

REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

NOVEMBER 25, 2008

The regular meeting of the Ames City Council was called to order by Mayor Campbell at 7:00 p.m. on November 25, 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 absent.

PROCLAMATION FOR EMPLOYEE LEARNING WEEK: Mayor Campbell proclaimed December 8 - 12, 2008, as Employee Learning Week in the City of Ames. Accepting the Proclamation were representatives of the Central Iowa Chapter of the American Society for Training and Development Claudia Smith, Employee Learning Week Director, and Paul Smith, Board President; and Denise Link, President of Phasient Technologies.

PRESENTATION OF REPORT FROM COMMUNITY CONVERSATIONS GROUP: Dave Andrews, ISU Extension Director, summarized the Community Conversations events that had occurred during the past 30 to 60 days. Mr. Andrews stated that approximately 130 citizens had participated in the Conversations on topics of diversity, change, and how to make Ames a more welcoming community. Most of the participants attended four different two-hour meetings that culminated in an Action Forum held on November 19, 2008. There were approximately 100 participants, facilitators, and interested citizens attending that Forum. Six action items resulted, which participants are committed to working on over the next few months. Mr. Andrews advised that ISU Extension will track the progress of the action items. He recalled that the Community Conversations on Diversity Steering Committee began work approximately one year ago. The Committee developed a Study Guide that was used during the Conversations, they advertised and enlisted participants, and they coordinated the Conversations. Mr. Andrews specifically recognized the Project Coordinator Debbie Lee. Mr. Andrews stated that Ms. Lee had been hired as a part-time Coordinator, but gave the community time-and-a-half. He said that Ms. Lee is extremely passionate about the need to make Ames a more-welcoming community. Jeannie Warning, Dave Andrews, and Barbara Woods presented Ms. Lee with a Certificate of Appreciation.

CONSENT AGENDA: Moved by Mahayni, seconded by Popken, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving minutes of Regular Meeting of November 6, 2008
3. Motion accepting Report of Change Orders for November 1-15, 2008
4. Motion setting January 27 and February 24, 2009, at 6:30 p.m. as Conference Board meeting dates
5. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class C Liquor - Fuji Japanese Steak House, 1614 S. Kellogg Avenue
 - b. Class C Liquor & Outdoor Service Privilege - Outlaws, 2522 Chamberlain Street
 - c. Class C Beer - Kwik Shop #550, 715 24th Street
 - d. Class C Beer and Class B Wine - Kum & Go #113, 2801 E. 13th Street
 - e. Class C Beer and Class B Wine - Kum & Go #214, 111 Duff Avenue
 - f. Class C Beer and Class B Wine - Kum & Go #215, 4506 Lincoln Way
 - g. Class C Beer and Class B Wine - Kum & Go #216, 203 Welch Avenue
6. RESOLUTION NO. 08-487 approving contract and bond for South Dayton Avenue Improvements Project (Divisions I & II)
7. RESOLUTION NO. 08-488 approving contract and bond for South Dayton Avenue Improvements Project (Division III)
8. RESOLUTION NO. 08-489 approving partial completion of public improvements and lessening amount of security required for Estates West, 1st Addition

9. RESOLUTION NO. 08-490 approving partial completion of public improvements and lessening amount of security required for Estates West, 2nd Addition
10. RESOLUTION NO. 08-491 accepting final completion of Restrooms at Ada Hayden Heritage Park
Roll Call Vote: 6-0. Resolutions declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

PUBLIC FORUM: Paul Ladd, Director of Veterans Commission for Boone County, indicated that he was standing in for Brett McClain, the Story County Director of Veterans Commission. Mr. Ladd explained that he was in attendance to present an award on behalf of the Iowa and National Committees for Employers Support to the Guard and Reserve, which operates under the auspices of the Secretary of Defense. The award was presented to City Manager Steven Schainker in recognition of the City of Ames as a patriotic employer. Mr. Schainker had been nominated for the award by Electric Services Director Donald Kom, who is a member of the 934th Airlift Wing. Mr. Ladd advised that the award recognizes deserving employers whose support and goodwill are critically important to retaining the highly skilled and qualified members of the Guard and Reserve. The nomination application comments submitted by Mr. Kom were shared by Mr. Ladd.

Roy Cakerice, 2911 Duff Avenue, Ames, representing the Friends of Carr Pool, referenced the 92 pages of facts and research in support of saving Carr Pool from demolition that had been provided to the Mayor and City Council. The Friends are specifically requesting that funds be allocated in the 2008/09 and 2009/10 budgets to allow Carr Pool to be open half-time (six hours/day). Mr. Cakerice stated that he was bothered by information that had been told to him by Parks & Rec staff, i.e., even with a budget of \$800,000, there is still a subsidy of \$1.4 million needed to support the Department's activities and facilities. He also referenced information in the Parks & Recreation brochure that the operational subsidy for the Furman Aquatic Center will be \$40,000, and according to the RDG plan, it could go up as high as \$75,000. Mr. Cakerice asked that the citizens of Ames be given an option for summer swimming with Carr Pool being open for six hours/day.

ENCROACHMENT PERMIT FOR THE FRAME SHOP: Moved by Rice, seconded by Goodman, to approve an Encroachment Permit for a new awning at The Frame Shop, 210 Main Street.
Vote on Motion: 6-0. Motion declared carried unanimously.

CLASS C LIQUOR LICENSE FOR SGT. PEPPERS: Moved by Mahayni, seconded by Rice, to approve a new Class C Liquor License for Sgt. Peppers, 116 Welch Avenue, pending receipt of background checks.
Vote on Motion: 6-0. Motion declared carried unanimously.

RICHMOND CENTER: Assistant City Manager Sheila Lundt explained that the Richmond Center (RC) is requesting approximately \$45,000 from the City in emergency funding. She stated that the Story County Board of Supervisors had approved \$48,000 in immediate assistance; United Way had approved an assistance package in the amount of \$44,500 contingent upon other funders providing emergency assistance; and Mary Greeley Medical Center approved \$44,500 in funding on November 24, 2008. The four funders have made attempts to ensure that the maximum amount of assistance is being provided without overlapping.

Ms. Lundt stated that City staff had identified two areas of service that the City Council could consider in providing assistance to the RC: (1) Nursing Services. Approximately \$20,000 would pay for 252 hours of nursing services for Ames citizens. (2) Information Technology Equipment and Programming for Client Information System. A forgivable loan of up to \$25,000 would be made available to assist in paying for computer equipment and programming upgrades that would

be used to track client statistics and get the billing out on time. This would also be required should the merger with Community and Family Resources (CFR) move forward.

Council Member Rice brought up that there is no guarantee that these services will be able to continue without resolution of the low Medicaid reimbursement rate from the state. Mr. Rice asked if there were any updates concerning that issue. Ms. Lundt advised that discussions with local legislators are going to have to continue. She pointed out that nursing services are not reimbursable under Medicaid.

Council Member Goodman asked if private providers may refuse to accept mental health clients who are on Medicaid. Ms. Lundt confirmed that, in many cases, mental health services by private providers are not available to Medicaid patients. She said that if private providers accept Medicaid patients, many do so in smaller numbers. Ms. Lundt indicated that one of the components of the long-range plan provided by the Richmond Center is to work with the State Public Policy Group and others in an attempt to increase marketing efforts to receive or retain patients who have the ability to pay.

Moved by Mahayni, seconded by Popken, to adopt RESOLUTION NO. 08-492 approving emergency services funding in the amount of \$45,000 to the Richmond Center.

Council Member Doll indicated that he would be abstaining from voting on this issue since he is currently serving on the Community and Family Resources Board.

Harvey Terpstra, President of the Board of the Richmond Center, expressed his appreciation of the work done by Sheila Lundt on this issue and the willingness of the City Council to assist with emergency funding.

Roll Call Vote: 5-0-1. Voting aye: Goodman, Larson, Mahayni, Popken, Rice. Voting nay: None. Abstaining: Doll. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these minutes.

SOUTHEAST 16TH STREET PAVING AND BRIDGE REPLACEMENT: Moved by Mahayni, seconded by Goodman, to adopt RESOLUTION NO. 08-493 approving partial release of retainage for S.E. 16th Street Paving and Bridge Replacement.

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

U. S. HWY. 69 INTERSECTION IMPROVEMENTS - 13TH STREET AND GRAND AVENUE TRAFFIC SIGNAL PROGRAM:

Public Works Director John Joiner clarified that USTEP Grants are provided by the Iowa Department of Transportation for work on state jurisdiction highways that are within an urban system. The improvements being considered are traffic signals at the intersection of 13th and Grand. Mr. Joiner emphasized that the project is only for signal improvements and not for any type of widening or lane expansions at that intersection.

Council Member Mahayni recalled that the Council had directed staff to investigate the feasibility of purchasing properties at that intersection. Mr. Joiner advised that the Housing Division is currently assessing the condition and potential uses of the three offered properties.

Moved by Rice, seconded by Popken, to adopt RESOLUTION NO. 08-494 approving the USTEP Grant Agreement.

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 Goodman, to adopt RESOLUTION NO. 08-495 approving preliminary plans and specifications for Traffic Signal Program; setting December 10, 2008, as bid due date and December 16, 2008, as the date of public hearing.

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

HEARING ON AMENDMENT TO DOWNTOWN URBAN REVITALIZATION PLAN: Mayor Campbell opened the public hearing. No one wished to speak, and the Mayor closed the hearing.

Department of Planning and Housing Director Steve Osguthorpe showed a map of the boundaries for the expanded Downtown Urban Revitalization Area. He stated that to maintain consistency with the Downtown Facade Grant Program, staff is recommending that the boundaries for the Downtown Urban Revitalization Area be expanded and match those set for the Grant Program. Mr. Osguthorpe recalled that staff had also been directed to revise the Design Guidelines for the Facade Grant to reflect the expanded boundaries. In summary, the boundaries have been expanded to include properties located northeast and southwest of the former URA parameters.

Council Member Popken said that he did not recall the City Council discussing adding the area north of Sixth Street. Mr. Osguthorpe advised that it was included in the discussions about the expanded Facade Grant Program.

Council Member Rice asked about including property south of the railroad tracks. According to Mr. Osguthorpe, due to zoning issues, the area south of the tracks is not included. He acknowledged that the City Council had previously directed staff to explore a possible rezoning of that area so that the area south of the tracks could be included.

Council Member Popken asked how the guidelines would be applied to the area north of Sixth Street since much of it is residential. Director Osguthorpe stated that the changes approved at the Council's October 14, 2008, meeting to expand the facade program identified parcels that were not part of a contiguous row of properties that typified Main Street, but were significant to the role of the Downtown, e.g., prominent corners, entry points. He stated that any revisions to building facades would have to meet the new standards to receive grant funding.

Moved by Goodman, seconded by Popken, to adopt RESOLUTION NO. 08-496 approving the amended Plan.

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 Rice, to pass on first reading an ordinance amending the Downtown Urban Revitalization Area.

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

HEARING ON CAMPUSTOWN COURT RENOVATION PROJECT: The public hearing was opened by the Mayor. She closed same after no one came forward to speak.

Moved by Goodman, seconded by Doll, to adopt RESOLUTION NO. 08-497 approving the Agreement with Iowa State University to partially fund the Project.

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

Moved by Doll, seconded by Popken, to adopt RESOLUTION NO. 08-498 approving final plans and specifications and awarding a contract to Central Landscape of Ames, Iowa, in the amount of \$48,469.00. Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

HEARING ON WATER SYSTEM IMPROVEMENTS PROJECT (SUMMIT AVENUE AND CRESCENT STREET): The hearing was opened by Mayor Campbell. No one asked to speak, and the Mayor closed the public hearing.

Moved by Goodman, seconded by Mahayni, to adopt RESOLUTION NO. 08-499 approving final plans and specifications and awarding a contract to Ames Trenching & Excavating, Inc., of Ames, Iowa, in the amount of \$224,831.00.

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

HEARING ON MAJOR SITE DEVELOPMENT PLAN (MSDP) for 3801 TIVERTON COURT: Mayor Campbell opened the public hearing and closed same after no one requested to speak.

Moved by Rice, seconded by Mahayni, to adopt RESOLUTION NO. 08-500 approving the MSDP to allow the construction of one 12-unit apartment building at 3801 Tiverton Court with the stipulation that stone or masonry material of a color and texture approved by City staff be used and that the apartment and garages use shingles or roofing material as approved by City staff.

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

CEMETERY OPERATIONS: City Attorney Doug Marek advised that a compliance officer from the Securities Bureau recently pointed out the need for some changes in the City's notice requirements and revisions to forms. The ordinance relating to cemetery operations dates back to 1917, and until recently, the cemetery operated as a perpetual care cemetery, but was not regulated by the state. Recent changes to the Iowa Code now subject municipal cemeteries and their perpetual care funds to regulatory oversight of the Securities Bureau in the Iowa Department of Commerce and limit the use of distributions from the perpetual care fund. In order to comply with the State regulations, it is necessary for the City to enact a new cemetery ordinance and to revise the rules and regulations set out in Appendix A of the Municipal Code. Mr. Marek stated that the proposed ordinance, to be codified as a new Chapter 33, follows the requirements of Iowa Code Chapter 5231 pertaining to perpetual care cemeteries. A resolution revising the rules and regulations for operation of the cemetery must also be adopted.

Moved by Rice, seconded by Goodman, to pass on first reading an ordinance amending the Municipal Code by providing for operation of Ames Municipal Cemetery as Perpetual Care Cemetery as specified by Iowa Code.

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

Moved by Rice, seconded by Goodman, to adopt RESOLUTION NO. 08-501 approving Municipal Code Appendix A, revising Ames Municipal Cemetery rules and regulations.

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

ORDINANCE PERTAINING TO REMOVAL OF MEMBERS OF LIBRARY BOARD: Moved by Goodman, seconded by Popken, to pass on third reading and adopt ORDINANCE NO. 3974 pertaining to removal of members of Library Board of Trustees.
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

ORDINANCE PROVIDING FOR CONTRACTS WITH OTHER LIBRARIES AND POLITICAL SUBDIVISIONS FOR LENDING BOOKS AND MATERIALS: Moved by Goodman, seconded by Doll, to pass on third reading and adopt ORDINANCE NO. 3975 providing for contracts with other libraries and political subdivisions for the lending of books and materials.
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

ORDINANCE CLARIFYING EXISTING FRONT-YARD PARKING PROHIBITION IN RESIDENTIAL ZONES: Moved by Goodman, seconded by Mahayni, to pass on third reading and adopt ORDINANCE NO. 3976 amending Section 29.406 to clarify the existing front-yard parking prohibition in residential zones.
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

ORDINANCE AMENDING SECTION 18.15 PERTAINING TO FRONT-YARD PARKING: Moved by Popken, seconded by Goodman, to pass on third reading and adopt ORDINANCE NO. 3977 amending Section 18.15 pertaining to front-yard parking.
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

BUDGET GUIDELINES: Finance Director Duane Pitcher and Budget Officer Carol Collings were present to highlight City budget issues that will be of concern during the next fiscal year. Mr. Pitcher pointed out that public input was received during the Town Budget Meeting held on October 7, 2008.

According to Mr. Pitcher, there has been a substantial downturn in the federal economy, but Ames has not been impacted as much as other cities. Areas of the City budget that could potentially be impacted are: Local Option Sales Tax, as retail sales might be reduced; Road Use Tax, which is used for road maintenance and capital improvements; energy costs; and property valuations. Short-term interest rates had increased during the past two years, but those have recently fallen back to near some of the City's record lows. That will reduce the City's ability to see good investment earnings in 2009/10. Mr. Pitcher stated that overall, the City's financial situation remains fairly strong; however, there are concerns of increased costs and reduced revenue growth.

General Fund. Mr. Pitcher stated that the General Fund ended FY 2007/08 with a higher-than-budgeted fund balance due primarily to positions not being filled. The fund balance is at approximately 22%, with a target at 20%, so there is some available balance. He reminded the City Council about its policy to use that balance for one-time expenses and to reduce the property tax burden in the future.

Fire and Police Retirement and IPERS. The City has received notification from the Municipal Fire and Police Retirement System of Iowa that the City contribution rate will decrease from 18.75% to 17.00%; this will save approximately \$109,000 from the FY 2008/09 Adopted Budget. Mr. Pitcher noted that the contribution rate has varied significantly over the past several years. Current poor

performance of pension investments and continued pressure from the State Police and Fire Associations to increase pension benefits are likely to result in future increases in the City's contribution rate. He also noted that the State Legislature passed a series of rate increases in the Iowa Public Employees Retirement System (IPERS) to raise the combined contribution rate from 9.45% to 11.45% over four years. This will increase the City's costs by approximately \$48,000.

Health Insurance. The City continues to benefit from implementation of health program changes recommended by the Health Insurance Team. For the current year, rate reductions for health insurance to departments will result in savings of a little over \$100,000. For FY 2009/10, rates are budgeted to increase approximately 10% from the lower adjusted rates for FY 2008/09. There continues to be a very good balance in the Health Insurance Fund, which will allow the City to absorb some fluctuations in health care claims over the next few years.

Mr. Pitcher advised that the City also self-insures for Worker's Compensation, and after several years of good experience, there have been several settled claims. There are currently several unsettled claims that could substantially reduce the fund balance available to pay future claims. To restore the balance, contribution rates to Workers' Compensation have been increased by 35% in the current year and will be increased by 10% in FY 2009/10. This rate increase is close to being offset by the savings in Health Insurance.

CyRide. CyRide was impacted substantially by the higher cost of fuel. The price of gas has now gone down, but diesel fuel for the buses costs substantially more. CyRide's fuel costs will be up by approximately 29% for the current year. CyRide receives funding from the state-wide sale of automobiles, but sales of automobiles are down significantly, and this will impact the funding of transit systems throughout the state. More residents of Ames are riding CyRide, and with the increase in ridership comes a need to increase the number of buses and related operating expenses. There will be pressure on CyRide to attempt to stay within its budget while meeting the increase in demand.

Rollback and Valuation. The State issues a rollback order each year that is applied to the assessed value of residential and commercial property. For the last several years, the rollback has increased, so there has been less taxable value on residential properties. For FY 2009/10, 45.5% of assessed residential value will be taxed, which is up from approximately 44% in 2008/09. Commercial property has been taxed at just under 100% in 2008/09, but will be up to 100% in 2009/10. It is anticipated that, with those two changes, the result will be a 1.9% increase in taxable value. This equates to approximately \$36 million. After meeting with the City Assessor's Office, no increase in valuations of residential property is expected. Some tax abatements, however, will go off the rolls.

Local Option Sales Tax Revenues. The City ended its budget year on June 30, 2008, quite a bit better than expected at a little over \$6.2 million in Local Option Sales Tax receipts; this is approximately \$368,500 over the Adopted Budget.

Mr. Pitcher advised that there was an error made in the filing of taxes by at least one hotel. Taxes were filed, but were filed only as Local Option Sales Taxes. The state is now in the process of correcting that, and it is believed that the Local Option Sales Tax will be approximately what had been forecasted for the year, and Hotel/Motel will increase to approximately what staff had predicted.

For 2009/10, approximately a 3% increase in Local Option Tax is expected; however, there could be risk there depending on how things go with the economy.

ASSET/COTA Funding. Mr. Pitcher advised that Sheila Lundt has met with both groups. The total ASSET request is for an approximately 6.6% increase, which would be up to just under \$1 million. Direction from the City Council will be needed as to the funding allocations. This percentage does not include additional funding for the Richmond Center. Confirmation of allocations from the other ASSET funders has not yet been received by the City.

It was stated by Mr. Pitcher that requests from COTA agencies were up 36% (to approximately \$150,000). The funding request from the Public Art Commission will be received some time in January.

Utility Rates. Water, Sanitary Sewer, Storm Water, and Electric will all require rate increases; however, the percentages are not yet known. The Capital Improvements Plan now in place does indicate that increases in several utilities will be needed over the next five years, and it is possible that there will be years with multiple increases. The sewer rate was increased in 2008/09, so it is not anticipated that an additional rate increase will be needed in 2009/10. Water, Electric, and Storm Sewer will need rate increases. A change in the rate structure for Water was made for 2008/09, and it is too early to know what the impact of the new structure had on demand.

According to Mr. Pitcher, there is no increase in tipping fees or rates anticipated for the Resource Recovery Plant.

“Go Green” Initiatives. On October 28, 2008, the City Council adopted a goal of reducing City operations’ carbon footprint by 15% by Year 2014. Areas under consideration are City buildings (changes in lighting and HVAC systems), fleet (more fuel-efficient vehicles and buses), and outdoor lighting (LED street lights and traffic signals). These initiatives will show up in Capital, Departments’ budgets, and in the Capital Improvements Plan.

Service Level Improvements. Only one service level improvement is being considered: the addition of a Transportation Planner in the Public Works Department. This position would be funded primarily with Federal Surface Transportation funding and would handle the day-to-day administration of the Metropolitan Planning Organization and carry-out routine traffic studies. This would free up the Traffic Engineer to take over the Municipal Airport.

City Hall Space Needs. One City division operates across the street from City Hall. There is an area in the Police Department that was vacated when the jail services were moved to Story County. An architect has been retained to evaluate the basement and Police spaces to determine a more efficient use of space. It is contemplated that staff will bring a Capital project before the Council. The building is starting to show some wear. For several years, \$50,000/year has been budgeted for day-to-day maintenance; that amount might need to be increased.

Mr. Pitcher reviewed the Fund Summaries and other funding requests that had been received to date.

City Manager Schainker brought the Council’s attention to the Local Option Sales Tax Fund Summary. He pointed out that the total funding requests for ASSET and COTA are shown in the FY 2009/10 Estimate to indicate the ending balance. Mr. Schainker requested that the City Council provide direction to staff concerning the percentage of increase, if any, for ASSET and COTA.

COTA Funding. Assistant City Manager Lundt advised that the COTA will be meeting on December 1, 2008, to set its funding allocation recommendations for 2009/10. The actual annual grant requests total approximately \$142,000, which is a 36% increase over last year. There are also two mini-grant periods (spring and fall), which total between \$7,000 and \$7,500.

Ms. Lundt stated that one new agency came into the process last year: Story Theater Company, which was funded in the amount of approximately \$10,000. There are 13 organizations requesting funding this year; none of the agencies are new to the process. Last year, it was necessary to flat-fund some of the other organizations to provide the allocation to the Story Theater Company. This year, a number of the organizations have requested additional funding to get them back to the level that they were at two years ago.

According to Ms. Lundt, the FY 2008/09 allocation was \$109,529, which is operating and mini-grants. Ms. Lundt indicated she had recommended that the COTA members work within the parameter of a five-percent increase. She emphasized that five percent was not the staff's recommendation; however, COTA members needed to have a place to start, and she felt fairly confident that at least that amount of increase would be approved.

ASSET Funding. Assistant City Manager Sheila Lundt said that ASSET is not quite as time-sensitive; those decisions are made in January. A total of \$998,567 has been requested.

Council Member Rice asked why there was such a large increase (36%) being requested in COTA funding. Ms. Lundt indicated that there were a couple agencies that had submitted large funding requests, i.e., Octagon is asking for approximately \$45,000. That amount has been requested in other years by the Octagon; last year, they were funded in the amount of approximately \$36,000.

Council Member Larson asked for a clarification of the Local Option Sales Tax Fund available balance. He pointed out that it is being projected that the balance will increase by \$200,000 in 2009/10. Finance Director Pitcher confirmed that was correct. City Manager Schainker said that the economy is very volatile right now, so if those funds are depleted, the Council might need to make cuts in the future. He said the conservative nature of the Fund is to reserve 25% of expenses and CIP projects; however, the Fund is available for community betterment. He cautioned that agencies prepare their budgets around that funding, and wondered if the agencies could cut back if the amount of funding decreased in future years. Council Member Larson believes that the Fund should be put to use for community development projects. Council Member Popken recalled that the referendum was specific: 60% goes for property tax relief, and 40% goes to human services, the arts, and community betterment. Mr. Pitcher advised that the interest from this Fund goes to the General Fund.

Moved by Goodman, seconded by Mahayni, to approve a five percent increase in funding for COTA.

Vote on Motion: 1-5. Voting aye: Goodman. Voting nay: Doll, Larson, Mahayni, Popken, Rice. Motion failed.

Council Member Rice pointed out that the Local Option Sales Tax Fund continues to grow. He believes that in hard economic times, the arts is the group that gets hit. Council Member Rice disagreed with the five percent, feeling that it was too low. He would like to see an increase somewhere between five (5) and 36%.

Moved by Rice, seconded by Doll, to approve a 25% increase in funding for COTA (\$136,911).

Council Member Doll stated that he trusts the COTA members to make good recommendations and if the funds are not justified, the money will not be given out.

Council Member Goodman indicated that there are a number of projects, e.g., Public Art's Ada

Hayden project, that could have a positive impact on the community. He felt that the proposed level of increase was too large.

Vote on Motion: 3-3. Voting aye: Doll, Popken, Rice. Voting nay: Goodman, Larson, Mahayni. Mayor Campbell voted nay to break the tie. Motion failed.

Moved by Goodman, seconded by Mahayni, to approve a 10% increase in funding for COTA (to \$120,480).

Vote on Motion: 5-1. Voting aye: Doll, Goodman, Larson, Mahayni, Popken. Voting nay: Rice. Motion declared carried.

Moved by Goodman, seconded by Popken, to approve a 6.6% increase in ASSET funding (to \$998,567).

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

City Manager Schainker asked the City Council for direction regarding Special Allocations. At this point, \$3,000 for Partner Cities; \$15,000 for the Historical Society; \$25,000 for the Hunziker Youth Sports Complex, and \$20,000 for Public Art will be included in the proposed budget unless Council directs staff to the contrary.

Council Member Larson asked where the Neighborhood Improvement Grant funds are allocated. Mr. Schainker advised that the funds are included in the Capital Improvements Plan. Mr. Larson pointed out that there were good suggestions made at the Community Conversations meetings for neighborhood projects, e.g., block party kits. Mr. Schainker said that it would be the decision of the City Council as to what it wants to pay for and from what fund.

Council Member Popken brought up the Council's Goal-Setting Update that is scheduled for December 13 and asked if there was capability in the budget to manage cost increases that would be determined at that meeting, e.g., expanding "Green Initiatives." Mr. Schainker indicated that it would be difficult for him to determine at that time what impact such increases would have on the overall budget. Staff would, however, put those amounts into the proposed budget and determine the impact before the City Council approved the final budget.

Council Member Goodman asked Assistant City Manager Bob Kindred if the \$20,000 annual allocation to the Public Art Commission was sufficient. Mr. Kindred indicated that the PAC budget would be coming before the Council in January. The PAC is working on a proposal that in all likelihood will be greater than \$20,000. They are working on a multi-track program, one with annual programs, e.g., Art Around the Corner and Neighborhood Sculpture, and another that would include major projects.

COMMENTS: Council Member Goodman acknowledged the letter from David Whittaker, Double W Angus Ranch, 26746 Sandhill Trail, Ames. He recommended that a memo be sent from staff to Mr. Whittaker, with a copy to the City Council, advising that his proposal for the land at 1811 South Dayton does not fit in with the Highway-Oriented Commercial use. Mr. Schainker advised that Mr. Whittaker is asking that the uses be amended to include what he wants to do with the property. Planning Director Osguthorpe said that Mr. Whittaker would like to conduct cattle auctions at the site in question; however, that is not allowed in the Highway-Oriented Commercial zone; it would be more of an agricultural-type use. Mr. Osguthorpe believes that a letter to Mr. Whittaker to that effect had already been written. Council Member Mahayni advised that Mr. Whittaker had called him about his request. He is aware of the regulations; however, wants the City Council to change them. Mr. Osguthorpe confirmed that Mr. Whittaker is asking for a text amendment to add

additional uses. Council Member Goodman advised that he was not proposing a text amendment.

Moved by Goodman, seconded by Popken, requesting staff to forward to the City Council a copy of any letter written to David Whittaker pertaining to his request to modify the zoning regulations to allow the auctioning of cattle in the Highway-Oriented Commercial area.

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

Council Member Goodman asked for the background pertaining to the letter from Maggie Sevde, Karin Sevde, and Randy Sevde requesting a waiver of the sidewalk requirements for the replat of Southern Hills West. Director Osguthorpe informed the City Council that this is the AgLeader site. The owners are requesting a waiver of the sidewalk requirements. Mr. Osguthorpe advised that the current subdivision regulations require sidewalks. This is the only stretch of road in the area where there are no sidewalks in place. There is a frontage road, however, the current Code does not allow a frontage road to be constructed in lieu of a sidewalk or a bike path. According to Mr. Osguthorpe, staff has discussed this issue with the applicants and their representative Scott Renaud of Fox Engineering. Council Member Goodman advised that he had been to that area and thought perhaps that there could be some alternatives to taking the path all the way out to the street. He is not suggesting that the sidewalk requirements be waived. Mr. Osguthorpe referenced the SUDAS standards that had been adopted pertaining to shared-use paths. Under those standards, the shared-use path may serve as a pedestrian path as well as a bicycle path; however the City's Subdivision Code has not been amended to reflect that. Council Member Popken indicated his preference that the path be separated from the road. Mr. Goodman advised that he would not be moving to refer the letter since staff discussion with the applicants had already occurred.

Moved by Goodman, seconded by Doll, to refer to staff the request of the Ames Foundation for a plaque commemorating the site of Munn Lumber Company.

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

Moved by Mahayni, seconded by Larson, to refer to staff the letter from Chuck Winkleblack dated November 21, 2008, requesting to amend the Developer's Agreement with the Uthe Development Company, LLC.

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

City Manager Schainker asked Planning Director Osguthorpe to speak to the letter from Chuck Winkleblack alleging inconsistency between the County land development regulations and the City's regulations regarding the Urban Fringe Area. Mr. Osguthorpe advised that there is a provision under state law that when the land in question is in the fringe area, it is to be reviewed under city regulations. He added that even if there were inconsistencies between the City's and County's subdivision or zoning regulations, the City's regulations would prevail. Mr. Osguthorpe said that staff does not see any conflict and will discuss this with Mr. Winkleblack.

Moved by Rice, seconded by Mahayni, to direct staff to place, on the City Council's March 17, 2009, workshop, a discussion of expansion options for the Ames Public Library.

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

Moved by Rice, seconded by Goodman, to refer to staff the letter from GK Development dated November 14, 2008, pertaining to the remote parking requirements relative to the North Grand Mall.

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

Moved by Popken, seconded by Goodman, to refer to staff the letter from the Main Street Cultural District listing the recommendations to address parking issues in the District.

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

ADJOURNMENT: Moved by Doll, seconded by Popken, to adjourn the meeting at 8:51 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor