

**MINUTES OF THE
SPECIAL MEETING OF THE AMES CITY COUNCIL,
AND REGULAR MEETING
OF THE AMES CITY COUNCIL**

AMES, IOWA

FEBRUARY 14, 2012

SPECIAL MEETING OF THE AMES CITY COUNCIL

The Ames City Council met in Special Session for the budget wrap-up at 5:15 p.m., followed by its Regular Meeting, on the 14th day of February, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Ann Campbell presiding and the following Council members present: Davis, Goodman, Larson, Orazem, and Szopinski. Council Member Wacha was absent. *Ex officio* Member Finseth was also present.

ARTS FUNDING (COTA): Assistant City Manager Sheila Lundt introduced Fred Lewis, Chairperson of the Commission On The Arts (COTA). Commission Member Andrew Zehr was also in attendance.

Chairperson Lewis thanked the Council for supporting the performing arts in the Ames community. He noted that the Council had been provided with the Commission's recommendations for funding in FY 2012/13. Thirteen arts agencies had applied for funding in an amount of \$155,150. . It was noted by Mr. Lewis that a lot of the state and federal funding for arts has been cut. Mr. Lewis stated that the Commissioners diligently review every application for funding. During the annual hearing process, the Commission members routinely ask about ticket prices and increases in membership fees to keep up with cost increases. He advised that most of the funded agencies do offer discounted or free tickets to some of their performances.

Ms. Lundt stated that the Commission reinforces to the agencies that the City's COTA funds are to be used to enhance, and not replace, their own fund-raising efforts; there is no guarantee of funding each year. She advised that the COTA hearings on the funding requests were held on November 12, 2011. It was noted that the Council had previously approved funding for 2012/13 in the amount of \$138,117 (an increase of 5% over 2011/12). Annual grants in the amount of \$134,628 and mini-grants in the amount of \$3,489 were being recommended by the Commission to receive funding.

HUMAN SERVICES FUNDING (ASSET): Assistant City Manager Lundt advised that the City's funding recommendations represent an increase of 3.5% (\$38,841) over the current 2011/12 allocations. United Way's recommended increase is approximately 0.6% (\$5,274), and Story County, 3.4% (\$33,721) over 2011/12. There will be a decrease in funding from the Government of the Student Body (GSB) in the amount of \$13,205. Ms. Lundt noted that the GSB helps fund organizations outside the ASSET process.

Ms. Lundt noted that several organizations did not draw down all of their City funding during 2010/11, and ASSET volunteers will be working with those organizations to find out why that happened. According to Ms. Lundt, the panels were especially careful to make sure that additional funds were only used where appropriate with those funders' priorities and service to City of Ames residents could be demonstrated. She noted the need to establish a public purpose for funding and showing how the public is benefitting from the expenditure of the funds. Those services meeting City priorities and serving Ames residents generally received increases, while others may have been held flat or reduced.

Because of the uncertainty surrounding the financial positions of Community and Family Resources, The Richmond Center, Heartland Senior Services, Big Brothers/Big Sisters, and the American Red Cross. ASSET recommended that funding be set aside for those services, but not awarded until a number of issues can be resolved. Detailed explanations concerning those agencies were provided by Ms. Lundt. Additional meetings to discuss the agencies' submittals have been scheduled.

According to Ms. Lundt, there were a number of agencies that provided incomplete information to ASSET this year. The Joint Funders are planning a training session for the agencies to explain the application process again. Also, Ms. Lundt noted that a number of audits were not received on time; the audits are critical for the ASSET members to be able to examine what the most-recent expenses had been.

Ms. Lundt also noted that the County's request for proposals for mental health services was issued on January 20, 2012. It was her understanding that four responses were received and will be evaluated for completeness. Ms. Lundt will be serving on the review team. The responses that are found to be complete will then be considered based on criteria.

PUBLIC ART COMMISSION (PAC): Assistant City Manager Bob Kindred referenced the PAC report that had been provided to the City Council. Commissioner Greg Fuqua highlighted the PAC's achievements that occurred in 2011 and described several that are planned for 2012/13. Sam Stagg, Chairperson of PAC, presented a funding request in the amount of \$33,500 for FY 2012/13. He specifically noted that the proposed budget included a one-time honorarium of \$3,000 and signage allowance of \$500 for a new sculpture slated to be installed near the new intermodal facility in Campustown. Mr. Stagg indicated that the addition of that sculpture would kick off the Commission's quest to have more art in Campustown. Finance Chair Chad West was also present.

Council Member Goodman recommended that the Commission members reach out to the Campustown Action Association to partner with and provide input on PAC endeavors.

COMMUNITY AND STUDENT GRANT REQUESTS: Brian Phillips, City Manager's Office Project Manager, advised that this year, at the direction of the City Council, staff implemented a new process for evaluating requests from community and student groups for City funds. Mr. Phillips stated that a team of staff and residents met and discussed the general community grants. The Student Affairs Commission reviewed the student-related requests. The following funding recommendations were made by those two groups.

Hunziker Youth Sports Complex:	\$ 25,000
Ames Historic Society:	16,000
Main Street Cultural District:	31,000
Ames International Partner Cities:	3,000
Campustown Action Association:	5,000
United Ames:	0
Homecoming:	1,000
VEISHEA:	8,000

Ex officio Council Member Tor Finseth said that several of the student requests were not submitted by the deadline (November 1, 2012) because the process was new and they were not aware of it. At the inquiry of Council Member Orazem, Mr. Phillips explained the requests for VEISHEA funding, specifically noting that \$8,000 is being requested in FY 2011/12 and \$8,000 is being requested in FY 2012/13 for pancake feeds.

Mayor Campbell asked if there was anyone who wished to speak regarding community and student grant requests.

Ames Historical Society. Peggy Baer, 1810 Waterbury Circle, Ames, representing the Ames Historical Society, complimented the Council for creating the new process. Although it is difficult to create a budget in October for the next October, she felt that having a prescribed procedure for the smaller agencies to follow had worked well.

Ames International Partner Cities Association (AIPCA). Judy Kemp, President of the Ames International Partner Cities Association, clarified information that had been contained in the AIPCA's application. The funding history of the Association as well as the composition of the Board was given by Ms. Kemp. She explained that the Board is charged with the task of developing partnerships between the City and cities of other nations. Ms. Kemp explained that part of the need for the increase was due to the cost of doing business, pointing out that costs of exchanging delegations with Ames' sister cities have increased. Council Member Larson suggested that the Board broaden its advertising and marketing to inform the public of the opportunities available through the AIPCA.

Main Street Cultural District (MSCD). Tom Drenthe, Director of the MSCD, and Terry Stark, Vice-President of the MSCD, thanked the City for its past support of the District. Mr. Drenthe advised that Ames was recently named the No. 1 retail destination of all the Main Street Iowa cities.

Campustown Action Association. John Haila, President of the Campustown Action Association, referenced the request it had submitted. He noted that the CAA is at a critical juncture in that it is in need of a Director. According to Mr. Haila, the marketing and coordination of events in Campustown are orchestrated by volunteers. The majority of those volunteers are Campustown business owners or have other full-time jobs, families, and other time commitments besides Campustown.

Council Member Larson asked if the CAA had reached out to Iowa State University (ISU) for financial support. Mr. Haila stated that it had not yet made a formal funding request to ISU.

Mr. Haila stated that the Pursuit of Membership in the Urban Neighborhood District Program, which is a sister program to the Main Street Iowa Program, requires that the CAA have a full-time director to be accepted into the Program.

Council Member Szopinski noted that the success stories told after the MSCD hired a director make an argument for supporting the idea of a similar position in Campustown. Mr. Haila outlined the services to the community that could result from a director position for the CAA. Ms. Szopinski noted that the MSCD receives revenue from memberships as well as from the City and felt that a similar funding situation should be put in place in Campustown.

Council Member Orazem noted that the intermodal facility will soon be completed. Partnering with other organizations, particularly those affiliated with ISU, was suggested by Mr. Orazem. He also asked that the Council be informed of the vision of Campustown and what it would be investing in if the director position was partially funded by the City. Mr. Haila said the CAA could provide that to the Council within the next year. He had already met with Cathy Brown of ISU to ascertain the University's plans for Lincoln Way and Welch and Lincoln Way and Lynn.

Mr. Drenthe endorsed Campustown's quest to be a member of the Urban Neighborhood District Program. He noted the benefits that had been afforded to Ames through its membership in the Main Street Iowa Program. At the inquiry of Council Member Larson, Mr. Drenthe advised that the MSCD receives approximately \$30,000 in annual dues and another \$30,000 in fund-raising and other types of projects.

Hunziker Youth Sports Complex (HYSC). Mark Kutchen, representing the HYSC, 800 Billy Sunday Road, echoed sentiments about the success of the new grant process. He also thanked the City for its financial support, which allows participation in programs for many children who, otherwise, would not be able to participate.

PUBLIC INPUT ON OPERATING BUDGET: Mayor Campbell asked if there was anyone who wished to provide input on the City's Operating Budget.

A Mid-Iowa Organization Strategy (AMOS). Jerry Chase and Diane Birt were present as members of the Youth and Education Team of AMOS. Mr. Chase presented AMOS' proposal for \$30,000 to be included in the budget to pay for free transportation on CyRide to all Ames K-12 students. According to Mr. Chase, this would allow all students to access before- and after-school activities, employment, and support services.

Council Member Orazem noted that the School District has stated that there are 65 students District-wide who need the free service and there is a mechanism now being put in place to provide CyRide tickets for those in need. Ms. Birt related that there are 65 students that the School Administrators are aware of as having immediate need; however, there are more than that that need transportation. Council Member Szopinski pointed out that there is a difference between providing free transportation to all students versus providing it to those most at-risk students. She feels that the logistics of providing tickets or passes could be worked out with the School District. Ms. Szopinski also noted that access to transportation has been named as being crucial to a child's success and proposed that some funding be made available on a one-year trial basis.

Mayor Campbell asked if the Ames School Administration was supportive of the idea. Ms. Birt said that the a new program had been discussed with the School District. According to Ms. Birt, the School District sees free transportation on CyRide as a separate issue; school buses would still be needed.

Council Member Davis asked Assistant City Manager Lundt to explain what had occurred at the United Way meeting held on January 20, 2012. Mr. Davis indicated his preference that the United Way's grant to provide \$5,000 to purchase 8,000 tickets be pursued first to see if the need is being met before City funds be allocated. Ms. Lundt referenced an excerpt from the Minutes

of United Way that had been provided to the Council, which provided a summary of the discussion.

PUBLIC INPUT ON CAPITAL IMPROVEMENTS PLAN (CIP): Mayor Campbell asked for input on the City's CIP.

Richard Deyo, 505 Eighth Street, #2, Ames, voiced his opinion that FEMA should be more involved in flood mitigation as opposed to the City of Ames paying for it.

Seana Perkins advised that she was speaking on behalf of Dan Culhane, Chief Executive Officer of the Ames Economic Development Commission (AEDC), who had a scheduling conflict and could not be present at this meeting. Mr. Culhane had asked her to convey the support of the AEDC for the Ames Airport Terminal project. He suggested that, due to the available FAA matching funds, additional funds be allocated for construction of a new Terminal building, which would help it to be a more competitive non-commercial airport.

Jeri Neal, 916 Ridgewood Avenue, Ames, advised that she was present to speak on three issues: (1) Funding and Timing of the Squaw Creek Bridge: Ms. Neal said that she represented the members of the bicycling community of Ames, and they strongly support moving the bridge repair project forward in the CIP. She noted that it was a key arterial for bike commuters. 2. Extension of Utilities East of East Lincoln Way Coordinator. Ms. Neal stated her individual opposition to the extension of utilities and asked to know who would pay for the infrastructure. She said that she is "fine" with paying additional costs for water treatment improvements and long-term energy planning, but not for paying forward infrastructure services for unidentified future businesses. 3. Railing on 6th Bridge Over Squaw Creek. Ms. Neal spoke as a bicyclist with a high level of use of the bridge in question, advising that it was a dangerous setting. She voiced her support for construction of a railing on the bridge and stated that any bicyclist would endorse improvements to it. At the inquiry of Council Member Larson regarding the possible use of chain-link fencing, Ms. Neal related that it will still create a safer situation for a subset of bicyclists. She listed some likely outcomes, e.g., more bicyclists moving in and out of the street. Issues with cleaning ice, slush, snow, and "crud" were also brought up by Ms. Neal. According to Ms. Neal, the sidewalk/path over the Squaw Creek on 4th Street is more treacherous than the 6th Street bridge.

Joe Rippetoe, 419 Pearson, Ames, commented on the possible extension of infrastructure east of Interstate 35. He noted that the Ames Economic Development Commission asked the City Council to annex 566 acres east of Ames "and spend millions of dollars extending utilities to it in the hope that something good may eventually result." He indicated that the idea of making undeveloped land available for industrial use is a good one, and he supports that objective. In his opinion, the current proposal is different in four major ways: (1) The land is not in the City limits and would require annexation involving multiple property owners. (2) The land is not zoned Industrial and would require rezoning. (3) The land has no utilities and putting them there would cost millions of dollars – "a direct charge against every utility rate payer." (4) The land is not the best choice available. Mr. Rippetoe offered his opinion that the approximately 300 acres of Regional Commercial land (formerly owned by Wolford Development and now Elwell/Reuter) located directly east of Interstate 35 on East 13th Street is the best location for industrial development for the following reasons: (1) It has already been annexed. (2) It was always intended to be Industrial per the Land Use Policy Plan. (3) The City Council has authority to rezone the Regional Commercial land back to Industrial. (4) The land is much closer to City water

and sewer, which means infrastructure costs would be much less. (5) The new owners of the old Wolford land recently said that they had no immediate plans for it.

Mr. Rippetoe stated his opinion that, despite all of those advantages, the Regional Commercial land is not being considered for a new industrial park site because (1) There is still some residual hope that a Regional Commercial center can be built there. According to Mr. Rippetoe, that will not happen. He said the new owner is not a regional mall builder, and it is just a matter of time before the City receives a request for something far less than a regional commercial center, e.g., a big box store, gas station, self-storage lockers. (2) AEDC is promoting such a complex and costly plan because there must be some relationships among the proponents, area land owners, and others that the general public can't see at this time. According to Mr. Rippetoe, it was up to the Council to figure out what was driving the proposal when a more practical and less-expensive alternative exists. According to Mr. Rippetoe, the East 13th Street is available right now and "probably at half the cost." He urged the City Council members to take more time on this issue and figure out why they are not receiving the best proposal possible.

Council Member Larson asked Mr. Rippetoe how the City is to address industrial customers who need rail service. Mr. Rippetoe said that some of the land on both sides of East 13th Street will be adjacent to rail service. Mr. Larson advised that it would not be as the UP Railroad only allows access for rail spurs on the south side. Therefore, the City could not get it on the north side. Mr. Rippetoe said that that "was one answer that he did not have;" however, he said he had another answer and that was that fewer and fewer customers seemed to be shipping by rail according to what he has heard. Council Member Szopinski advised that she had been informed this morning by a faculty member in Transportation and Logistics at Iowa State University that rail transportation will be increasing due to environmental and cost-of-fuel reasons. Also, other states are building intermodal facilities where the majority of the transportation is being done by rail and then transferred to trucks.

Catherine Scott, 1510 Roosevelt Avenue, Ames, expressed her opposition to extending infrastructure east on Lincoln Way as it looks to her like a form of speculation. As a City rate-payer, she does not want her tax dollars to pay for speculation. It is her belief that the businesses who want to locate in this area should pay for the infrastructure themselves. It is Ms. Scott's opinion that more details are needed; and since Ames has a history of slow, steady growth, and it is not the time to put any improvements in the CIP. Council Member Larson asked Ms. Scott which one of the scenarios she disliked the least. Ms. Scott advised that she would prefer a scenario that provided for incremental growth.

Jason Crimmins, 4301 Crestmoor, Ames, Chair of the Cleanliness Committee for Campustown Action Association, referenced the request for additional trash cans for a four-block area of Campustown and said that he was present to answer any questions. He clarified that the request is for 18 additional trash cans for placement on side streets.

John Haila, 2408 Suncrest, Ames, spoke in favor of extending infrastructure across the Interstate. He acknowledged that it takes a long time to install utility infrastructure. It is Mr. Haila's opinion that Ames is poised for additional growth, and he believes that it is important for Ames to have a good plan in place, to be forward-thinkers, and plan for industrial growth before it is actually requested. Mr. Haila said that when companies are looking for a location, they look at what is being invested in utility infrastructure. He would not want Ames to lose an opportunity because

utilities are not in place.

The meeting recessed at 7:26 p.m. and reconvened at 7:34 p.m.

SALARIES FOR COUNCIL APPOINTEES: Council Member Davis reported on the evaluation process for City Council appointees Steve Schainker, City Manager, and Doug Marek, City Attorney. Mr. Davis stated that he and Council Member Wacha had comprised the evaluation team; they had received feedback from the Mayor and other Council members.

Moved by Davis, seconded by Larson, to set the following appointees' salaries for FY 2012/13:

Base Pay for City Manager:	\$184,665.10
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Base Pay for City Attorney:	\$137,786.06
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Roll Call Vote: 5-0. Motion declared carried unanimously.

AMENDMENTS TO 2012/17 CAPITAL IMPROVEMENTS PLAN (CIP): Moved by Davis, seconded by Goodman, to replace Page 27 pertaining to the new Water Treatment Plant with a page that shows the SRF loan forgiveness (\$5.88 million grant) in FY 2016/17 under Financing. Vote on Motion: 5-0. Motion declared carried unanimously.

Moved by Davis, seconded by Goodman, to replace Page 135 pertaining to the Ames Public Library Renovation adjusting the amount of G. O. Bond funding. Vote on Motion: 5-0. Motion declared carried unanimously.

City Manager Schainker noted that the City does not yet know the end result of its request for flood mitigation funding from FEMA. He noted that Council members had recommended at a previous meeting that specific projects not be named. Mr. Schainker brought the Council's attention to a memo that he had sent that listed the possible projects, total cost of each one, and highlighted the projects that were still pending FEMA funds. It was also pointed out by Mr. Schainker that \$820,000 in G. O. Bonds was listed as revenue in the first year. He is skeptical about reducing that amount at this time because one of the top priority projects is for public infrastructure repairs that will impact a number of citizens. Two of those projects are still under consideration by FEMA, but the City is not guaranteed any funding. Mr. Schainker recommended that the amount be left as is, but the locations be named at a later date.

Council Member Goodman said it was very important to him that the City attempt to implement new systems that would protect against flooding as much as possible. He doesn't want the City to set itself up by allowing new developments and having the same flooding problems in those new developments. Mr. Larson pointed out that many of the projects listed could be development problems or landowner problems for which the City should not be responsible. City Manager Schainker recommended that the Council make a motion directing staff to review current policies, procedures, and ordinances to see if there are any alternatives that would mitigate flooding. Mr. Schainker noted that Council had previously discussed one of the projects, i.e., improvements to the Squaw Creek Pedestrian Bridge (Page 36 of the Draft CIP). He believed he had found a way to finance those improvements without raising property taxes. If Council wants to move forward with that project, it would be a separate page in the CIP.

Moved by Goodman, seconded by Szopinski, to replace Page 36, Flood Response and Mitigation, to remove the specific sites, but having the funding remain at \$820,000.

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

Moved by Goodman, seconded by Larson, to create a new CIP page for the Squaw Creek Bridge project, which would come out of second year of Flood Response and Mitigation (Page 36), and listing the funding source as \$400,000 from G. O. Bonds in 2012/13.

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

Moved by Davis, seconded by Goodman, to replace Page 93, Collector Street Pavement Improvements, to reduce the G. O. Bonds in 2012/13 by \$400,000 and add in a funding source of \$400,000, which would be from the available balance from prior issued bonds.

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

Extension of Utilities on East Lincoln Way. Public Works Director John Joiner informed the Council that, in an attempt to reduce the costs, the consulting engineer had created another alternative (Scenario 1A) that would reduce the cost of the sanitary sewer extension (from \$4.5 to \$3.5 million. Also, the amount of improvement that will have to be abandoned under Scenario 1A if or when the City brings the sanitary sewer up from the south is estimated to be \$1.1 million, as compared to the estimated \$1.8 million that would be abandoned under Scenario 1. The incremental sanitary sewer rate increase associated with Scenario 1A would be 4.1% rather than 5.5% needed in Scenario 1. That means the overall sewer rate increase needed in FY 2012/13 if Scenario 1A is pursued would be 9.1% (5% + 4.1%) rather than 10.5% (5% + 5.5%) if Scenario 1 were adopted. City Manager Schainker clarified that a 5% sewer rate increase had already been built into the budget.

Water and Pollution Control Director John Dunn advised that if Scenario 1A is followed, the incremental water increase would be .64% rather than the 3% formerly stated. The overall water increase needed in FY 2012/13 if the water tower installation is delayed would be 3.7% (3% + 7%), rather than 6% (3% + 3%).

It was also clarified by City Manager Schainker that further discussions with the Rural Water District would need to occur as to which entity would provide water to the land in question.

Council Member Larson pointed out that Scenario 1A also means it would be less expensive to provide sewer and water to the Regional Commercial area.

Seana Perkins, Business Development Coordinator, gave a report on annexing land north of Lincoln Highway, directly east of the current City limits, west of 590th Avenue, and south of the Union Pacific Railroad. She noted that the City of Nevada had previously annexed properties to the east side of 590th Avenue. The annexation area encompasses 566.57 acres of land and includes ten property owners. According to Ms. Perkins, the right-of-way that is owned by the Union Pacific Railroad may be included in the annexation application without consent of the owner; however, preliminary discussions had occurred with the Union Pacific Railroad and no concerns were raised.

Ms. Perkins advised that the initial annexation area includes three residential properties, one commercial use comprised of three properties, two properties that are owned and utilized by the Union Pacific Railroad, and 19 properties that are currently in agricultural production. Country Landscapes is the only existing commercially designated property in the annexation area. It has no relocation plans and associates itself with the Ames community; however, property taxes for that business would increase upon annexation and it would have to pay water and sanitary sewer connection fees.

According to Ms. Perkins, agricultural land owners benefit from annexation in that: (1) They will pay slightly fewer taxes when annexed to the City of Ames; (2) agricultural uses may continue on the properties; and, properties that are annexed and designated as Planned Industrial in proximity to urban infrastructure will be more attractive to potential buyers.

Ms. Perkins reported the names of the property owners, amount of land owned, and what their responses had been to the possibility of annexation. She identified three options for non-consenting property owners: (1) Partial tax exemption, (2) Waiver of water and sanitary sewer connection fees; and (3) 80/20 Annexation.

The process to be followed if the City Council were to choose to proceed to deploy urban infrastructure to the area was explained by Ms. Perkins. The Urban Fringe Plan would have to be revised, annexation would have to occur, and rezoning would occur as the individual properties are developed.

Council Member Larson asked what the intentions were for the Regional Commercial area to the north. City Manager Schainker advised that he had discussions with the new owners of that land. It is their intention to move ahead with a Regional Commercial venture; however, it is unknown the exact time frame for the project. Mr. Larson recalled that when the former developer was required to invest in installing infrastructure across the Interstate, it was estimated to cost \$2 million if it went west on 13th Street. He pointed out that if Scenario 1A were chosen, there potentially would be savings of \$1.6 million savings to get sewer and water to the Regional site.

Council Member Goodman asked to know the cost of opening up the first 100 acres. Council Member Orazem noted that infrastructure to get to the first acre would cost \$2.5 million; to provide infrastructure to the remaining 800 acres would cost \$1.1 million.

Utilities to the North. City Manager Schainker reminded that there is an existing Rose Prairie Annexation Agreement that provides for the developer to install sewer and water mains to serve the entire Planned Residential area up to 190th Street. The Agreement allows for the developer to proceed on their schedule. If the City desires to facilitate residential development in the area prior to that time, the Agreement specifies that the City may install water (estimated at \$703,000) and sewer lines (estimated at \$698,000) and set up assessment districts to recover the costs. In addition, a request had been made for water and sewer to be extended northward to serve the proposed Quarry Estates Subdivision.

To install infrastructure to the east and the north, according to City Manager Schainker, the water rate increase would be 4.2% and the sewer rate increase would be 9.9%. Council Member Larson pointed out that the City may establish water and sewer districts. Mr. Schainker concurred, but cautioned that the City gets paid back when the lots develop.

Airport Terminal. Mayor Campbell said that, in talking to members of the Congressional Delegation, she had been told that, historically, FAA has provided 95/5 ratio in funding; however, the funding is now reverting back to the 90/10 level. Referring to construction of a new Airport Terminal Building, Public Works Director Joiner advised that that size of project takes a while to develop, and users and citizens need to be allowed to provide input. He felt that leaving the improvement in the second year of the CIP was still the most appropriate year.

Council Member Larson cited his concern that \$600,000 was way too low and pointed out that that amount had been the amount put in as a “placeholder” for nearly five years. He would like to put \$2 million in the second year of the CIP for the Terminal project. Mr. Larson also noted that the City’s portion of the match at 10% on a \$2 million project would add \$165,000 to the budget. He advised that Mason City is spending \$2 million and Ankeny is spending \$2.5 to \$3 million on terminal building improvements. Mr. Larson emphasized the need for Ames to have a better entrance to the City.

City Manager Schainker advised that the Airport Fund is normally used to provide local match for airport projects; however, there will not be enough money in that Fund for the match on the Terminal project.

Moved by Larson, seconded by Davis, to place into the CIP for FY 2013/14 a total of \$2 million for a new Terminal Building, replacing the \$715,000, and including \$200,000 out of the Local Option Tax Fund.

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

Moved by Orazem, seconded by Davis, to amend the Draft CIP by adding a page pertaining to extending utilities east on Lincoln Way Corridor, to approve Scenario 1A with sanitary sewer (\$3.5 million) in FY 2012/13, water (\$800,000) in FY 2012/13, and construction of a water tower (\$3 million) in FY 2014/15.

Council Member Goodman advised that he does not believe the community in general supports \$7.3 million to be invested in a project that has not been well-thought-out. He contended that this is being discussed as a result of receiving one letter from an entity in the community. Mr. Goodman felt that discussion needed to occur about how many rail projects took place last year and how much this project increases Ames’ chances of bringing rail projects to this area or even how many industrial projects took place in the state of Iowa last year. He continued by saying that no one around the dais knows what the average size of industrial projects is, how many projects Ames has lost, or how many projects Ames has the potential to get. What that means to Mr. Goodman is that Ames is going to spend \$7.3 million on “hopes.” He does not believe that rate payers would appreciate that kind of investment in economic development without planning.

Council Member Larson countered those allegations by saying that, with that kind of logic, Ames would build the new Water Treatment Plant based only on the volume of water that is being used today; it would not anticipate any growth. Mr. Larson noted that ratepayers are paying for incremental sizing of the Water Treatment Plant in the same way ratepayers would pay to enlarge a distribution system to allow for economic development.

Mr. Goodman argued that the City had held a workshop on water. He said that a decade of data was collected before the new Water Plant was recommended. The extension of utilities east of

the Interstate is being contemplated now, in the opinion of Council Member Goodman, due to one letter that was received by the AEDC. He noted that the AEDC formerly believed that a site located not far from this site was the best location; however, that was abandoned when it realized that that was not the best choice.

Council Member Larson disputed Mr. Goodman's logic. He said infrastructure should be built in the most economic fashion, and that was what was being recommended.

Council Member Orazem emphatically disagreed with Mr. Goodman. He noted that the City had been contemplating industrial development across the Interstate for ten to twenty (20) years. He strongly believes that, if Ames is going to be able to attract large employers to this community, the land has to be available. Mr. Orazem calculated that it will cost \$2.5 million to get the infrastructure across the Interstate. The entire \$7.3 million will only be paid if the development succeeds and there is a need for the water tower.

Council Member Larson pointed out that the AEDC chose a former site for an industrial park because at that time the City had an agreement for Regional Commercial development where the infrastructure would be paid for by the developer.

Council Member Orazem advised that Ames has the same level of employment that it had 11 years ago, which carries a series of ramifications for the City and the School District. Mr. Orazem stated that this was not tied to an individual developer; it is for industrial development.

Vote on Motion: 4-1. Voting aye: Davis, Larson, Orazem, Szopinski. Voting nay: Goodman. Motion declared carried.

Regarding infrastructure to the north, Council Member Orazem pointed out that if the City desires to reduce the run-off that drains into Ada Hayden, the City must take advantage of conservation easements that are part of the Annexation Agreement.

Moved by Orazem, seconded by Larson, to create a new CIP page for 2012/13 to extend utilities along Grant Avenue (\$703,000 for water and \$698,000 for sewer).

Council Member Goodman noted that to extend large pieces of infrastructure at one time is costly. He offered that it is most cost-efficient to install infrastructure incrementally.

Council Member Orazem noted that Rose Prairie is under receivership. Without the possibility of infrastructure, the bank will have a very difficult time selling 250 acres.

Vote on Motion: 4-1. Voting aye: Davis, Larson, Orazem, Szopinski. Voting nay: Goodman. Motion declared carried.

APPROVAL OF 2012/17 CIP, AS AMENDED: Moved by Larson, seconded by Davis, to approve the Capital Improvements Plan for 2012/17, as amended with the above-named changes. Vote on Motion: 5-0. Motion declared carried unanimously.

AMENDMENTS TO FY 2011/12 BUDGET: Pertaining to the 6th Street Bridge Railing, Council Member Goodman asked if the City could hold discussions with bicyclists to ascertain if the

solution is broad enough to solve the problem. Public Works Director Joiner said that sharrows on the street and signage could be used to give direction to bicyclists. City Manager Schainker

recommended that monies not be allocated at this time until the Council was sure as to what it wanted to do on this issue; there will be another opportunity to amend the 2011/12 Budget.

Moved by Goodman, seconded by Larson, to direct staff to discuss possible solutions with bicyclists to improve the safety of the 6th Street Bridge.

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

Moved by Orazem, seconded by Goodman, to direct that the City purchase 18 garbage cans for placement in Campustown.

Council Member Larson stated that he would be more supportive of an allocation of \$25,000 to assist with paying for a Campustown Director if the business owners in Campustown would be more willing to help clean up their own environment. Mr. Larson noted that the entire Downtown area only has 30 garbage cans; Campustown would have 40 if the additional 18 were purchased.

Council Member Davis said he preferred that, if more garbage cans are purchased for Campustown, the City start with no more than six. He would like to see if the situation approves with that number.

Moved by Davis, seconded by Szopinski, to amend the motion to change the number of garbage cans to be purchased to six.

City Manager Schainker advised that that would equate to a \$5,100 one-time expense to purchase six trash cans and \$1,247 in ongoing maintenance costs.

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

Vote on Motion, as Amended: 5-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Larson, to add the replacement of the fence in front of Walgreen's in the amount of \$15,000 to the 2011/12 Operating Budget, to be paid from the Road Use Tax fund.

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

Moved by Davis, seconded by Goodman, to shift the FACES funding (\$5,000) from the City Council's program budget to the City Council Special Allocations in the 2011/12 Operating Budget and shift funding to Local Option Tax.

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

Moved by Davis, seconded by Larson, to remove the AMOS funding from Council Contingency in the 2011/12 Operating Budget.

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

Council Member Goodman asked Transit Director Sheri Kyras for her opinion of trying a pilot program for offering free CyRide to students in K-12. Transit Director Sheri Kyras said the position of CyRide is neutral on this project because ridership increases every year and they are

not sure what impact such a program would have.

Council Member Davis stated that he preferred to try the United Way grant approach for one year, and if it needs to be expanded, the issue can be revisited. Council Member Orazem noted

that the cost of a bus pass for the remainder of the year would allow for 77 bus passes to be purchased, which is slightly over the 65 that was initially anticipated.

Council Member Goodman said that the issue is broader than providing bus passes for at-risk youth. He believes that transportation can be an impediment for many families.

Assistant City Manager Lundt noted that the entire ASSET allocation was not recommended to be allocated; there will be some ASSET funding remaining should the Council decide to fund this project.

Moved by Goodman, seconded by Larson, to notify the ASSET funders that Council is supportive of the allocation of some funding to support providing free CyRide to students in K-12..

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

Moved by Goodman, seconded by Davis, to allocate \$8,000 for the 2011/12 VEISHEA pancake feed.

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

APPROVAL OF BUDGET FOR FY 2011/12, AS AMENDED: Moved by Goodman, seconded by Orazem, to approve the budget amendments for FY 2011/12.

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

Moved by Goodman, seconded by Davis, to set March 6, 2012, as the date of public hearing on the proposed budget amendments for FY 2011/12.

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

AMENDMENTS TO PROPOSED FY 2012/13 BUDGET: as follows:

Moved by Goodman, seconded by Larson, to allocate \$138,117 for COTA.

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

Moved by Goodman, seconded by Szopinski, to allocate \$1,150,278 for ASSET.

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

Moved by Goodman, seconded by Larson, to allocate \$25,000 to the Hunziker Youth Sports Complex for operational expenses.

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

Moved by Goodman, seconded by Davis, to allocate \$16,000 to the Ames Historical Society.

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

Moved by Goodman, seconded by Larson, to allocate \$31,000 to the Main Street Cultural District.

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

Moved by Goodman, seconded by Szopinski, to allocate \$5,000 to the Ames International Partner Cities Association (AIPCA).

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

Moved by Larson, seconded by Davis, to allocate \$5,000 plus up to a maximum of \$12,500 based on a one-to-one match from Iowa State University, to the Campustown Action Association for its Director position.

Council Member Orazem said he thought that fewer garbage cans had been approved with the idea of allocating more funds to help fund the Director position. Council Member Larson indicated that the Campustown area is equally important to Iowa State University (ISU) as well as the City, and he would like the CAA to pursue funding from ISU.

Vote on Motion: 2-3. Voting aye: Davis, Larson. Voting nay: Goodman, Orazem, Szopinski. Motion failed.

Moved by Szopinski, seconded by Goodman, to allocate \$25,000 to help fund the Campustown Director position.

Council Member Davis pointed out that the request went through the City's new grant process, and through that process, \$5,000 was recommended. He did not believe the CAA documented outcomes well enough to increase it by five times the amount recommended through the grant process.

Council Member Orazem offered his opinion that it is a critical year to keep the momentum going in Campustown with the ribbon-cutting for the Intermodal facility scheduled for June. He wants to see the long-range plan for Campustown with a designation of who its partners are.

Council Member Goodman suggested that the CAA be requested to ask ISU to be a funding partner for a Campustown Director position.

Moved by Davis to amend the amount to \$15,000 and request the CAA to raise the additional \$10,000.

Motion failed for lack of a second.

Vote on Motion: 3-2. Voting aye: Goodman, Orazem, Szopinski. Voting nay: Davis, Larson. Motion declared carried.

Moved by Goodman, seconded by Larson, to allocate \$1,000 for ISU Homecoming .

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

Moved by Goodman, seconded by Davis, to allocate \$8,000 for 2012/13 VEISHEA pancake feed.

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

Council Member Larson asked for an update on what has been occurring with United Ames. Assistant City Manager Lundt said that United Ames has been involved in creating and working on the community gardens and involved in the FACES celebration. According to Ms. Lundt,

the Board is down to four or five active members. She advised that the problem with United Ames' application is that funding a staff member does not constitute a public purpose.

Moved by Goodman, seconded by Szopinski, to set the PAC budget at \$33,500.

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

APPROVAL OF PROPOSED BUDGET FOR FY 2012/13: Moved by Davis, seconded by Larson, to approve the proposed 2012/13 Budget with the above amendments.

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

Moved by Davis, seconded by Larson, to set March 6, 2012, as date of final public hearing on proposed budget for FY 2012/13.

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

City Manager Schainker informed the Council that all of the changes above-made did not impact the property tax rate included in the Manager's Recommended Budget; the total property tax rate will be down approximately \$.12 from the prior year. Debt service cost will be increased by a total of \$357,122 to extend utilities to the north and east, but the additional cost would not increase property taxes as it will be abated by water (\$94,151) and sewer (\$262,971) funds.

The meeting recessed at 9:45 p.m. and reconvened at 9:55 p.m.

REGULAR MEETING OF THE AMES CITY C COUNCIL

CALL TO ORDER: Mayor Campbell called the Regular Meeting of the City Council to order at 9:55 p.m.

CONSENT AGENDA: Moved by Davis, seconded by Larson, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving minutes of Regular Meeting of January 24, 2012, and Special Meetings of February 3, 7, 8, and 9, 2012
3. Motion approving certification of civil service applicants
4. Motion approving Report of Change Orders for January 16-31, 2012
5. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class E Liquor, C Beer, and B Wine – Fareway Store #386, 619 Burnett Avenue
 - b. Class E Liquor, C Beer, and B Wine – Fareway Store #093, 3619 Stange Road
 - c. Class C Liquor – El Azteca, 2727 Stange Road
 - d. Class B Liquor – Holiday Inn Ames, 2609 University Boulevard
 - e. Class C Beer and B Wine – Gateway Expresse, 2400 University Boulevard
 - f. Class E Liquor, C Beer, and B Wine – Wal-Mart Supercenter #4256, 534 South Duff Avenue
 - g. Class C Liquor & Outdoor Service – Buffalo Wild Wings, 400 South Duff Avenue
 - h. Special Class C Liquor w/ Outdoor Service – Stomping Grounds, 303 Welch Avenue, #101
6. Motion approving 2011 Resource Recovery Annual Report

7. RESOLUTION NO. 12-036 approving 2012 Urban Revitalization tax abatement requests
 8. RESOLUTION NO. 12-037 approving Amendment to Agreement with Iowa State University for Shared Sustainability Coordinator (tabled from January 24, 2012)
 9. RESOLUTION NO. 12-038 approving submittal extension for 2011/12 Community Development Block Grant Program Single-Family Conversion Pilot Program
 10. RESOLUTION NO. 12-039 approving Easement Agreement for 2010/11 Downtown Street Pavement Improvements Project (Kellogg Avenue/Main Street to 7th Street and Main Street/Allan Drive to Clark Avenue)
 11. RESOLUTION NO. 12-040 approving up to five, two-month fuel contracts at a total price not-to-exceed \$735,000 and accept fixed-rate plus mark-up/deduct for the remainder of CyRide's fuel purchases
 12. RESOLUTION NO. 12-041 awarding Professional Services Contract to Black & Veatch of Kansas City, Missouri, in an amount not to exceed \$50,000 for Power Plant Fire Risk Mitigation
 13. RESOLUTION NO. 12-042 awarding contract to Utilities Plus Energy Services, Inc., of Elk River, Minnesota, in the amount of \$58,003.64 for Stange Transformer LTC Installation
 14. RESOLUTION NO. 12-043 approving preliminary plans and specifications for Ames Municipal Cemetery Improvements Fencing Project; setting March 7, 2012, as bid due date and March 27, 2012 as date of public hearing
 15. RESOLUTION NO. 12-044 approving preliminary plans and specifications for Underground Trenching for Electric Services; setting March 14, 2012, as bid due date and March 27, 2012, as date of public hearing
 16. RESOLUTION NO. 12-045 approving contract and bond for Vet Med Substation Capacitor Banks
 17. RESOLUTION NO. 12-046 approving contract and bond for Unit No. 8 Air Heater Baskets Installation
 18. RESOLUTION NO. 12-047 approving contract and bond for Breaker and Relay Maintenance for Power Plant
 19. RESOLUTION NO. 12-048 approving Change Order No. 3 and accepting completion of 2009/10 Airport Improvements (Taxiway 'A1' Rehabilitation and Taxiway 'A' Drainage Improvements)
 20. RESOLUTION NO. 12-049 accepting completion of 2011/12 CDBG Public Facilities Neighborhood Infrastructure Improvements Program (North Hazel Avenue/North 3rd Street)
 21. RESOLUTION NO. 12-050 accepting completion of 2010/11 CyRide Route Improvements Program (Ontario Street)
 22. RESOLUTION NO. 12-051 accepting completion of public improvements for Airport Business Park Subdivision and releasing security
 23. RESOLUTION NO. 12-052 approving Plat of Survey for 808 and 1098 East Lincoln Way
 24. RESOLUTION NO. 12-053 approving Plat of Survey for 111 and 117 Lincoln Way, 113 North Dakota, and 104 Southbend Drive
 25. RESOLUTION NO. 12-054 approving Plat of Survey for 4010 and 4110 Maricopa Drive
- Roll Call Vote: 5-0. Resolutions declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

PUBLIC FORUM: Richard Deyo, 505 Eighth Street, #2, Ames, expressed his dismay over his perceived lack of public input requested before the tagline and logo were approved.

NORTHRIDGE HEIGHTS SUBDIVISION, 14TH ADDITION: Moved by Davis, seconded by

Larson, to adopt RESOLUTION NO. 12-055 approving the First Amendment to Sidewalk and Street Tree Agreement for Northridge Heights Subdivision, 14th Addition.

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

NATIONAL CENTERS FOR ANIMAL HEALTH (NCAH) PUMP STATION AND WASTEWATER METERING FACILITIES IMPROVEMENTS:

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-056 awarding a contract to CL Carroll Company, Inc., of Des Moines, Iowa, in the amount of \$860,000 for construction of improvements.

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

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-056 authorizing Change Order No. 2 in the amount of \$52,131.15 to Professional Services Agreement with Stanley Consultants of Des Moines, Iowa, to provide construction phase services.

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

2011 NATIONAL ELECTRIC CODE (NEC): Building Official David Brown reminded the Council members that staff had informed them on January 10, 2012, about the need for the City to adopt the 2011 NEC. Since that date, staff has notified all the Ames electrical contractors of the possible changes. The Electrical Board unanimously recommended approval of the *Code*. According to Mr. Brown, there has been no opposition to the adoption of the *Code* expressed to staff.

Moved by Davis, seconded by Goodman, to direct staff to prepare proposed ordinance for adoption of the 2011 National Electric Code, including both the State and City of Ames amendments.

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

PRELIMINARY PLAT FOR ASPEN RIDGE SUBDIVISION, 2ND ADDITION: Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-058 approving the Preliminary Plat for Aspen Ridge Subdivision, 2nd Addition, with the following condition: (a) existing trees in South 16th Street right-of-way shall be retained.

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

MASTER PLAN AND PLATTING PROCESS: Planner Jeff Benson informed the Council that the Master Plan requirement was intended to allow the City Council to review and approve the design or layout of anticipated development before committing to a rezoning or before committing to a final site design.. He pointed out that while the Master Plan may be helpful in determining how a property will ultimately be developed, the current requirement creates some burdens. City Manager Schainker noted that changes to the process are being explored based on feedback received at a Council workshop with developers in April 2010.

Moved by Orazem, seconded by Davis, to direct staff to seek input from the development community, the public, and the Planning and Zoning Commission concerning possible changes

to the City's current Master Plan requirements.

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

CONSULTING SERVICES AGREEMENT RELATED TO THE CLEAN AIR ACT: Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-059 authorizing extension of the Engagement and Retainer Agreement with Ritts Law Group of Alexandria, Virginia, in an amount not to exceed \$50,000 for consulting services related to the Clean Air Act.

Council Member Larson noted that \$249,000 has already been expensed for the services of the Ritts Law Group.

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

CHANGE ORDER TO PROFESSIONAL SERVICES AGREEMENT RELATED TO THE 161kv TIE LINE FRANCHISE: Moved by Davis, seconded by Larson, to adopt RESOLUTION NO. 12-060 approving a Change Order to the Professional Services Agreement with BrownWinick of Des Moines, Iowa, in the amount of \$40,000 for legal services in connection with the 161kV Tie Line Franchise.

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

HEARING ON RESOURCE RECOVERY PLANT TRUCK SCALE UPGRADE: Mayor Campbell opened the hearing. No one asked to speak, and the hearing was closed.

Moved by Goodman, seconded by Davis, to accept the report of bids.

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

COUNCIL COMMENTS: Moved by Davis, seconded by Larson, to refer to staff the letter from Chuck Winkleblack requesting changes to the LUPP and a land swap pertaining to land currently being used as the Oaks Golf Course.

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

Moved by Davis, seconded by Larson, to refer to staff the letter from Chuck Winkleblack pertaining to parking in the Estates West Subdivision (both sides of Timber Ridge Drive).

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

Moved by Larson, seconded by Davis, to refer to staff the letter from Deery Brothers dated February 9, 2012, requesting tax abatement for property at the corner of 16th and South Dayton Avenue

Vote on Motion: 4-1. Voting aye: Davis, Larson, Orazem, Szopinski. Voting nay: Goodman. Motion declared carried.

Moved by Davis, seconded by Larson, to refer to staff, for a memo, the letter from Chuck Winkleblack requesting annexation of land and changes to the LUPP pertaining to the area west of George Washington Carver.

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

Moved by Orazem, seconded by Davis, to refer to staff the letter from Roger Wheeler for tax abatement on 202 E. Lincoln Way commercial property.

Vote on Motion: 4-1. Voting aye: Davis, Larson, Orazem, Szopinski. Voting nay: Goodman. Motion declared carried.

Moved by Davis, seconded by Larson, to refer to staff the letter from Friedrich Iowa Realty dated February 8, 2012, pertaining to a request for Annexation and a Land Use Policy Plan Map

Amendment for Quarry Estates.

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

CLOSED SESSION: Moved by Davis, seconded by Goodman, to hold a Closed Session as provided by Section 20.17(3), *Code of Iowa*, to discuss collective bargaining strategy.

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

The Council returned to Regular Session at 10:28 p.m.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-061 ratifying the contract with the IAFF (Firefighters).

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

ADJOURNMENT: Moved by Davis to adjourn the meeting at 10:29 p.m.

Diane Voss, City Clerk

Ann H. Campbell, Mayor