

REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

OCTOBER 28, 2008

The regular meeting of the Ames City Council was called to order by Mayor Campbell at 7:00 p.m. on October 28, 2008, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Doll, Goodman, Larson, Mahayni, Popken, and Rice. *Ex Officio* Member Tracy was also present.

Mayor Campbell announced that Item No. 9 pertaining to a Severe Weather Relief Program Agreement in conjunction with the 2008 Jumpstart Iowa Flood Program was pulled by staff as additional review of the Agreement is necessary. Additionally, Item No. 24 relating to the revised Developer's Agreement for Dauntless Subdivision is being pulled because the Agreement has not yet been returned with signatures.

PRESENTATION OF RESIDENT SATISFACTION SURVEY: Susan Gwiasda, Public Relations Officer, summarized the results of the City's 26th annual Resident Satisfaction Survey. She advised that there was an overall response rate of 27%. Ninety-seven (97%) of those surveyed ranked the City's service quality as "good" or "very good."

Council Member Goodman noted that a lump sum dollar amount is listed for certain services, but felt that it would be helpful to put that in terms of what those amounts mean to the average homeowner who pays property taxes. He is not sure how that can be done, but believes that it would provide a sense of scale.

It was also asked by Council Member Goodman if members of City Boards/Commissions had been offered the opportunity to provide questions for the Survey. Ms. Gwiasda said that they had not been in the past, but the Council could make that direction to staff. City Manager Schainker suggested that a letter be sent to Board/Commission Chairpersons requesting that information.

Moved by Goodman, seconded by Mahayni, to direct staff to check with City Boards/Commissions to determine if there are any issues that they would like to be included in the Survey.
Vote on Motion: 6-0. Motion declared carried unanimously.

CONSENT AGENDA: Council Member Larson asked to pull Items No. 8 and 14 for separate discussion.

Moved by Goodman, seconded by Doll, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving minutes of regular meeting of October 14, 2008, and special meeting of October 21, 2008
3. Motion approving certification of civil service applicants
4. Motion approving Report of Contract Change Orders for October 1-15, 2008
5. Motion approving renewal of the following liquor licenses, beer permits & wine permits:
 - a. Class C Liquor & Outdoor Service Privilege - Thumbs, 2816 West Street
 - b. Class E Liquor, C Beer & B Wine - The Keg Shop, 218 Welch Avenue, Ste. 3
6. Report of emergency purchase to replace 2500 kVA Transformer at Ball Plastics
7. RESOLUTION NO. 08-455 approving preliminary plans and specifications for Procurement and Installation of Non-Ferrous Metals Recovery System for Resource Recovery Plant; setting December 2, 2008, as bid due date and December 9, 2008, as date of public hearing

8. RESOLUTION NO. 08-456 approving preliminary plans and specifications for Water System Improvements Project (Summit Avenue and Crescent Street); setting November 19, 2008, as bid due date and November 25, 2008, as date of public hearing
9. RESOLUTION NO. 08-457 approving contract and bond for Power Plant Roof Replacement Project
10. RESOLUTION NO. 08-458 approving contract and bond for Raw Well Water Transmission Pipeline Project
11. RESOLUTION NO. 08-460 approving Change Order No. 2 for mechanical engineering services for Power Plant Unit No. 8 Boiler Re-Tubing Project
12. RESOLUTION NO. 08-461 accepting completion of Water Pollution Control Facility Clarifier Painting Project
13. RESOLUTION NO. 08-462 approving Minor Final Plat for Walnut Ridge Subdivision, 1st Addition
Roll Call Vote: 6-0. Resolutions declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

CITY'S INVESTMENT REPORT FOR QUARTER ENDED SEPTEMBER 30, 2008: Council Member Larson asked for an explanation of the safety and security of the City's investments.

Roger Wisecup, City Treasurer, spoke about the City's investment risk. He advised that most of the investments fall into the bank certificates of deposit or government agencies categories. Banks are required by the state to have collateral on file, so if a bank would "go under," the state would guarantee the City's investments; this is above and beyond the \$100,000 FDIC insurance. The U. S. Government guarantees the investment in government agencies, so if Fannie Mae or Freddie Mac would "go under," the federal government would ensure that those obligations are paid. According to Mr. Wisecup, the City has very minimal risk in today's volatile market.

Moved by Larson, seconded by Popken, to adopt RESOLUTION NO. 08-453 approving the City's Investment Report for quarter ending September 30, 2008.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

CHANGE ORDER FOR DIESEL FUEL SUPPLY AT POWER PLANT: Council Member Larson noted that the amount of this contract had drastically increased, i.e., by \$1,500,000. He asked from where the funding would be allocated.

Electric Services Director Donald Kom advised that the Power Plant has an approximately \$14 million fuel budget for 2008/09, which includes coal and diesel fuel. This amount was initially estimated in June 2008 when fuel oil prices were much less expensive, and it was anticipated that \$1 million would cover the annual cost. With increased outages, the peaking units are being used more, and the price of fuel oil has risen exorbitantly. The \$1,500,000 is actually being reallocated from the coal purchase line item. The budget remains at \$14 million; however, funds would be shifted from the coal line item to the fuel oil line item.

Moved by Larson, seconded by Doll, to adopt RESOLUTION NO. 08-459 approving Change Order No. 1 for Diesel Fuel Supply at the Power Plant, changing the contract amount from not-to-exceed \$1,000,000 to an amount not to exceed \$2,500,000.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

PUBLIC FORUM: Roy Cakerice, 2911 Duff Avenue, Ames, asked specifically that the Ames Tribune

state that Carr Pool is 28 years old, not 81; the site is 81 years old. He stated that the petition against demolishing Carr Pool has now over 1,900 signatures. Mr. Cakerice explained how the signatures were received and counted. He noted that the Pool belongs to the taxpayers, not the Commission or the City Council; and he feels that the taxpayers should decide on its disposition. Mr. Cakerice asked rhetorically how many of the voters who voted in favor of building the Furman Aquatic Center actually knew that Carr Pool was going to be demolished. He has researched the issue, and found only one reference, in the May 20, 2007, edition of the Tribune, to Carr Pool being demolished. Mr. Cakerice said he would like to know how many of those voting to build the new aquatic center want Carr Pool demolished. He believes that all of the facts have not been given to the citizens. According to Mr. Cakerice, aquatic centers are crowded, and many people frequent Carr Pool because they don't want the crowds and noise. Also, according to Mr. Cakerice, the City has spent only \$2,500 annually for the past five years for maintenance of Carr Pool. He asked how many other services are "subsidized" by the City. Mr. Cakerice said it was his understanding that the Furman Aquatic Complex will be subsidized by the City in the amount of \$40,000/year and would like that information published in the Tribune. Mayor Campbell responded, stating that there is no subsidy in the budget for the Furman Aquatic Complex. Mr. Cakerice again stated that over 1,900 petitioners are asking that Carr Pool be saved for at least two years and be open from 11 AM - 5 PM each day. After those two years, an evaluation could be made. It is the preference of Mr. Cakerice that the decision on the disposition of the Pool be left to a vote of the citizens. In his opinion, demolition of Carr Pool should have been on the ballot when the vote on the Furman Aquatic Center was taken. Mr. Cakerice also noted that Carr Pool has been serviced by Pool Tech out of Cedar Rapids, and a representative of that firm has stated that "Carr Pool still has years of life left in it."

Kay Wall, 1004 Kellogg, Ames, advised that she had swum since 1985 at Carr Pool and finds it very nice. She noted that 29% of the residents have asked in the Resident Satisfaction Survey for additional funding on recreational activities and feels that Carr Pool is the opportunity to fulfill their desires. Ms. Wall said that she has heard that Carr Pool is not as clean as it used to be, and she recommended that the sign be again posted to require people to shower before entering the Pool. She believes this would make a difference in the amount of filtering necessary. Ms. Wall thinks that Ames residents deserve an option; not all people want to swim at a crowded aquatic center.

Nell Kottman, 2002 Stevenson, Ames, said that she has lived in Ames for nearly 40 years. Ames is "home" to her family. They have supported the community with their service, financial contributions, and taxes. She said that Carr Pool serves the community as a quiet pool, not a "facility," and is accessible by foot, vehicle, and bicycle. In her opinion, Carr Pool is not in a state of disrepair. She believes that the Pool serves the Ames community in a way that no aquatic center will ever duplicate. Ms. Kottman feels that Carr Pool provides an opportunity daily throughout the summer for older adults as well as small children to swim and exercise in an uncrowded environment and is an essential component of their wellness program. According to Ms. Kottman, the Furman Center focuses on a much younger demographic and will not provide those types of services. In many cases, Carr Pool is the only recreational facility used by senior citizens, and the City Council needs to pay attention to what those residents have to say. Ms. Kottman also noted that she was involved in collecting signatures on the petition, and they are not those of small children. She emphasized that Carr Pool is a very important part of Ames, and once lost, it will be gone forever.

3184 STAGECOACH ROAD: Director Osguthorpe described the purposes of the City's subdivision regulations and when they may be waived. He advised that 3184 Stagecoach Road is located in the unincorporated area east of Ames within its two-mile fringe. Two Ames families intend to subdivide the property in order to sell one lot (with an existing residence) and to build two more homes on the

other lots. All lots will be over one acre in size. According to Mr. Osguthorpe, the nearest existing City sanitary sewer and water system are approximately one mile to the west across the Skunk River, and staff has concluded that fact presents an extraordinary hardship to the applicants for subdividing the subject property.

Moved by Mahayni, seconded by Goodman, to adopt RESOLUTION NO. 08-463 approving the request for waiver of public improvement requirements for the proposed subdivision of the property at 3184 Stagecoach Road, subject to the signed covenants that are binding on future property owners, including:

1. An agreement waiving rights to object to future assessments for public improvements
2. An agreement to be responsible for the costs associated with buying-out the rural water and sewer systems at the time of any future annexation
3. An agreement to annex the property to the City of Ames in the future under certain circumstances.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

PROPOSED CHANGES TO MUNICIPAL CODE CHAPTER 15 PERTAINING TO THE LIBRARY BOARD OF TRUSTEES: Art Weeks, Library Director, introduced Dale Ross, President of the Library Board of Trustees.

Director Weeks advised that the Library Board of Trustees has recommended changes to the Municipal Code regarding terms and duties of the Trustees. He explained that the first change, to Section 15.1, would make trustees eligible for two full consecutive terms, which is consistent with other boards and commissions appointed by the City Council. Mr. Weeks advised that this change would require a vote of the citizens at a general City election. The second change being requested, to Section 15.2, would reduce trustee terms from six years to three years, which is also consistent with other City boards and commissions. This also would require a vote of the citizens. The third change, to Section 15.5, would establish that three consecutive absences, without sickness or temporary absence from the City as a reason for the absence, would be a standard for removal of the Trustee from office. According to Director Weeks, this change may be facilitated by adoption of an ordinance by the City Council. The fourth change, to Section 15.7, would amend the powers and duties of the Trustees to enable them to delegate authority to the Library Director and to establish procedures for the removal of the Director and other employees. This change would be required to be taken before the voters. Lastly, a change to Section 15.13 and 15.14, pertaining to entering into contracts for the lending of books and other library materials, may be accomplished through the adoption of an ordinance.

Council Member Popken asked Mr. Weeks when a referendum on these issues was expected. Mr. Weeks said that the changes could go before the voters at the next Regular City Election, which would occur in November 2009. However, if there is a Special Election prior to that, these issues could be on that ballot.

Moved by Mahayni, seconded by Popken, to pass on first reading an ordinance pertaining to grounds for removal of members of the Library Board of Trustees.

Roll Call Vote: 6-0. Motion declared carried unanimously.

Moved by Rice, seconded by Doll, to pass on first reading an ordinance providing for contracts with other libraries and political subdivisions for the lending of books and materials.

Roll Call Vote: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Popken, to adopt RESOLUTION NO. 08-464 submitting to the voters, at the next City election, a proposal to change the composition, manner of selection, and charge of the Library Board of Trustees.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

SOUTH DAYTON AVENUE IMPROVEMENTS PROJECT: City Attorney Doug Marek advised that the financial security, in the form of a Letter of Credit, has now been received from the developer, as required in the Developer's Agreement for South Gateway Subdivision, and approved as to form.

Moved by Popken, seconded by Larson, to adopt RESOLUTION NO. 08-465 approving a contract to Peterson Contractors, Inc., of Reinbeck, Iowa, in the amount of \$1,539,512.40 for Divisions 1 and 2 and to Manatt's, Inc., of Brooklyn, Iowa, in the amount of \$94,000.20 for Division 3 for the South Dayton Avenue Improvements Project.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

GREENBRIAR PARK DEVELOPMENT AND STORMWATER MANAGEMENT ISSUE:

Nancy Carroll, Parks & Recreation Director, recalled that, in April 2008, Randall Corporation, owners of Coldwater Golf Links, requested that the City consider transferring Greenbriar Park to them so that they could address the stormwater management issues and the overall appearance of the site, which they felt was negatively impacting the Golf Course. In exchange, the Randall Corporation proposed to grant future right-of-way for the Grand Avenue Extension project to the City, install an adjacent shared use path off South 16th Street, and correct the stormwater problems on the site. Ms. Carroll recalled that, given the limited amount of potential parkland to service the needs of Ames residents, the Parks and Recreation Commission recommended, and the City Council agreed, to retain Greenbriar Park. The City Council then requested that staff report back with a recommended funding source and related time frame to address the following improvements:

1. Stormwater management
2. Installation of a shared-use path along South 16th Street
3. Development of viable green space, including the dirt BMX course, on the property

Ms. Carroll explained that as work began on the stormwater management issue, it became apparent that Greenbriar Park did not directly impact the flooding that occurs on the Golf Course. She reported that there is an unnamed creek that originates in Southwest Ames and runs through the eastern edge of the Park. It appears that the creek's flow is restricted into two culverts located under the bike path as the water enters Worle Creek, which cannot accommodate the volume of water, and the water then backs up into the Park and Golf Course.

It was stated by Ms. Carroll that Snyder and Associates was retained to determine a permanent solution to the stormwater management issue as well as to develop a plan to transition the Park site into a viable green space that would include a BMX course. That firm recommended that the two small culverts be replaced with a 12' wide x 50' long bridge. They also recommended that: (1) the unnamed creek be re-channeled through the center of the Park, (2) a berm be constructed on the

eastern edge of the parcel, and (3) prairie grasses be planted in the Park. By doing so, it is believed that 90% of the rain events should not overflow onto the Golf Course. It was noted that, in the event of a significant storm event, it is highly likely that the Golf Course would still be flooded from the north by Squaw Creek. According to Ms. Carroll, Randall Corporation understands and accepts that risk since the Course was built in the floodplain.

Director Carroll advised that the Conceptual Master Plan developed by Snyder and Associates also includes:

1. Relocating the dirt BMX course to the center of the Park
2. Bringing in fill direct, seeding the entire area with native plant material
3. Installing a six-stall parking lot
4. Constructing a mini-shelter with a trail map kiosk so the Park can serve as a trail head for the overall shared-use path system from South to North Ames

Council Member Goodman indicated his concern over the estimated cost of the proposed improvements. It was his understanding that the costs would equate to approximately \$200,000, but it now appears that the costs would be approaching \$500,000. Although he wants the City to be a “good neighbor,” he is not sure if it would be fiscally responsible for the City to spend that amount of money on this project.

Matt Randall, 420 S. 16th Street, Ames, advised that there was one 36" culvert installed by the City approximately 20 years ago. Last summer, the City installed a 48" culvert to be used temporarily to remedy the flooding; however, the Golf Course still flooded. He indicated his extreme disappointment in hearing that the City might not want to be a “good neighbor” now that the costs are known to be nearing \$500,000. Mr. Randall recalled the offer of Randall Corporation to make the repairs necessary approximately one year ago; however, the City Council voted not to accept his offer. He does not care if the Park is “made pretty,” but wants the storm water issues remedied. Mr. Randall stated that the Park has been used as a dumping ground for dirt and sand for years, which has made the situation worse by forcing the water to flow towards the Golf Course. He noted that Greenbriar Park has never been recognized as a city park and has not been maintained for over 25 years.

Council Member Larson indicated that if the City has created the problem, then it is the responsibility of the City to remedy it. Council Member Goodman stated that he is not convinced that the City has created the problem. He noted that the Golf Course was built in the floodway. Mr. Randall stated that they knew where they were building, and the Course was designed with that in mind. However, every time it rains, the Golf Course has to close for four days because of the water being forced onto the Course from Greenbriar Park. This occurs even if the rain is not a major event. Mr. Randall said that even when Squaw Creek or the Skunk River is not flooding, the Golf Course still floods due to the mismanagement of stormwater in Greenbriar Park.

Council Member Larson suggested that the bike path be permanently lowered to allow for water flow during high-water events. Public Works Director John Joiner indicated that that solution had not been analyzed. It was pointed out that the bike path would then be unusable.

Council Member Goodman indicated that it is really not a case of not being a “good neighbor;” however, the costs are now known and have come in substantially higher. He feels that it is the fiscal responsibility of the City Council to ascertain the benefits obtained for tax dollars. Since the

information relative to the costs is now known, it is possible that the Council’s prior decision could

change.

Council Member Mahayni indicated that the City is getting more than just a remedy to the storm water problem; it is getting a park. He feels that this is exactly what the City Council directed: It wanted to retain the Park and resolve the storm water management issue. According to Mr. Mahayni, that is why the costs are higher.

Moved by Mahayni, seconded by Rice, to adopt RESOLUTION NO. 08-466 directing staff to include stormwater management improvements in the 2009/10 Capital Improvements Plan (CIP). Roll Call Vote: 4-2. Voting aye: Doll, Mahayni, Popken, Rice. Voting nay: Goodman, Larson. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these minutes.

Moved by Mahayni, seconded by Rice, to adopt RESOLUTION NO. 08-467 authorizing initiation of design work on the stormwater project.

Roll Call Vote: 4-2. Voting aye: Doll, Mahayni, Popken, Rice. Voting nay: Goodman, Larson. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these minutes.

Moved by Mahayni, seconded by Rice, to direct staff to prioritize Greenbriar Park improvements in the 2009/14 CIP.

It was noted by Council Member Popken that this recommendation should be conveyed to the Parks & Recreation Commission.

Vote on Motion: 6-0. Motion declared carried unanimously.

“COOL CITIES” INITIATIVE: Fleet Services Director Paul Hinderaker advised that Phase 1 of the “Cool Cities” Agreement calls for the City to develop a baseline carbon footprint from all City operations. The baseline data were presented to the City Council in February 2008 and were developed using consumption data for buildings, fleets, and street lights for City operations, and for the various utilities operated by the City. Baseline CO₂ gas emissions from City operations and City-owned utilities were given.

Mr. Hinderaker stated that Phase 2 of the “Cool Cities” Agreement urges the City to adopt a carbon footprint reduction goal and to set the target time frame in which to meet that goal. It was noted that the U. S. Mayors’ Agreement recommends a seven percent reduction by the Year 2012.

According to Mr. Hinderaker, staff has assembled a list of projects, changes in operations, changes in energy sources, and other tasks or investments targeted at reducing CO₂ levels in City operations by 15% by 2014. These involve operational changes and capital investments, and individual departments will be inserting these items into their operating budgets over the next five years.

City Manager Schainker said that many communities are establishing more significant carbon reduction goals with longer time frames; however, City staff believes that smaller interim goals with shorter time frames will encourage the City not to put off action until a later date. They also believe that the City should be more aggressive than is being suggested by the “Cool Cities” Agreement in terms of reducing the City’s carbon emissions for its operations.

Mr. Schainker recalled that the first task was to focus efforts on the City’s internal operations. However, in order to establish reduction goals as they relate to the Electric, Water, Water Pollution

Control, and Resource Recovery utilities, efforts must be broadened beyond internal operations to the demand for those services by the City's utility customers. He advised that, until that happens, it might be premature to establish goals for the City's Utilities.

It was also noted by Mr. Schainker that there are some actions that the Council could take to help accomplish its goals at reducing carbon emissions, e.g., committing the Electric Utility to increase the use of alternative fuels by 10%. That along would only reduce the Electric Utility's overall carbon emissions by 3%, and in order to have greater impact, the residential, commercial, and industrial segments of Ames must also commit to take actions that will reduce the demand on the utilities.

Jim Murdock, 1510 Roosevelt, Ames, spoke representing himself and as a member of A Mid-Iowa Organizing Strategy (AMOS). Mr. Murdock indicated his agreement with the City adopting the 15% goal. That appears to him to be exceeding the "Cool Cities" initiative, however, he pointed out that the City does not know its 1990 level. He feels that people are willing to make sacrifices if they do not feel that they are the only ones doing so. Mr. Murdock also asked that the City engage citizens and businesses in discussions about this issue.

Moved by Popken, seconded by Rice, to adopt RESOLUTION NO. 08-468 establishing a goal to reduce CO₂ levels in City operations by 15% by 2014.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

The meeting recessed at 8:40 p.m. and reconvened at 8:45 p.m.

RIDGEPORT WIND PROJECT: Electric Services Director Donald Kom stated that this Project involves the City's possible participation in a new wind energy supply facility called Ridgeport. He explained that the City would purchase renewable energy from a wind facility to be developed by a private company. It was noted that the City Council has set a goal to have ten percent (10%) of its energy come from renewables by the Year 2015.

Mr. Kom reported that the Iowa Association of Municipal Utilities (IAMU) has served as the facilitator for this Project, contracted with private firms to locate possible sites for such a facility, and identified a possible developer for the Project. Approximately 22 public utilities in Iowa, including Ames, would act as an overall consortium to purchase the renewable energy. In order to keep the project moving forward and to facilitate the transfer of assets of the Project and management of the Project from IAMU to the partner utilities, a separate entity, IAMWind, is being formed. According to Mr. Kom, the intent is for a private contractor to develop the generation facilities, and the participating utilities would reimburse the private owner for those costs plus a profit margin through a Power Purchase Agreement that would be in effect for ten years or more.

According to Director Kom, the current project is divided into Phase I and Phase II. Phase I was authorized by the City Council in March 2007 for a cost not to exceed \$50,600. This Phase was to consist of a site selection for a possible wind farm development. The City's original intent in joining the Project was to obtain 14 megawatts of renewable power; however, as participant levels fluctuated, the City was able to actually obtain a potential increase in megawatts to approximately 22. It was noted that the City Council approved the additional cost on October 14, 2008. City Manager Schainker advised that Iowa State University (ISU) is interested in purchasing approximately five (5) of the 22 megawatts and would reimburse the City for a portion of the Phase I costs. It was noted that the total cost of the Phase I portion is \$56,138, and ISU has been billed for \$12,750.

Per Director Kom, Phase II is intended to provide information on wind data, environmental assessment of the site, negotiation services to secure a private contractor to provide the generation, permitting, transmission studies, and financing. The goal of this Phase is to provide information to the participating utilities on the feasibility of obtaining generation from the site and the cost of doing so. At the end of Phase II, the City Council would need to make a decision on whether to enter into the Power Purchase Agreement for a minimum of ten years or to explore other renewable options. Mr. Kom stated that Phase II will also require the City to enter into a 28E Agreement, which will create the entity called IAMWind. As a part of entering into the Agreement, the City would be bound by the terms of the Bylaws and the Participation Agreement. IAMWind will facilitate the power purchase agreements among the member utilities and the private owner of the generation.

Mr. Kom advised that, at this time, it is anticipated that the Ames Municipal Electric System share of the \$1,366,345 Phase II cost would be approximately \$400,800. This total is based on approximately 22 megawatts of participation at \$18,218 per megawatt and a minimum of 75 megawatts being constructed. Iowa State would again share in this cost and be billed by the City for its share, which would be approximately \$91,100. The City's net share would be \$309,700.

According to staff, the rewards of this Project are: (1) it is a local project, (2) after Phase II, Ames would have a share in the Carroll County wind farm, and (3) it would meet the goal of the City Council to add 10% renewable energy by 2015.

Director Kom said that, although many changes and compromises among all of the potential partners have been made over the past weeks, staff still has a number of concerns with various sections of the three documents: 28E Agreement, Bylaws, and Participation Agreement. The risks would be: (1) there are still unknown costs, (2) questions/concerns remain regarding each of the Agreements, and (3) there is no guaranteed return for the Phase II investment. Mr. Kom emphasized that the City is being asked to pay over \$400,000 without any guarantee of any generation.

Options were presented to the City Council. Director Kom indicated that the EUROAB voted to support membership in the Ridgeport Wind Project (three members voted aye, one member abstained, and one member was absent).

Council Member Rice asked to know the names of the 22 public utilities participating in discussions concerning this Project. Director Kom showed a list of the organizations.

City Manager Schainker emphasized that there are still a lot of unknowns past Phase II. He indicated that the 28E Agreement, Bylaws, and Participation Agreement may be changed in the future. Assistant City Manager Sheila Lundt confirmed that the City is not entirely comfortable with the three documents that it is required to approve. As an example, Mr. Schainker said that, in the 28E Agreement, the agency being formed is given the ability to issue debt and provide remedies in the event of a default. He said that the City is unsure at this time why debt would need to be issued, in what amount, and what the financial ramifications could be for the City. According to Director Kom, it was determined today that the other participating agencies are in support of the 28E Agreement being allowed to be changed only by unanimous consent.

Assistant Electric Services Director Brian Trower indicated that staff has worked diligently to get the clarifications needed to make the City more comfortable with the terms of the Agreements; however, the other entities were not willing to make many of those changes. Again, Mr. Kom stated that the City learned just prior to this meeting that the other agencies are now in agreement that the 28E Agreement may only be changed by unanimous consent.

Noting that Florida Power & Light had built a similar facility in Southeast Story County and sells the power, Council Member Larson asked if the rewards of this Project are such that the City could buy generation at a much lower cost than from another agency. Director Kom indicated that a private entity would build the facility and finance it; member agencies would sign Purchased Power Agreements, so it is not yet known if the generation would cost less. City Manager Schainker indicated that the City will eventually compare costs, but Phase II must be completed first. Mr. Trower stated that there is no guarantee that the City will receive reduced costs from participation in the Ridgeport Project. Ms. Lundt indicated that if it was determined that the cost per megawatt is too high, the City would still be able to purchase four (4) megawatts of wind energy from the facility being built near Carroll, Iowa. Until the City does due diligence, City Manager Schainker said that it is unknown whether it will be advantageous for the City to participate in this Project. City Attorney Marek advised that there are options for the City to withdraw after a year's notice and upon payment in full of all debts and obligations.

Mr. Trower indicated that this Project is unique because it is comprised of a consortium of 22 organizations. Director Kom advised that a lot of questions will be answered after Phase II is completed.

Council Member Doll asked what responsibilities are being asked of City staff and if additional staff would be necessary to administer this Project. Mr. Kom indicated that no additional staff will be added; present staff will be assigned to this Project, and other projects will be put on hold.

Anne Kimber, 3517 Oakland, Ames, spoke as an employee of the Iowa Association of Municipal Utilities. She said that the due diligence taken by Ames to this point is admirable. Ms. Kimber indicated that part of the reason that there are unknowns is because the consortium has not decided how to move forward. There is a common goal among the 22 agencies to create wind energy; there is a mission that is shared by all members. Minnesota, Nebraska, and South Dakota have similar projects. With respect to issuing debt, that question would have to come back to every governing board of each member agency for approval. Membership in the Project does give the City a say in its operations.

Al Joensen, 2602 Yorkshire, Ames, stated that he was impressed by the work on this Project to this point. He indicated that he is not for or against the Project, but wanted the City Council to be aware of the nameplate capacity of the wind farm. According to Mr. Joensen, on the average, a wind farm produces 30% of the nameplate capacity. In the summer, when there is less wind, it would only produce 20% of the capacity. He felt that it was important for the City Council to recognize that, although the City would own a certain number of megawatts, that power might not be available in the summer.

Moved by Popken, seconded by Rice, to adopt RESOLUTION NO. 08-469 approving a 28-E Agreement with IAMWind, with the understanding that it would take unanimous approval to change it.

Council Member Popken indicated that he is aware that there are risks to the City, but thinks that a lot of questions will be answered after Phase II is completed. He believes that it would be beneficial for the City to participate in the Project.

Council Member Larson indicated that he has real concerns over the model being presented. He has not seen private businesses be able to pull off ventures where there are "so many players," and he does not have confidence in the Project coming together.

Council Member Doll asked what the cost of the 161-kV Interconnection Line is at this point. Director Kom indicated that it is now at approximately \$25 million, after starting out initially at approximately \$15 million. Council Member Larson indicated that \$400,000 is being requested now with very limited information; costs could increase greatly, and the City still would not know if the project is financially feasible. He believes that a decision on this Project at this time would be very premature.

Mr. Trower indicated that there is an October 31, 2008, deadline for participation; there is an executable contract between IAMU and the private developer that has that deadline.

Council Member Goodman asked if the cost of wind generation is less than purchased power. Ms. Kimber indicated that the prices are variable; however, the Carroll County project is very attractive. More analysis is needed to determine the answer to that question because it is unknown what type of turbines are going to be purchased. Ms. Kimber advised that the wind energy at the proposed site is very good, and it is felt that the costs will be very competitive. Director Kom stated that the power being generated at the City's Plant today is less expensive than wind-generated power. Ms. Kimber noted that renewable energy might be federally mandated in the future, and when that happens, the cost of wind energy will skyrocket.

Roll Call Vote: 5-1. Voting aye: Doll, Goodman, Mahayni, Popken, Rice. Voting nay: Larson. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these minutes.

Moved by Popken, seconded by Mahayni, to approve the Bylaws.
Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Mahayni, seconded by Rice, to adopt RESOLUTION NO. 08-470 approving the Participation Agreement.

Roll Call Vote: 5-1. Voting aye: Doll, Goodman, Mahayni, Popken, Rice. Voting nay: Larson. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these minutes.

ISU BASKETBALL PRACTICE FACILITY: This item was pulled from the Agenda by staff since the signed revised Developer's Agreement for Dauntless Subdivision had not yet been received.

DOWNTOWN CATALYST PROJECT: City Manager Schainker noted that a revision had been made to the Council Action Form and placed around the dais.

City Manager Schainker advised that the Council should understand that this request for tax abatement represents a change in the developer's strategy for renovating 328-330 Main Street. It was clarified that, in lieu seeking a "shell grant" for destination tenants and utilizing tax-increment financing to pay a portion of a parking structure, the developer is now requesting tax abatement under the existing Downtown Urban Revitalization Program. Mr. Schainker noted that the issues

of a two-year bridge loan, encroachment into Tom Evans Plaza, and public restrooms still need to be discussed at a future meeting.

According to City Manager Schainker, the developer is requesting prior approval for a three-year, 100% tax exemption on increased value with respect to work yet to be done. He further clarified that the City Council is being asked to give prior approval that the renovation project in question for 328-330 Main is eligible for tax abatement in order to provide the developer some assurance that the work will receive the tax abatement. The developer is also seeking assurance that the standards that must be followed to obtain tax abatement will not change after the project has begun.

David Keller, 119 Stanton Avenue, Ames, representing the applicant for tax abatement, stated that if the developers purchase the property, they will be taking a “leap of faith” that a parking ramp will be built.

Planner Jeff Benson advised that property owners who have developed, redeveloped, rehabilitated, or remodeled property within the Urban Revitalization Areas (URA) of the City may claim tax exemption for work that has been done. He noted that four property owners have received tax abatement in the Downtown Urban Revitalization Area (URA). All of those properties first received City Council approval of a Facade Improvement Grant, and the criteria are the same as for tax abatement. The process is such that after the work is completed, an application is filed, and the City Council approves the annual list of tax abatements in February. According to Mr. Benson, there is no requirement that a project must apply for and receive a Facade Grant in order to qualify for tax abatement. He specifically noted that Kingland Systems followed a similar process when it renovated the Ames Theater building at 2420 Lincoln Way in the Campustown Urban Revitalization Area, and the City Council gave prior approval for tax abatement for that project. Planner Benson stated that Chapter 404.4 of the Iowa Code provides for prior approval of tax abatement eligibility by resolution of the City Council.

Mr. Schainker noted that, on a large project, the property owner would be taking substantial risk that the City Council would not agree that the improvements meet the Downtown Design Guidelines, which is a large risk for any large project that is relying on tax abatement to be successful.

According to Planner Benson, staff has reviewed the proposed project with respect to the current Downtown Urban Revitalization Plan; that review indicated that additional information and a number of revisions were needed in order to meet the criteria. Revised drawings have been received, and staff now concludes that the project proposal meets the minimum criteria of the Downtown URA Plan and also meets the Downtown Design Guidelines.

City Manager Schainker emphasized that, even with prior approval of eligibility for tax abatement under the current Downtown Urban Revitalization Plan, a future City Council could modify the Plan and change the criteria. He noted, again that the developer seeks assurance that the project would still be eligible for tax abatement. Mr. Schainker emphasized that it is still the staff’s understanding that the community expects a significant project completely renovating both buildings, and the City Council could also require that as a condition of any prior approval.

Mr. Schainker also wanted it understood that the developer could propose a different project and/or different design and seek tax abatement for those improvements; however, a different project would not be subject to any prior approval of eligibility. It would be reviewed based on the program criteria in place at the time the project application was made. In that case, the City Council could determine

that a much smaller project was not significant in the context of the overall plan, and therefore, deny tax abatement for the smaller project.

Scott Griffin, owner of Olde Main Brewery, said that he is in favor of the project because it would be taking an “ugly building” off the street; however, the developer has requested a time frame of four or five years to complete the project. Mr. Griffin does not believe that that would constitute a “catalyst project.” He also believes that pre-approved tax abatement should be opened up to everyone. Mr. Griffin also stated his opinion that if a parking ramp is not completed, it is not going to be a catalyst project. He said that what really is being done is that the City is helping a private developer take an “ugly building off the street.” Mr. Griffin is not in favor of the City “getting in the banking business” and giving the developer an interest-free \$200,000 loan. In summary, Mr.

Griffin strongly believes that a catalyst project needs to be done now, not with a timeline for completion of four of five years.

Mr. Keller stated that the developers really prefer to have five years because the catalyst project will not be able to be started without the parking deck. As soon as the parking ramp is constructed, the developers will be able to start their catalyst project; it cannot start until there is adequate parking available.

Council Member Goodman said that he agrees that this project might not meet the criteria for a catalyst project; however, it is a good renovation project. He believes that the proposed project does meet the criteria for a project within an existing Urban Revitalization Area.

Council Member Doll agreed that the project is not a catalyst project without the parking ramp. He suggested that it might be most advantageous for the City to allocate its funding towards the construction of a parking ramp.

Moved by Goodman, seconded by Popken, to adopt RESOLUTION NO. 08-472 granting prior approval of eligibility for urban revitalization tax exemption for properties located at 328-330 Main Street, with the following stipulations:

1. Before any tax abatement is approved, the entire project shall be completed in conformity to plans provided by October 28, 2008, which shall include all revisions specified on the staff's review of the proposed project.
2. The project shall include the improvements for all facades of the buildings.
3. Approval is valid for improvements completed by January 1, 2013, and any revisions to the criteria for tax abatement under the Downtown Tax Revitalization Plan will not be required for this project.
4. Where the provisions of the Downtown Design Guidelines contradict standards of the National Park Service or U. S. Department of Interior, the federal standards shall quality.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

CONTINUATION OF HEARING ON AMENDMENTS TO MAJOR SITE DEVELOPMENT PLAN TO SOMERSET SUBDIVISION: Mayor Campbell announced that the hearing initially opened at the meeting of October 14, 2008, was continued to this meeting. It was noted that the reason for the continuation of the hearing is that the ordinance pertaining to row houses needs to be adopted prior to action being taken on this item.

Moved by Mahayni, seconded by Popken, to table until November 6, 2008.

Vote on Motion: 6-0. Motion declared carried unanimously.

HEARING ON MAJOR SITE DEVELOPMENT PLANS (MSDPs): Mayor Campbell opened the public hearing.

Chuck Winkleblack, 105 S. 16th Street, Ames, advised that it was preferred that the City staff not be involved in choosing colors for building materials needed for construction of buildings. He indicated that the developers agreed to this to keep the project moving; however, would prefer that

this decision be left up to the developers in the future.

No one else asked to speak, and the hearing was closed.

Moved by Mahayni, seconded by Popken, to adopt RESOLUTION NO. 08-473 approving the MSDP for 3720 Tiverton Court, with the condition that the developer use stone or masonry material of a color and texture approved by City staff and that the developer use shingles or roofing material as approved by staff for the apartment and garages at this address.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

Moved by Mahayni, seconded by Popken, to adopt RESOLUTION NO. 08-474 approving the MSDP for 3810 Tiverton Court.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

Moved by Mahayni, seconded by Popken, to adopt RESOLUTION NO. 08-475 approving the MSDP for 3820 Tiverton Court.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

Moved by Mahayni, seconded by Popken, to adopt RESOLUTION NO. 08-476 approving the MSDP for 3821 Tiverton Court.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

HEARING ON ZONING TEXT AMENDMENT TO CLARIFY THE EXISTING FRONT-YARD PARKING PROHIBITION IN RESIDENTIAL ZONES: The public hearing was opened by Mayor Campbell. There was no one wishing to speak, and the Mayor closed the hearing.

Director Osguthorpe indicated that the text amendment is necessary due to a definition being inadvertently deleted after the comprehensive update of the Zoning Ordinance in 2000. The general prohibition of front-yard parking was kept in Chapter 18 of the 2000 Code, however, the provisions for determining the boundaries of that area were left to interpretation. City Attorney Marek showed an example of prohibited front-yard parking areas.

Moved by Doll, seconded by Goodman, to pass on first reading an ordinance amending Section 29.406.

Roll Call Vote: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Doll, to pass on first reading an ordinance amending Section 18.15.

Roll Call Vote: 6-0. Motion declared carried unanimously.

HEARING ON VOLUNTARY ANNEXATION OF PROPERTY GENERALLY LOCATED AT 1820 SOUTH DAYTON AVENUE: The hearing was opened by Mayor Campbell. No one wished to speak, and the hearing was closed.

Planner Benson indicated that if this annexation request is approved, a rezoning request will follow.

Moved by Mahayani, seconded by Larson, to adopt RESOLUTION NO. 08-477 approving the voluntary annexation of property generally located at 1820 South Dayton Avenue.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

ORDINANCE PERTAINING TO SALES AND SERVICING OF MOTORIZED BICYCLES IN COMMERCIAL ZONING DISTRICTS:

Moved by Goodman, seconded by Mahayni, to pass on second reading an ordinance making a zoning text amendment to Municipal Code Section 29.201 and Table 29.501(4)-3 to include sales and servicing of motorized bicycles as a permitted use in all commercial zoning districts.

Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE PERTAINING TO CALCULATING REQUIRED MINIMUM RESIDENTIAL LAND USE ALLOCATION IN VILLAGE RESIDENTIAL PROJECT:

Moved by Goodman, seconded by Mahayni, to pass on second reading an ordinance making a zoning text amendment to Municipal Code Table 29.1201(6) to state that “row houses” in combination with “side-yard houses” will be considered to be one land use type for purpose of calculating required minimum residential land use allocation in Village Residential project.

Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE ALLOWING SIGNS/BANNERS TO BE POSTED ON FENCES OF SOFTBALL/BASEBALL DIAMONDS IN THE GOVERNMENT/AIRPORT (S-GA) DISTRICT:

Moved by Goodman, seconded by Mahayni, to pass on second reading an ordinance allowing signs/banners to be posted on fences of softball/baseball diamonds in the Government/Airport (S-GA) District.

Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE PERTAINING TO MINIMUM FLOOR AREA RATIO REQUIREMENTS FOR OFFICE USES IN GENERAL INDUSTRIAL (GI) DISTRICT:

Moved by Mahayni, seconded by Goodman, to pass on third reading and adopt ORDINANCE NO. 3970 allowing signs/banners to be posted on fences of softball/baseball diamonds in the Government/Airport (S-GA) District.

Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

COMMENTS: Moved by Rice, seconded by Goodman, to refer to staff the letter from A Mid-Iowa Organizing Strategy (AMOS) requesting a reallocation of funding.

Vote on Motion: 6-0. Motion declared carried unanimously.

Council Member Rice asked about referring to staff the letter requesting lights on Mortensen written by Carl Roberts, 226 Northbrook Circle, Ames. City Manager Schanker indicated that similar issues have arisen about Mortensen Road, which is an institutional road, and therefore, in Iowa State’s jurisdiction. The letter may be referred to staff; however, the direction should be for calculation of costs to install the lighting. It was noted that City staff has met with negative results in its prior attempts to have ISU pay for similar improvements on institutional roads. Mr. Schanker noted that the lighting improvements would have to be at the City’s expense.

Moved by Popken, seconded by Goodman, to refer to staff the letter from Good Neighbor asking to shift funding from one service to another.

Vote on Motion: 6-0. Motion declared carried unanimously.

Ex officio Member Molly Tracy invited the public to a Campus Safety Walk to be held on November 11, 2008.

ADJOURNMENT: Moved by Doll, seconded by Goodman, to adjourn the meeting at 10:50 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor