

**CAPITAL IMPROVEMENT PROJECTS  
CAPITAL PROJECTS FUND**

**FISCAL YEAR 2011/2012 PROJECTS UNDER CONSTRUCTION**

**On-Going Pavement Management Program:** In 2009/2010 the city completed the initial 3-year plan to upgrade the condition of city streets. The initial costs were funded with general obligation bond proceeds. Annual allocations to maintain streets at this higher level began in 2010. This ongoing program will be funded from the 20% allocation of the local option sales tax dedicated by voter referendum for the pavement management program. These funds will be used for curb and gutter replacement, full depth patching, joint sealing, and street resurfacing.

<b><u>Funding Source</u></b>	<b><u>FY 2011/2012 Funding Amount</u></b>
Local Option Sales Tax Funds	\$ 500,000

**Future Impact on Operating Budget:** This project will maintain streets at a higher level to avoid future costs.

**Railroad Crossing Improvements:** This project will fund the local share of the cost to upgrade railroad crossings in the City. The City is responsible for 20% of the cost of the upgrades, with the State share at 60%, and the railroad's share 20%. The City's share of the costs will be funded from the 20% allocation of local option sales tax dedicated for the pavement management program. The crossings being upgraded in 2011/2012 include Cedar Street, Iowa Avenue, Day Street, 5<sup>th</sup> Street, 9<sup>th</sup> Street, Musser Street, Oregon Street, and various others in the south end of the city. .

<b><u>Funding Sources</u></b>	<b><u>FY 2011/2012 Funding Amount</u></b>
Local Option Sales Tax Funds	\$ 200,000

**Future Impact on Operating Budget:** This project reduces annual maintenance costs. Specific cost savings cannot be determined.

**Cedar Street Improvement Project – Parham to Houser:** This project originally involved the resurfacing of this portion of Cedar Street with 80% of project costs funded through the federal STP grant program in the amount of \$551,772. The City is planning an expanded project for this heavily used street. This includes widening the street to three lanes including turning lanes and constructing a trail on one side of the street for pedestrian use. The total cost of the expanded project is estimated at between \$3.7 and \$4 million. The original STP grant funding of \$551,772 was increased to \$967,458 for the expanded project. This project is being completed in phases beginning in 2011 and continuing through 2014. Culvert work was completed in 2011 and utility and drainage work will be done in 2012. Additional easements will also be obtained in 2012. The paving portion of the project is planned for 2013 and 2014.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Bond Proceeds	\$ 1,068,000

**Future Impact on Operating Budget:** This will reduce annual maintenance costs. The amount cannot be determined.

**Colorado Street Resurfacing Project:** The Colorado Street Resurfacing project was originally estimated at a total cost of \$1.5 million. This project will receive \$1.2 million (80% of the original cost estimate) in funding through the federal STP grant program. The project scope has been expanded to include more extensive improvements to this street which is estimated to increase the total project cost to \$2,255,000 with the local share increasing to \$1,055,000. This cost estimate may change as options for straightening the curve in this street are evaluated. Engineering design services began in 2010/2011 and will be completed in 2011/2012. Construction on the project is scheduled to begin in 2012/2013 and be completed in 2013/2014.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Bond Proceeds	\$ 1,055,000

**Future Impact on Operating Budget:** This will reduce annual maintenance costs. The amount cannot be determined.

**Harrison Street Extension Project:** This project will extend Harrison Street to Bandag Drive. Upon completion this street will provide a detour route while the Colorado Street construction work is done in 2013. This project will also provide improved access for student pickup and drop off at Colorado School as well as open an area for commercial infill. The survey, easement, and design work is scheduled to be completed by the end of fiscal year 2011/2012 with construction planned for 2012/2013. This project will be funded from Road Use Tax funds.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Road Use Tax Funds	\$ 14,500

**Future Impact on Operating Budget:** This project is expected to have a minimal impact on future budgets during winter months for snow removal. The amount cannot be determined.

**Hershey Avenue Resurfacing Project:** This resurfacing project was completed in conjunction with the Hershey Avenue Sewer Project. The City received \$381,400 through the federal STP grant program for this project with the balance of project costs funded from bond proceeds. Construction began in 2010/2011 and the project was substantially completed by the end of calendar year 2011. The remaining work will be done in the spring of 2012 with the contract expected to be closed out by the end of 2011/2012.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Federal STP Funds	\$ 228,200
Bond Proceeds	<u>1,108,000</u>
	<u>\$ 1,336,200</u>

**Future Impact on Operating Budget:** This will reduce annual street maintenance costs. The amount cannot be determined.

**Clay Street Bridge Improvements:** During construction of the Clay Street Improvement project in 2009, it was determined that structural improvements were also needed to the bridge on this heavily traveled street. These bridge improvements were completed in 2010/2011. Funding for this project will be from the City's bond issue in the spring of 2012.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Bond Proceeds (for prior year costs)	\$ 383,000

**Future Impact on Operating Budget:** This will reduce bridge maintenance costs. The amount cannot be determined.

**Mississippi Drive Corridor Project – Environmental Study and Preliminary Design:** In 2007 the City in conjunction with the Iowa Department of Transportation (IDOT) completed a study on the section of U.S. Highway 61 Business Route from the Mississippi River Bridge to Grandview Avenue. IDOT provided funding for 80% of the cost of this study. Since that time the City has been seeking funding to proceed with improvements on this corridor. Two funding sources were found that allowed this project to move forward to the next step. They included \$444,600 through the Transportation and Community System Preservation Fund (TCSP) and \$600,000 from the Statewide Transportation Improvement Program (STIP) administered through the Bi-State Regional Commission's current Transportation Improvement Plan (TIP). Both of these funding sources require a 20% local match that will be funded from the 2012 bond issue. Following a consultant selection process outlined by the Iowa Department of Transportation (IDOT), the city selected Stanley Consultants to provide the environmental study and preliminary design services. This work began in 2009/2010, continued in 2010/2011, and is expected to be completed in 2011/2012. This work is needed before the City can pursue funding for the construction of improvements to this corridor.

<u>Source</u>	<u>FY 2011/2012 Funding Amount</u>
Federal TCSP and STIP Grants	\$ 573,400
Bond Proceeds	<u>225,000</u>
	<u>\$ 798,400</u>

**Future Impact on Operating Budget:** There is no impact from the environmental study and preliminary design services.

**Brownfield Assessment Projects:** The City received two grants to conduct area-wide assessments for potential or suspected brownfields in former industrial areas along the U.S. 61 Business Route and other locations. One assessment is looking for petroleum contamination, the other for hazardous material. Two grants, each in the amount of \$200,000, funded 100% of the cost of these assessments. These assessments began in 2008/2009, continued in 2009/2010 and 2010/2011, and were completed in 2011/2012.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Federal Grants	\$ 45,500

**Future Impact on Operating Budget:** None.

**Highway 38 and 61 Connector Study:** Consideration is being given to constructing a connector street between these two major highways that intersect in the northeast section of the city. Benefits would include relieving some of the congestion at the current intersection as well as opening areas for development in that section of the city. This study will provide a preliminary cost estimate as well as evaluate routes for this connector street.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Local Options Sales Tax Funds	\$ 45,000

**Future Impact on Operating Budget:** This study will have no impact on future operating budgets.

**Mississippi Bridge Lighting Repair Project:** The original bridge lighting project involved the installation of decorative LED lighting on the bridge over the Mississippi River. This lighting system can be programmed into a multitude of colors and patterns including those for holidays or other celebrations. Assistance in completing this project was provided by Musco Sports Lighting Inc., Stanley Consultants, Muscatine Power & Water, the Muscatine Chamber of Commerce and Industry and City staff. All direct costs of the original project were funded from a federal grant and a contribution from Musco Sports Lighting, Inc. These lights have failed in the past year and it was determined that \$60,000 in material costs would be needed to replace the malfunctioning lights. Muscatine Power & Water agreed to pay \$20,000 of this cost and the City will fund the remaining \$40,000 from Southend Tax Increment funds. Musco Sports Lighting contributed the design work and will install the new lights.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Muscatine Power & Water Contribution	\$ 20,000
Southend Tax Increment Funds	40,000
	<u>\$ 60,000</u>

**Future Impact on Operating Budget:** As Muscatine Power & Water will provide the power and ongoing maintenance costs for these lights, there should be no future impact on the City's operating budget.

**Weed Park to Wild Cat Den Park Trail:** The project extended the American Discovery/Mississippi Trail from Weed Park to Wild Cat Den State Park. A federal STIP grant was awarded for this project which required a 20% local match. Donations and Collection and Drainage funds were used for the local share of project costs. Construction on this project was completed in 2011/2012.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Federal Grant	\$ 362,500
Collection and Drainage Funds	37,800
Donations	75,000
	<u>\$ 475,300</u>

**Future Impact on Operating Budget:** There will be a small cost increase for trail maintenance estimated at \$2,000 annually. This cost will be absorbed within the Park Maintenance budget.

**Musser Park to Weggens Road Trail (Design):** The local Trails Committee has secured a federal grant for this trail project. The grant, however, will not fund preliminary project costs including surveys and trail design services. The Trails Committee requested and received financial assistance from the City in the amount of \$50,000 for these costs with this amount funded from the 2010 bond issue. The trail survey and design work will begin in 2011/2012 and continue in 2012/2013 with trail construction to begin in future years.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Prior Year Bond Proceeds	\$ 11,000

**Future Impact on Operating Budget:** There will be no budget impact from the trail design and a small increase in costs for trail maintenance once it is constructed. The amount is estimated at \$1,000 annually.

**Mark Twain Overlook:** This project involves a cooperative effort between the City and community volunteers to re-landscape the Mark Twain Overlook. The 2011/2012 funding amount includes various improvements at this site funded from prior year donations.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Prior Year Donation	\$ 2,000

**Future Impact on Operating Budget:** None

**Mad Creek Levee Improvement Project:** In 2008 the Corps of Engineers notified the City that this levee improvement project was approved for federal funding. Funding was awarded on a 65% federal and 35% local share basis. The City has been setting aside proceeds of the Levee tax levy in anticipation of this project. Those funds plus \$2 million in prior year and \$74,000 in 2012 bond proceeds will fund most of the local share of the overall project costs. It is estimated that approximately four years of future year levee tax levy funds will be needed to fully fund the remaining local share of project costs. The Corps awarded the contract for Phase I of this project in the fall of 2009 and Phase I was completed in 2010. The contract for Phase II was awarded in 2011 and the project is scheduled to be completed in 2012.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Levy Tax Levy	\$ 51,280
Local Contribution	6,300
Bond Proceeds	<u>74,000</u>
	<u>\$ 131,580</u>

**Future Impact on Operating Budget:** Upon completion of this project there will be reduced costs during flood events. The amount of savings cannot be determined.

**Southend Fire Station Project:** The current Fire Station #2 on Oregon Street is no longer physically adequate to house current fire trucks and ambulance vehicles. In 2009 the City was awarded a \$200,000 grant under the State of Iowa's Rebuild Iowa Infrastructure program. These funds were used to evaluate the existing southend fire station (Station #2) location as well as evaluate other sites for a new facility. The remaining funds were used to design and begin construction of a new station. In 2010 the City was awarded an \$850,250 State IJOBS II grant toward construction costs of this new facility. The local share of the project cost is estimated at \$440,000 and this amount will be funded from the June 2012 bond issue. This project is scheduled for completion in the spring of 2012.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Bond Proceeds	\$ 440,000
State IJOBS II Grant	<u>720,200</u>
	<u>\$ 1,160,200</u>

**Future Impact on Operating Budget:** This project is not expected to impact future operating budgets as fire station staffing will remain the same. While the new station will be larger than the current station, increased utility costs are not expected due to more efficient heating and cooling systems in the new facility.

**City Hall and Museum Boiler Replacements:** The original 2011/2012 budget included \$68,200 to replace the aging boiler in City Hall with funding from the portion of the 2010 bond issue that will be repaid with Downtown Tax Increment funds. After the 2011/2012 budget was adopted the City made application for Energy Efficiency Conservation Block Grant funds for grants to assist in the cost of replacing both the City Hall and Museum boilers. The City was awarded \$21,500 of funding for the City Hall boiler and \$16,886 for the Museum boiler. At the time the 2012/2013 budget was adopted, based on the engineer's project cost estimates, it appeared there would be sufficient funding to replace both boilers with the grant funds and prior year bond proceeds. The City received bids on both boilers after the budget was adopted, however, and both bids exceeded the estimates by significant amounts. City staff is currently evaluating these bids and will proceed with only the City Hall boiler replacement, at least initially.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Prior Year Bond Proceeds –	
Downtown TIF Funded	\$ 63,900
Energy Efficiency Block Grant Funds	<u>38,400</u>
	<u>\$ 102,300</u>

**Future Impact on Operating Budget:** The City Hall boiler replacement will reduce maintenance and utility cost by an estimated \$5,000 annually.

**City Hall, Public Works, and Art Center Telephone Systems:** This project includes the replacement of the current phone systems at these facilities with systems that integrate VoIP technology. The VoIP will allow easier telephone transfers between the various City facilities.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Available Capital Project Fund Balance	\$ 60,000

**Future Impact on Operating Budget:** There should be a small reduction in maintenance costs with the new telephone systems.

**Financial Software System Replacement:** The City's current financial software runs on an IBM AS/400 computer and is used for all financial operations including general ledger, payroll, accounts payable, accounts receivable, and purchasing. The City is looking at replacing and enhancing this system with a new software system. Enhancements specifically targeted for the new system include making financial information more accessible to departments for budget monitoring purposes, electronic processing and distribution of purchase orders, electronic input and approval of employee work and leave hours by departments, and various other process enhancements. A staff committee has researched several systems and is looking to make a recommendation for a new system in the spring of 2012.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
General Fund Transfer	\$ 140,000

**Future Impact on Operating Budget:** Annual software costs are being evaluated as part of the software selection process. These costs may increase or decrease from current levels depending on the software selected.

**Building Demolitions:** This activity reflects the cumulative demolition of substandard structures under direction of the City. Due to public health and safety concerns it has been necessary for the City to engage a demolition contractor to remove the dilapidated structures. Costs for building demolitions are assessed to the property when possible. If costs cannot be assessed or if collection is very unlikely, the City periodically funds these costs with bond proceeds. An estimated \$22,800 of demolition costs is expected in 2011/2012.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Assessments or Future Bond Proceeds	\$ 22,800

**Future Impact on Operating Budget:** In the absence of reimbursements from private property owners, this will continue to be a significant cost to the City.

**Police Radio System:** The City's current communications system for the police department is an 800 MHz radio system that was installed in 1996. The system was used by both the police and fire departments until 2009. The fire department submitted a grant application and was awarded a federal grant for a VHF radio system in order to increase interoperability with other county fire agencies. The police department found that a VHF system would have other features which would benefit that department including economical expandability and interoperability with the fire department and County Sheriff's department. Communication with the Muscatine School District would also be enhanced. It was found that since the fire department already had this system in place, adding the police department could be done very economically compared to costs to purchase a new 800 MHz radio system which would be between \$2 and \$3 million. Funding for the radio system was included in the 2010 bond issue.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Prior Year Bond Proceeds	\$ 140,900

**Future Impact on Operating Budget:** Individual and replacement radios under this system will cost \$980 compared to \$2,500 for the current radios.

**Police Firing Range Project:** In recent years the police firing range was affected by several floods limiting its use for police department weapons training. The City received an insurance reimbursement in the amount of \$15,600 for damages from the most recent flood event. A decision was made to relocate the range to higher ground on the same property. This insurance reimbursement, a funding transfer from the Insurance Trust, and funds from the Police department budget will fund the estimated \$41,600 project cost.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Insurance Reimbursement	\$ 15,600
Police Department Funds	3,000
Transfer from Insurance Trust	<u>23,000</u>
	<u>\$ 41,600</u>

**Future Impact on Operating Budget:** There will be no increase in operating costs from relocating this facility; only savings is cleanup and repair costs from frequent flooding.

**Storm and Sanitary Sewer Improvements:** In 2007 the City signed a Consent Order with the Environmental Protection Agency (E.P.A.) which requires the City to complete specific major sewer separation projects by 2024. In 2008 voters approved extending the local option sales tax for a 10-year period beginning July 1, 2009 with 80% of these funds allocated for sewer improvements including the projects mandated by the Consent Order. Construction on the second and final phase of the Hershey Avenue sewer improvement project was completed in 2011/2012. This was a major project mandated by the Consent Order. The remaining project in the Consent Order is the separation of the combined sewers in the West Hill area. Many of the City's sewer improvement projects have been funded through the one (1) percent local option tax and others have been funded through sewer fees allocated to the Sewer Extension and Improvement Reserve in the Collection and Drainage Fund. The following projects are in various stages of design and/or construction in 2011/2012.

**Hershey Avenue Sewer Separation - Phase II** – The total contract cost for the Hershey Sewer Phase II project was over \$5.5 million and the project was completed over a 3-year period from 2009/2010 through 2011/2012. This sewer separation project was one of the projects mandated by the City's Consent Order with the Environmental Protection Agency. This project has been completed and the contract was closed out early in 2012. The Iowa Department of Transportation reimbursed the City for a portion of the street replacement work required for this project.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Local Option Sales Tax Funds	\$ 310,000
Reimbursement from IDOT	<u>175,000</u>
	<u>\$ 485,000</u>

**Slough/Sunset Park Lift Station Project** – These lift stations were impacted by the Hershey Avenue Sewer Separation projects described above. An engineering study was completed which evaluated options for improvements to or possible replacement of the lift stations. The 2011/2012 funding amount reflects costs for various improvements to these lift stations. These costs will be funded from the Water Pollution Control Plant Reserve.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Water Pollution Control Plant Reserve	\$ 300,000

**West Hill Sewer** – The City has an agreement with an engineering firm for conceptual and final design services for this major sewer separation project. This project is required to be completed by 2024 under the City's Consent Order with the Environmental Protection Agency. This project will be constructed in multiple phases over the next 12 or more years and the total cost for all of the phases is projected to reach or exceed \$50 million. Final design work on Phase I has been completed and bids for the project will be opened in April 2012. Construction on Phase I will begin in late spring of 2012 and the project is scheduled for completion late in 2013.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Local Option Sales Tax Funds	\$ 1,115,000

**Future Impact on Operating Budget:** These projects will reduce maintenance costs to the storm and sanitary sewer system. Specific cost savings cannot be determined.

**Heatherlynn Sewer Extension** – As part of a voluntary annexation agreement, the City agreed to extend sewer service to the Parkview Condominiums on Heatherlynn Drive. Sewer connections to the individual units were the responsibility of the condominium association.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Sewer Extension and Improvement Reserve	\$ 83,000

**Future Impact on Operating Budget:** This project will increase sewer and collection and drainage fees by an estimated \$6,500 annually.

**Voluntary Annexation Sewer Extension Project:** At the time the budget was adopted a plan was still under discussion on extending the existing Mad Creek Sewer at Park Avenue West to the Clearview Mobile Home Court. This project will be done in conjunction with the annexation of approximately 1,200 acres and will open this area for development. This project also addresses the failing sewer lagoon system at the mobile home court. At the time the budget is being published it appears this project will proceed with a portion of the project funded by the owner of the mobile home court and the remaining cost funded from the Sewer Extension and Improvement Reserve. Engineering work on the project is planned for 2011/2012 with construction in 2012/2013. Project costs are yet to be finalized. The addition of this project will require an amendment to both the 2011/2012 and 2012/2013 budgets.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Contribution and Sewer Extension and Improvement Reserve	To be Determined

**Future Impact on Operating Budget:** Sewer revenues will increase as this property is developed. The first customer connected to this system will be the existing mobile home park. The estimated annual sewer revenue from the mobile home park is \$80,000.

**Water Pollution Control Plant Comprehensive Facilities Improvement Project:** As a result of the Water Pollution Control Plant study in 2006, the City contracted for a comprehensive plant improvement project estimated at \$18.5 million. Construction began in 2008/2009 and the project was substantially completed by the end of 2011. Several items in the contract, however, are still under review with the project engineer and contractor and need to be resolved before the contract can be closed out. A State Revolving Fund loan financed \$16.5 million of project costs with the remaining costs funded from the Water Pollution Control Plant Reserve.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
State Revolving Fund Loan	\$ 412,300
Water Pollution Control Plant Reserve	<u>1,412,000</u>
	<u>\$ 1,824,300</u>

**Future Impact on Operating Budget:** Reduced maintenance costs will be realized with the new plant components. This amount cannot be determined.

**Papoose Pump Station Crane Replacement:** As a result of the 2008 flood, the bar screen in this pump station received extension damage. FEMA funded replacement of the bar screen at an approximate cost of \$345,000. In evaluating the overall condition of the equipment in this pump station, it was determined that the aging crane needed to be replaced. Funding for this project will be from the Water Pollution Control Plant Reserve.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Water Pollution Control Plant Reserve	\$ 123,000

**Future Impact on Operating Budget:** There will be a reduction in maintenance costs with the new equipment. The amount cannot be determined.

**Water Pollution Control Plant (WPCP) Maintenance/Storage Building:** The original 2011/2012 budget included funding for a new building for storage of vehicles and biosolids equipment and also to provide space to perform routine maintenance and repairs. The City recently acquired the former National Guard Armory facility which included a suitable building which could be moved to the Water Pollution Control Plant property. Funding for the project will be from the Water Pollution Control Plant Reserve.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Water Pollution Control Plant Reserve	\$ 120,000

**Future Impact on Operating Budget:** An estimated \$2,000 annually for utilities and insurance premiums.

**Water Pollution Control Lab Expansion Project:** This project involves expanding the lab area of the plant as well as replacement of the existing lab flooring, countertops, and fume hoods. Engineering design is planned for the spring of 2012 with construction scheduled for 2012/2013.

<u>Funding Source</u>	<u>FY 2011/2012 Funding Amount</u>
Water Pollution Control Plant Reserve	\$ 20,000

**Future Impact on Operating Budget:** None

**Airport Snow Removal Tractor:** The FAA approved funding to purchase a tractor to be used primarily for snow removal at the airport. This equipment will also be used to mow the airport grounds. The FAA provided funding for 95% of the cost with the City's originally estimated 5% local match included in the June 2010 bond issue. Since the actual cost of the tractor was higher than originally estimated an additional \$1,600 in bond funding is included in the City's June 2012 bond issue.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Bond Proceeds (Additional)	\$ 1,600

**Future Impact on Operating Budget:** There will be savings in maintenance costs with the new tractor estimated at \$2,000 annually.

**Airport Hangar Access Road:** In July of 2009 the city was awarded funding from the Iowa Department of Transportation's Division of Aviation for the construction of a hangar access road at the airport. The construction of this access road allows access to HNI Hangar #2, provides road access for future hangar development, and serves the area where the new armory facility was constructed on the southeast corner of the airport property. The grant provided for 85% state funding and 15% local funding. Funds for the local match were included in the June 2010 bond issue. This project was substantially completed in 2010/2011 with the final work completed in the summer of 2011 to close out this project.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
State Grant and Prior Year Bond Proceeds	\$ 4,700

**Future Impact on Operating Budget:** There will be an increase in road maintenance costs with this project. This type of maintenance, however, is performed by the contracted airport manager.

**Airport Runway Repairs:** Repair of the crosswind runway was needed due to a pavement blowup in a section of the runway. City staff was unsuccessful in their efforts to obtain federal or state funding to assist in these repairs. The repair work was completed in the spring of 2011 and the cost of these repairs will be funded from the City's 2012 bond issue.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
Bond Proceeds	\$ 14,000

**Future Impact on Operating Budget:** None

**Airport T-Hangar and Municipal Hangar Renovation:** The existing T-hangars at the Airport are 30-40 years old and in need of preventive maintenance and renovation. The total project cost is estimated at \$60,000 which will fund upgrades to improve security, safety, and use of the hangars. A state grant will fund 85% of the project cost with a 15% local match required. The local match for this project has been included in the City's June 2012 bond issue.

<u>Funding Sources</u>	<u>FY 2011/2012 Funding Amount</u>
State Grant	\$ 50,600
Bond Proceeds	9,400
	<u>\$ 60,000</u>

**Future Impact on Operating Budget:** Annual hangar maintenance costs are expected to be reduced at least \$1,000 annually.

**Airport Runway Lighting Improvements:** Animals have damaged the lighting system along the runways and parallel and connecting taxiways at the airport. This project will upgrade the system from a Medium Intensity Runway Light (MIRL) system to a High Intensity Runway Light (HIRL) system with wiring buried in conduit rather than the existing direct bury wiring. The FAA is providing 95% of the funding for this project with a 5% local match required. The local match has been included in the City's June 2012 bond issue. Engineering for this project began in 2010/2011 and construction is scheduled to be completed in 2011/2012.

<b><u>Funding Sources</u></b>	<b><u>FY 2011/2012 Funding Amount</u></b>
Federal Aviation Administration (FAA) Grant	\$ 328,600
Bond Proceeds	<u>19,000</u>
	<u>\$ 347,600</u>

**Future Impact on Operating Budget:** There will be savings in repair costs by preventing further damage to the lighting conduit by these animals. The amount cannot be determined.

**Airport Hangar Access Security and T-Hangar Drainage Improvements:** The city was awarded funding from the Federal Aviation Administration (FAA) to improve drainage in the area of the T-Hangars during excessive rain events and to install fencing and a security camera to improve hangar access security. The grant provides for 90% federal funding and a 10% local match. Engineering work for this project is scheduled for 2011/2012 with project construction in 2012/2013. The local share of the project cost has been included in the June 2012 bond issue.

<b><u>Funding Sources</u></b>	<b><u>FY 2011/2012 Funding Amount</u></b>
Federal Aviation Administration (FAA) Grant	\$ 17,700
Bond Proceeds	<u>15,500</u>
	<u>\$ 33,200</u>

**Future Impact on Operating Budget:** There will be a small increase estimated at \$300 annually for the security camera.

**Airport Airfield Maintenance:** This project involves crack sealing and other maintenance on pavement surfaces throughout the airport grounds. Federal Aviation Administration (FAA) funds will fund 90% of project costs. Engineering work for this project is scheduled for 2011/2012. Contract work is scheduled to begin late in 2011/2012 and be completed in 2012/2013. The local share of the project cost has been included in the June 2012 bond issue.

<b><u>Funding Sources</u></b>	<b><u>FY 2011/2012 Funding Amount</u></b>
Federal Aviation Administration (FAA) Grant	\$ 53,700
Bond Proceeds	<u>8,900</u>
	<u>\$ 62,600</u>

**Future Impact on Operating Budget:** This project will reduce annual pavement maintenance costs. The amount, however, cannot be determined.

**Airport Obstruction Removal:** Vegetation and other potential obstructions are creating continued safety and security issues at the airport. This project will survey the airport to identify these problem areas and remove them. Federal Aviation Administration (FAA) funds will fund 90% of project costs. This project is scheduled to be completed in 2011/2012.

<b><u>Funding Sources</u></b>	<b><u>FY 2011/2012 Funding Amount</u></b>
Federal Aviation Administration (FAA) Grant	\$ 64,800
Bond Proceeds	<u>3,600</u>
	<u>\$ 68,400</u>

**Future Impact on Operating Budget:** This project will reduce annual maintenance costs. The amount, however, cannot be determined.