards any of the individual developer infrastructure requests.

3) The City Can Pay For The Cost Of Pioneer Infrastructure Projects As Described in Table 4 Of This Report

With staff's categorization of Pioneer Infrastructure, \$2,750,000 or 28% of the overall developer requests are addressed with the City assuming responsibility for the projects as shown in Table 4. These costs would be primarily allocated to utility funds, the Local Option Sales Tax Fund, and the General Fund through General Obligation bonds financed by property taxes.

4) Short-Term Incentive Option

An additional option would be to create a short-term stimulus program for development based TIF rebates. This approach would allow developers to rely

on TIF rebates that they generate through their own development to fill their financial gaps that are not addressed by one of the other options.

In this model, regardless of verifying the financial need for additional funding incentives, the City would establish a short-term policy to reward developers that are able to develop property quickly for single family residential development to maximize their benefit of receiving TIF incentives. To promote this option, the recently approved single family tax abatement program would have to end sooner for those new developments that receive the TIF incentive.

Staff patterned this option after the current 5-year sliding scale abatement program for single-family, owner-occupied homes. The proposal is to allow for 100% of TIF generated from a single-family home value, up to a \$300,000 per unit, to be rebated to a developer for a period of five years from when the home is completed. Eligibility would only be for homes built in the next three years as short-term stimulus. This option would generate approximately \$16,375 of developer value per single family home over five years. The cost to the City of lost tax revenue over five years would be similar to that of the current abatement program for a \$300,000 house.

Approval of the TIF Rebate would require a negotiated development agreement that addresses the developers' required master plans for uses and identifies phasing of construction of infrastructure needed for the long-term buildout of the project.

The intent of the rebate is to assure some of the needed <u>infrastructure</u> is built concurrently with development and it is not solely an increase in profits for a first phase of development. The TIF rebate policy would only apply to development within the Plan 2040 Growth Areas.

4) Do Not Offer Any Additional Incentives To Spur New Residential Development

STAFF COMMENTS:

- Due to the substantial amount of requested financial incentives and inability to verify developer needs for assistance, staff finds it difficult to assume that increasing utility rates and property taxes to cover all of the requests will be palatable to City Council.
- The City Council must decide which developers should receive incentives and how much should they receive. Even with this guidance, staff believes the City Council will need to identify the timing to grant the incentives in accordance with the guidelines established each year for the budget/CIP.
- It would appear fair that a developer is not asked to pay for the extra cost to construct roads, sewers, or water mains that are oversized to serve other developments.

• Since some of the larger cities in the state pay for Pioneer Infrastructure projects, it appears appropriate for the Council to also provide this incentive.

However, in order to avoid a misunderstanding as to which project is considered Pioneer Infrastructure, the City must identify which projects qualify, which staff has done in Table 4.

In addition, even some of the larger cities require the developer to pay a portion of the Pioneer Infrastructure projects. It will be up to the City Council to decide what, if any, portion of the Pioneer Infrastructure project cost should be assigned to the developer.

- Given these six developments are projected to yield 1,475 residential units, the incentive package being offered should not be viewed as a precedent for all future residential developments.
- The City Council can decide to combine some of the options identified above.
- There has been no information offered to reflect how the incentives being requested will help reduce the cost of housing.
- The ARPA funds can be utilized to either reduce the cost of the City's obligations for building infrastructure or the developers' obligations.
- Should the Council wish to expedite the construction of new residential housing units, the project to slip-line the sanitary sewer in Moore Memorial Park has the ability to immediately facilitate the construction of 100+ housing units at a relatively low cost (\$250,000) compared to other developer incentive requests.

1. Are there any community benefits that extend beyond the boundary of the project? (Example was given at the meeting of a water buyout applying only to the project but completing a missing street connection could benefit other areas, It's possible not all projects will have a benefit.)

Yes, the project provides a community benefit beyond its boundaries by enhancing protections for the Ada Hayden watershed. The development will implement stormwater management practices and environmental standards that are significantly more protective than those associated with traditional row crop agriculture. These improvements will help reduce nutrient runoff and preserve water quality, benefiting not only the immediate site but also the broader Ames community that relies on the Ada Hayden watershed as a critical resource.

2. What aspects of the project address City Council goals beyond land use development goals, such as the Climate Action Plan initiatives, sustainability, varied price points of housing, affordable housing, rental vs. ownership housing opportunities?

The project supports several City Council goals beyond traditional land use development, particularly in the areas of sustainability, housing diversity, and energy efficiency.

Energy Efficiency & Climate Action Plan: All homes will be built to significantly higher energy efficiency standards than the current average of Ames' existing housing stock. This will help reduce greenhouse gas emissions and support the goals outlined in the City's Climate Action Plan.

Sustainability: By incorporating modern building practices and efficient home systems, the project promotes long-term environmental sustainability and reduced energy consumption.

Housing Diversity & Affordability: The development will offer a range of housing options across 3 price categories, creating opportunities across a range of demographics and price points.

Ownership & Rental Opportunities: The project will likely include both rental and owner-occupied units, addressing the needs of different household types and supporting greater housing choice within the community.

3. What is the estimated incentive cost per dwelling unit within the project?

Based on the most recent conceptual layout, if the City is successful in renegotiating the Xenia water buyout agreement to align with the Greenbriar rates, the estimated incentive cost savings would be approximately \$1,481 per dwelling unit.

4. Are the incentive requests immediate needs to start a project or long terms needs of the project over the many years of buildout? (Essentially please address phasing of the developments to understand timing and cost of when assistance is needed for the project and what it takes to get it started)

The incentive request related to the Xenia buyout agreement is an immediate need tied to the initial phase of the project. Renegotiating the agreement does not require a financial contribution from the City but would need to be addressed prior to approval of the first final plat. Taking this step early would help remove a key barrier to getting the project underway.

5. What is the projected return on investment for the initial phase(s) as wells as the overall development returns?

As with most developments, the initial phases are expected to carry a negative return due to upfront infrastructure and entitlement costs. Our objective is to achieve a return that is reasonable in relation to the level of risk involved. However, given the uncertainty of long-term lot demand and broader economic conditions—such as the potential for a recession—it is not possible to accurately project the return on investment over the full buildout period at this time.

6. Are there changes to zoning standards that would increase yield and reduce incentive requests?

Yes, we are currently working with City staff on a layout that allows lots along the spine road. We believe that this change—combined with a successful renegotiation of the Xenia water agreement—will significantly improve project feasibility and reduce the need for additional incentives, enabling us to move forward with development.

7. Some developers requested ending the single-family ownership housing tax abatement program that was requested last year and allowing for a developer TIF rebates instead. What is the benefit of changing from a property tax abatement incentive to a developer TIF incentive?

The original single-family property tax abatement program had several limitations and, as initially implemented, did not achieve the desired impact on homebuyers. In contrast, transitioning to a developer-based Tax Increment Financing (TIF) incentive offers several key advantages:

- **Better Alignment with Infrastructure Needs:** A developer TIF provides more direct support for funding essential infrastructure improvements—critical for getting projects underway.
- Flexibility and Administrative Efficiency: TIF is a more flexible tool that is generally easier for the City to administer compared to individual property tax abatements, which can be complex and less predictable in their impact.
- Accelerated Project Timelines: TIF incentives can help move projects forward more quickly by eliminating the need for the City to pre-fund infrastructure through its Capital Improvements Program (CIP).
- **Performance-Based Benefit:** TIF is only paid out if the development is successful and results in increased property tax revenues. This ensures the City receives a return on its investment while supporting growth.
- **Difficult to Measure Current Abatement Impact:** Given recent economic conditions and market slowdowns, it has been challenging to measure the effectiveness of the current tax abatement program, further supporting the need for a more impactful and responsive tool like TIF.

- 1. Are there any community benefits that extend beyond the boundary of the project? (Example was given at the meeting of a water buyout applying only to the project but completing a missing street connection could benefit other areas, It's possible not all projects will have a benefit.) It seems to me that the goal of the City is to divert traffic to University in the most expedient way. The completion of Cottonwood would certainly meet this objective. Having a second exit from Cedar to University is overdue. I believe this will create a much more desirable/safer thoroughfare for people in the Ringgenberg, Suncrest and Ansley subdivisions (as well as Domani). If left to complete Cottonwood based on current sales velocity and absorption (in a very challenged housing environment) will take 3-4 more years I estimate.
- 2. What aspects of the project address City Council goals beyond land use development goals, such as the Climate Action Plan initiatives, sustainability, varied price points of housing, affordable housing, rental vs. ownership housing opportunities? Domani is a new type of housing in Ames. It is generally homes on small lots for people 55 and older. It is a PUD housing development meaning significantly smaller lots than conventional development. PRD was not available to me at the time of development. This would have significantly changed my cost structure and I believe increased the absorption rate of sales.
- 3. What is the estimated incentive cost per dwelling unit within the project? Currently there are 33 lots left to develop in Domani. The total cost of completion of Cottonwood is \$370,496. Completion of just the paving and curb for Cottonwood is \$214,100. This means the impact to each of the 33 remaining lots in Domani would be a "contribution" of \$6,485 to \$11,227.
- 4. Are the incentive requests immediate needs to start a project or long term needs of the project over the many years of buildout? (Essentially please address phasing of the developments to understand timing and cost of when assistance is needed for the

project and what it takes to get it started). If required for funding, I will move up the development of the remaining lots from 3-4 years to 2026.

- 5. What is the projected return on investment for the initial phase(s) as well as the overall development returns? It will increase customer choice as I will open up 12 custom lots with the last 11 lots of Epcon housing. The 12 custom lots will open 7 lots sized 0.5-1.0 acres in size. This lot type is not currently offered in the area. My interest charges/holding costs will likely be equal to the reduction in expense for a contribution to completing Cottonwoods extension early.
- 6. Are there changes to zoning standards that would increase yield and reduce incentive requests? Yes, increased density would increase yield. However, when I met with the neighborhoods prior to development it was made abundantly clear to me that the neighbors were dead set against any type of rental property, especially attached or multi-family. Even though this area was a "buffer" from all the multi-family buildings on University and abbuting Domani, there was active resistance to "transition" from Residential High Density to Residential Low Density. In addition, the Burgason's would not allow the Epcon style housing bordering any portion of Ansley. This is the reason I have 12 full custom home lots at the south end of Domani. This is a typical example of why infill development is so difficult in Ames. I have developed 260 lots in Ames and most of it was infill.
- 7. Some developers requested ending the single-family ownership housing tax abatement program that was requested last year and allowing for a developer TIF rebates instead. What is the benefit of changing from a property tax abatement incentive to a developer TIF incentive? This is not of interest to me unless this is the only way forward.

 Are there any community benefits that extend beyond the boundary of the project? (Example was given at the meeting of a water buyout applying only to the project but completing a missing street connection could benefit other areas, It's possible not all projects will have a benefit.)

Yes, the project offers several community benefits that extend beyond its boundaries:

- Enhanced Watershed Protection: The development will implement stormwater and environmental standards that far exceed those of existing row crop production, improving the long-term protection of the Ada Hayden watershed.
- Catalyst for Off-Site Improvements: The project will trigger much-needed infrastructure upgrades at Cameron School Road and Stange Road, benefiting the broader transportation network.
- Improved Connectivity: By connecting Stange Road from Northridge Heights to Cameron School Road, the project will provide a new north-south route, easing traffic congestion on the southern portion of Stange Road and George Washington Carver.
- Sanitary Sewer Expansion: The project enables a sanitary sewer connection for existing development near the Ames Golf and Country Club, supporting responsible growth and improved service in that area.
- **Substantial Increase to Tax Base:** With an estimated \$300 million in new valuation, the project will significantly increase the City of Ames' tax base, helping to support city services and infrastructure over the long term.
- Potential Site for Public Safety Facilities: The project area may serve as a strategic location for a future fire station or outpost, which would improve emergency response times for residents on the north side of Ames.
- 2. What aspects of the project address City Council goals beyond land use development goals, such as the Climate Action Plan initiatives, sustainability, varied price points of housing, affordable housing, rental vs. ownership housing opportunities?

The project supports several City Council goals beyond traditional land use development, particularly in the areas of sustainability, housing diversity, and energy efficiency.

- Energy Efficiency & Climate Action Plan: All homes will be built to significantly higher energy efficiency standards than the current average of Ames' existing housing stock. This will help reduce greenhouse gas emissions and support the goals outlined in the City's Climate Action Plan.
- **Sustainability:** By incorporating modern building practices and efficient home systems, the project promotes long-term environmental sustainability and reduced energy consumption.
- Housing Diversity & Affordability: The development will offer a range of housing options across 5 to 6 price categories, creating opportunities across a range of demographics and price points.
- Ownership & Rental Opportunities: The project will include both rental and owner-occupied units, addressing the needs of different household types and supporting greater housing choice within the community.
- Neighborhood-Serving Commercial: Planned neighborhood commercial space at the intersection of George Washington Carver and Stange Road will provide local services and amenities, supporting walkability and daily convenience for residents.

3. What is the estimated incentive cost per dwelling unit within the project?

It is difficult to accurately estimate the incentive cost per dwelling unit without further guidance from the Council on the types and levels of support that would be considered. However, a preliminary estimate is in the range of \$10,000 to \$15,000 per dwelling unit.

4. Are the incentive requests immediate needs to start a project or long terms needs of the project over the many years of buildout? (Essentially please address phasing of the developments to understand timing and cost of when assistance is needed for the project and what it takes to get it started)

Several of the requested improvements are immediate needs required to initiate development, while others can be phased over time as the project builds out:

• Immediate Needs:

- Sanitary Sewer (South): Repairs in Moore Park must be completed before any development can occur in the southern portion of the site.
- Sanitary Sewer (North): A new connection to the east is required before development can begin in the northern portion.
- Traffic Improvements: Off-site improvements to Cameron School Road and George Washington Carver are likely needed in the early phases—within the first one or two phases of the project.

Longer-Term Needs:

- Stange Road Improvements: These can be phased over time and constructed incrementally as the project progresses and demand increases.
- Xenia Rural Water Buyout: The City's water utility fund could be used to purchase water service rights from Xenia, allowing the City to provide water service to new customers in perpetuity. This cost could be addressed over time.

This phasing approach allows for strategic investment in infrastructure aligned with the project's growth while addressing the most critical barriers to starting construction.

5. What is the projected return on investment for the initial phase(s) as wells as the overall development returns?

At this time, the project is projected to have a negative return overall, particularly in the initial phases. This is primarily due to the significant upfront infrastructure and development costs. While we aim for a return comparable to industry standards given the level of risk, current projections indicate a negative return.

We are seeking a partnership with the City to help make the project viable and allow it to move forward.

6. Are there changes to zoning standards that would increase yield and reduce incentive requests?

It is too early to determine whether changes to zoning standards would increase yield or reduce incentive requests, as the parcel is currently anticipated to be zoned RN-4. A more accurate assessment will be possible once the zoning designation is finalized and detailed site planning is underway.

However, based on our preliminary discussions with Planning staff, we are optimistic that through continued collaboration, we can identify opportunities within the RN-4 zoning framework to support a successful and viable project.

7. Some developers requested ending the single-family ownership housing tax abatement program that was requested last year and allowing for a developer TIF rebates instead. What is the benefit of changing from a property tax abatement incentive to a developer TIF incentive?

The original single-family property tax abatement program had several limitations and, as initially implemented, did not achieve the desired impact on homebuyers. In contrast, transitioning to a developer-based Tax Increment Financing (TIF) incentive offers several key advantages:

- **Better Alignment with Infrastructure Needs:** A developer TIF provides more direct support for funding essential infrastructure improvements—critical for getting projects underway.
- Flexibility and Administrative Efficiency: TIF is a more flexible tool that is generally easier for the City to administer compared to individual property tax abatements, which can be complex and less predictable in their impact.
- Accelerated Project Timelines: TIF incentives can help move projects forward more quickly by eliminating the need for the City to pre-fund infrastructure through its Capital Improvements Program (CIP).
- **Performance-Based Benefit:** TIF is only paid out if the development is successful and results in increased property tax revenues. This ensures the City receives a return on its investment while supporting growth.
- **Difficult to Measure Current Abatement Impact:** Given recent economic conditions and market slowdowns, it has been challenging to measure the effectiveness of the current tax abatement program, further supporting the need for a more impactful and responsive tool like TIF.

1. Are there any community benefits that extend beyond the boundary of the project? (Example was given at the meeting of a water buyout applying only to the project but completing a missing street connection could benefit other areas, It's possible not all projects will have a benefit.)

Yes, this request focuses on the offsite improvements that provide benefits well beyond the project boundaries. In particular, the lane widening being proposed improves traffic flow and safety, not just for future residents of the development, but for the broader traveling public. This improvement enhances connectivity in a designated growth area and aligns with long-term transportation planning goals.

While these enhancements serve a clear public interest, the cost burden is currently placed entirely on the developer, even though the benefits extend well beyond the project itself. A more balanced cost-sharing approach would better reflect the community-wide value of the improvements.

It is important to note that the property was originally going to be Luther Church of Hope. That was a tax exempt property. Now that it is going to be developed with commercial and residential focus-that is new tax dollars for the community.

2. What aspects of the project address City Council goals beyond land use development goals, such as the Climate Action Plan initiatives, sustainability, varied price points of housing, affordable housing, rental vs. ownership housing opportunities?

The Buffs Subdivision supports several City Council goals beyond traditional land use development, particularly in the areas of sustainability, housing diversity, and energy efficiency.

Energy Efficiency & Climate Action Plan: All homes will be built to significantly higher energy efficiency standards than the current average of Ames' existing housing stock. This will help reduce greenhouse gas emissions and support the goals outlined in the City's Climate Action Plan.

Sustainability: By incorporating modern building practices and efficient home systems, the project promotes long-term environmental sustainability and reduced energy consumption.

Housing Diversity & Affordability: The development will offer a range of housing options across 5 to 6 price categories, creating opportunities across a range of demographics and price points.

Ownership & Rental Opportunities: The project will include both rental and owner-occupied units, addressing the needs of different household types and supporting greater housing choice within the community.

Commercial Opportunities: There will be neighborhood commercial services at the intersection of GWC and Cameron School Road.

3. What is the estimated incentive cost per dwelling unit within the project?

It is difficult to accurately estimate the incentive cost per dwelling unit. It is fair to say that the incentive will accelerate building activity.

4. Are the incentive requests immediate needs to start a project or long terms needs of the project over the many years of buildout? (Essentially please address phasing of the developments to understand timing and cost of when assistance is needed for the project and what it takes to get it started)

This project could be better coordinated with the development activities at The Greenbriar. By the city leading the project, there can be a more integrated and controlled process and coordination.

5. What is the projected return on investment for the initial phase(s) as wells as the overall development returns?

Unknown at this time. We generally target market returns for the risk associated with the investment.

6. Are there changes to zoning standards that would increase yield and reduce incentive requests?

Unknown at this time. We have been able to work alongside city staff to achieve our mutual goals.

7. Some developers requested ending the single-family ownership housing tax abatement program that was requested last year and allowing for a developer TIF rebates instead. What is the benefit of changing from a property tax abatement incentive to a developer TIF incentive?

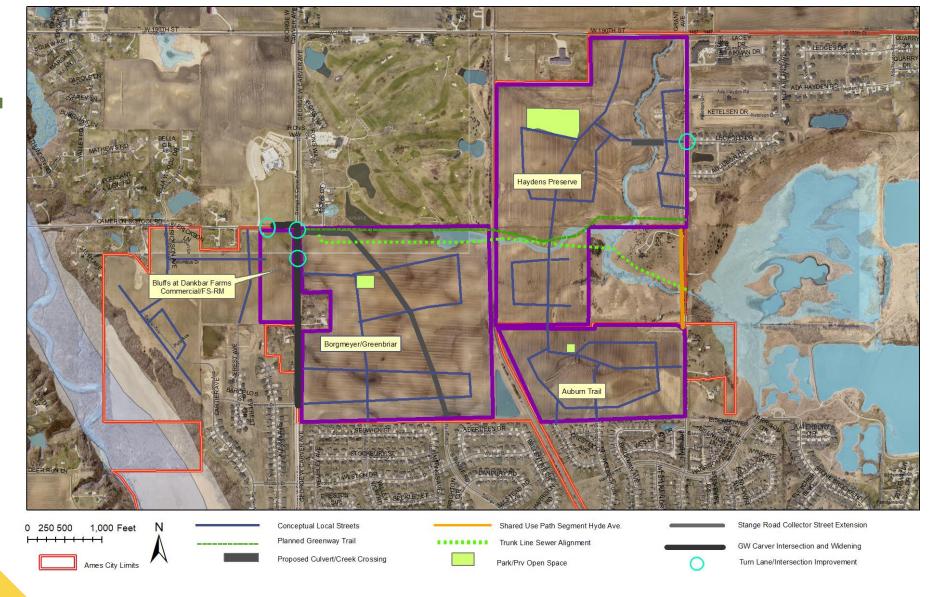
The original property tax abatement program had some limitations when it was established and, as originally designed, it has not had the intended impact on buyers. Transitioning to a Developer TIF (Tax Increment Financing) incentive would better support the funding of necessary infrastructure improvements. Additionally, a TIF program is more flexible and streamlined, making it easier for the City to administer while ensuring that the development has the resources it needs to proceed efficiently.

Development Overviews

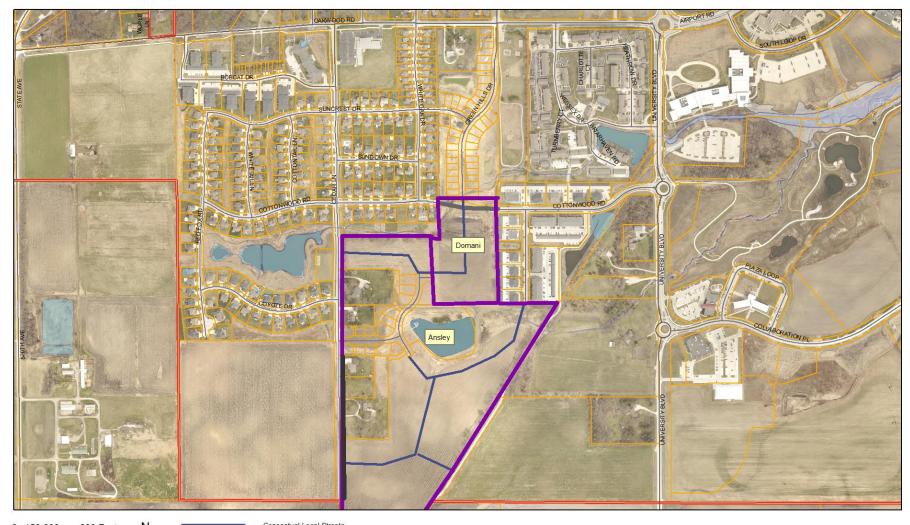
- Hayden's Preserve
- Auburn Trail
- Greenbriar (former Borgmeyer farm property)
- Commercial Area of Bluffs at Dankbar Farms
- Domani I (south)



North Development Area



South Development Area



Cottonwood Residential Collector Extension

Cedar Lane Paving

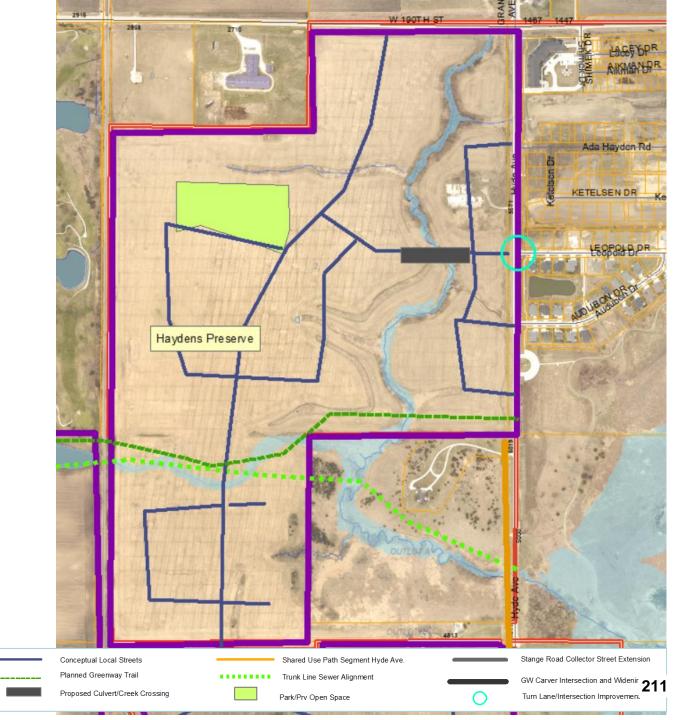
Hayden's Preserve

Existing Master Plan and Development Agreement- maximum of 620 units total for 170 acres

Proposed to change Master Plan, allow for more, townhomes, single family, reduce MF, keep commercial

Phase 1-Proposed 176 townhomes, 50 SF lots, 84 Multi Family Units, 24 MF units 5ac commercial

- City complete east west sewer trunk line
- City pay for road creek crossing
- City complete turn lane improvements
- City reduce collection of water/sewer connection fees related to undeveloped open spaces (aprox. 21%)
- City reimburse developer for park land
- City waive traffic signal fair share payment
- City purchase Xenia Territory Buyout in lieu of developer
- City construct off-site trail along Hyde (Sturges/INHF property)
- Potential for TIF as developer rebate, exempt site from property tax abatement program



Auburn Trail

Approved Master Plan Zoning and Development Agreement

Allows for single family dwellings

180-200 units projected

- City purchase Xenia Territory Buyout in lieu of developer
- City waive traffic signal fair share payment
- City reimburse developer for park land
- Developer did not identify other specific costs reductions noting there may still be a potential gap
- Proposed TIF as developer rebate for other reimbursements, exempt site from property tax abatement program





Greenbriar

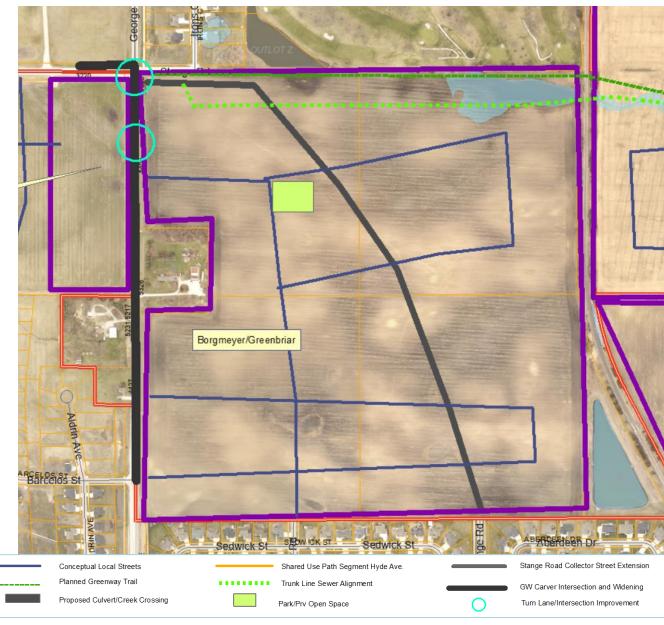
Initiated Annexation, to include development agreement for sewer, road improvements, parkland, etc.

Plan 2040 designates as RN-4 for walkable mixed use and density neighborhood

Development Concept- 5-8 acres commercial//200 Multi Family Units//250 single family attached/detached dwelling types

Phase 1- May include SF units and/or Commercial

- City complete east west sewer trunk line to west side of Railroad
- City assist in extension of trunk line west through the property
- City complete off-site Moore Park sewer slip lining for first phase development
- City purchase Xenia Territory Buyout in lieu of developer
- City construct Stange Road Extension
- City construct all GW Carver improvements for turn lanes, shared use path, traffic signal
- City acquire parkland from developer
- Potential for TIF as developer rebate, exempt site from property tax abatement program
- NOTE-City may have an interest in acquiring site for temporary Station 4 facility, developer is willing to sell a property for a station house



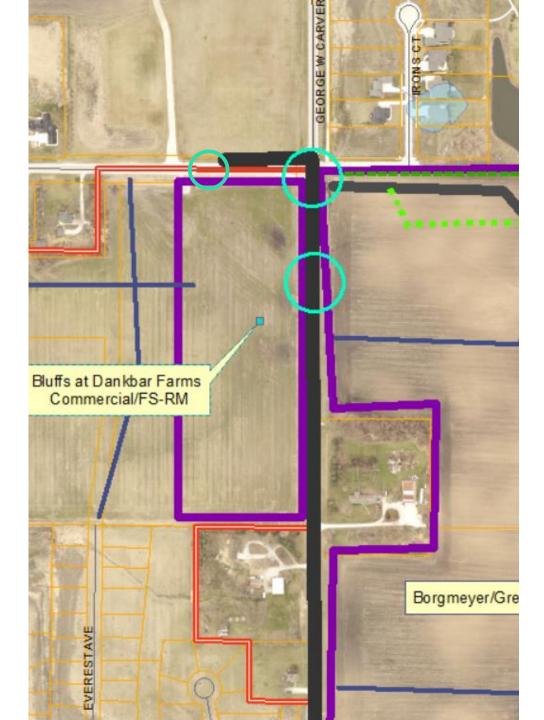
Bluffs at Dankbar Farms

20 Acre Outlot corner of GW Carver/Cameron School

Approved Development Agreement for Developer paid Road and Sewer costs

Development Concept- 6 acres commercial and Change zoning to FS-RM for Senior Assisted Living (Staff evaluating impacts of proposed change to City resources)

- City complete Cameron School and GW Carver improvements for Turns Lanes and any needed widening
 - Traffic study indicated a need for an additional lane to create left turn lanes at Cameron School Rd and for turning access to the site.
 - Previously evaluated roundabout option that was preferred improvement but deemed to not be feasible for a single developer. City accepted a traffic signal plan as future improvement. Developer has contributed to traffic signal already.



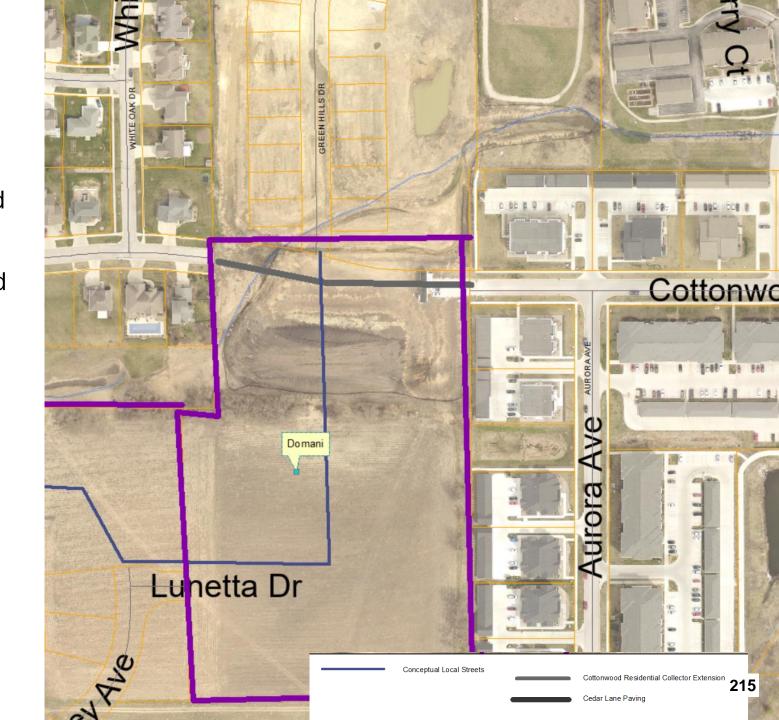
Domani I

Approved PRD Plan-

Final two phases include Domani Lots and larger custom lots

Total of 23 Single Family lots to be platted

Request-City construct extension of Cottonwood as 31-Foot Street



Ansley

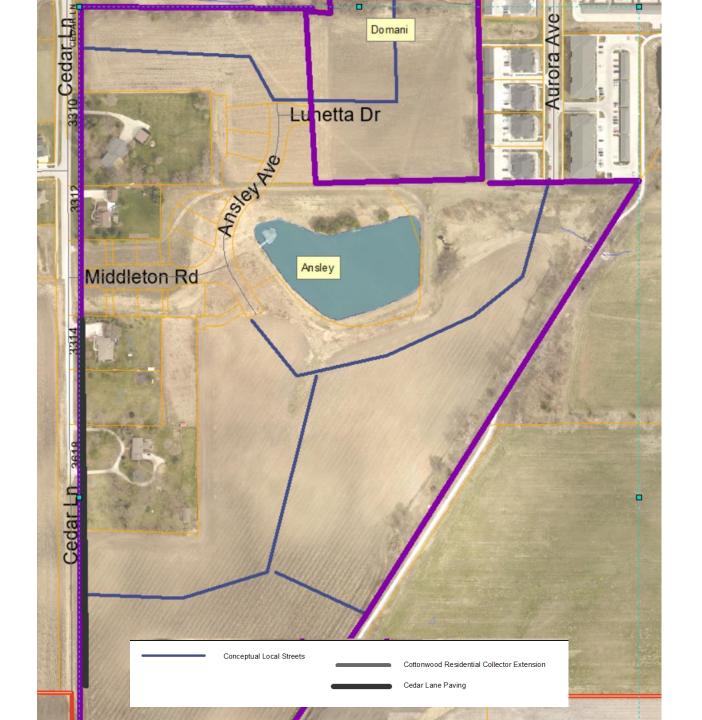
Approved PUD and Plat

Previous approval by Council of Cedar Lane paving

May request sidewalk waivers or deferrals in the future

Cedar Lane is unpaved south of Middleton Road. Council agreed to waive developer requirement with future phase to pave south of Middleton. Half of the paving cost is an obligation of ISU. Estimated City cost for ½ of project was \$250,000.

Development Agreement for paving is pending. Developer to provide engineered drawings for City to bid and construct road at a time determined by City Council



Financial Estimates-Hayden's Preserve

| | Preliminary City Cost | Source Of Funds Options, |
|---|------------------------------|---------------------------------|
| Hayden's Preserve 170 ac | Estimates | If a share is the City |
| 15 Inch Sewer INHF Segment 1320 ft | \$ 792,000 | ARPA/Sewer Fund |
| 12 Inch Sewer Developer Use 900 ft | \$ 360,000 | ARPA/Sewer Fund |
| Shared Use Path INHF/ Sturges 1320 ft (offsite gap) | \$ 250,000 | ARPA, GO Bonds/Road Use |
| Greenway trail bridge already city cost future, previously agreed | | Park Development Fund/Grant |
| Water Connection Fees July 1 \$1,689.00 /ac Reduce 21% for Open Space | \$ 60,297 | Water Fund/no collection |
| Water buyout (Xenia) renegotiated per acre 4k assumption (\$1.2 million | | |
| savings for developer if not City) | \$ 680,000 | Water Fund |
| Sewer Connection Fee July 1 \$2,554.00 /ac Reduce 21% for Open Space | \$ 91,178 | Sewer Fund/no collection |
| Trafic Signal Bloomington (does not escalate) | \$ 85,000 | ARPA, GO Bonds/Road Use |
| Turn Lane Hyde Into Site | \$ 200,000 | GO Bond/Road Use |
| Park value of land 30k for 5.5 acres | \$ 165,000 | Park Develoment Fund |
| East West Road Crossing Culvert | \$ 750,000 | GO Bonds/Road Use |
| Total Ask Amount of City Assistance | \$ 3,534,748 | |
| Also requesting 10 years TIF up agreed upon limit for each Phase of | | |
| development | | |
| May propose redesign that also increases density of units to a total of 650 | | |

Financial Estimates-Auburn Trail

| Auburn Trail (70 acres west of Hyde) | Preliminary City Cost Estimates | Source Of Funds Options, If a share is the City |
|---|---------------------------------|---|
| Traffic Signal-Off Site Bloomington/Hyde (escalates per year) | \$ 106,000 | ARPA, GO Bonds Streets |
| Water buyout (Xenia) renegotiated per acre assumption (\$250k | | |
| savings for developer if not City) | \$ 280,000 | Water Fund |
| Park land purchase and improvements | \$ 100,000 | Park Develoment Fund |
| Other unspecified requests | | |
| Total Ask Amount of City Assistanc | e \$ 486,000 | |
| Other requests or savings estimated at \$400,000 depending on final | l | |
| site design and unit counts//May request TIF | | |

Financial Estimates-Greenbriar

| | Preliminary City Cost | Source Of Funds Options, If |
|--|------------------------------|-----------------------------|
| Greenbriar 155 acres | Estimates | a share is the City |
| Stange Collector Street Extension 3300 ft | \$ 1,800,000 | GO Bonds/Road Use |
| Off site 12 inch sewer | - | ARPA/Sewer Fund |
| Off site 15 inch sewer | - | ARPA/Sewer Fund |
| 12 Inch sewer extension under RR 500 ft to this site | \$ 250,000 | ARPA/Sewer Fund |
| Sewer Connection Fees \$4,419.00 /ac | \$ 662,850 | Sewer Fund/no collection |
| Water Connection Fee (none required) | none | NA |
| On site sewer size 12 inch 500 feet oversized | \$ 150,000 | Sewer Fund/GO Bond |
| Construct Slip Line of Sewer in Moore Memorial for 1st Phase | \$ 250,000 | ARPA/Sewer Funds |
| Offsite Traffic Improvements(e.g. turn lanes, signal costs) | \$ 820,000 | GO Bonds/Road Use |
| City acquisition of parkland and improvements | no estimate available | Park Develoment Fund |
| Xenia water buyout at \$3000 per acre, previously negotiated | \$ 450,000 | Water Fund |
| Total Ask Amount of City Assistance | \$ 4,382,850 | |
| Request for TIF rebate for remaining infrastructure costs, developer estimate of \$4,000,000 of potential need | | |

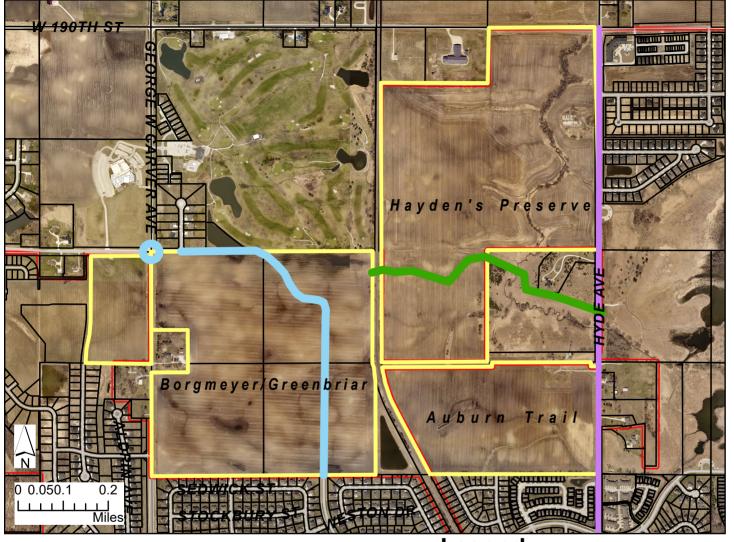
Financial Estimates-Bluffs at Dankbar

| Bluffs at Dankbar -20 Acres (6 ac commercial and 14 ac senior living) | Preliminary City Cost Estimates | Source Of Funds Options, If a share is the City |
|---|---------------------------------|---|
| Cameron School Road and GW Carver Turn Lanes | \$ 1,200,000 | GO Bonds/Road Use |
| Total Ask Amount of City Assistance | \$ 1,200,000 | |
| | | |

Financial Estimates-Domani I

| | Preliminary City Cost Estimates | Source Of Funds Options, If a share is the City |
|---|---------------------------------------|---|
| Constructed Cottonwood Road as 31 foot Residential Collector Street | \$ 371,000 | GO Bonds/Road Use |
| Total Ask Amount of City Assistance | \$ 371,000 | |
| | | |

Development Incentive Requests - North Ames



Approximate Sewer Slip Lining Location



Legend

Development

Parcels

PARCELS

Ames Corporate Limits

Incentive Request - Pioneer Infrastructure

East/West Sewer Extension

Hyde Avenue Trail Extension

Sewer Slip Lining

Incentive Request - Infrastructure Oversizing

Stange Road Extension

Cameron School Traffic

Signal Intersection Improvement

Development Incentive Requests - South Ames



Incentive Request Infrastructure Oversizing
Cottonwood Road
Extension







To: Mayor and Ames City Council Members

From: Steven L. Schainker, City Manager

Date: September 9, 2025

Subject: Fire Station No. 2 Relocation Project

At the August 19, 2025 workshop, the City Council began a discussion regarding the prioritization of the many major projects that have been mentioned in previous separate City Council conversations, including: Fire Station #2 Relocation, Fire House #4, Ontario Community Park, Recreation Center, Downtown Guiding Vision Elements, Downtown Parking Garage, and Developer Incentive Requests. Since this was only the beginning of the prioritization discussion, no final decisions were made at the August 19 meeting.

Staff pointed out that there were no timing issues with all of the proposed projects except one, the Fire Station #2 project. This project, according to state code, will require a referendum that can take place only in November of each year.

The intent of this memo is not to continue the prioritization discussion for all of the proposed projects, but only to determine if the Council wants to hold a referendum for a relocated fire station in November 2025, or wait until November 2026.

The deadline to place a referendum on the November 2025 ballot is September 18, 2025. Should the City Council decide to establish a November 2025 referendum date, a special City Council meeting will be needed on September 16 to approve a resolution placing the bond issue question on the November ballot.

TTEM #: 27
DATE: 09-09-25
DEPT: ELEC

COUNCIL ACTION FORM

<u>SUBJECT:</u> ELECTRIC ENERGY UPGRADE PROGRAM AND USDA RURAL ENERGY SAVINGS PROGRAM (RESP)

BACKGROUND:

In November 2024, the City of Ames submitted a letter of intent to apply for the Rural Energy Savings Program (RESP) administered through the United States Department of Agriculture (USDA). The City's proposal is to use the RESP funds to operate an on-bill financing program to implement home energy retrofits, which would ultimately reduce energy use in the community.

Through this program, the City would serve as a pass-through entity, using RESP dollars to operate a revolving fund for the program. Funds would be drawn down from the USDA as projects occur, and the City would utilize these to pay contractors directly for individual projects. The City would then recoup investments over the customer repayment period of 10-15 years for each project. At the end of the 20-year RESP loan term, the City would remit all funds back to USDA.

On May 2, 2025, USDA responded, inviting the City of Ames to submit a full RESP loan application for an amount up to \$15 million. If the City is awarded these funds, the amount provided will need to be repaid within 20 years, but the City would be charged no interest.

As part of the next steps in the application process, USDA requires that the City adopt a resolution establishing the energy upgrade program. The goals of the program are to increase access to energy efficiency retrofits, reduce peak demand, improve home health and comfort, and stimulate economic development by hiring local contractors, while addressing the significant barrier many homeowners face with investing in energy efficiency and renewable energy improvements.

It should be noted that the programs discussed are only a vailable to City of Ames residents who are also electric customers of the City's utilities. It may be feasible to open the programs up to non-electric customers at a later time; however, the project funding repayment charges would need to be tied to the customer's monthly water bill.

The program aligns with the following City plans and goals:

- City Council Goal: We value environmental sustainability. Pursue initiatives that use new and emerging technologies or processes to assist in meeting the Climate Action Plan.
- Climate Action Plan
 - Big Move #1: Renewable Energy Generation
 - Low-carbon action 1.4: Solar PV on roofs
 - Big Move #2: Building Retrofits
 - Low-carbon action 2.3: High efficiency hot water in retrofit of homes

- Low-carbon action 2.5: Retrofits of homes
- Low-carbon action 2.6: Retrofits of nonresidential buildings
- Low-carbon action 2.7: High-efficiency hot water in retrofits of non-residential buildings
- Low-carbon action 2.8: Heat pumps in non-residential retrofits
- Low-carbon action 2.9: Heat pumps in residential retrofits

On-Bill Energy Efficiency Financing Model

In the on-bill financing model, the utility offers upfront low or no-interest investment for energy upgrades, which may be too substantial in cost for a homeowner to consider implementing on their own. The costs of the upgrades are repaid through the customer's monthly utility bill. The City's role in this model is to finance energy-efficient projects that customers choose to implement.

Through the program, customers experience much lower up-front costs to upgrade their homes with energy-efficient equipment and avoid paying high interest rates through traditional financing (e.g., bank loans). In the U.S., three out of four residential HVAC projects are financed, often resulting in thousands of dollars in interest payments charged over the life of an HVAC loan.

The alternative, an on-bill financing program model, enables savings while supporting the adoption of efficient, electric equipment. While this would be the first program of its kind in lowa, this on-bill model has been successfully implemented in communities in other states. There are approximately 100 similar programs in the country.

A 2022 study collected performance data on 24 similar programs in 10 states, including mostly electric cooperatives, with some investor-owned utilities and municipal utilities. Utilities ranged in size from 7,000 to over 1 million customers, and program inception dates ranged from 2002 to 2021. Cumulatively, there was over \$50 million invested in almost 6,000 projects, with write-off (uncollectable) rates ranging from <0.1% to 0.22%.

Energy Upgrade Program: SmartSave

The program being proposed for Ames, under the name SmartSave, is designed to make installing upgrades straightforward and economical for Ames Electric customers. If the RESP loan application is successful, the City would partner with a third-party program operator to administer the program and handle most day-to-day activities. The program operator would be selected through a competitive RFP process, with estimated annual program operator costs of \$96,000. The program operator would also work collaboratively with staff to complete program design and start contractor engagement.

Contractors will be trained in the program and provided educational materials to share with customers. Active participation by local contractors will be essential to a successful program. The City would not assume responsibility for or issue any guarantees or warranties regarding the performance of any contractor.

The SmartSave program would contain three tracks: 1) HVAC Replacement, 2) Clean Energy, and 3) Whole-home Retrofits. The initial focus will be on track 1: HVAC Replacement. The

other two tracks would start in year two.

Track 1: HVAC Replacement would offer options for customers whose HVAC systems are nearing or have reached the end of their useful life. A streamlined process involving the program operator's mobile application will enable contractors to quickly gather basic information and present the customer with proposed investment and repayment terms. If the customer chooses to participate, the City investment would cover the majority of the system through the program, and the customer would pay a significantly reduced up-front cost to the contractor. Similarly, Track 2: Clean Energy would enable customers to install solar with significantly reduced up-front cost.

Under Track 3: Whole-home Retrofits, customers would start by signing up for a free energy audit, where a qualified auditor gathers comprehensive data about the property. The program operator then uses this data to model potential energy efficiency upgrades and predict savings. This complex energy and financial modeling incorporates historical utility usage, climate data, and information about the property such as heating sources, age, and air tightness. The model identifies projects that qualify for financing, if any, and communicates this to the customer in an offer.

The offer could include qualifying upgrades such as heat pump, water heater, EV charger, insulation, or solar panels, and also include preliminary investment and repayment terms. The customer then selects which upgrades to move forward with and chooses a contractor. Customers would be free to choose any licensed contractor who has been trained in the SmartSave program to perform the work.

All potential upgrades eligible for RESP funding are included in Attachment 4. Table 1 lists the energy efficiency upgrades that staff intends to include in the program.

Table 1. Eligible Upgrades and Estimated Participation, Cost, Incentives, and Useful Life.

| Track | Eligible Upgrades | Average Project Cost | Target Number of Projects per Year | Target % of Total Investment | Expected Useful Life (years) |
|------------------------|--|----------------------------|---|------------------------------------|---------------------------------------|
| HVAC Replacement | All-electric and dual-fuel heat pumps. | \$12,000 | 80 | 50% | 18 |
| Clean Energy | Solar, electrical panel upgrades if necessary, battery storage. | \$17,000 | 15 | 15% | 20 |
| Whole-Home Retrofit | HVAC, electric water heaters, EV charging, weatherization, solar, battery storage. | \$18,050* | 40 | 35% | 10-25 |

^{*}The average project cost for whole-home retrofit projects was determined by using a weighted average for adoption of the eligible upgrades. The maximum amount financed for a residential project is \$30,000. Weatherization could include improved insulation, weather stripping, window and door upgrades, and any other building envelope improvements.

Repayment terms would be limited to 15 years or 80% of the upgrade's useful life, whichever is less. Customers must agree to maintain upgrades per the manufacturer's instructions. The on-bill charge would stay with the property in the event of a customer move-out or sale. Notice of the repayment arrangement would be filed with the Recorder, with the anticipation that a lien search would notify incoming property owners. On-bill charges are attached to the meter and remain until the City's costs are fully recovered.

Feasibility Study

On May 13, 2025, the City Council authorized staff to work with the Iowa Economic Development Authority and the Energy Efficiency Institute on a feasibility study. This project is being worked on in parallel to the RESP application. The study has answered key outstanding questions and concerns about the financing model, including program design, value to the utility, and detailed program financials.

The feasibility study is being funded by the Iowa Economic Development Authority. Preliminary results indicate that the program will be economically feasible if it is structured as outlined. The study will continue through the end of September 2025.

The request to establish the program and authorize staff to apply for the RESP loan is before Council now because the USDA's deadline to apply for the loan is September 10, 2025 (extended from the original deadline in July). It should be noted that the Council resolution establishing the program and authorizing staff to apply for the USDA loan does NOT obligate the City to receive the loan funds and implement the program. If the City's loan application is successful, staff will return to seek Council's authorization on a loan agreement.

RESP Loan

If the loan application is successful, the RESP loan terms would be for up to \$15 million repaid over 20 years at 0% interest. USDA may choose to fund the application at a lower amount, or not at all. Even if awarded the full amount, loan funds are drawn down as they are used, and the City would maintain full control over the scale of the program and the amount of funds borrowed. Program year 1 would be treated as a pilot year, and the program will not exceed \$500,000 investment in the pilot year. More details on program financials can be found in Attachment 5. Financial Forecast.

Additionally, USDA requires RESP loans to be secured with collateral, ensuring they are repaid in the event of a default. **Staff proposes to use electric utility fund balance as collateral.** Electric Services maintains approximately \$50,000,000 in reserve funds. Due to the revolving nature of the loan and repayment, USDA borrowing likely would not exceed \$10,000,000 at any one time. The City and USDA would agree on a process involving a joint account where the City would maintain a balance no less than the outstanding loan amount. USDA would hold priority over those funds in the event of a default by the City. As previously mentioned, staff estimates the default rate, or write-off rate, for customer financing would be less than 0.5%.

The City would charge a low, fixed fee on its investment offered to customers. USDA allows RESP programs to charge up to a 5% fee. All fee revenue would be used to cover the program operator cost. Staff estimates the City will need to charge a program fee of 0.25% to

cover program costs. The City's financial commitment to administer the program would include operations, loan loss reserve, program marketing, and staff time.

- **Program Start-Up** Start-up costs will be incurred before program launch. This includes establishing the contractor network and designing program documents and processes, outreach and marketing, and legal expenses. These one-time costs are estimated to be \$50,000, also to be paid for by Electric utility funds.
- **Operations** Program operational costs are estimated to be approximately \$96,000 per year. These include energy audits, program operator software use, administrative costs, and quality assurance. Electric utility funds would pay for \$75,000 of these costs, and fees charged to participating customers would pay for the remaining \$21,000 each year.
- Loss Reserve Write-offs, or uncollectables, have been estimated based on data from numerous existing similar programs and the current Ames utilities write-off rate. It is estimated that the program could result in \$75,000, or 0.5%, in write-offs over 20 years, and could be covered by existing Electric utility funds or by increasing the program fee, if write-offs occur.
- Staff Time The Electric Services, City Manager's Office, Communications and Outreach, and Customer Service teams would need to invest staff time to administer the program in partnership with the program operator. Robust oversight of the program is needed for quality assurance. Customer Service would manually apply and remove bill charges to individual accounts at the start and end of each customer's financing term.

Program costs are estimated in Table 2. Costs are dependent on the number of projects completed, and were modeled based on full expenditure of \$15 million in capital over 10 years. If fewer projects are completed and capital investment is less, program costs would also decrease. Staff estimates direct costs to the City of \$125,000 in year one, and \$75,000 each in years 2 through 10.

Table 2. Uses and Sources of Funds

| Use of Funds | Source of Funds | Amount |
|--|---|----------------------------------|
| Feasibility Study | Iowa Economic Development Authority Grant | \$37,500 |
| Program Start-Up (marketing, legal fees, program design) | City of Ames Electric Utility Fund | \$50,000 |
| Operations | City of Ames Electric Utility Fund | \$75,000/year |
| (Program Operator) \$96,000/year | USDA RESP Loan (program fee) | \$21,000/year |
| Working Capital | USDA RESP Loan | \$15,000,000 |
| Loss Reserve | City of Ames Electric Utility Fund | Write-offs (est. \$75,000) |

The full contents of the RESP loan application are attached in Attachments 1-8, including several legal documents that have been reviewed and approved by the Legal Department.

ALTERNATIVES:

- 1. Approve establishing an energy upgrade program and authorizing staff to submit a federal loan application for the USDA Rural Energy Savings Program in the amount up to \$15,000,000.
- 2. Do not establish an energy upgrade program or authorize staff to submit a federal loan application.
- 3. Refer back to staff.

CITY MANAGER'S RECOMMENDED ACTION:

The proposed energy upgrade program would make significant progress towards Climate Action Plan goals and result in cost savings for utility customers. The program would also increase access to energy efficiency by removing the barrier of high up-front costs and borrowing costs. Energy efficiency retrofits also benefit the utility through peak demand reductions.

The program and federal loan application present risks, including write-offs, equipment maintenance issues, and resident turnover. The program should start with a pilot phase and scale slowly and methodically as the City and utility customers become more familiar with the model. Staff believes repayment through the utility bill minimizes the risk of write-offs, as other similar programs have experienced.

The next steps in exploring this energy upgrade program is for Council to establish an energy upgrade program and authorizing staff to submit a federal loan application for the USDA Rural Energy Savings Program in the amount up to \$15,000,000. If awarded, staff will return for Council approval of an agreement with USDA. If not awarded, staff will reevaluate the program. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ATTACHMENT(S):

- 1. Cover Letter.pdf
- 2. Board Resolution.pdf
- 4. Multi-tier Environmental Agreement.pdf
- 5. Financial Forecast.pdf
- 6. & 7. City of Ames RESP Loan Application.pdf
- 8. Legal Documents (combined).pdf



July 22, 2025

Rural Utilities Service, Electric Programs U.S. Department of Agriculture 1400 Independence Avenue, S.W. STOP 1560, Room 5138, South Building Washington, D.C. 20250-1510 Attn: Mr. Christopher Mclean

Subject: City of Ames

Rural Energy Savings Program (RESP) Loan Application IRS Taxpayer ID: 42-6004218 Unique Entity Identifier (UEI): UBM7TLNHUSW9

Dear Mr. McLean:

We are forwarding for your consideration our completed Rural Energy Savings Program (RESP) loan application in the amount of \$15,000,000, along with a copy being forwarded to our General Field Representative, Whitney Baragary.

As required under the loan application checklist, the following are attached to this cover letter:

- 1. Application Cover Letter signed by highest ranking officer.
- 2. Signed Board Resolution approving the establishment of the program.
- 3. Articles of Incorporation and Bylaws or other applicable organizational documents.
- 4. Multi-Tier Action Environmental Compliance Agreement.
- 5. 10 Year Long Range Financial Forecast to include:
 - a. Current and Projected cash flows
 - b. Pro forma balance sheet
 - c. Financial goals for margins, debt service, coverage, equity, etc.
 - d. Assumptions, supporting data, analysis
 - e. Current and projected income and expenses
 - f. Itemized budget and schedule, discussion of loan loss reserve
 - g. Sensitivity analysis if required by RUS
- 6. Implementation work plan.
- 7. Measurement and Verification plan.
- 8. Additional Federal compliance forms as provided in NOSA
 - a. Attorney's Opinion Letter
 - b. Form 400
 - c. Standard Form 100 (N/A if less than 100 full time employees).
 - i. The City of Ames provides Form EEO-4 in place of Standard Form 100. As a local government entity, the City of Ames does not file Standard Form 100, and EEO-4 contains the equivalent information.
 - d. Lobbying Certification
 - e. Certification on Federal Debt Delinquency

In addition to the items required under the loan application checklist, we further clarify the following items:

 Mayor's Office
 515.239.5204
 main
 515 Clark Ave., P.O. Box 811

 515.239.5142
 fax
 Ames, IA 50010

www.CityOfAmes.org

- 1. The loan application does not include funds to finance:
 - a. The construction or acquisition of any building identified as located in a flood hazard area.
 - b. New equipment, materials or supplies in any building identified as located in a flood hazard area.
- 2. All funds in this loan application will be used within the State of Iowa.
- 3. The City of Ames serves Story County, Iowa.
- 4. There are no threatened actions by third parties that could adversely affect our financial conditions.
- 5. There are no State of Iowa regulatory proceedings pending against the Borrower.
- 6. The City of Ames does anticipate changes in retail rates, regardless of the RESP application outcome. Rates were last increased in 2017 by 4%, and marginally reduced in 2024. A 1.5% rate increase will go into effect no later than June 2026.
- 7. The true and correct legal name of the borrower is 'City of Ames'.
- 8. The headquarters address of the borrower is 515 Clark Ave, Ames, IA 50010.

Sincerely,

John Haila Mayor City of Ames

RESOLUTION ESTABLISHING THE SMARTSAVE PROGRAM

WHEREAS, the City of Ames has developed the SmartSave program for the rural areas in our service territory intended to be funded with the proceeds from the United States Department of Agriculture's Rural Energy Savings Program;

WHEREAS, the City of Ames will offer tariffed on-bill financing to eligible customers for qualified energy efficiency and renewable energy projects;

WHEREAS, the City of Ames has developed a comprehensive implementation work plan and financial forecast for the SmartSave program;

WHEREAS, the City of Ames has developed a comprehensive measurement and verification program in connection with the SmartSave program;

WHEREAS, the financial forecast, the implementation work plan and the measurement and verification program, and related documents will be considered by the Rural Utilities Service, an agency of the United States Department of Agriculture, in making a determination to make a financially feasible and adequately secure loan to City of Ames;

WHEREAS, the City of Ames intends to submit a loan application under the Rural Energy Savings Program Loan as prescribed in the Notice of Solicitation for Applications (NOSA) published in the Federal Register, Vol. 81, No. 119 on June 21, 2016;

NOW THEREFORE BE IT RESOLVED, that the City of Ames approves the implementation work plan, the financial forecast and related documents in connection to the SmartSave program,

BE IT ALSO RESOLVED, that the City of Ames's officers, managers, and staff are authorized to carry out all necessary actions –including but not limited to the executing and attesting all necessary documentation- in connection with the loan application to participate in the Rural Energy Savings Program as provided in the NOSA;

BE IT FURTHER RESOLVED that the City of Ames's officers are authorized to apply and take a loan in the amount of \$15,000,000 to carry out the SmartSave program;

BE IT ALSO RESOLVED, that the loan shall bear a maturity date to cover an approximate period of 20 years.

CERTIFICATION OF SECRETARY

| , [insert applicable name], Secretary of City of Ames, do hereby certify that the above is a true and correct |
|---|
| copy of a resolution adopted at the meeting of the City Council of the City of Ames on September 9, 2025, at |
| which a quorum was present and voted. |

| [insert applicable name], Secretary |
|-------------------------------------|
| |

Multi-Tier Action Environmental Compliance Agreement for

Energy Efficiency and Conservation Loan Program and Rural Energy Savings Program

In accordance with § 1970.55(c), RUS will maintain ultimate responsibility for and control over the environmental review process of multi-tier actions receiving funding through RUS re-lending programs including the Energy Efficiency and Conservation Loan Program and the Rural Energy Savings Program. To assist RUS in meeting its environmental review requirements, [primary recipient] agrees to conduct the following actions in accordance with §§ 1970.55(a)(1-4).

- 1) Prior to re-lending to a qualified consumer, [primary recipient] will:
 - a) Conduct a screening of all proposed uses of funds to determine if each consumer application proposed for funding or financing falls within § 1970.53 or § 1970.54 as a Categorical Exclusion (see Attachment 1).
 - b) Obtain sufficient information from a consumer to evaluate proposals under § 1970.53 or to evaluate an Environmental Report (ER) under § 1970.54 in determining if extraordinary circumstances (as described in § 1970.52) are present.
 - c) Document conclusions regarding the applicability of a Categorical Exclusion for each approved consumer application, and maintain these in an official environmental file.
 - d) Refer to RUS for further environmental review:
 - i) Activities that do not meet the criteria established in Attachment 1
 - ii) Consumer applications with extraordinary circumstances (see § 1970.52) or where there is non-concurrence with a finding under Section 7 of the Endangered Species Act and or Section 106 of the National Historic Preservation Act;
 - iii) Consumer applications that may be in violation of § 1970.12, Limitations on actions during the NEPA process
- 2) [Primary recipient] will maintain documentation from (1)(c) for each approved consumer application in the [primary recipient]'s official records for RUS verification as required by §1970.55(b). The primary recipient must retain documentation for 5 years, to be made available to RUS upon request.
- 3) [Primary recipient] understands that the terms of this agreement will be monitored and verified in RUS compliance reviews and other required audits as required by 1970.55(b).

RUS has provided [primary recipient] a copy of the agency's Environmental Policies and Procedures, 7 CFR Part 1970.

In accordance with § 1970.55(b), [primary recipient] understands that failure to meet the requirements of this agreement will result in penalties that may include written warnings, withdrawal of Agency financial assistance, suspension from participation in RUS programs, or other appropriate action.

| [primary recipient] hereby agree to the terms and conditions as described above |
|---|
| |
| |
| ignature of General Manager or equivalent |
| itle |
| Date |

Attachment 1 – Example activities eligible for multi-tier program environmental compliance implementation

| RESP ELIGIBLE ACTIVITY/INVESTMENT | ANTICIPATED ENVIRONMENTAL REQUIREMENT |
|---|---|
| 1. Lighting | 1970: 1970: 1970.53(a)(2)(iii);1970.53(c)(2),(3) – human health/safety |
| a. Lighting fixture upgrades to improve efficiency | (asbestos concerns) apply |
| b. Re-lamping to more energy efficient bulbs | S106: External and certain internal changes to a historic home/district require |
| c. Lighting controls | S106 review |
| 2. Heating, Ventilation, and Air Conditioning (HVAC) | 1970: 1970.53(c)(2),(3) – human health/safety (asbestos concerns) apply |
| a. Central Air Systems – Energy Star qualified equipment | |
| b. Window AC Units – Energy Start qualified equipment | |
| c. Economizers | |
| d. Heat pumps | |
| e. Furnaces – Energy Start qualified equipment | |
| f. Air Handlers | |
| g. Programmatic controls | |
| h. Duct sealing | |
| 3. Building Envelope Improvements | 1970: 1970.53(c)(2),(3),(4) – human health/safety (asbestos concerns) apply |
| a. Improved insulation – added beyond existing levels, or for new | S106: External changes to a historic home/district require S106 review |
| construction, above existing building codes | |
| b. Caulking and weather stripping of doors and windows | |
| c. Window upgrades – Energy Star qualifying windows | |
| d. Door upgrades – includes man-doors and overhead doors with | |
| integrated insulation and energy efficient windows | |
| e. Any material listed in Appendix A of DOE's Weatherization | |
| Assistance Program (10 CFR Part 440) | |
| 4. Water Heaters | 1970: 1970.53(c)(2),(3) |
| 5. Compressed Air Systems | 1970: 1970.53(c)(2),(3) |
| 6. Motors | 1970: 1970.53(a)(2)(iii); 1970.53(c)(2),(3) |
| a. High efficiency motors | |
| b. Variable frequency drive | |
| 7. Boilers, dryers, heaters, and process-related equipment – | 1970: 1970.53(c)(2); 1970.54(c)(13) may apply |
| specific equipment not otherwise listed (commercial | |
| coolers/freezers) | |
| 8. Demand Management (load shifting) | 1970: 1970.53(a)(2)(iii) |
| 9. Energy Audits | 1970: 1970.53(b)(1)(i),(3) |

Attachment 1 – Example activities eligible for multi-tier program environmental compliance implementation

| 10. On/off Grid Renewable Energy Systems | 1970: 1970.53(d)(7),(8); 1970.54(c)(7),(8),(9),(10),(11),(12),(13) | |
|--|---|--|
| | S106: requires S106 review | |
| 11. Energy Storage Devices | 1970: 1970.53(a)(2)(iii) | |
| 12. Replacement of existing fuel consuming equipment | 1970: 1970.53(c)(2); 1970.54(c)(13) | |
| 13. Energy efficient appliance upgrades fixed to real property | 1970: 1970.53(c)(2),(3) | |
| 14. Irrigation or water system efficiency improvements | 1970: 1970.53(c)(5),(6) | |
| 15. Necessary and incidental activities/investments directly | Category is broad; would need specifics to determine which categories under | |
| related to implementation of an eligible measure | 1970 apply. | |

| Year | 1 | | 2 | 3 | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | ١ | Years 1-10 |
|--|----------------|------|-----------|-----------------|------|-----------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----|------------|
| Projects & Financing | | | | | | | | | | | | | | |
| Number of heat pumps | 50 | | 75 | 75 | | 75 | 75 | 80 | 80 | 80 | 90 | 90 | | 770 |
| Number of solar arrays | 0 | | 10 | 10 | | 15 | 15 | 20 | 20 | 20 | 20 | 20 | | 150 |
| Number of whole-home retrofits (WH) | 0 | | 20 | 20 | | 30 | 50 | 50 | 50 | 50 | 50 | 50 | | 370 |
| Total number of projects | 50 | | 105 | 105 | | 120 | 140 | 150 | 150 | 150 | 160 | 160 | | 1,290 |
| Heat pump investment | \$ 480,000 | \$ | 720,000 | \$ 720,000 | \$ | 720,000 | \$ 720,000 | \$ 768,000 | \$ 768,000 | \$ 768,000 | \$ 864,000 | \$ 864,000 | \$ | 7,392,000 |
| Solar investment | \$ - | \$ | 150,000 | \$ 150,000 | \$ | 225,000 | \$ 225,000 | \$ 300,000 | \$ 300,000 | \$ 300,000 | \$ 300,000 | \$ 300,000 | \$ | 2,250,000 |
| WH retrofit investment | \$ | \$ | 288,800 | \$ 288,800 | \$ | 433,200 | \$ 722,000 | \$ 722,000 | \$ 722,000 | \$ 722,000 | \$ 722,000 | \$ 722,000 | \$ | 5,342,800 |
| Total investment | \$ 480,000 | \$: | 1,158,800 | \$ 1,158,800 | \$ | 1,378,200 | \$ 1,667,000 | \$ 1,790,000 | \$ 1,790,000 | \$ 1,790,000 | \$ 1,886,000 | \$ 1,886,000 | \$ | 14,984,800 |
| Rebates issued | \$ 50,000 | \$ | 127,000 | \$ 127,000 | \$ | 153,000 | \$ 175,000 | \$ 195,000 | \$ 195,000 | \$ 195,000 | \$ 205,000 | \$ 205,000 | \$ | 1,627,000 |
| Customer Repayment | | | | | | | | | | | | | | |
| Principal (to USDA) | \$ 31,444 | \$ | 107,433 | \$ 183,612 | \$ | 274,354 | \$ 384,241 | \$ 510,994 | \$ 647,910 | \$ 796,657 | \$ 967,971 | \$ 1,156,878 | \$ | 5,061,493 |
| Program fee (to program costs) | \$ 1,200 | \$ | 4,018 | \$ 6,647 | \$ | 9,633 | \$ 13,115 | \$ 16,629 | \$ 19,827 | \$ 22,682 | \$ 25,405 | \$ 27,700 | \$ | 146,857 |
| Total customer repayment | \$ 32,644 | \$ | 111,451 | \$ 190,259 | \$ | 283,987 | \$ 397,356 | \$ 527,623 | \$ 667,737 | \$ 819,339 | \$ 993,376 | \$ 1,184,579 | \$ | 5,208,350 |
| USDA RESP Loan | | | | | | | | | | | | | | |
| Beginning balance | \$ 480,000 | \$ | 448,556 | \$ 1,499,924 | \$: | 2,475,112 | \$ 3,578,958 | \$ 4,861,717 | \$ 6,140,723 | \$ 7,282,813 | \$ 8,276,156 | \$ 9,194,186 | | |
| End balance | \$ 448,556 | \$ | 341,124 | \$ 1,316,312 | \$: | 2,200,758 | \$ 3,194,717 | \$ 4,350,723 | \$ 5,492,813 | \$ 6,486,156 | \$ 7,308,186 | \$ 8,037,307 | | |
| Program Costs | | | | | | | | | | | | | | |
| Special advance | \$ 100,000 | | | | | | | | | | | | \$ | 100,000 |
| Start-up costs | \$ (50,000) | | | | | | | | | | | | \$ | (50,000) |
| HVAC replacement admin costs | \$ (25,000) | \$ | (30,000) | \$ (30,000) | \$ | (30,000) | \$ (30,000) | \$ (31,000) | \$ (31,000) | \$ (31,000) | \$ (33,000) | \$ (33,000) | \$ | (304,000) |
| Solar admin costs | \$ - | \$ | (17,000) | \$ (17,000) | \$ | (18,000) | \$ (18,000) | \$ (19,000) | \$ (19,000) | \$ (19,000) | \$ (19,000) | \$ (19,000) | \$ | (165,000) |
| WH retrofit admin costs | \$ - | \$ | (31,500) | \$ (31,500) | \$ | (39,750) | \$ (56,250) | \$ (56,250) | \$ (56,250) | \$ (56,250) | \$ (56,250) | \$ (56,250) | \$ | (440,250) |
| Total admin costs | \$ (75,000) | \$ | (78,500) | \$ (78,500) | \$ | (87,750) | \$ (104,250) | \$ (106,250) | \$ (106,250) | \$ (106,250) | \$ (108,250) | \$ (108,250) | \$ | (959,250) |
| City of Ames DSM fund | \$ 75,000 | \$ | 75,000 | \$ 75,000 | \$ | 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ | 750,000 |
| Annual cash flow (excluding program fee) | \$ 100,000 | \$ | (3,500) | \$ (3,500) | \$ | (12,750) | \$ (29,250) | \$ (31,250) | \$ (31,250) | \$ (31,250) | \$ (33,250) | \$ (33,250) | \$ | (109,250) |
| Program balance (including program fee) | \$ 101,200 | \$ | 101,718 | \$ 104,865 | \$ | 101,748 | \$ 85,613 | \$ 70,993 | \$ 59,569 | \$ 51,002 | \$ 43,157 | \$ 37,607 | \$ | 37,607 |

| Year | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | Grand Total |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|---------------|
| Projects & Financing | | | | | | | | | | | |
| Number of heat pumps | | | | | | | | | | | 770 |
| Number of solar arrays | | | | | | | | | | | 150 |
| Number of whole-home retrofits (WH) | | | | | | | | | | | 370 |
| Total number of projects | | | | | | | | | | | 1,290 |
| Heat pump investment | | | | | | | | | | | \$7,392,000 |
| Solar investment | | | | | | | | | | | \$2,250,000 |
| WH retrofit investment | | | | | | | | | | | \$5,342,800 |
| Total investment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - 5 | - | \$ - | \$ 14,984,800 |
| Rebates issued | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - 5 | - | \$ - | \$ 1,627,000 |
| Customer Repayment | | | | | | | | | | | |
| Principal (to USDA) | \$ 1,159,771 | \$ 1,162,670 | \$ 1,165,577 | \$ 1,168,491 | \$ 1,171,412 | \$ 1,141,697 | \$ 1,065,744 | \$ 989,601 | 898,346 | \$ - | \$ 14,984,800 |
| Program fee (to program costs) | \$ 24,808 | \$ 21,909 | \$ 19,002 | \$ 16,088 | \$ 13,167 | \$ 10,238 | \$ 7,384 | \$ 4,720 \$ | 2,246 | \$ - | \$ 266,420 |
| Total customer repayment | \$ 1,184,579 | \$ 1,184,579 | \$ 1,184,579 | \$ 1,184,579 | \$ 1,184,579 | \$ 1,151,935 | \$ 1,073,128 | \$ 994,320 | 900,592 | \$ - | \$ 15,251,220 |
| USDA RESP Loan | | | | | | | | | | | |
| Beginning balance | \$ 9,923,307 | \$ 8,763,537 | \$ 7,600,866 | \$ 6,435,290 | \$ 5,266,799 | \$ 4,095,387 | \$ 2,953,690 | \$ 1,887,947 | 898,346 | \$ - | |
| End balance | \$ 8,763,537 | \$ 7,600,866 | \$ 6,435,290 | \$ 5,266,799 | \$ 4,095,387 | \$ 2,953,690 | \$ 1,887,947 | \$ 898,346 | - | \$ - | |
| Program Costs | | | | | | | | | | | |
| Special advance | | | | | | | | | | \$ (100,000) | |
| Start-up costs | | | | | | | | | | | \$ (50,000) |
| HVAC replacement admin costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | - | \$ - | \$ (304,000) |
| Solar admin costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | - | \$ - | \$ (165,000) |
| WH retrofit admin costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - 5 | - | \$ - | \$ (440,250) |
| Total admin costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | - | \$ - | \$ (959,250) |
| City of Ames DSM fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | | \$ - | \$ 750,000 |
| Annual cash flow (excluding interest) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | - | \$ - | \$ (209,250) |
| Program balance (including interest) | \$ 62,416 | \$ 84,324 | \$ 103,327 | \$ 119,415 | \$ 132,582 | \$ 142,820 | \$ 150,205 | \$ 154,924 | 157,170 | \$ 57,170 | \$ 57,170 |

Assumptions

\$15,000,000 RESP Loan

\$15,000 flat annual administration costs per track

\$200 per-project administration fee (all projects)

\$500 energy audit cost (WH only)

\$50,000 start-up costs (legal fees, marketing, contractor engagement, program design)

0.25% interest rate

80% audit-to-retrofit conversion rate (WH only)

80% average percent of total project cost covered by utility investment



USDA Rural Energy Savings Program (RESP) Loan Application

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Program Overview

The City of Ames operates a municipal electric utility and serves the Ames community in central Iowa. While Ames has administered a rebate program for years, a more comprehensive tariffed on-bill (TOB) energy efficiency incentive program will enable deeper retrofits in more homes and businesses. High upfront costs and lack of access to financing are significant barriers to investing in energy efficiency and renewable energy improvements. This program will increase energy affordability, reduce peak demand, improve home health and comfort, and stimulate local economic development by hiring local contractors.

Through the USDA RESP Loan, Ames will recover 100% of these investments through a fixed tariff charge on the participating customer's utility bill. The cost-recovery tariff will be less than the estimated energy savings, resulting in a cash flow neutral or net savings arrangement for the customer. Priority populations include low-income households, renters, and residents in manufactured and multifamily housing.

Benefits to Ames Electric customers include:

- · Reduced up-front costs for efficiency and renewables
- Lower energy use and environmental impact
- Attractive incentive offerings
- On-bill tariff associated with the meter that automatically transfers to new utility customers if the property is sold, or is paid off in full at the time of sale
- Simple qualifications -- no credit score or income requirement to be eligible
- Home energy assessment
- Qualified contractors
- Improve home health and comfort

Benefits for the City of Ames include:

- Reduce long-term energy costs to the utility and customers
- Reduce peak power demands, decreasing rate pressure to build new generation capacity
- Support community investment in high-efficiency buildings and renewable energy infrastructure
- Increase utility and customer engagement
- Reduce community greenhouse gas emissions
- Increase efficiency of the existing building inventory
- Leverage federal funding to create a more efficient and renewable Ames
- Economic development by partnering with local contractors

The program is designed to make installing upgrades straightforward for Ames Electric customers. Typical barriers to energy efficiency, such as identifying the right upgrades, understanding long-term benefits, obtaining transparent pricing, and high up-front costs, are all addressed by the program. The City would partner with a third-party program operator to administer the program.

The program would contain three tracks: HVAC replacement, solar, and whole-home retrofits. Initial focus will be on the HVAC replacement track, with the solar and whole-home retrofit tracks starting in year 2. The HVAC replacement program offers options for customers whose HVAC systems are nearing or have reached the end of their useful life. The program would include all-electric and dual-fuel systems. A streamlined process involving the program operator's mobile application will enable contractors to quickly gather basic information and present the customer with proposed incentive terms. The City would invest as much of the cost of the system through the program, and the customer would then pay a much lower up-front cost to the contractor.

Similarly, the solar track would enable customers to install solar arrays with significantly reduced up-front cost. The solar track would involve an initial application followed by permitting and interconnection processes required by City policy. Streamlining the HVAC and solar tracks by not performing an energy audit and focusing only on specific equipment results in a leaner and more cost-effective program. This approach reduces administrative costs and therefore enables the program to do more projects and charge less interest.

Under the whole-home retrofit track, customers start by signing up for a free energy audit, where a qualified auditor gathers comprehensive data about the property. The program operator uses this data to model potential energy efficiency upgrades and predict savings. The model identifies projects that qualify for the program, if any, and communicates this to the customer in an offer. Eligible measures are listed in section 2(i) 'costs and schedule for each activity'. The customer then selects upgrades from the offer to move forward with.

In all tracks, customers would be free to choose any participating licensed contractor to perform the work. To provide accurate up-front costs and take advantage of bulk pricing, the City and program operator would build a contractor network before program launch. This network would familiarize contractors with the program and establish transparent pricing for common upgrades. Contractor engagement and active participation are important to a successful TOB program.

In year 2, the City and program operator will consider adding a commercial and industrial track. The availability of capital and the ability to procure quality investment-grade energy audits for commercial and industrial facilities will be the primary considerations. While our priority is residential customers, it is the City's goal to offer incentives to all customer types in the community if possible, including commercial and industrial.

Feasibility Study

In May 2025, Ames partnered with the Iowa Economic Development Authority and the Energy Efficiency Institute (EEI) on a Pay As You Save (PAYS) feasibility study. Through this study, Ames has engaged with key local stakeholders and subject matter experts. Stakeholders included utility, industry, academia, and the local community action agency. Feedback from stakeholders and input from subject matter experts have ensured that the proposed program is economically feasible, maximizes broad local benefits, and complements existing community programs.

Additional collaborations throughout program development have included the Environmental and Energy Study Institute (EESI), a Washington D.C. nonprofit, and other utilities that are planning similar programs.

Program Timeline

The estimated timeline prioritizes residential customers, then adds other options over time to build out a comprehensive program available to all customers.

| Months after USDA Approval | 2 | 4 | 6 | 8 | 10 | 12 | 14 | 16 | 18 | 20 |
|--|---|---|---|---|----|----|----|----|----|----|
| Task | | | | | | | | | | |
| Program operator RFP | | | | | | | | | | |
| Build contractor network | | | | | | | | | | |
| Contractor training | | | | | | | | | | |
| Program marketing | | | | | | | | | | |
| Program launch | | | | | | | | | | |
| HVAC replacement program design | | | | | | | | | | |
| Finalize program documents | | | | | | | | | | |
| Solar design and launch | | | | | | | | | | |
| Whole-home retrofit design and launch | | | | | | | | | | |
| Consider commercial & industrial program | | | | | | | | | | |

Financial Forecast - 7 CFR 1719.5(b)(3)(i)(E)

Sources and Uses of Funds

The feasibility study, currently in progress, has formed the foundation for the program. The utility's demand-side management (DSM) fund will be used for program marketing, program development, and a portion of the operating costs.

| Use of Funds | Source of Funds | Amount |
|---------------------------------|---|------------------------------|
| Feasibility Study | Iowa Economic Development Authority Grant | \$37,500 |
| Program Marketing | City of Ames Demand-Side Management Fund | \$15,000 |
| Legal Fees | City of Ames Demand-Side Management Fund | \$25,000 |
| Program Operator start-up costs | City of Ames Demand-Side Management Fund | \$10,000 |
| Operations | City of Ames Demand-Side Management Fund | \$750,000 (\$75,000/year) |
| (Program Operator) | USDA RESP Loan (interest charged) | \$305,000 (\$30,500/year) |
| Working Capital | USDA RESP Loan | \$15,000,000 |

10-Year Financial Forecast

The detailed financial forecast is provided at the end of this document.

Collateral for RESP Loan

As stated in the opinion of counsel, the City is in good financial standing and will protect USDA's interests with sufficient security. The Ames Electric Utility holds over \$60 million in cash reserve funds and

proposes to use these funds as collateral. The City and USDA would agree on a process involving a joint account where the City would maintain a balance no less than the outstanding loan amount.

The City proposes an alternative method of security other than property because the City's assets are considered public property in lowa. The State of Iowa restricts liens against public property, and the City would avoid encumbering this property. Although the USDA prefers property as collateral, the City trusts this proposed method will be adequate, as it guarantees USDA repayment in the event of a default.

Implementation Work Plan - 7 CFR 1719.5(b)(3)(i)(F)

(1) Marketing Strategy

The program, under the name SmartSave, is designed for all residential Ames Electric customers, but the greatest potential for impact lies within two key audiences:

- 1. Owners of Older Homes (pre-1970): Many of these homes are less energy-efficient, making them prime candidates for upgrades with measurable results.
- 2. Low- and Moderate-Income Neighborhoods: Identified through U.S. Department of Housing and Urban Development (HUD) census tracts, these communities often face financial barriers to comprehensive energy improvements. SmartSave offers tools and financing options to make upgrades accessible.

The City will assemble a SmartSave Outreach Team, drawing representatives from Sustainability, Utilities, Public Engagement, and Communications and Outreach. This cross-departmental team ensures that messaging is consistent, accessible, and responsive to community needs.

Targeted strategies will include:

- Housing Partnerships: Work with the City of Ames Housing Division to embed SmartSave
 materials into the Single Family Home Rehab Program, ensuring residents seeking home repair
 support are also introduced to energy-efficiency opportunities.
- Community Networks: Collaborate with social service agencies to share SmartSave information directly with residents who may benefit most.
- Vendor & Contractor Engagement: Build partnerships with trusted local contractors and community organizations to promote SmartSave financing and increase awareness at the point of service.
- Integrated Marketing Campaign: Develop clear, user-friendly brochures, digital content, and targeted advertising. Plan distribution through utility bill inserts, neighborhood mailings, social media, and local events with tabling opportunities.
- Customer Service Training: Equip City Utilities and Customer Service staff with the knowledge to answer eligibility questions and direct residents to assistance.

By combining targeted outreach, strategic partnerships, and accessible messaging, SmartSave will not only reach high-need households but also build broad community participation, which helps the Ames community reduce energy use and move toward a more sustainable future.

City of Ames Racial and Ethnic Demographics

| White alone | 79.0% |
|--|-------|
| Black alone | 3.7% |
| American Indian and Alaska Native alone | 0.6% |
| Asian alone | 9.4% |
| Native Hawaiian and Other Pacific Islander alone | 0.1% |
| Some other race alone | 1.8% |
| Two or more races | 5.3% |
| Hispanic or Latino origin | 4.9% |
| White alone not Hispanic or Latino | 77.6% |

Source: https://www.iowadatacenter.org/index.php/quick-facts/city-quick-facts

(2) Program Description and Eligible Activity/Investment

RESP eligible activities/investments will include:

- 1. Lighting
 - a. Lighting fixture upgrades to improve efficiency
 - b. Re-lamping to more efficient bulbs
 - c. Lighting Controls
- 2. Building Envelope Improvements
 - a. Improved Insulation added beyond existing levels, or for new construction, above existing building codes
 - b. Caulking and weather-stripping of doors and windows
 - c. Window Upgrades EnergyStar qualified windows
 - d. Door Upgrades includes man-doors and overhead doors with integrated insulation and energy efficient windows
- 3. Heating, Ventilation, and Air Conditioning (HVAC)
 - a. Central Air Systems EnergyStar qualified equipment
 - b. Window AC Units EnergyStar qualified equipment
 - c. Economizers
 - d. Heat pumps
 - e. Furnaces EnergyStar qualified equipment
 - f. Air Handlers
 - g. Programmatic controls
 - h. Duct sealing
- 4. Water Heaters
- 5. Compressed Air Systems
- 6. Motors
 - a. High efficiency motors
 - b. Variable frequency drives
 - c. Boilers, dryers, heaters, and process-related equipment specific equipment not otherwise listed (commercial coolers/freezers)
- 7. Demand Management (load shifting)
- 8. Energy Audits
- 9. On/off Grid Renewable Energy Systems
- 10. Energy Storage Devices
- 11. Replacement of existing fuel consuming equipment
- 12. Energy efficient appliance upgrades fixed to real property
- 13. Irrigation or water system efficiency improvements
- 14. Necessary and incidental activities/investments directly related to implementation of an eligible measure, such as
 - a. Knob and tube remediation
 - b. Roof replacement

- c. All other barriers to measures
- d. Insulation and energy efficient windows
 e. Any material listed in Appendix A of DOE's Weatherization Assistance Program

(i) Costs and schedule for each activity

| Upgrade | Estimated Installed Cost | Average Utility Investment | Utility Rebate | Expected Useful Life |
|--|--------------------------------|----------------------------------|-------------------|-------------------------|
| Heat Pump | \$12,000 | \$9,600 | \$1,000 | 18 |
| Solar PV (6kw) | \$17,000 | \$13,600 | \$3,000 | 20 |
| Average Whole-Home Upgrade (could include heat pump, weatherization, heat pump water heater, solar, EV charging) | \$18,050 | \$14,440 | \$1,100 | 10-25 |

The City will reference the Iowa Technical Resource Manual for the expected useful life of all measures.

(ii) Special advance

The City of Ames requests a special advance of \$100,000 (0.67%) to help cover start-up costs and address the lag between ongoing program costs and recovery of these

(iii) Program Description

| | Financing Minimum Standards | | | | | | |
|-----------------------|--|--|--|--|--|--|--|
| Eligibility | All residential customers will be eligible for the initial program launch. Commercial and industrial feasibility will be explored in program year 2. | | | | | | |
| Incentive structure | Tariff on-bill, attached to the meter at the premises. Utility investment terms will include a fixed charge on the utility bill over a period not to exceed 15 years or 80% of the measure's useful life, whichever is less. | | | | | | |
| Non-payment | In the event of non-payment, the utility will pursue available options, including tax refunds and gambling winnings through the State of Iowa, utility disconnection, and a lien on property. | | | | | | |
| Eligible improvements | Energy-saving home improvements are listed in the eligible activity/investment section and installed by an authorized contractor. | | | | | | |
| | Upgrades for health and safety, directly related to an appropriate efficiency measure, are eligible under the whole-home track. Non-energy improvements are capped at 15 percent of total financing. | | | | | | |
| | The program operator will use financial modeling to determine the eligibility of projects based on estimated savings. To prevent undue burden, the tariff charge will not exceed the average annual | | | | | | |

| | estimated savings. An up-front payment will likely be necessary for most projects to reduce the tariff on-bill charge to within eligibility standards. |
|--|---|
| On-bill tariff terms and qualifications for all customer classes | Term length: 15 years or 80% of the measure's useful life, whichever is less. Rates: Not to exceed 5%. Financial modeling estimates that a rate of less than 1% will be needed to sustain the program. |
| | Qualification: Must be in good standing with the utility. |
| Residential on-bill tariff | Amount per project: \$2,000 to \$30,000. |
| terms | Program total: Not to exceed 100% of RESP loan (\$15,000,000). |
| Commercial and | Amount per project: \$5,000 to \$1,000,000 |
| industrial on-bill tariff terms (if implemented) | Program total: Not to exceed 20% of RESP loan (\$3,000,000) |

(iv) Roles and Responsibilities

An ecosystem of partners is needed to ensure a successful program. Roles of key entities are summarized in this section, including the City of Ames, program operator, contractors, and the customer. A cross-functional flow chart is also provided to illustrate the responsibilities of each party.

The City of Ames will be responsible for:

- General program oversight and management.
- Working with capital provider and program operator to develop underwriting criteria and the program application.
- Working with the program operator to establish the contractor network.
- Developing and implementing an outreach plan and a branding/marketing strategy.
- Applying tariff charges to customer bills and collecting on-bill payments.
- Working with program operator to finalize program processes; create all program documents; and develop a program implementation manual.
- Coordinating City of Ames Electric rebates.
- Providing RESP loan collateral.
- Facilitating contractor payments upon completion of work.
- Holding agreements with customers.
- Recording notice with register of deeds in Story County and discharging notice upon full repayment.

Primary City staff will include:

| Name | Title |
|----------------|----------------------------|
| Brian Phillips | Assistant City Manager |
| Corey Goodenow | Finance Director |
| Don Kom | Electric Services Director |

| John Odenweller | Utility Customer Service Supervisor |
|-----------------|-------------------------------------|
| Layne Fober | Energy Services Coordinator |
| Mark Lambert | City Attorney |
| Nolan Sagan | Sustainability Coordinator |

The City will partner with a program operator, who will administer the program. This will allow the program to scale quickly, be more adaptive, and use up-to-date tools and procedures. The program operator will be selected through a fair and competitive procurement process based on their credentials, expertise, cost, and other criteria. The City will select an operator who has experience carrying out the financial and technical components of similar programs on a similar scale. The program operator will be responsible for:

- Working with the City to establish the contractor network, develop contractor training materials, and conduct contractor training.
- Identifying cost-effective measures using energy audit data collection and comprehensive energy assessment (whole home upgrades track).
- Developing processes and IT infrastructure to model energy savings and calculate offers.
- Working with the City of Ames to establish monitoring and verification criteria and procedures.
- Conducting customer satisfaction surveys and quality assurance.
- Monitoring program results and impacts; create monthly and annual program performance reports.

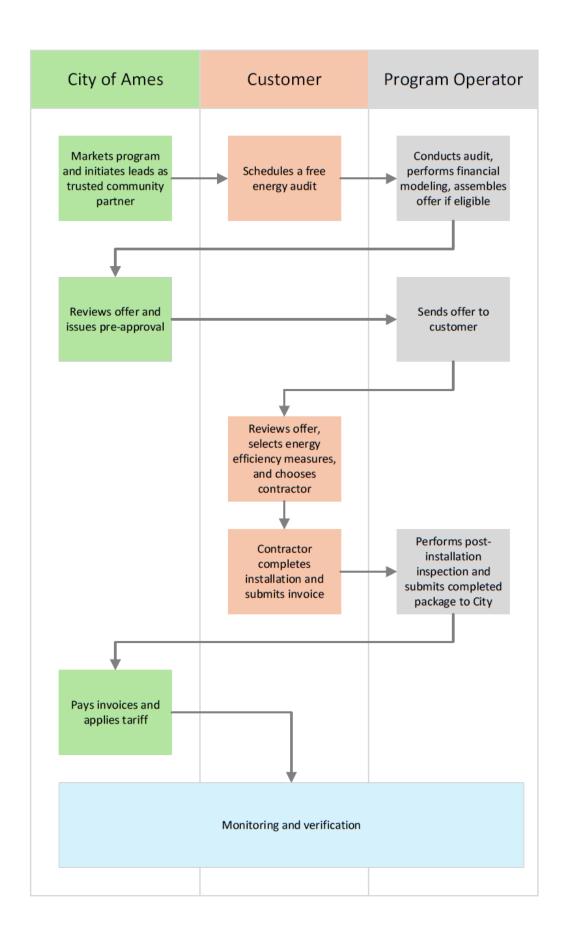
If the customer and building owner are different people, both must agree to the program terms. The customer/building owner is responsible for:

- Agreeing to program requirements, electing qualifying measures, and choosing a contractor.
- Participating in post-project quality control surveys.

The City and program operator will engage with contractors and build an authorized network, prioritizing local contractors. The contractors are responsible for:

- Agreeing to and complying with program processes and requirements.
- Conducting comprehensive whole-home energy assessments and providing data to the program operator.
- Installing energy-saving or renewable energy improvements.

The following chart outlines the whole-home retrofit track process. For the HVAC replacement track, customers start by calling a contractor who has agreed to participate in your program and is trained to sell the service. The contractor goes on-site equipped with an app to generate an offer for the replacement system. Results are sent in real time to the Program Operator, who generates an offer while the contractor is on-site. The customer can solicit other quotes and decides whether to accept the offer. If accepted, the contractor installs the replacement. The utility then pays the contractor the amount of deferred on-bill charges and any rebate.



(3) Financial and Operational Risk

Write-offs, or uncollectables, have been estimated based on research studies^{1,2,3} and the current Ames utilities write-off rate (0.13%). It is estimated that the program could result in 0.5% in write-offs, or \$75,000. Ames proposes to utilize existing demand-side management (DSM) funds to establish a loan loss reserve account and build and maintain an appropriate level throughout the program lifetime. This is a direct investment by the utility in the program and aligns with the purpose of the DSM fund.

As previously mentioned, in the event of non-payment, the Utility will pursue available options, including tax refunds and gambling winnings through the State of Iowa, and in extreme cases, utility disconnection and lien on property.

Agreements with contractors will comply with Ames' purchasing policies, including insurance and bonding requirements. It will be clearly stated in contracts and communicated to program participants that any defective work is the responsibility of the contractor.

Upgrade offers for projects assume a continuation of current behaviors in the home. Significant behavior, equipment, or structural changes may result in higher utility bills and are outside of the City's control.

(4) Measurement and Verification (M&V) Plan

(a) General

All parties will participate in robust M&V led by the program operator and the City. The program is designed to include M&V throughout the performance period and hold parties accountable to the program standards. These activities will ensure only qualifying measures are installed, that measures are installed properly, and that energy savings can be reasonably achieved.

There is high confidence in comprehensive energy modeling to produce accurate savings calculations. A data-driven verification process using industry best practices will ensure actual savings are realized by customers. M&V also provides an opportunity for continuous improvement of the program.

(b) M&V Techniques

Pre-project, the program operator will utilize the Calibrated Simulation Option (CSO) to model energy performance and estimate savings. Results from the CSO will form the foundation for the financing offered to customers. Post-project, the program operator will use the Whole Facility Measurement Option (WFMO) and compare utility billing data to baseline data and the modeled savings originally produced. In the event of a statistically significant anomaly, the program operator will investigate to determine if the discrepancy is due to equipment underperformance, customer behavior, or other causes.

(c) Use of Deemed Savings

Ames does not propose using deemed savings.

(d) Quality Control

As previously stated, the program operator and City will submit an offer to the customer following the initial energy assessment. The offer will be based on comprehensive, verifiable energy modeling and only

¹ Berkeley National Laboratory (2016) Current Practices in Efficiency Financing: An Overview for State and Local Governments. https://eta-publications.lbl.gov/sites/default/files/lbnl-1006406.pdf

² Institute for Local Self-Reliance (2016) Report: Inclusive Financing for Efficiency and Renewable Energy. Prepared by John Farrell. https://ilsr.org/articles/report-inclusive-energy-financing/

³ LibertyHomes & Energy Efficiency Institute, Inc. (2022). 2022 PAYS® Status Update. http://www.eeivt.com/wp-content/uploads/2022/03/2022-PAYS-Status-Update 3 29 22.pdf

include qualifying measures that have been identified as cost-effective. The customer will choose from the available list of measures on the offer, knowing that all available measures will result in impactful energy consumption and cost reductions.

Additionally, contractors will be required to submit several specified geo-tagged photos before, during, and after the project for quality control purposes.

The City will adhere to sections §1719.10(d)(3) and (4) when selecting a program operator and building the contractor network. This will ensure that only qualified, credentialed third parties will be involved in the program, who can perform to the high standards of USDA and the City. Broad initial engagement with key stakeholders, including the Central Iowa Workforce Development Board, suggests sufficient local contractor capacity to implement a program of this scale.

Reporting - 7 CFR 1719.12

The City will file semiannual reports for the first 10 years of the RESP loan and annually thereafter throughout the term of the loan, or more frequently if desired by RUS. Reporting will include, at a minimum, the following information:

- Number and amount of on-bill tariffs issued to customers.
- Types of investments in EE measures and eligible activities.
- EE Program portfolio performance.
- Evidence of compliance with Multi-Tier Action Environmental Compliance Agreement.
- Status and amount of Loan Loss Reserve (when applicable



September 10, 2025

Administrator Rural Utilities Service United States Department of Agriculture Washington, D.C. 20250-1500

Subject: Rural Energy Savings Program (RESP) Loan Application for the City of Ames, Iowa

Dear Administrator:

I am currently the City Attorney for the City of Ames, Iowa ("Borrower"), and I have examined, or caused to be examined by competent and trustworthy persons, such municipal records and files of the City of Ames as I have deemed necessary to permit me to render the opinions expressed herein. The opinions set forth below on behalf of my client, Borrower, address its legal status and potential liabilities as a public municipality and therefore do not address matters only relevant to private entities.

I am of the opinion that, under existing law:

- 1. Borrower has numerous real or personal property interest(s) (including easements, rights of way, or leases) in the county of Story, State of Iowa.
- 2. Borrower was organized under the laws of the State of Iowa as a municipal corporation and is in good standing.
- 3. Borrower is qualified to conduct business in the State of Iowa.
- 4. The true and correct legal name of Borrower, as stated in its applicable organizational document(s) is: City of Ames, Iowa, a municipal corporation.
- 5. The execution, delivery, and performance by Borrower of loan documents would require the consent, permission, or authorization of the City Council of the City of Ames, Iowa.
- 6. Borrower's taxpayer identification number is 42-6004218.

www.CityofAmes.org

- 7. Borrower has entered into a 20-year Power Supply Contract(s), exclusive of amendments, with Garden Wind LLC. The power contract is named Power Purchase Agreement and is dated September 8, 2009. Borrower has entered into a 20-year Power Supply Contract(s), exclusive of amendments, with FFP Fund V Lessee2, LLC. The power contract is named Energy Services Agreement and is dated July 23, 2019.
- 8. Borrower has claims and litigation pending against it, as listed in Exhibit A. Borrower has \$15 million in insurance coverage (\$25,000.00 deductible on auto, \$100,000.00 deductible on general). The pending claims and litigation should have little to no effect on Borrower.
- 9. Borrower has no subsidiary.
- 10. The titles of the officials of Borrower with the proper authority to execute all loan documents on behalf of Borrower, and to attest to the execution where required, are the Mayor and the City Clerk, respectively.

Sincerely,

Mark O. Lambert City Attorney USDA Form RD 400-4 (Rev. 11-17)

ASSURANCE AGREEMENT

(Under Title VI, Civil Rights Act of 1964)

FORM APPROVED OMB No. 0575-0018

OMB No. 0570-0062

The

City of Ames

(name of recipient)

515 Clark Ave, Ames, IA 50010

(address)

As a condition of receipt of Federal financial assistance, you acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of national laws and policies prohibiting discrimination, including but not limited to:

1. Title VI of the Civil Rights Act of 1964, as amended, which prohibits you from discriminating on the basis of race, color, or national origin (42 U.S.C. 2000d et seq.), and 7 CFR Part 15, 7 CFR 1901, Subpart E.

As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [in accordance with USDA RD LEP Guidance for RD Funded (Assisted) Programs]. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. You are encouraged to consider the need for language services for LEP persons served or encountered both in developing your budgets and in conducting your programs and activities. For assistance and information regarding your LEP obligations, go to http://www.lep.gov;

- 2. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating on the basis of sex in education programs or activities (20 U.S.C. 1681 et seq.)[as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
- 3. The Age Discrimination Act of 1975, as amended, which prohibits you from discriminating on the basis of age (42 U.S.C. 6101 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
- 4. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits you from discriminating on the basis of disability (29 U.S.C. 794) [as implemented by 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E];
- 5. Title VIII of the Civil Rights Act, which prohibits you from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units, i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) be designed and constructed with certain accessible features, see 24 CFR Part 100.201; and
- 6. Titles II and III of the Americans with Disabilities Act, which prohibit you from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189), as implemented by Department of Justice regulations at 28 C.F.R. parts 35 and 36, and 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0018. The time required to complete this information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions governing USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to records, accounts, documents, information, facilities, and staff:

- 1. You must cooperate with any compliance review or complaint investigation conducted by USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).
- 2. You must give USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by Title VI, Title IX, Age, and Section 504 implementing regulations and other applicable laws or program guidance.
- 3. You must keep such records and submit to the responsible Department official or designee timely, complete, and accurate compliance reports at such times, and in such form and containing such information, as the responsible Department official or his designee may determine to be necessary to ascertain whether you have complied or are complying with relevant obligations.
- 4. You must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
- 5. Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Rural Development or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
- 6. If, during the past three years, you (the recipient) have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, you must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements.
- 7. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against you, or you settle a case or matter alleging such discrimination, you must forward a copy of the complaint and findings to USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), Office of Civil Rights.

The United States has the right to seek judicial enforcement of these obligations.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of program-specific nondiscrimination policy requirements found at CFR Part 15, 7 CFR Part 15 b, 12 CFR Part 202, 7 CFR 1901, Subpart E., DR4300-003, DR4330-0300, DR4330-005.

Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), this assurance obligates the Recipient for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Recipient for the period during which the federal assistance is extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Recipient's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), the Recipient agrees not to discriminate on the grounds of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Data Collection

The Recipient agrees to compile and maintain information pertaining to programs or activities developed as a result of the Recipient's receipt of federal assistance from Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service). Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age, and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) to be relevant to the obligation to assure compliance by recipients with laws cited in this assurance agreement.

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations as herein described, that the information submitted in conjunction with this Document is accurate and complete, and that the recipient is in compliance with the nondiscrimination requirements set out above.

| Rights and remedies provided for un | nder this agreement shall be cumulative. | |
|--|---|--------------------------------------|
| In witness whereof, | City of Ames | on this |
| · | (name of recipient) | |
| date has caused this agreement to be hereunto executed this agreement. | e executed by its duly authorized officers and its seal affixed h | nereto, or, if a natural person, has |
| | | |
| | | |
| | | |
| | | |
| | | John Haila |
| (SEAL) | | Recipient |
| | | 9/9/2025 |
| | | Date |
| Attest: | | Mayor |

Title

Title

STATE AND LOCAL GOVERNMENT INFORMATION 2025 EEO-4 REPORT

CITY OF AMES

DIR. HUMAN RESOURCES 515 CLARK AVENUE

AMES IA 50010

CONTROL NUMBER 19300230

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1. FULL-TIME EMPLOYEES

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STATE AND LOCAL GOVERNMENT INFORMATION 2025 EEO-4 REPORT

CITY OF AMES DIR. HUMAN RESOURCES 515 CLARK AVENUE

AMES IA 50010

CONTROL NUMBER 19300230

01 02 04 05 06 09 10 13 15

1. FULL-TIME EMPLOYEES (CONTINUED)

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| TOTAL FULL TIME | 65 | | 7 | 2 | 229 | 5 | | 2 | 1 | | 116 | 2 | 2 | 1 | | 3 | 370 | | | |

STATE AND LOCAL GOVERNMENT INFORMATION 2025 EEO-4 REPORT

CITY OF AMES DIR. HUMAN RESOURCES 515 CLARK AVENUE

AMES IA 50010

CONTROL NUMBER 19300230

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2. OTHER THAN FULL-TIME EMPLOYEES

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| TOTAL NEW HIRES | 83 | 1 | 1 | 28 | | | | | | 15 | 1 | | | | | 46 |

CERTIFICATION. I certify that the information given in this report is correct and true to the best of my knowledge and was reported in accordance with accompanying instructions. (Willfully false statements on this report are punishable by law, U. S. Code, Title 18, Section 1001.)

NAME OF PERSON TO CONTACT REGARDING THIS REPORT: BETHANY JORGENSON TITLE: DIR. HUMAN RESOURCES

ADDRESS: 515 CLARK AVENUE TELEPHONE NUMBER (INCLUDE AREA CODE): 515 239-5199

AMES, IA 50010

DATE: 6/26/25 TYPED TITLE OF CERTIFYING OFFICIAL: DIR. HUMAN RESOURCES

SIGNATURE OF CERTIFYING OFFICIAL:



LOBBYING CERTIFICATION

Statement For Loan Guarantees And Loan Insurance

The undersigned states to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U. S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

| City of Ames Organization Name | |
|--|----------|
| John Haila, Mayor Name of Authorized Official | |
| | 9/9/2025 |
| Signature | Date |

LOBYCERT.DOC (Computer generated form, Version 2, 12/96)



FEDERAL DEBT DELINQUENCY CERTIFICATION

| IS TH | E APPLICANT DELINQUENT O | N ANY FEDER | AL DEBT? | YES | X NO |
|--|---|---|--|---|--|
| Note: | Example of debts include, but government loans (more than 31 | | | | |
| If Yes, | provide explanatory information. | | | | |
| | APPLI FEDERAL COLLECTION | ICANT CERTIF ON POLICIES F | | CIAL DEB | <u>T</u> |
| borrow borrow period incurre under against private Depart | deral Government is authorized by the rer's loan payments become deline ther's delinquent account to a credit be of time that payment is not made; do by the Government to service the other Federal programs; (5) Refer any amount owed to the borrower collection agency to collect the ament of Justice for litigation in the country account of these actions can and will be used. | quent or the bor ureau; (2) Asses ; (3) Assess ch borrower's accou- the borrower's of as an income tax amount due; an ourts. | rower defaults of sadditional interarges to cover a sunt; (4) Offset a lebt to the Interrefund; (6) Refer to the factor of the total of | on its loan: rest and pena additional ac amounts own al Revenue fer the borro he borrower | (1) Report the alty charges for the alministrative costs ed to the borrower Service for offset wer's account to a car's account to the |
| | these actions can and will be used tof the Government to do so. | to recover any o | lebts owed wher | i it is deterr | nined to be in the |
| Certifi | <u>cation</u> | | | | |
| | read and understand the actions ny scheduled payments in accorda | | | | |
| | | Signed: | | | |
| | | Title: | Mayor | | |
| | | Applicant: | City of Ames | | |
| | | Date: | 9/9/2025 | | |

TEM #: 28

DATE: 09-09-25

DEPT: P&H

COUNCIL ACTION FORM

SUBJECT: REQUEST FROM DANFOSS TO WAIVE SIDEWALK INSTALLATION REQUIREMENT AT 2800 E. 13TH STREET

BACKGROUND:

Danfoss, at 2800 E. 13th Street, is in the process of seeking permits to construct a new, freestanding daycare building on the same property as the existing manufacturing facility. An earlier iteration of the daycare project on the neighboring 3M property (to the west) has not materialized. Danfoss is now intending to build the free-standing daycare building without 3M. In order to receive state funding, the project must be completed by the end of March 2026.

The new construction triggers the requirement for a sidewalk/shared use path along E. 13th Street (Sec. 5.118 - INFRASTRUCTURE TO BE INSTALLED). Chapter 22, Streets and Sidewalks, in Sec. 22.31(1), also requires necessary infrastructure prior to issuance of a building permit.

Danfoss has requested a waiver of the requirement to install a sidewalk or shared use path along the south side of E. 13th Street in front of the Danfoss property. The waiver request specifically pertains to the requirement to install the sidewalk/shared use path in conjunction with the construction of the daycare. The request is not to waive the requirement in perpetuity.

The frontage along E. 13th does not have a sidewalk, nor does property to the west. To the east of the Danfoss property is the ramp for entering the southbound lanes of Interstate 35. The nearest sidewalk/shared use path is on the east side of Dayton Avenue, approximately 1,270 feet to the west of the Danfoss parcel. See Attachment A for maps and aerials.

If the sidewalk requirement were imposed, Danfoss would need to install approximately 1,000 feet of sidewalk along E. 13th Street, excluding the vehicular entrance to the property. Approximately 65 feet is to the west of the driveway entrance. The remainder is to the east and ends in the highway entrance ramp.

Chapter 22 of *Municipal Code* also grants Council the ability to grant a waiver to sidewalk requirements for "previously developed properties abutting atypical right-of-way widths and improvements". Sec. 22.31(6)(c) gives City Council the authority to approve additional infrastructure waivers or deferral agreements, with or without financial security, for properties within the Intensive Industrial Zoning District and for previously developed properties abutting atypical right-of-way widths and improvements, such as high voltage transmission lines and on-street parking, that may preclude the construction of a sidewalk or shared use path as required by ordinance.

Installing a sidewalk or shared use path at this time would not connect to a larger sidewalk network. It is unknown when the City would extend the sidewalk or shared use path from the intersection of E. 13th Street and Dayton Avenue. To the east of I-35 is

mostly undeveloped land, though several warehouse/industrial projects are planned.

This request is only for a waiver of the requirement with the daycare project - not a permanent waiver for the property. Any subsequent development would be required to install the infrastructure as mandated in the *Municipal Code*. Constructing the sidewalk, particularly in winter, could also create difficulties as Danfoss moves quickly to build the daycare before the deadline at the end of March 2026.

ALTERNATIVES:

- 1. Approve the request to waive the requirement to install a sidewalk or shared use path in conjunction with a new daycare building along the south side of E. 13th Street in front of the Danfoss property.
- 2. Deny the request for a waiver of the sidewalk or shared use path requirement.
- 3. Defer the decision to a future meeting and request additional information from staff.

CITY MANAGER'S RECOMMENDED ACTION:

The applicant's request is to waive the requirement to install a sidewalk or shared use path along E. 13th Street in conjunction with the new daycare project on the Danfoss property.

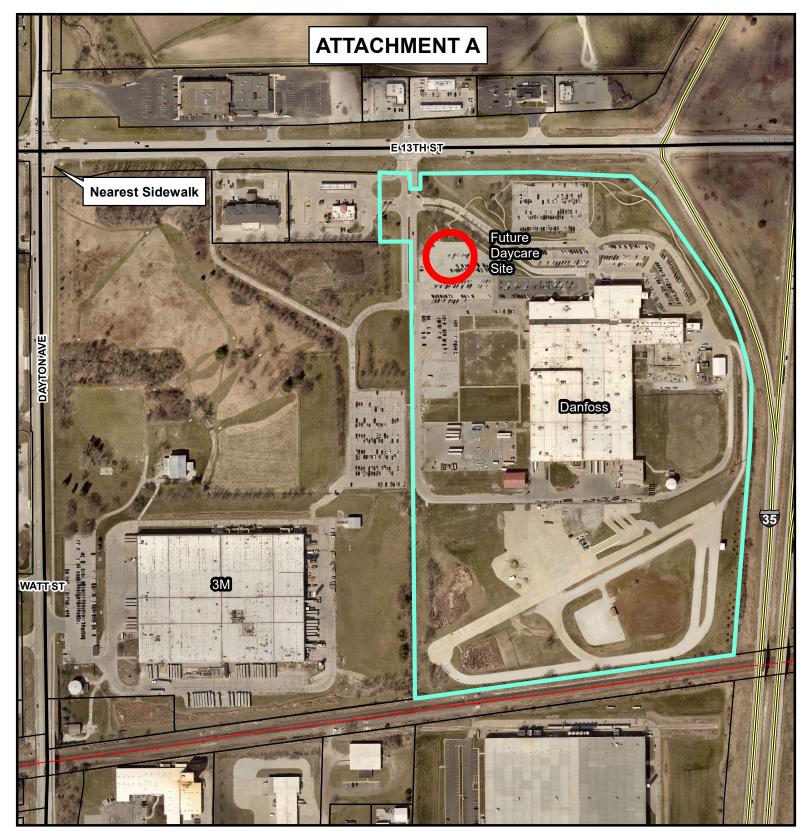
The Code allows for waivers for "previously developed properties abutting atypical right-of-way widths and improvements." Staff believes that the abutting interstate entrance ramp and the undeveloped land to the east is an atypical condition that will mean installing a sidewalk or shared use path will lead to a location not intended for pedestrians or bicyclists.

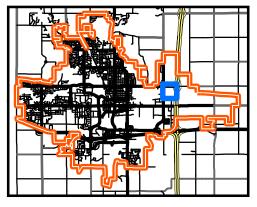
Public Works staff has noted that the right-of-way in this area is in need of modifications to comprehensively address connectivity, traffic control, utilities, and drainage, and installing a sidewalk or shared-use path at this time is likely to result in the need to remove and relocate it in the next few years.

Therefore, it is the City Manager's recommendation that the Council adopt Alternative #1, as described above.

ATTACHMENT(S):

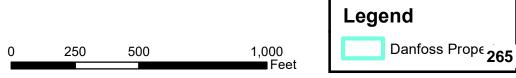
Attachment A.pdf

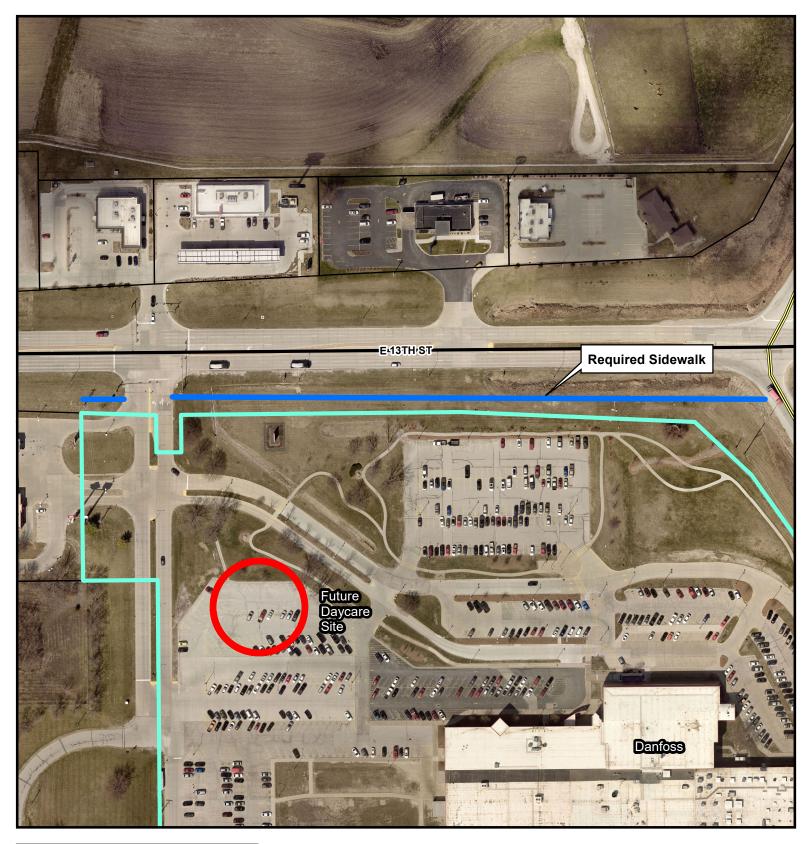


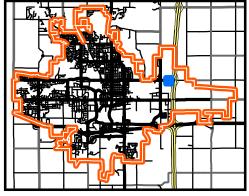


Sidewalk Waiver Request 2800 E. 13th Street September 23, 2025









Sidewalk Waiver Request 2800 E. 13th Street September 23, 2025











To: Mayor & City Council

From: Kelly Diekmann, Director of Planning & Housing

Date: September 9, 2025

Subject: Rezoning of Property at 3220 Cameron School Road

The ordinance relating to rezoning of property at 3220 Cameron School Road from "A" (Agriculture) to "CGS" (Convenience General Service) and "FS-RM" (Floating Suburban Medium-Density Residential) Zone with Masterplan is attached for the City Council's review and consideration on second reading.

ATTACHMENT(S):

3220 Cameron School Rd Rezoning.docx

DO NOT WRITE IN THE SPACE ABOVE THIS LINE, RESERVED FOR RECORDER Prepared by: City Clerk's Office, 515 Clark Avenue, Ames, IA 50010 Phone: 515-239-5105 Return to: Ames City Clerk, P.O. Box 811, Ames, IA 50010

| ORDINANCE NO |
|--|
| AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF AMES, IOWA, AS PROVIDED FOR IN SECTION 29.301 OF THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY CHANGING THE BOUNDARIES OF THE DISTRICTS ESTABLISHED AND SHOWN ON SAID MAP AS PROVIDED IN SECTION 29.1507 OF THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH AND ESTABLISHING AN EFFECTIVE DATE |
| BE IT HEREBY ORDAINED by the City Council of the City of Ames, Iowa; |
| Section 1: The Official Zoning Map of the City of Ames, Iowa, as provided for in Section 29.301 of the <i>Municipal Code</i> of the City of Ames, Iowa, is amended by changing the boundaries of the districts established and shown on said Map in the manner authorized by Section 29.1507 of the <i>Municipal Code</i> of the City of Ames, Iowa, as follows: That the real estate, generally located at 3220 Cameron School Road, is rezoned from Agricultural (A) to Suburban Residential Medium Density (FS-RM) and Convenience General Service (CGS). |
| Real Estate Description: |
| Section 2: All other ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict. |
| Section 3: This ordinance is in full force and effect from and after its adoption and publication as provided by law. |
| ADOPTED THISday of |
| Renee Hall, City Clerk John A Haila, Mayor |





To: Mayor & City Council

From: Kelly Diekmann, Director of Planning & Housing

Date: September 9, 2025

Subject: Zoning Text Amendment to amend the PUD Overlay Open Space

Standard for Infill Sites

The ordinance relating to Zoning Text Amendment to amend the PUD Overlay Open Space Standard for Infill Sites is attached for City Council's review and approval on third reading and adoption.

ATTACHMENT(S):

DRAFT_ordinance_for_removing_open_space_requirements_for_single_family_dwelling_infill_

| ORDINANCE NO. | |
|---------------|--|
| | |

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY AMENDING SECTION 29.1114(5) THEREOF, FOR THE PURPOSE OF ELIMINATING PUD OVERLAY 10% COMMON AREA OPEN SPACE STANDARD REQUIREMENT FOR SINGLE FAMILY ATTACHED DWELLING INFILL PROJECTS, REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

<u>Section One</u>. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by amending Section 29.1114(5) as follows:

"Sec. 29.1114 "PUD" PLANNED UNIT DEVELOPMENT OVERLAY DISTRICT

* * *

(5) **Supplemental Development Standards.** Property that is zoned PUD shall be developed in accordance with the Zone Supplemental Development Standards listed in Table 29.1114(5) below, except Alternative Design approvals of 29.1502(7) or Pocket Neighborhood compatibility standards have priority over Development Standards if there is a conflict:

Table 29.1114 (5) Planned Unit Development Overlay District (PUD) Supplemental Development Standards

| SUPPLEMENTAL DEVELOPMENT STANDARDS | PUD ZONE |
|--|--|
| | |
| Common Open Space and | Minimum of 10% of the gross area shall be devoted to common open space. The intended purpose of the proposed open space must be set forth in the plan. The land provided for common open space must be improved for its intended purpose, and readily accessible to residents. Provide for the ownership and maintenance of the common open space. Phasing of improvements shall be clearly described in the development plans and may be required to be set forth in a legally binding instrument. Infill projects consisting of Single Family Attached Dwellings are exempt from this common open space requirement. |
| Amenities | Clubhouse, roof deck patios, and similar community amenities may be credited toward the open space requirement. |
| | Developments exceeding 50 dwelling units shall provide for usable open space and amenities to serve the residents of the development which may include a combination of common area and private usable yard areas located outside front yard setbacks. |
| | Development of medium and high-density developments may be exempt from providing |

| SUPPLEMENTAL DEVELOPMENT STANDARDS | PUD ZONE |
|---|---|
| | common open space area when recreational amenities, such as clubhouses, pools, or sport courts, are sufficiently provided for as an alternative. |
| ••• | ••• |
| such conflict, if any. | Il ordinances, or parts of ordinances in conflict herewith are hereby repealed to the extent of This ordinance shall be in full force and effect from and after its passage and publication as |
| Passed this | day of, <u>2025</u> . |
| | John A. Haila, Mayor |
| First Reading: Second Reading: Third Reading: | |
| a true copy of Ordinano | ee Hall, City Clerk of the City of Ames, Iowa, hereby certify that the above and foregoing is see No, passed by the City Council of said City at the meeting held on and signed by the Mayor on, and published in the |
| | Renee Hall, City Clerk |





To: Mayor & City Council

From: Kelly Diekmann, Director of Planning & Housing

Date: September 9, 2025

Subject: Ordinance relating to rezoning Property located at 2715 Dayton

Avenue from Agricultural (A) to Government/Airport District (S-GA)

The ordinance relating to rezoning Property located at 2715 Dayton Avenue from Agricultural (A) to Government/Airport District (S-GA) is attached for the City Council's review and consideration on third reading and adoption.

ATTACHMENT(S):

2715 Dayton Ave - Rezoning.docx

DO NOT WRITE IN THE SPACE ABOVE THIS LINE, RESERVED FOR RECORDER Prepared by: City Clerk's Office, 515 Clark Avenue, Ames, IA 50010 Phone: 515-239-5105 Return to: Ames City Clerk, P.O. Box 811, Ames, IA 50010

AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF AMES, IOWA, AS PROVIDED FOR IN SECTION 29.301 OF THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY CHANGING THE BOUNDARIES OF THE DISTRICTS ESTABLISHED AND SHOWN ON SAID MAP AS PROVIDED IN SECTION 29.1507 OF THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH AND ESTABLISHING AN EFFECTIVE DATE

BE IT HEREBY ORDAINED by the City Council of the City of Ames, Iowa;

<u>Section 1</u>: The Official Zoning Map of the City of Ames, Iowa, as provided for in Section 29.301 of the *Municipal Code* of the City of Ames, Iowa, is amended by changing the boundaries of the districts established and shown on said Map in the manner authorized by Section 29.1507 of the *Municipal Code* of the City of Ames, Iowa, as follows: That the real estate, generally located at 2715 Dayton Avenue, is rezoned from Agricultural (A) to Government/Airport District (S-GA).

Real Estate Description: A part of the NE1/4 of the NE1/4 of Section 36-T84N-R24W of the 5th P.M. Story County, Iowa, described as follows: Beginning at a point on the east line, 16.5 ft. South of the NE corner of said NE1/4-NE1/4, thence N88° 41'W-925.0 ft., parallel and 16.5 ft. distant from the north line of said NE1/4-NE1/4; thence south 275.0 ft., thence S88° 41'E.-925.0 ft. to the east line of said NE1/4 -NE1/4; thence north 275.0 ft. to point of beginning, containing 5.84 acres, subject to highway right of way.

<u>Section 2</u>: All other ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

<u>Section 3</u>: This ordinance is in full force and effect from and after its adoption and publication as provided by law.

| ADOPTED THI | ISday of | | · |
|------------------------|----------|---------------------|---|
| | | | |
| | | | |
| | | | |
| Renee Hall, City Clerk | | John A Haila, Mayor | |





To: Mayor & City Council

Kelly Diekmann, Director of Planning & Housing From:

September 9, 2025 Date:

Subject: Ordinance for PUD Overlay with Site Development Plan

The ordinance relating to 400 South 4th Street PUD Overlay with Site Development Plan is attached for City Council's review and approval on third reading and adoption.

ATTACHMENT(S):

400 S 4th Street Rezoning.docx

DO NOT WRITE IN THE SPACE ABOVE THIS LINE, RESERVED FOR RECORDER Prepared by: City Clerk's Office, 515 Clark Avenue, Ames, IA 50010 Phone: 515-239-5105 Return to: Ames City Clerk, P.O. Box 811, Ames, IA 50010

| ORDINANCE NO |
|--|
| AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF AMES, IOWA, AS PROVIDED FOR IN SECTION 29.301 OF THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY CHANGING THE BOUNDARIES OF THE DISTRICTS ESTABLISHED AND SHOWN ON SAID MAP AS PROVIDED IN SECTION 29.1507 OF THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH AND ESTABLISHING AN EFFECTIVE DATE |
| BE IT HEREBY ORDAINED by the City Council of the City of Ames, Iowa; |
| Section 1: The Official Zoning Map of the City of Ames, Iowa, as provided for in Section 29.301 of the <i>Municipal Code</i> of the City of Ames, Iowa, is amended by changing the boundaries of the districts established and shown on said Map in the manner authorized by Section 29.1507 of the <i>Municipal Code</i> of the City of Ames, Iowa, as follows: That the real estate, generally located 400 S 4 th Street rezoned to Mixed Use District (S-SMD). |
| Real Estate Description: Clarks Subdivision Outlot A Parcel G, Lots 2-6 |
| Section 2: All other ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict. |
| Section 3: This ordinance is in full force and effect from and after its adoption and publication as provided by law. |
| ADOPTED THISday of |
| Renee Hall, City Clerk John A Haila, Mayor |