

MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

MARCH 6, 2012

The regular meeting of the Ames City Council was called to order by Mayor Campbell at 7:00 p.m. on March 6, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Davis, Goodman, Larson, Orazem, Szopinski, and Wacha. *Ex officio* Member Finseth was also present.

Mayor Campbell announced that the City Council would be working from an Amended Agenda. A 5-day Special Class C Liquor License for Olde Main Brewing Company at the ISU Alumni Center had been added under Permits, Petitions, and Communications and collective bargaining strategy would be discussed in Closed Session with the prospect of ratifying a contract with the IUOE (Power Plant). Mayor Campbell also noted that Consent Item No. 8, Rental Housing Inspections Fees, had been pulled by staff.

PROCLAMATION FOR ECO FAIR: Mayor Campbell read a Proclamation to recognize the City's Second Annual ECO Fair, which will occur on March 24, 2012 from 10 AM to 2 PM, in the Community Center Gymnasium at 515 Clark Avenue. Accepting the Proclamation was Donald Kom, Electric Services Director.

PRESENTATION OF GOVERNMENT FINANCE OFFICERS ASSOCIATION DISTINGUISHED BUDGET PRESENTATION AWARD: The Mayor presented the Award to Finance Director Duane Pitcher and Budget Officer Carol Collings. The City has received this Award for the past 27 years.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of February 28, 2012
3. Motion approving Report of Contract Change Orders for February 16-29, 2012
4. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class A Liquor w/ Outdoor Service – Elks Lodge #1626, 522 Douglas Avenue
 - b. Class C Beer and B Wine – Swift Stop #5, 3218 Orion Street
 - c. Class C Liquor – Carlos O'Kelly's Mexican Café, 631 Lincoln Way
 - d. Special Class C Liquor – Valentino's, 823 Wheeler Street, #1
 - e. Class E Liquor, C Beer, and B Wine – Sam's Club #6568, 305 Airport Road
 - f. Special Class C Liquor – The Spice Thai Cuisine, 402 Main Street
 - g. Class C Beer – Swift Stop #4, 1118 South Duff Avenue
 - h. Class C Liquor – Legends American Grille, 119 Stanton Avenue, Suite 701
 - i. Special Class C Liquor – Lucullan's Italian Grill, 400 Main Street
 - j. Class C Beer & B Wine – Kum & Go #227, 2108 Isaac Newton Drive
 - k. Class C Liquor – Café Northwest, 114 Des Moines Avenue
5. RESOLUTION NO. 12-089 approving appointments to City's various boards and commissions
6. RESOLUTION NO. 12-091 approving temporary increases of one Water Plant Operator FTE and one Water Pollution Control Plant Operator FTE
7. RESOLUTION NO. 12-092 approving preliminary plans and specifications for 2011/12 Collector Street Pavement Improvements; setting March 20, 2012, as bid due date and March 27, 2012, as date of public hearing
8. RESOLUTION NO. 12-093 approving preliminary plans and specifications for 2010/11 Airport Improvements (West Apron Rehabilitation); setting April 4, 2012, as bid due date and April 10, 2012, as date of public hearing

9. RESOLUTION NO. 12-094 approving preliminary plans and specifications for 2010/11 Concrete Pavement Improvements (Lincoln Swing and Oakland Street); setting April 4, 2012, as bid due date and April 10, 2012, as date of public hearing
10. RESOLUTION NO. 12-095 approving preliminary plans and specifications for Unit No. 8 Feedwater Heater Replacement; setting April 11, 2012, as bid due date and April 24, 2012, as date of public hearing
11. RESOLUTION NO. 12-096 approving preliminary plans and specifications for Unit No. 8 Superheater and Boiler Tube Replacement Project; setting April 25, 2012, as bid due date and May 8, 2012, as date of public hearing
12. RESOLUTION NO. 12-097 awarding contract to Fairbanks Scales, Inc., of Davenport, Iowa, in the amount of \$48,036.00 for 2011/12 Resource Recovery System Improvements (New Scale Platform)
13. RESOLUTION NO. 12-098 approving Change Order No. 1 for Power Plant Unit No. 8 Air Heater Basket
Roll Call Vote: 6-0. Resolutions declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

PUBLIC FORUM: No one came forward to speak.

HEARING ON AMENDMENTS TO FISCAL YEAR 2011/12 BUDGET: Mayor Campbell opened the public hearing. There being no one wishing to speak, the hearing was closed.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-099 amending the budget for the current Fiscal Year ending June 30, 2012.

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

HEARING ON ADOPTION OF FY 2012/13 BUDGET: The Mayor opened the hearing. No one requested to speak, and the hearing was closed.

Moved by Davis, seconded by Wacha, to adopt RESOLUTION 12-100 approving the FY 2012/13 budget.

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

Noting that the 2012/13 Budget included General Obligation Bond funding for the possible extension of utilities on East Lincoln Way, Council Member Szopinski recalled that the Council had not yet made a decision on whether or not to move that project forward. She asked to know the next steps. City Manager Schainker explained that the approved FY 2012/13 budget had appropriated funds for the issuance of bonds to extend utilities to 590th on Lincoln Way plus along Grant Avenue. Corresponding funds will also be needed out of the Utilities from the Water and Sewer Fund (rate increases) if the Council elects to move forward to pay for those projects. His recommendation will be that the City issue General Obligation Bonds abated with utility fees. The next step normally would be to hire an engineer to start designing the projects. However, in this case, under the Council's goal of "Promote Economic Development" and objective to "Develop Ames as a Regional Center," there was a task that stated that the City Council will decide what questions need to be answered to make a decision on whether to move ahead with these projects. The City Council was to have sent questions to City Manager Schainker. He had received some questions from one Council member and had passed those on to the other Council members and the Mayor. The Council now had to decide if that task had been fulfilled -- if they needed more information or were ready to move ahead and hire the engineer to start designing the project, which would allow it to be bid.

City Manager Schainker asked the Council members to decide whether they wanted to continue to discuss these issues in a workshop setting or at a Regular Council Meeting. He noted that the 2012/13 Budget starts July 1, 2012; an engineer could be hired after that time, so the decision should be made this spring.

Council Member Szopinski said that she had more questions and more questions had been asked of her from members of the community. Ideas had been offered to her regarding other areas of the City that perhaps should be considered, and questions had been asked of her regarding the number of acres of land being considered. Ms. Szopinski explained that she had voted on this issue with the understanding that she was not for it or against it, but was expecting the opportunity to have the questions brought forward and answered. City Manager Schainker said that once he has the list of questions, he will need to determine how much study will be needed before an answer can be provided. He asked if there were other questions about the projects. It was his preference that the questions/responses be discussed at a Council meeting or workshop.

Council Member Goodman reported that he had submitted some questions, but he was not sure if the other Council members also wanted to know the answers to his questions. He believed that the Council members needed to have an opportunity to weigh in on which of those questions matter to them.

Mayor Campbell suggested that the Council members send their questions to Mr. Schainker prior to the next Council meeting on March 27. He will distribute them to the Council members on the Friday preceding the meeting.

HEARING ON GENERAL OBLIGATION LOAN AGREEMENT: The public hearing was opened by Mayor Campbell. No public comments were received, and the Mayor closed the hearing.

Moved by Davis, seconded by Larson, to adopt RESOLUTION NO. 12-101 approving the General Obligation Loan Agreement in an amount not to exceed \$13,150,000 for the purpose of paying for improvements to streets, water and sanitary sewer lines, flood mitigation projects, rehabilitating City parks, and replacing City park bicycle/ pedestrian bridge
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

OUTDOOR SERVICE AREA EXTENSION FOR DUBLIN BAY: Moved by Davis, seconded by Goodman, to approve an extension of the Outdoor Service Area for Dublin Bay, 320 South 16th Street.

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

5-DAY SPECIAL CLASS C LIQUOR LICENSE FOR OLDE MAIN BREWING COMPANY: Moved by Davis, seconded by Goodman, to approve a 5-Day (March 15-19) Special Class C Liquor License for Olde Main Brewing Company at ISU Alumni Center, 420 Beach Avenue.

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

REQUEST FOR TAX ABATEMENT FOR 202 EAST LINCOLN WAY: Planning and Housing Director Steve Osguthorpe reported that the property at 202 E. Lincoln Way was the former site of the Lincoln Lodge Motel. The building had deteriorated in recent years. In 2010 the property was sold, and the new owner, the ACE Community Credit Union demolished the building and is marketing the property for commercial development. The property is zoned Highway-Oriented Commercial (HOC). According to Mr. Osguthorpe, the City Council had established criteria under

which the Council would consider establishing Urban Revitalization Areas to incentivize redevelopment of properties zoned HOC. One of those criteria is: “Properties with a principal building that has been determined by the Building Official as meeting the definition of Public Nuisance” in Chapter 5 of the *Ames Municipal Code*.” Since that determination was not made before the building was demolished, Mr. Wheeler submitted information to support a finding that the building was a public nuisance prior to demolition. The Council’s attention was brought to a number of photos that had been included with Council Action Form. The photos showed the deteriorated condition of the building and safety issues that had existed. There was also asbestos present in the building. It was pointed out that there also had been frequent police activity at the property prior to the building’s demolition. Mr. Osguthorpe directed the Council’s attention to a March 2, 2012, letter explaining the unique situation that led to the building being torn down prior to it being declared a public nuisance. Mr. Osguthorpe advised that Mr. Wheeler is requesting abatement of property tax on 100% of the value of land in each of six years following redevelopment.

Director Osguthorpe provided arguments in support of and against the tax abatement for this project. According to Mr. Osguthorpe, while the effort to clean up this area by the ACE Credit Union is laudable, it does not appear to legally meet the slum and blight requirements of the Urban Revitalization provisions of the *Iowa Code* by declaring the structure a public nuisance after it has been removed. It was pointed out that this property is an eastern gateway into the community.

City Manager Schainker advised that if the City Council would like to offer a tax abatement incentive that could benefit the Credit Union, the Council could direct the staff to explore a new Urban Revitalization Area. That direction would either be based on the removal of slum and blight from a larger geographic area, which includes at least two dilapidated structures, or based on the promotion of economic development again for a larger area. Mr. Schainker also noted that if the City Council were to continue with past practice, three tax abatement schedules would be offered to the developer: a three-year 100% abatement, a five-year partial/decreasing abatement, or a ten-year partial/decreasing abatement.

City Planner Jeff Benson noted that the Redevelopment Criteria provided to the City Council as part of the staff report for this item was an example for property located in the Highway-Oriented Commercial zone. The map pertained to Criterion No. 4, which is not slum and blight; it is a combination of Highway Commercial zoning, being in the flood plan, and being within 1,000 feet of a well field. He pointed out that the property at 202 E. Lincoln Way is not within 1,000 feet of a well.

City Attorney Doug Marek explained the process if the City Council wanted to establish an Urban Revitalization Area. He described the three steps involved: (1) first deciding whether Council wants to have a program for which a property would be eligible, (2) define the Urban Revitalization Area based on statutory criteria, and (3) create a Plan by Resolution that applies.

Council Member Orazem offered his opinion that the area in question is one where economic activity needs to be produced fairly quickly. It is an entrance to the City and should look attractive. He does not, however, promote having a plan for a single piece of property and another plan for another single piece of property. East Lincoln Way, South Duff, and South 16th Street have similarities in that in order to develop there, a change in the configuration needs to be made so that the City is not put at risk if additional flooding events occur. Mr. Orazem believes that that entire area should be considered for a program that would include making the area more attractive for businesses, less flood-prone, and improve the appearance as an entrance to the City.

City Council Member Goodman stated his observation that there are many redevelopment opportunities throughout the community that would benefit the City if they were to take place; however, the City cannot subsidize all of the projects. He said that South Duff is a great example of the market choosing to redevelop properties, proving that sometimes people invest their own money to make something happen without taxpayers paying for it.

Roger Wheeler spoke, stating that he was representing Ames City Employees Credit Union. Mr. Wheeler clarified that the building at 202 E. Lincoln Way was demolished prior to the property changing ownership. He advised that the property was an eyesore, a safety hazard, and a nuisance to the neighborhood, and the Credit Union purchased it to rid the area of the nuisance. Mr. Wheeler advised that two former prospective developers had rejected the site and decided to locate elsewhere. In addition, the current owner is a government-regulated financial institution that has federal regulations placed on its assets. The new owner has found that the property is not be marketable for redevelopment without tax abatement and is asking for assistance. Mr. Wheeler believes this is a unique request since the property that was torn down was definitely slum and blight and a nuisance property.

Council Member Wacha agreed that the former Lincoln Lodge was dilapidated and a definite eyesore; however, its redevelopment should not be incentivized.

Council Member Goodman noted that it did serve the public good for the building at 202 E. Lincoln Way to be torn down. If the owners had come to the Council prior to demolishing the building, it might have qualified under the slum and blight criteria.

Council Member Larson said that he believed the property was purchased by the Credit Union speculating that it was marketable for redevelopment. Although it has taken longer than what was anticipated, it still might sell. He stated that even if the owner had made the request for tax abatement prior to demolishing the building, he still would have wanted to see a plan for the property.

Moved by Larson, seconded by Wacha, to deny the request for tax abatement for 202 E. Lincoln Way.

Vote on Motion: 5-1. Voting aye: Davis, Goodman, Larson, Szopinski, Wacha. Voting nay: Orazem. Motion declared carried.

REQUEST FOR LAND USE POLICY PLAN (LUPP) AMENDMENT FOR OAKS GOLF COURSE: Assistant City Manager Bob Kindred reported that the City Council had received a letter from Chuck Winkleblack concerning a development opportunity for the Oaks Golf Course located outside the City limits. His request sought designation of the area for residential development of four or five very large lots (10 - 12 acres each). Mr. Kindred advised that the Council needed to determine whether it desires to give formal consideration to this request. Should Council decide to proceed further, a determination would then be needed as to whether the proposal is a Major or a Minor Amendment to the Land Use Policy Plan (LUPP).

According to Mr. Kindred, the proposed amendment to the LUPP would involve changing this land use designation from Parks and Recreational to Rural Residential in order to allow development of residential estate lots. It was suggested that the Council give consideration to such factors as the City's ability to provide utilities to the area, impact on the City's watershed (particularly Ada

Hayden Lake), impacts on the view from Ada Hayden Memorial Park, and general consistency with the Council's adopted goals and policies.

According to Mr. Kindred, the site is designated in the LUPP as Rural Service and Agricultural Conservation Area. The Ames Urban Fringe Plan designates this site as Parks and Recreational Area with a small portion to the south that is designated Natural Area. (The Parks and Recreational Area designation is a subclass of the Rural Service and Agricultural Conservation Area.) To accommodate the large lots that Mr. Winkleblack is proposing, the site would need to be designated as Rural Residential.

Mr. Kindred reported that the site is not in an Allowable Growth Area of the Land Use Policy Plan. There was no expectation that the land in question would ever be annexed into the City. Since Mr. Winkleblack is not seeking annexation, a change to the LUPP Allowable Growth Designation is not needed.

The key issue in this case that staff had identified was how the sanitary sewage from the proposed development would impact the City, and especially, the Ada Hayden Watershed. Staff believes that, with only four lots being developed, it would be much more manageable than if it were developed more intensively. It was noted that, under the County's Rural Residential development regulations, there could potentially be 35 lots built on the site in question. Mr. Kindred recommended that if the City Council decided to move forward with this, it would be appropriate to consider an agreement before the Plan is changed that there only be a certain level of intensity of development.

Council Member Larson noted the importance of restricting the use of phosphorus and fertilizer on the land. Mr. Kindred advised that the City would not have legal authority to require those restrictions; however, it would be best if the developer voluntarily agreed to do so. City Attorney Marek told the Council that the *Iowa Code* prohibits any municipal ordinances related to regulation of chemicals; it can be done through an agreement process as a recorded covenant. He also noted that covenants do not last forever.

Mr. Kindred reported that Mr. Winkleblack also is proposing trading a portion of his property currently being used for park access in exchange for a portion of Ada Hayden Heritage Park along Grant Avenue. According to Mr. Kindred, if Council desires to consider that exchange, advice from the Parks and Recreation Commission should be sought. Mr. Winkleblack, 105 S. 16th Street, Ames, emphasized that the two topics (LUPP Map change and land swap) were two separate issues. The Council was told by Mr. Kindred that currently, Mr. Winkleblack allows the Parks staff to access its maintenance facilities at Ada Hayden over his property. There are other ways that the City staff could get to the maintenance buildings. Mr. Winkleblack emphasized that this would alleviate taxpayers from having to pay for improvements to Grant Avenue and give the City the land that it is currently using to access its maintenance shed. The City would have the same number of acres.

Mr. Winkleblack told the Council that over half of the Oaks Golf Course is not in the Ada Hayden Watershed. He also stated that, on the approximate 42.5 acres, a maximum of two septic systems would be installed in the Watershed area, and depending on lot configuration, there might only be one. It was also noted by Mr. Winkleblack that he had been working with an environmental expert concerning the potential development of the land in question for years. He noted that he would be willing to discuss restrictive covenants on the land, i.e., restricting the use of fertilizer and phosphorus. Mr. Winkleblack pointed out that a low-density residential use may provide an appropriate buffer between the Park to the south and the agricultural lands to the north.

It was stated by Mr. Winkleblack that Oaks Golf Course would be operational this year. The time frame for its redevelopment would depend on how discussions go with the City Council and Story County Board of Supervisors.

Director Osguthorpe advised that, following the determination of whether it is a Major or Minor Amendment, the City Council may choose to either consider the amendment immediately or to defer any action on the proposed amendment until the next scheduled review of the entire LUPP. He noted that the LUPP states that the Plan should have a comprehensive review approximately every five years. Under the procedures enacted to facilitate changes to the Ames Urban Fringe Plan, two of the three jurisdictions (Ames, Gilbert or Story County) need to agree to consider the request. All three jurisdictions would then need to approve the change for it to take effect.

Moved by Orazem, seconded by Goodman, to refer to staff to authorize an application for a Land Use Policy Plan Map change for the land commonly known as Oaks Golf Course.

Council Member Goodman said that he would support the motion because it would provide stability on land where people live. He felt that the key to its success would be the development of an agreement that would guarantee that there would not be more than four homes on the land and protect Ada Hayden Heritage Park into perpetuity. Director Osguthorpe advised that conditions could be placed on the approval of a LUPP amendment to safeguard the lake.

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

Discussion ensued as to whether the amendment would be considered Minor or Major. Council Member Larson recommended that it be put through the Minor Amendment process; it would be a good opportunity to see if the process would accomplish what the Council had intended. Mr. Osguthorpe noted that the Council had directed staff to expand the notice requirement to 300' beyond the property; however, in this case, the property is largely surrounded by the Park. He told the Council members that the notice boundary could be expanded if they so desired.

Moved by Larson, seconded by Wacha, to designate the proposed change as a Minor Amendment to the Land Use Policy Plan.

Vote on Motion: 5-1. Voting aye: Davis, Larson, Orazem, Szopinski, Wacha. Voting nay: Goodman. Motion declared carried.

Director Osguthorpe clarified that Mr. Winkleblack will also need a similar referral of his request from either Gilbert or Story County, since this is a change to the Ames Urban Fringe Plan.

Moved by Larson, seconded by Davis, to refer the issue of the land swap to the Parks and Recreation Commission.

Council Member Wacha advised that he did not think the City of Ames would benefit from the proposed land swap. He noted that Ames voters passed a referendum to acquire the parkland, and the City Council should not swap any of the land without definite benefit being received.

Council Member Davis clarified that he had seconded the motion to allow the Parks and Recreation Commission to come back to Council with its recommendation. He felt that it should go through the normal process. Council Member Szopinski said that she was concerned that the Council was referring items to staff that could be decided at this meeting. She didn't see any benefit to the City to swap the land. It was her opinion that the City did not need the access road to get to its

maintenance buildings. Ms. Szopinski also thought that it would further jeopardize the view of the natural area.

Council Member Goodman noted that there is a public process when City disposes of assets. He doesn't feel the proposed land swap meets that requirements of the process.

Council Member Larson again clarified that he referred the issue to the Parks and Recreation Commission only to receive its recommendation on the matter of access to the City's maintenance facility and get its perspective as to whether there would be any benefit to the City to "swap" the land.

Mayor Campbell said that, by referring the issue to the Parks and Recreation Commission would also afford the City time to determine if such an arrangement is legal since the land had been acquired through a bond referendum.

Council Member Goodman advised that he could support the motion if the word "swap" was taken out. Mr. Larson said the referral was more to determine if the land owned by Mr. Winkleblack is necessary for the City to access its maintenance shed. He commented that he could withdraw the motion and rephrase it; however, his intent was to get input from the Parks and Recreation Commission as to whether it sees any merit in the City owning the land. Council Member Larson stated that he hoped that the motion he had made initially would give the Parks and Recreation Commission the latitude to address the issue.

Vote on Motion: 2-4. Voting aye: Davis, Larson. Voting nay: Goodman, Orazem, Szopinski, Wacha. Motion failed.

REQUEST FOR LUPP AMENDMENT FOR PROPERTY WEST OF GEORGE WASHINGTON

CARVER: Assistant City Manager Kindred recalled that the City Council recently received a letter from Chuck Winkleblack concerning a development opportunity west of George Washington Carver Avenue located outside the City limits. He was seeking designation of the area for annexation to accommodate a senior housing project and additional residential development. Mr. Kindred advised that if the Council decided to proceed further, a determination would then be needed as to whether the proposal is a Major or a Minor Amendment to the Land Use Policy Plan (LUPP).

According to Mr. Kindred, the Ames Urban Fringe Plan designates this site as Priority Transitional Residential. To accommodate annexation and access to City utilities that Mr. Winkleblack is proposing, the site would need to be designated as Urban Residential. The site is not in an Allowable Growth Area of the Land Use Policy Plan. In 2008, it was at first designated within the North C area for purposes of the Targeted Growth Study initiated by Council. However, due to difficulties in extending sanitary sewer service to this area, it was ultimately excluded from the North Growth Area. Since Mr. Winkleblack is seeking annexation, a change to the LUPP Allowable Growth Designation would be needed.

Mr. Kindred referenced the 2008 Targeted Growth Study, which had showed a cost of just under \$1,000,000 to bring sanitary sewer up the Squaw Creek valley to eventually serve this area. He noted that part of that cost would provide service to the Northwest Growth Area. It was stated by Mr. Kindred that the City's Public Works staff is reviewing the current capacity of the sewer up to the area. That area is also going to be improved under the Sanitary Sewer Evaluation Study.

Mr. Osguthorpe noted that the annexation area proposed by Mr. Winkleblack could require the non-consenting annexation of three parcels of land along GW Carver Avenue in order to avoid creating an island of unincorporated land. The "80/20" process was explained by Mr. Kindred. Chuck Winkleblack 105. S. 16th Street, Ames, advised that he had not specifically talked to the three land owners. If it is found to not be feasible, those properties could be excluded.

Council Member Larson questioned why 80 acres was needed to be brought in when the proposed project would take substantially less. Mr. Winkleblack said that they would like to bring in all the land that is owned by one particular property owner. He also stated that one potential project will take up 20 acres.

Mr. Winkleblack stated that he disagreed with the sanitary sewer assessment. In the Study, North Growth Area C encompassed a much larger area (several hundred acres). He noted that he had been working with Public Works for the past four to six months. Mr. Winkleblack said that he believes there is capacity to serve the area in question with gravity-flow. He stated that he would not be bringing this request to the Council if that infusion of cash by the City (\$1,000,000) would be needed. According to Mr. Winkleblack, if there is a capacity issue, there is a pipe in Moore Park that might be at the wrong elevation. There could be a "fix" to that pipe for less than \$100,000 that would allow for the capacity needed. Mr. Winkleblack also advised that when Northridge Heights was developed at Weston, the sewer was placed under George Washington Carver; that was done at the landowners' expense. Significant improvements have been made to George Washington Carver as the result of Northridge Heights, and he believes that there would be no or minor costs to the City for the sewer. The road is in place, but if a turning lane would need to be installed, it would be done at the developer's expense.

Scott Williams, Civil Engineer with Alfred Benesch & Co., Ames, explained that there was a 15" sanitary sewer main installed, instead of the standard 8" main, when Northridge Heights was developed to allow for more capacity to serve farther north. Based on his recent discussions with Public Works staff, at issue is a 400-foot-long stretch of pipe through Moore Park that apparently was installed flatter than it should have been in the 1980s. The capacity may or may not be enough based on modeling to accommodate some additional areas. Flow meters have been installed to determine current flows so that additional capacity can be determined. Even if the pipe does not have additional capacity, there are "fixes" that would be much less costly than \$1,000,000. At the inquiry of Council Member Wacha, Mr. Williams replied that much of the North Growth Area has changed since the 2008 Study; and now much of that Area is planned to be served from a different direction. Council Member Goodman asked if the developer was proposing to pay for the "fixes" to the pipe through Moore Park to accommodate additional capacity. Mr. Winkleblack said he would need to know what exactly would be entailed, but he did not feel it was fair to require him to cure problems that had been caused by improperly installed pipe 30 years ago. He said that he would be willing to pay for the "fix" if it "was in the range" of what they now believe it will take.

Replying to Council Member Goodman's question about Hunziker Land Development not agreeing to sharing the cost of the road in Rose Prairie, Mr. Winkleblack replied that he had requested that the engineering be done first so that the cost of the road would be known. He further stated that Hunziker Land Development was very willing to pay for its share of the engineering costs, but since one parcel of land had been foreclosed on, Hunziker was being expected to pay for that share as well. Mr. Schainker commented that the City had offered that the remaining developers and the City share the costs equally.

Mr. Winkleblack contended that, at one time, 100+ acres were going to be served by the sanitary sewer installed by the developer for Northridge Heights. They are no longer planning to develop another 100 acres; they are asking to bring in 80 acres. Logically, if it were big enough to serve 100 acres, it is big enough to serve 80 acres.

Municipal Engineer Tracy Warner advised that what is being labeled as an “under-capacity pipe” in the 2008 Sanitary Sewer was laid at a shallower slope. There are a couple of fixes: the section could be relaid or a redundant pipe could increase capacity in that section. She noted that this is the same neighborhood that the City has been working with on flood mitigation projects.

Discussion ensued on who had installed the pipe through Moore Park. Council Member Larson said that if it was the City’s doing, then the City should now fix it. If it was not, the developer has stated his willingness to fix it. Ms. Warner advised that the cost of the “fix” would be approximately \$75,000.

Moved by Larson, seconded by Davis, to direct staff to accept an application and formally consider the LUPP amendment request.

Mr. Larson noted that the revenue that would come off of a \$10 - \$12 million development would be substantial, especially if the property could be developed without the City giving any abatement and without investing any more money in infrastructure.

Mr. Kindred said that it is also relevant to note that, in January 2011, the City Council amended the LUPP to designate the area from GW Carver on the west to Quarry Estates on the east as the North Allowable Growth Area. To support that growth, Council is also considering a 2012/13 Budget that includes \$1.4 million to extend water and sewer infrastructure to that area. He made the Council aware that designating another allowable growth area in north Ames could create competition with the lands in which the City is placing a significant investment.

Council Member Goodman pointed out that the Council does not know any of the other costs associated with the proposed development. If there are no costs to the City, it would be a great project as it is adjacent to the City limits and there would be no costs to install infrastructure. He said, however, to add 80 more acres to the capacity of the community slows down the payback on the \$1.4 investment in the north that had already been approved.

Vote on Motion: 4-2. Voting aye: Davis, Larson, Orazem, Wacha. Voting nay: Goodman, Szopinski. Motion declared carried.

Moved by Orazem, seconded by Goodman, to determine that the proposed change be a Minor Amendment to the LUPP.

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

Director Osguthorpe said that, under the procedures enacted to facilitate changes to the Ames Urban Fringe Plan, two of the three jurisdictions (Ames, Gilbert or Story County) would need to agree to consider the request. All three jurisdictions would then need to approve the change for it to take effect.

The meeting recessed at 9:15 p.m. and reconvened at 9:22 p.m.

STEAM TURBINE NO. 8 PARTS: Moved by Davis, seconded by Goodman, to reject all bids for Steam Turbine No. 8 Parts Procurement and authorizing staff to proceed with overhaul, with the intent to make necessary repairs and allow third-party suppliers to obtain information for future supply of replacement parts.

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

CONTRACT FOR RADIO FREQUENCY IDENTIFIED (RFID) PROJECT: Library Director Art Weeks introduced Mike Quinn, Information Services Division, who would be the Project Manager of the RFID, if approved. Mr. Weeks advised that tagging the collection would be done in Phase I. Phase II of this project would come before the Council after the library expansion is complete.

Moved by Goodman, seconded by Wacha, to adopt RESOLUTION NO. 12-102 approving a contract with SirsiDynix/Bibliotheca of Lehi, Utah, for Radio Frequency Identification (RFID) project in an amount not to exceed \$92,719.95.

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

2012 TIGER GRANT APPLICATION FOR INTERMODAL FACILITY: Transit Director Sheri Kyras explained that the U. S. Department of Transportation (USDOT) recently released a notice of funding availability for its 2012 TIGER Program. Grant applications are due no later than March 22, 2012.

Director Kyras advised that the one caveat with this Grant application is the timing. The decision on the Tiger Grant in question won't be made until July; however, completion of the first phase of the Intermodal Facility will occur in June. The surface parking lot constructed in Phase I will need to be removed to make way for the additional parking structure that is part of Phase II. According to Ms. Kyras, it is the Federal Transit Administration's (FTA) policy to request repayment of federal interest when a capital project is demolished before the end of its useful life. It is anticipated that the FTA will request 100% of the cost of the surface parking lot, which is estimated at \$275,000. Iowa State University (ISU) and City officials have indicated a possibility of sharing the additional project cost \$137,500 each. City Manager Schainker advised that an email had been received from ISU Vice-President of Business and Finance stated that the University would be interested in submitting another TIGER application and funding 50% of possible repayment costs to FTA, if a grant were approved.

At the inquiry of Council Member Goodman, Ms. Kyras advised that it would not be possible to hold off on the paving of the parking lot since in order to be in compliance with the first grant, it would have to be completed.

City Manager Schainker noted that the \$137,500 had not been built in the budget.

Moved by Wacha, seconded by Davis, to adopt RESOLUTION NO. 12-103 authorizing CyRide staff to prepare and submit 2012 TIGER grant application for Phase II of the Intermodal Facility, and if approved, provide 50% of the cost to repay federal interest up to a maximum of \$137,500.

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

605 AND 615 EAST LINCOLN WAY: Planning and Housing Steve Osguthorpe explained that this issue pertained to the required amount of parking contained in the current *Municipal Code*. A change in use has been proposed for the commercial building at 605 East Lincoln Way, which is

zoned as Highway-Oriented Commercial. The building is currently vacant. The proposed tenant is a health club facility. For the proposed facility, 28 parking spaces would be required; however, there are only 28 parking spaces on the entire site, and the proposed facility would only encompass a little more than half of the building. Because there are other tenants that need parking spaces, the site would not be able to provide 28 spaces for only one tenant.

According to Mr. Osguthorpe, the developer brought to staff's attention that there were more spaces on the site than staff had initially calculated. It was thought that additional spaces would have to be garnered from an adjacent property; however, that is no longer the case. Director Osguthorpe reported that for the building in question to be totally occupied, additional parking spaces are needed. Those spaces may be located off-site. It is anticipated that an adjacent area will be developed for future parking, and through a Remote Parking Agreement, can be made available for use by the building in question. To allow the proposed tenant to open, a Development Agreement for 605 and 615-719 East Lincoln Way needs to be approved by the City Council. That Agreement states that until the remote parking may occur off-site, the balance of the building at 605 East Lincoln Way will remain vacant. By approving the Developer's Agreement, all 28 parking spaces on site will be usable by the health club facility.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-104 approving a Development Agreement with R. Friedrich and Sons for 605 and 615 East Lincoln Way.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

DOWNTOWN FACADE GRANTS: City Planner Jeff Benson told the Council that, over the past ten years, 23 Facade Grants had been approved in the amount of \$323,000, which has resulted in \$1.6 million in investments.

Mr. Benson brought the Council's attention to two issues. The first issue was that the six grant applications total \$88,300; however, there is only \$44,000 remaining in the program budget. The second one is that the Council had formerly agreed to a policy of not offering grants to properties that had already received grants. He noted that 301 Main (the Sheldon Munn building) consists of several businesses, and one of those, Nature's Touch, had already received a grant. StyleEyes, which is another business within the Sheldon Munn building, had applied for this round of funding. Council Member Goodman noted that it was the Council's intention to make the funding available to multiple establishments. Even though StyleEyes is located in the Sheldon-Munn building, it is a separate business from Nature's Touch, which is also located in the Sheldon-Munn.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-105 approving six grants, as recommended by staff, totaling \$88,300, which will include the following:

<u>Address</u>	<u>Business or Building Name:</u>	<u>Amount</u>
121 Main Street	Vacant, formerly Pyle Photo	\$ 15,000
	(Design fees)	\$ 1,000
123 Main Street	Sportsman's Lounge	\$ 15,000
208 5 th Street	McClanahan Studio (in Lechner Building)	\$ 10,300
205 Main Street	Vacant, formerly Antique Ames	\$ 15,000
	(Design fees)	\$ 1,000
301 Main Street	StyleEyes (in Sheldon-Munn)	\$ 15,000
203 Main Street	Vacant, formerly Antique Ames	\$ 15,000
	(Design fees)	\$ 1,000

Council Member Larson offered his opinion that, by providing these grants to Main Street businesses, the City is incentivizing retail.

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

FUNDING REQUEST FOR RETAIL MARKET ANALYSIS: City Manager Schainker explained that he and Dan Culhane, the Executive Director of the Ames Economic Development Commission (AEDC), had begun discussions about possible partnerships to accomplish mutual goals. It was agreed that the first step should be to complete a market study. Mr. Schainker further stated that the AEDC had researched companies that could provide market level data and analyses regarding the residents and workers within Ames. That data is needed to get a better understanding of the retail trade area, the residential and workforce consumer populations within the trade area, and the specific retailers who match the profiles of the City's trade area's consumer population. According to Mr. Schainker, Buxton appeared to offer more than other companies that rely mostly on census demographic information when performing market analyses. Buxton holds the largest repository of household level information in the United States, and they are able to analyze hundreds of variables/values across many categories.

Catherine Scott, 1510 Roosevelt, Ames, noted that Iowa State University performed a retail analysis, which was completed in 2011, and asked why that was not good enough. According to Ms. Scott, Ames is a "B" Market, and there are some stores that would never come to Ames because it is not an "A" Market. She is not sure that the City will get its money's worth from the Buxton group. Council Member Orazem explained that the analysis performed by ISU was based on sales tax data and does not provide the same type of data that Buxton will provide.

At the inquiry of Council Member Orazem, Mr. Culhane said it was anticipated that the Analysis would be received within 60 to 90 days from signing the contract with Buxton.

Moved by Davis, seconded by Larson, to adopt RESOLUTION NO. 12-106 approving the request from the AEDC to share equally in the cost of hiring Buxton to build the Retail Matching Model, deploy the Model, and provide 12-month access to the data through SCOUT.

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

REQUEST FOR TRAVEL EXPENSES FOR CITY COUNCIL MEMBERS PARTICIPATING IN THE CHAMBER OF COMMERCE'S WASHINGTON, D.C., TRIP: City Manager Schainker advised that it had been a long-standing policy that the City would pay for the costs for Council members to attend Iowa League of Cities, National League of Cities, and Town and Gown Association Conferences. As a result of that policy, the staff typically includes in the Council's budget funds for a limited number of members to attend those important Conferences. In the event that a Council member desires to attend a Conference other than those, the request needs to be placed on a Council agenda for the City Council to decide whether or not to approve attendance and cost reimbursement.

Mr. Schainker said that he was bringing this issue to the Council's attention because the Ames Chamber of Commerce is planning a trip to Washington, D.C., in mid-April to lobby Ames' Congressional Delegation and has invited the Mayor, Council, and City Manager to accompany Chamber representatives.

City Manager Schainker said that it would be difficult to justify two lobbying trips so close together (one at the NLC Conference and one with the Chamber); however, he thought that this year offered a unique opportunity to participate in the Chamber's trip to Washington. Mayor Campbell related that the Iowa League of Cities Executive Director had indicated to her that there are not as many issues to be discussed this year at the National League of Cities Conference as there had been in the past.

Council Member Goodman provided testimony that he had gone on the Chamber's trip in the past, and he felt that it was definitely beneficial to the City. He noted that the issues the Chamber Delegation had routinely brought to the Congressional Delegation are City and Iowa State University issues.

Council Members Davis and Larson indicated that they would like to participate with the Chamber's Delegation.

Moved by Goodman, seconded by Wacha, to approve Council Members Davis and Larson and City Manager Schainker to participate in the Chamber's trip to Washington, D.C.,
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

LOGO STYLE GUIDE: Public Relations Officer Susan Gwasda noted that staff was moving forward with implementing a new City logo in partnership with other organizations that promote and market Ames. It had been recommended that the City purchase and utilize an Ames Brand Standards Guide (Stylebook), which will provide direction, conformity, and consistency throughout the City organization on property use of the new logo.

Ms. Gwasda noted that the City had not been asked to make any financial contribution toward the prior costs associated with developing the logo, as those had been paid for by the Ames Convention and Visitors Bureau and Chamber of Commerce. It is felt that standards for logo usage will help ensure a uniform and professional appearance for the City. The Guide would be created by Push Branding & Design at a cost of approximately \$7,500, which could come from the balance remaining in the Ames Visioning Project.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-090 redirecting \$7,500 of the remaining \$7,689 budgeted for the Ames Visioning Project to Push Branding & Design for development of a Brand Standards Guide for the new logo.

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

ANNUAL RESIDENT SATISFACTION SURVEY: Public Relations Officer Susan Gwasda noted that this will be the 30th Annual Resident Satisfaction Survey. She asked the Mayor and City Council if they had any current policy issues that they would like to see included in the Survey to be sent in the spring.

Council Member Goodman said he would be interested in how people feel about different types of economic development (TIFs, abatements, facade grants, infrastructure, investment into new lands) and locations (Campustown, Downtown, South Duff, SE 16th, east of Highway 30 for possible industrial lands). Council Member Wacha felt that it would be difficult to explain the types of economic development. In addition, he did not think that he, as a Council member, would base decisions on that information. Council Members Davis concurred that explaining TIF would be

difficult. Council Member Wacha recommended that residents could be asked what area of the community they felt could use more economic development. Council Member Orazem felt that the type of economic development (commercial, industrial, retail) most desired by residents could be asked. Council Member Szopinski said she would like to know how people define economic development. Mr. Goodman also thought that it would be helpful to know if residents preferred the City to invest in existing businesses or potential new businesses. Council Member Larson expressed his opinion that it would be better to deal with those types of questions in a workshop session where public input could be received and discussions held. Council Member Goodman said he had received emails from people who do not want to discuss this type of issue in a workshop setting.

Council Member Davis said that he preferred to provide the Public Relations Officer with the outcomes that they expected rather than write the questions.

Moved by Goodman, seconded by Szopinski, to direct the Public Relations Officer to craft a question that gives the following information: "Do residents prefer their tax dollars be used to subsidize existing businesses or new businesses?"

Vote on Motion: 4-2. Voting aye: Goodman, Orazem, Szopinski, Wacha. Voting nay: Davis, Larson. Motion declared carried.

Moved by Goodman, seconded by Szopinski, to direct the Public Relations Officer to craft a question that gives the following information: "Do residents prefer these incentives to be spent in Downtown, Campustown, South Duff, SE 16th, North Grand Mall, Somerset."

Vote on Motion: 4-2. Voting aye: Goodman, Orazem, Szopinski, Wacha. Voting nay: Davis, Larson. Motion declared carried.

COUNCIL COMMENTS: Moved by Larson, seconded by Davis, to refer to staff the letter from Bourns dated February 23, 2012; and if action is needed, bring information back to the City Council. Vote on Motion: 6-0. Motion declared carried unanimously.

Council Member Larson said that citizens continually ask him what can be done to the railroad tracks on Duff Avenue.

Moved by Larson, seconded by Goodman, to direct the City Manager to visit with Union Pacific about plans to address the railroad tracks on Duff Avenue.

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

CLOSED SESSION: Moved by Davis, seconded by Goodman, to hold a Closed Session as provided by Section 21.5(1)c, *Code of Iowa*, to discuss strategy with counsel for matters presently in litigation; and, as provided by Section 20.17(3), *Code of Iowa*, to discuss collective bargaining strategy. Roll Call Vote: 6-0. Motion declared carried unanimously.

The meeting reconvened in Regular Session at 11:08 p.m.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-108 ratifying the contract with IUOE 234 (Blue Collar).

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

ADJOURNMENT: Moved by to adjourn the meeting at 11:09 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor