

## MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

JANUARY 8, 2013

The regular meeting of the Ames City Council was called to order by Mayor Ann Campbell at 7:00 p.m. on January 8, 2013, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Jeremy Davis, Matthew Goodman, Jami Larson, Peter Orazem, Victoria Szopinski, and Tom Wacha. *Ex officio* Member Sawyer Baker was also present.

Mayor Campbell announced that the Council was working off an Amended Agenda. An item had been added under Consent to set the date of public hearing on the Programmatic Agreement with the Iowa State Historic Preservation Office (in connection with the Community Development Block Grant program).

**PRESENTATION OF SOUTHEAST ENTRYWAY LIGHTING PROJECT:** Mayor ProTem Larson showed pictures of the 12 light sculptures located at the southeast entryway into the City (Dayton Avenue). Initially, the light sculptures were to be unveiled to the public on December 20, 2012; however, a snowstorm hit Ames, and those plans were canceled.

Civil Engineer Eric Cowles provided a chronological history of the Project, summarizing the different sources of funding that made it possible.

Mr. Larson introduced Dave Dahlquist, RDG, who was the artist hired by the City to design the Project. Mr. Dahlquist thanked the City of Ames and its employees for its perseverance and envisioning a dynamic entrance to the City; the Iowa Department of Transportation, Monte Parrish and the South Ames Business Association, private funders, engineers from Snyder & Associates, fabricators with CLE, and several of his current and past colleagues. Private contributors were specifically recognized.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of December 18, 2012
3. Motion approving Reports of Change Orders for December 1-15 and December 16-31, 2012
4. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
  - a. Class B Liquor - Quality Inn & Suites, 2601 E 13<sup>th</sup> Street
  - b. Class C Liquor & Outdoor Service - Oddfellows, 823 Wheeler Street
  - c. Special Class C Liquor - Shogun Japanese Steakhouse, 3704 Lincoln Way
  - d. Class C Liquor - Café Beau, 2504 Lincoln Way
  - e. Class C Beer & B Native Wine - Casey's General Store #2560, 3020 South Duff Avenue
  - f. Special Class C - Vesuvius Wood-Fired Pizza, 1620 South Kellogg
  - g. Class A Liquor - American Legion Ames Post #37, 225 Main Street
5. RESOLUTION NO. 13-016 setting date of public hearing on request to submit Draft Programmatic Agreement with the Iowa State Historic Preservation Office in connection with the City's Community Development Block Grant (CDBG) Program
6. RESOLUTION NO. 13-001 approving Commission On The Arts (COTA) Special Grants for Spring 2013
7. RESOLUTION NO. 13-002 approving preliminary plans and specifications for 2009/10 Low-Point Drainage (Crystal Street); setting February 6, 2013, as bid due date, and February 12, 2013, as date of public hearing
8. RESOLUTION NO. 13-003 approving requested date change for CyRide Facility Expansion and

- Flood Mitigation Project by setting February 6, 2013, as new bid due date, and leaving February 12, 2013, as date of public hearing, subject to Ames Transit Agency Board of Trustees approval
9. RESOLUTION NO. 13-004 awarding contract to Clarke's Sheet Metal, Inc., of Eugene, Oregon, in the amount of \$92,733.63 for two RDF Drag Conveyors
  10. RESOLUTION NO. 13-005 awarding contract to WESCO Distribution, Inc., of Des Moines, Iowa, in the amount of \$174,349.01 for Metal-Enclosed Switchgear
  11. RESOLUTION NO. 13-006 accepting completion of Year 1 of 5-Year Water Plant Well Rehabilitation Contract
  12. RESOLUTION NO. 13-007 accepting completion of Grand Avenue Extension (S. 16<sup>th</sup> Street North 400 Feet)
  13. RESOLUTION NO. 13-008 accepting completion of 2010/11 Concrete Program (Lincoln Swing and Oakland Street)
  14. RESOLUTION NO. 13-009 accepting completion of South Duff Avenue/SE 16<sup>th</sup> Street Frontage Road
- 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 during this time.

**5-DAY SPECIAL CLASS C LIQUOR LICENSE FOR OLDE MAIN:** Moved by Davis, seconded by Larson, to approve a 5-Day Special Class C Liquor License for Olde Main at ISU Alumni Center, 420 Beach Avenue.  
Vote on Motion: 6-0. Motion declared carried unanimously.

**REZONING PROPERTY AT 2008-24TH STREET:** Mayor Campbell noted that the hearing on this matter had been continued from December 11, 2012. She asked if there was anyone else who wanted to speak. No one came forward, and the hearing was closed.

City Planner Karen Marren summarized the actions taken to date on the Land Use Policy Plan Map change and rezoning of 2008-24th Street. On September 25, 2012, the Council had directed staff to work with the applicant to include conditions on the rezoning that would mirror the existing uses by Northcrest Retirement Community (Northcrest). Ms. Marren advised that, if the rezoning is approved, Northcrest will complete the purchase of the subject property and consolidate it with its existing property into a single parcel of land. She noted that the rezoning of the parcel in question would be an extension of the RH (Residential High-Density) zone abutting its east property line.

Ms. Marren shared the staff's findings of fact with the Council. Based upon the analysis, staff had concluded that the proposed rezoning of the subject property was consistent with the Future Land Use Map and Goals and Objectives of the City's Land Use Policy Plan (LUPP). According to Ms. Marren, staff believes that the rezoning of the subject land would be a logical extension of the RH zoning to the east of the site in question. Ms. Marren recalled that, if the zoning classification were changed to High-Density Residential, but the subject property were not developed as senior housing, apartment buildings could be constructed on the land. Staff had, therefore, previously recommended, and the Council concurred, that the zoning change be approved with conditions that the use of the site be limited to uses consistent with or existing on the current Northcrest facility. Staff had met with Northcrest representatives to determine what services could be permitted under the RH zoning classification and determined that uses listed under both categories of Group Living and Community Facilities could be limited for the property to

accommodate the needs and still be in line with RH zoning. A height condition, which was recommended by the Planning and Zoning Commission at its meeting of November 28, 2012, could be included to help minimize the impact to surrounding properties and still be consistent with the existing Northcrest facility.

A Development Agreement that included the following three use conditions was presented to the Council for its approval:

1. Uses for the site be conditioned to include Group Living uses limited to assisted living facilities; congregate Housing, primarily dedicated to senior facilities, hospices, and nursing and convalescent homes; and any accessory recreational facilities permitted under the Code accessory to the senior housing or nursing care provided on the site.
2. Uses for the site be conditioned to include community facilities limited to community centers, senior centers, and any accessory uses permitted under the Code that would be accessory to the senior services provided on the site, such as offices, meeting rooms, food preparation areas, health and therapy areas, day-care uses primarily dedicated to senior clients, and athletic facilities.
3. The maximum building height not exceed the existing building height of the current Northcrest property or four stories, whichever is lower.

David Miller, President of the Northcrest Community Board, voiced complete support of the proposal presented by the staff.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 13-010 approving the Developer's Agreement with the three above-written conditions.

Roll Call Vote: 5-0-1. Voting aye: Davis, Goodman, Larson, Orazem, Szopinski. Voting nay: None. Abstaining due to a conflict of interest: Wacha. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by Goodman, seconded by Szopinski, to pass on first reading an ordinance rezoning property located at 2008-24th Street from Residential Low-Density (RL) to Residential High-Density (RH).

Roll Call Vote: 5-0-1. Voting aye: Davis, Goodman, Larson, Orazem, Szopinski. Voting nay: None. Abstaining due to a conflict of interest: Wacha. Motion declared adopted.

**POST-ANNEXATION DESIGNATIONS:** City Planner Kuester advised that, prior to the adoption of the Ames Urban Fringe Plan in 2007, the City's Land Use Policy Plan had land use designations within the City that were the same as outside the City. He further clarified that if an area located outside the city limits were designated Village/Suburban Residential, it would retain that designation after the land was annexed. With the adoption of the Ames Urban Fringe Plan, a new designation was created for areas outside the city limits intended for residential development. Even though the Urban Residential designation was similar to Village/Suburban Residential, the different terminology does not allow for the automatic reassigning of the LUPP designation after annexation.

According to Mr. Kuester, it was discovered during the recent Rose Prairie annexation that, after annexation in 2011, there was no LUPP designation assigned to it. Therefore, as part of the Athen

and Quarry Estates annexation requests, City staff asked the applicants to submit an application for an LUPP Map Amendment. It was staff's intent to process both applications so that the City Council could take action on them simultaneously.

Mr. Kuester described several issues with that process:

1. The process of an annexation and an LUPP Map Amendment are different so that assuring that the public hearings on each occur at the same Council meeting cannot be guaranteed.
2. In the case of the Athen request, the property just went through a long process for an LUPP amendment (from Priority Transitional Residential to Urban Residential). An additional amendment process might lead to confusion among the neighbors who participated in the previous amendment process.

It was pointed out by Planner Kuester that, under current policy, the assigning of an LUPP designation is not automatic; it requires a deliberate action by the City Council. However, upon annexation, zoning is automatic. Section 29.302 assigns an Agricultural zoning classification when a tract of land is annexed. The City Council then has to change it through the specified process for a zoning map amendment.

Mr. Kuester suggested that language be incorporated into the LUPP that would automatically allow for the designation of newly-annexed property consistent with the LUPP. Since the Urban Fringe Plan allows for annexation only of land designated Urban Services, it would be possible to assign LUPP designations that correlate directly with the Urban Fringe designations, i.e., Urban Residential would become Village/Suburban Residential. The other Urban Fringe Plan designations of Planned Industrial, Community Commercial Node and Convenience Commercial Node would carry over into the LUPP Map. In addition, language in the LUPP could be incorporated that designates Natural Areas in the Urban Fringe Plan as Environmentally Sensitive Areas in the LUPP as the descriptions of those land uses are similar and are intended to designate areas of steep slopes, flood plains and areas of natural vegetation.

Mr. Kuester shared that staff believes, by adopting changes that assign LUPP designations automatically upon annexation, the City can be more responsive to customer timetables. Staff and City Council time can be used more efficiently, and multiple similar processes for a single tract of land can be avoided.

With the City Council's direction, City staff can prepare language to amend the LUPP to allow the automatic assigning of LUPP designations of lands following annexation. Language to incorporate these changes can be developed and submitted to the Planning and Zoning Commission as a minor text amendment to the LUPP. This amendment would likely be incorporated into Appendix C: Land Use Policy Plan Amendment Process. This amendment could be brought back to the City Council in late February for approval. If approved by the City Council, it would apply to the pending Athen and Quarry Estates annexation requests as well as to the previously approved Rose Prairie annexation.

Moved by Larson, seconded by Davis, to direct staff to prepare language to amend the LUPP to allow for the automatic assigning of LUPP designations of lands following annexation.

Council Member Goodman stated his concern if there would ever be a designation in the Urban Fringe Plan that would be inconsistent with the adjacent LUPP uses. Assistant City Manager Bob Kindred recommended that the staff bring maps of the LUPP uses and Urban Fringe Plan uses when the amendment is brought back to the Council.

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

**NORTH GROWTH ANNEXATION:** Mr. Kindred, serving as the Acting Planning and Housing Department Director, provided the historical background for this item. He recalled that, in 2010, the City Council amended the Land Use Policy Plan to designate land extending west of the Oaks Golf Course to George Washington Carver Avenue as the North Growth Area. In 2011, the City Council approved the annexation of Rose Prairie. That annexation was preceded by an agreement that, among other things, identified how the property owners along Grant Avenue (including the City) would contribute funding for the paving of that road. The developer of Rose Prairie signed and the City executed that agreement prior to annexation. During that same time, Quarry Estates signed a similar Developer's Agreement, but it was not approved by the City Council since all three developers had not signed the annexation agreements. The developers for Lots 2 and 11 (Hunziker and Fidelity Bank) chose not to execute an agreement regarding the reimbursement for the extension of the infrastructure along Grant Avenue. On July 6, 2012, the City of Ames had received an Annexation Petition from Kurt Friedrich for the Quarry Estates property. On December 21, 2012, the City received an Annexation Petition from Chuck Winkleblack for the Athen property located along George Washington Carver. A separate annexation agreement still needs to be prepared for the Athen annexation for the cost-sharing of the sanitary sewer improvements, the zoning use limitations, and to require the construction of the proposed senior living facility.

Mr. Kindred reported that, following completion of the staff report that was included with the January 8, 2013, City Council agenda, staff received additional important information from the state's City Development Board. That information affected Option Two as described in the earlier report [to postpone action on the Quarry Estates and Athen annexations until the owners of the larger Hunziker property (Parcel 2) applies for annexation]; and an Option Three was now being provided for the Council's consideration. The state's City Development Board (CDB) expressed concern, since the three areas in question are not contiguous, whether they could be considered as a single annexation. The CDB's next meeting is January 9. Staff from both the City's Legal and Planning Departments will attend that meeting to explain the City's northern growth situation and discuss whether the Board would support the approach taken in Option Two. If the City Development Board determines that the three non-contiguous areas for annexation must remain as separate annexation actions, then Option 2 should no longer be considered. Given that possibility, Mr. Kindred told the Council that staff had developed a third option.

City Planner Charlie Kuester summarized the three options:

Option One would move the Quarry Estates and Athen annexations forward as separate annexations and include the following steps:

1. Begin on January 8 with the referral of both petitions to the Planning and Zoning Commission.
2. The City Council would conduct a public hearing on both applications on March 26.

3. Prior to March 26, an annexation agreement would be prepared to address the sanitary sewer and zoning issues for the Athen request.
4. Separate annexation agreements would also be developed with the two developers who own property in Area C [Quarry Estates (Parcel 10, and the northern Hunziker property (Parcel 11)] to address the costs of paving Grant Avenue, as well as other relevant issues.

Mr. Kuester emphasized that this option did not ensure that funding is secured for the southern portion of Grant Avenue paving from the owner of Parcel 2 (Hunziker).

Option Two involves postponing action on the Quarry Estates and Athen annexations for a brief period until the larger Hunziker property (Parcel 2) also applies for annexation. Under this option, the three separate areas would be handled as one single annexation, in which case the 80/20 Rule would allow the annexation of the entire 355 acres. Steps would include the following:

1. The same annexation agreement described under Option One would be needed for the Athen land.
2. In addition to the annexation agreements for Quarry Estates and the northern Hunziker parcel noted under Option One, an annexation agreement would also be developed for the southern Hunziker property (Parcel 2).
3. Hunziker would agree to promptly begin the annexation process for its southern parcel by submitting an annexation petition.
4. Action on forwarding all three annexation requests to the Planning and Zoning Commission could occur at the January 22 or February 12 Council meetings.
5. This schedule would culminate in a public hearing before the City Council on April 9 or April 23.

According to Mr. Kuester, Option Two was predicated on the understanding that all three annexation requests could be combined to meet the state's threshold of at least 80% of the land being annexed voluntarily. However, after talking with the Community Development Board, that option is contingent on the decision of the CDB to be made at its meeting on January 9, 2013.

Option Three would consider the annexation of Areas A, B and C separately. For Area B, the annexation of Parcel 2 alone would not be large enough to bring in the other properties under the state's 80/20 Law. Option Three would involve the following steps:

1. Council would delay referring the Quarry Estates and Athen annexation requests to the Planning & Zoning Commission until the January 22 or February 12 Council meetings.
2. Annexation agreements would be developed with the two developers who own property in Area C [Quarry Estates, Parcel 10 and the northern Hunziker property (Parcel 11)] to address the costs of paving Grant Avenue, among other issues.
3. There could be two possible courses of action as it relates to the southern Hunziker property. First, a separate development agreement could be written for Parcel 2 so that when that land is eventually annexed, it would also reimburse the City for its share (20%) of the Grant Avenue paving cost. The southern Hunziker property would **not** have to seek annexation at this time. However, under this approach, the developer would not be obligated to begin paying his share of Grant Avenue until this parcel is annexed, which could take some time. A second approach could be to subdivide Parcel 2 into two lots with one being a narrow lot running east-west along the northern boundary. This approach would avoid creation of an island out of parcels 3, 4, 5, 6, 7, 8, and 9.

4. The same annexation agreement described under Option One would be needed for the Athen land.
5. Staff would also be directed to consult with the owners of Parcels 3 and 4 (Sturges and Fidelity Bank, respectively) to discuss their interest in being voluntarily annexed into the City. If they both are willing to do so, then annexation applications from both owners, as well as from Hunziker for Parcel 2, could initiate the annexation of Area B in its entirety.

Council Member Larson asked who would pay for the Hunziker share of the road until annexation of that Parcel occurred. Mr. Kindred advised that the City would up-front the cost. He noted that the developers of Rose Prairie had already agreed to be subject to a special assessment. The City would issue General Obligation Bonds, pave the street, and then assess the developer's share of the cost against their property over a period of ten years. City Manager Schainker pointed out that there are two possible scenarios under Option 3. It would depend on whether the Council approved that Option and then a particular scenario. According to Mr. Schainker, there are issues to be worked out if the Hunziker Parcel does not come in with the others.

It was the opinion of Council Member Larson that the Council should wait until the decision of the state's City Development Board is known. City Manager Schainker said that an additional possible option would be to direct the staff to talk to the owners of the parcels to the east and the north of Area B to see if they would be willing to consent to annexation, it would be above the 80% requirement.

Mr. Kindred told the Council members that if they deferred action on this item at this meeting, staff would (1) work with the Hunzikers and request that they apply for annexation, (2) meet with the property owners of Lots 3, 4, 5, 6, 7, 8, and 9 to discuss their potential interest in voluntary annexation, and (3) meet with the City Development Board to ascertain whether Option 2 was viable. Council Member Szopinski said that she saw those tasks as mandatory for the Council to be able to make a fully informed decision on this issue.

Council Member Larson recalled that City staff had previously met with the property owners of Lots 3 through 9. It was his recollection that all the developers of property along Grant Avenue had agreed to absorb the costs for the street improvements for those owners in an attempt to get them to voluntarily annex. Mr. Schainker verified that and added that, pertaining to water and sewer, those owners would not incur any costs unless they decided to hook up to the utilities. Mr. Larson questioned why the property owners would not agree to voluntary annexation. City Manager Schainker said that some people want to live outside city limits for a variety of reasons.

Council Member Goodman asked if Rose Prairie had been annexed when the discussion of the annexation of land along Grant Avenue was taking place. Mr. Schainker recalled that the developers of Rose Prairie had anticipated bringing in Parcel 3 (the Sturges property); if Parcel 3 had come in, it would have been over 80%. However, those negotiations fell through, and Rose Prairie was the only land annexed. Assistant City Manager Kindred added that staff would like to continue conversations with the Sturges Family.

Council Member Goodman suggested that another option would be to repeal the annexation approval of Rose Prairie and bring that land in with the Quarry Estates area, thus equating to more than 80%. City Manager Schainker said that the owner has rights that were granted as part of the annexation. Those would be taken away and it could not be guaranteed that they would get them back; however, staff could approach them to see if they would be willing to discuss. An incentive

to doing so could be the requirement for sprinklering; Rose Prairie is currently obligated to build sprinklering in all new homes. Council Member Orazem questioned the legality of such an arrangement: de-annexing with the expectation of re-annexing to meet the 80/20 Rule. Planner Kuester stated that staff would need to raise that option with the Community Development Board to see if that is legal.

Joanne Olson, 3817 Columbine, Ames, said that the Bloomington Heights Neighborhood would be hugely impacted. She noted that the primary access to the development would be Hyde Avenue, which was designed as a local road, it has geometric design features of a local road; simply calling it a collector road does not give it the geometric design features to handle the traffic that occur with a collector road. Ms. Olson said that the City needs to figure out a way to make Hyde a collector road, e.g., widening the street; or, planning roads from Stange Road north or from George Washington Carver east to provide access to the properties in a safe and straight manner. She emphatically believes that if development of this magnitude is going to occur to the north, the City needs to seriously address medical response and fire response to the area. Ms. Olson contended that the Council had talked about financial and legal, but not livability (quality of life) issues. A second concern of hers is that Ames taxpayers will pay for 23% of the paving of Grant Road. She recalled a former request of area homeowners to pave a short street south of Ada Hayden. The response from the City Council was that the City would not pay for the paving because only the area homeowners would be gaining the benefits. Ms. Olson believes that all the cost to pave Grant Avenue should be borne by the developers, who will benefit financially from the development of 423 homes. Ms. Olson asked to have dialog with the Council members about the sensible development of land to the north.

Jacek Koziel, 3902 Westlawn Drive, Ames, stated that he was also a resident of the Bloomington Heights Neighborhood. He encouraged the Council to “come to the table” with stronger negotiations on behalf of the citizens of Ames. Mr. Koziel does not believe that Ames taxpayers should bear the costs of paving the road or extending water and sewer. He urged the Council to negotiate a much better deal that minimizes the impacts on Ames taxpayers. Increased traffic on Hyde Avenue is a big concern for Mr. Koziel. He, too, believes that Hyde Avenue was not designed to handle that much traffic.

Mr. Kindred stated that he and staff from Public Works will arrange for a meeting with representatives of the Bloomington Heights Neighborhood to discuss concerns.

The history of why the City is obligated to pay 23% of the paving of the road was given by Mr. Kindred. It was part of the negotiations that occurred between the City, Rose Prairie, Hunzikers, and Quarry Estates.

Noting the needed information that was pending from the Community Development Board, City Manager Schainker told the Council that staff needed time to talk to the affected property owners, developers of Rose Prairie, and to ascertain options based on the ruling of the CDB. He said that staff would move ahead to do that unless the Council directed staff to “de-couple” Athen and Quarry Estates. The Mayor summarized that no Council action was necessary unless it wanted staff to go ahead with Option 1 (“to de-couple”).

Council Member Goodman said he believed that the conversation occurring at this meeting was the result of the Council’s lack of commitment to good planning. He thinks that the Council, with its choices, has been working hard for the marketplace, rather than working to improve quality



of life. According to Mr. Goodman, this has complicated Council's ability to get things done and been unfair to County residents, who made decisions on the Land Use Policy Plan (LUPP) that states there will be no development there, and then that changes. Mr. Goodman said that is the exact opposite of the "sad story" the Council had to tell the citizen who came before the City in regards to a possible large park area in Western Ames to be paid for in part with a bequest. That area was in the LUPP, and the citizen was told to review the LUPP to see what was planned. In that regard, the City stuck to the Plan. Mr. Goodman sees it as unfair to citizens for the Council to decide how to build subdivisions based on the "future," and then the "future" changes. He said Hyde Avenue was designed based on a certain future. Citizens are now forced to deal with the "fickleness of City government." Regarding the fire response mentioned by the resident near Hyde Avenue, Mr. Goodman shared his biggest frustration that because the City is moving ahead with Quarry Estates, it is changing its definition of fire service and the way a decision is made on whether to build a new fire station, i.e., to save money. It was Mr. Goodman's contention that the City changed its rubric so that it doesn't have to pay for new fire stations - even though there will be many new houses in that area - "instead of when the world will be made safer." Mr. Goodman also alleged that it was a threat, not an inevitability, that caused the City to pay for 23% of the paving of Grant Avenue; Council chose to take the path that the horizontal property regime threatened by the developers of Rose Prairie was going to happen. He defined the particular horizontal property regime as "a crazy, large, horizontal, multi-acre condo resort in the middle of Iowa, which had never happened before. Mr. Goodman stated that he personally never believed that it would ever happen; "it was a threat meant to leverage pressure on Council... to enter into a cost-share agreement."

Council Member Orazem pointed out that it would have been better had the City not been sued by those developers. He shared that this City Council never believed it was the ideal way to develop the property, but was a party to it because, in part, by previous-Council decisions that led to a threatened law suit that the City Attorney had expected would cause excessive costs to be borne by the City.

Council Member Wacha added that these situations are never easy, and it's easier to look with hindsight and say that "Council should have done this or that." Mr. Wacha shared that he had had a conversation with former-Mayor Ted Tedesco. Former Mayor Tedesco told Mr. Wacha that he believed what had perpetrated growth to the north to this extent was when the City made the decision to annex the former Hallett's Quarry into Ada Hayden Heritage Park.. Mr. Wacha pointed out that Ames now has a beautiful park; however, it drastically changed growth in the City - many, many people want to live in the vicinity of that beautiful Park. It was Mr. Wacha's opinion that this discussion is an extension of the lawsuit and the "mess" that this Council walked into.

Council Member Larson refuted Mr. Goodman's comment as it related to fire service. He stated that the City did not change its rubric to make this project happen. He recalled that Council had asked staff to look at how other communities measure emergency response. After that analysis was completed, it was evident that most of the other communities had a far lesser standard and measured it by setting a goal, rather than a number mandate. The City then changed its method of measurement (to a performance standard). He noted that the former measurement was almost impossible to measure because of the "specifics versus the City as a whole when calculating 85% in a five-minute response time." The change was the result of an analysis of response time in general. Mr. Larson stated that to insinuate that the response time goal was changed to make this project happen is unfair and wrong.

Mayor Campbell announced that this subject would come back before the Council after the findings of the CDB are known. Mr. Kindred said it could be up to four weeks.

**RETAINAGE AGREEMENT FOR OUTSIDE LEGAL SERVICES:** Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 13-011 approving the Engagement and Retainer Agreement with Dorsey & Whitney LLP for legal services with an initial amount of up to \$50,000.

At the inquiry of Council Member Goodman, City Manager Schainker explained that the Legal Department would, when a project is identified as appropriate for outside counsel to handle, seek the approval from the Mayor and City Council. If given, the specific Dorsey & Whitney attorney would then be assigned so that sufficient funds could be budgeted for the work. Mr. Schainker emphasized that approval of the City Council would be required on each incident.

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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)** Finance Director Duane Pitcher introduced Tina Stanley, who was hired approximately six months ago as the Assistant City Finance Director. Ms. Stanley presented the CAFR. The auditor's opinion pertaining to the City's financial statements for the year ended June 30, 2012, was included in the CAFR. The opinion was "clean," with no material weaknesses identified or significant deficiencies noted. The auditors offered no recommendations for improvement included in the Report.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 13-012 approving the Comprehensive Annual Financial Report for 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.

**2014-18 FEDERAL AIRPORT CAPITAL IMPROVEMENTS PLAN:** Transportation Engineer Damion Pregitzer advised that, as an annual requirement of the Federal Aviation Administration (FAA), the City of Ames submits an Airport Capital Improvement Plan (CIP) to the FAA showing the next five federal fiscal years of airport projects. The information contained in the Federal CIP forms is then copied to the Airport Improvements Program of the City's CIP to ensure the obligation of local matching funds required for each project. City Manager Schainker noted that this year's submittal includes the revised Ames Terminal Building project shown in fiscal year 2015/16 at a total project funding of \$3,200,000 as directed by City Council at the December 18, 2012 meeting. The project is shown to have \$450,000 in Federal Funds, \$150,000 in State Funds, and \$2,600,000 in local funds. At this time the local funds are anticipated to be split as follows: \$867,000 in City Funds, \$867,000 from Iowa State University, and \$866,000 from private donation (local businesses). It was emphasized by Mr. Schainker that ISU and local businesses have not been approached by the City; it was put in the CIP for planning purposes only. The extension of the Main Runway 0/19 would be secondary.

Moved by Davis, seconded by Larson, to adopt RESOLUTION NO. 13-013 approving the 2014-2018 Federal Airport Capital Improvements Plan.

Roll Call Vote: 4-2. Voting aye: Davis, Larson, Orazem, Wacha. Voting nay: Goodman, Szopinski. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these Minutes.

**2012/13 WEST LINCOLN WAY INTERSECTION IMPROVEMENTS:** Mr. Pregitzer explained that this project is for constructing turn lanes and installing traffic signals at the Dotson Drive/Lincoln Way intersection. A traffic impact report for South Fork Subdivision justified the improvements. An existing agreement requires the developer and the City to share equally in the construction costs of the improvements.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 13-014 approving preliminary plans and specifications for 2012/13 West Lincoln Way Intersection Improvements (Lincoln Way and Dotson Drive); setting February 6, 2013, as bid due date, and February 12, 2013, as the date of public hearing.

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

**RESOURCE RECOVERY PRIMARY SHREDDER REPLACEMENT:** Public Works Director John Joiner told the Council that the current primary shredder had been in use since 1975; it is very inefficient. This piece of equipment utilizes high-speed shaft hammer mill technology. The 38-year-old shredder is driven by a 4160 volt, 1000 horse power motor with high electric demand rates and a poor power factor. Newer equipment utilizes much smaller and lighter weight components. The modernization of shredding equipment will result in a reduction of electrical usage, increase safety and overall capacity throughput, with a reduction of maintenance requirements leading to lower operational costs. Newer, modern equipment will enable staff to further improve upon material recovered and utilize an estimated additional 900 tons of the waste stream by processing items that are currently taken directly to the landfill. The project is estimated to have a 6.5-year payback.

Mr. Joiner said that currently, the CIP reflects this project in FY 2013/14 for design and FY 2014/15 for construction. Because of the enhanced safety, minimized operational downtime, and reduced operational costs, staff will be recommending during the Council's CIP discussion on January 15 that this project be advised by one year.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 13-015 approving funding of \$130,000 from the Resource Recovery Fund for qualified engineering design services, beginning Phase 1 of the Resource Recovery Primary Shredder Replacement.

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

**GIS-BASED PAVEMENT MANAGEMENT SYSTEM:** Ben McConville, GIS Coordinator, gave a presentation on the City's Pavement Management System. He advised that the System is a GIS-enabled decision-support tool that aids in making more consistent, accurate, and informed decisions concerning the life cycle of street surfaces. The System gives the engineer a method by which to look at the road network as a whole, allowing them to visualize and predict impacts of reconstruction and maintenance activities on the entire network. As a result, Public Works staff is better equipped to make data-driven decisions based on analytical cost/benefit scenarios that factor in construction practices and underlying pavement conditions relative to the entire road network and available budget. The System is helping ensure the City's street construction and maintenance funds continue to be allocated as cost effectively and efficiently as possible.

According to Mr. McConville, the City Council approved pavement data acquisition beginning in 2008, whereby the City entered into a contract with CTRE. To date, the City has three years

of data collection completed: 2008, 2009 and 2011. The most recent data collection took place in Fall of 2012 and will be delivered in Spring 2013. The power of the system lies in the data and the ability to analyze multiple data sets simultaneously. In 2011, City staff worked with CTRE to incorporate the City's historical pavement data which included surface types, sub-surface material and the age of the surface. As the City continues to build its pavement condition inventory predictive analysis such as pavement performance curves, pavement life cycles, and cost benefit analysis, this system becomes increasingly beneficial in decision-making.

Civil Engineer Cowles described the Pavement Condition Index. He noted that many factors play into the actual life cycle of a street, such as the structure design, environmental factors (summer heat and winter ice/snow), the pavement age, and the amount and type of traffic it is exposed to. Having this information together in one place is critical for the pavement management system's success. It will help staff more clearly identify the City of Ames' personalized performance curves. Mr. Cowles explained a typical Street Performance Curve example used by the Federal Highway Administration (FHWA) to illustrate the impact. It showed two key elements important to planning. The first is preventative maintenance will extend the life of a pavement at a lower long-term cost. The second is once a pavement gets to a certain point of deterioration, the rate at which it fails increases rapidly.

Pavement types and street classifications in Ames were defined by Mr. Cowles. He then reviewed the Pavement Condition Index values by pavement type and roadway classifications.

Mr. Cowles said that, with three years of Pavement Condition Index (PCI) data, one of the goals of both the CIP Program and tracking of the PCI is to continue to invest in current infrastructure and show, via data collection, that the investment being made is making a difference to the overall City-wide PCI. Graphs were shown that showed that the past CIP investments were having a positive impact, illustrating overall average PCI Values are increasing. According to Mr. Cowles, it is equally important to see what kind of investments are being made to create those increased values. Graphs were presented that showed that relative to both roadway classification and pavement type. The categories showed where the investments had provided change from year to year based upon need; however, the total funding level had also trended up. The larger impacts to this were the Stimulus grants, the impact of the population increase relative to the receipt of Road Use Tax (RUT) and several projects bids that were under estimate allowing for the unutilized funds to be reallocated to other projects.

Graph 3 was presented by Mr. Cowles, which showed three example streets that had PCI data collected in 2008 & 2009, prior to overlays in 2009 and 2010. Graph 4 showed three example streets that have been either recently reconstructed or are scheduled for reconstruction; the PCI Values on those streets were low and dropping, meaning those streets were in poor condition. (Meadowlane Avenue was reconstructed this 2012 and the Ridgewood Avenue reconstruction will be completed in 2013.). According to Mr. Cowles, Sheldon Avenue provides an excellent example a street that once it gets to a certain point, the life expectancy of the street dramatically decreases. Sheldon Avenue is scheduled to be reconstructed in 2014. The reconstruction schedule is the result of coordinating with the impacted stakeholders. Iowa State has been undertaking several recent structural projects which required access from Sheldon Avenue which contributed higher than normal truck traffic. Also, the signal installation at the Lincoln Way intersection and the resurfacing of Lincoln Way from Hayward Avenue to Franklin Avenue are planned in 2013.

Mr. Pregitzer pointed out that the investments being made in street improvements are working. The average weighted PCI Values are increasing. The process leads to a lengthening of the pavement life cycle by identifying streets that can be rehabilitated before they are in need of complete reconstruction. As a result, the City benefits as rehabilitations are less expensive, allowing the City to increase the number of projects and improve the overall system PCI value. The data obtained by this process allows the staff to determine trends in the pavement condition of our streets and to better analyze/forecast future maintenance activities and construction projects which are ultimately reflected in the Capital Improvement Plan requests.

Council Member Szopinski asked if a similar system was used for bike paths. Mr. Pregitzer answered that a Bike Path Inventory was completed three years ago, and a similar rating system was used. He advised that the City is fortunate to hire interns, who are ISU students, who inventory the bike paths and ascertain their condition. It is a similar system, but is more manual.

**SANITARY SEWER SYSTEM EVALUATION:** Public Works Director Joiner stated that the ability of the sanitary sewer system to convey wastewater well into the future is dependent on the removal of the current large amount of infiltration and inflow (I/I) in the system that occurs during rain events. In order to minimize the need for costly expansions to the Water Pollution Control (WPC) facility, as well as to convey flows from new development as the City grows, the City must work to reduce the overall I/I in the system. To help accomplish this goal, a 2008 Sanitary Sewer System Study recommended development of a full Sanitary Sewer System Evaluation (SSSE).

According to Mr. Joiner, the evaluation is a comprehensive and systematic program for identifying the defects that could contribute I/I across the entire city-wide sanitary sewer system. It also involves prioritizing those defects and establishing rehabilitation costs so that repairs can be included in the Capital Improvements Plan. The SSSE program generally consists of the following tasks: data collection, sewer televising, smoke testing, manhole inspection, flow monitoring and hydraulic modeling. Not only will the SSSE identify sources of I/I, it also identifies areas of aging infrastructure in need of repair to prevent unexpected failures and emergency repairs.

On March 27, 2012, City Council approved a contract with Veenstra & Kimm (V&K) engineering consultants to complete the SSSE in the amount of \$2,198,500. A project website was established where residents and businesses can access current sewer evaluation activities ([www.amessewerstudy.com](http://www.amessewerstudy.com)). A Cable Channel 12 show was run explaining smoke testing and the potential impacts to areas residents and businesses. Public informational meetings have been held to gather input from the public. Overall the project is expected to proceed into 2014, including providing a required project update to DNR by July 1, 2014.

In preparing the draft 2013-2018 Capital Improvements Plan, staff worked with V&K to summarize the work that has been completed to date. Overall, weather during the past year has been very dry so certain work activities have been advanced while others have been put on hold. To date, smoke testing and manhole inspections are complete in 10 of the 16 watersheds. Televising of the sanitary sewer system continues with 5 watersheds being complete. During the winter months, televising of the siphons and railroad crossings will be a primary focus. Due to the dry weather, the flow monitoring activity has been primarily recording base flow information. As the snow melts in the spring, flow monitoring will continue. The project tasks including flow monitoring will continue through 2013. During the manhole inspections and televising of the

sewers, each pipe and structure are given a rating factor of 1 through 5. A rating of 5 means that there is a missing section, void, fracture, or collapse. Ratings of 5 are recommended to be fixed within 12 months. A rating of 4 means that there is a longitudinal crack, circumferential fracture or open joints. Ratings of 4 are recommended to be fixed within 5 years. As of September 2012, with approximately 40 percent of the system having been inspected, it is estimated that there are \$6.9 million worth of ratings 4 and 5 to be fixed in the City of Ames sanitary sewer system.

Mr. Joiner reported that, projecting the same rate of defects over the remaining 60 percent of the system, it is anticipated that the City of Ames may need to make \$17 million worth of infrastructure improvements to the sanitary sewer system pipes and structures over the next five or six years. He noted that, included in the proposed CIP that will be presented to City Council next week, will be sanitary sewer improvements in an amount of \$3.27 million annually for the next five years with funding from State's SRF Fund. These funds, if approved through DNR, would fix infrastructure defects with rating of 4 and 5. Additionally in the CIP is an annual amount of \$200,000 from Sanitary Sewer Utility Funds for routine sewer rehabilitation.

City Manager Schainker advised that, because of the significant impact this new initiative will have on sanitary sewer rates, the City Council will have to decide if these expenditures should be spread over a greater time period in order to mitigate the immediate impact on rates.

**WPC LONG-RANGE FACILITY PLAN PROJECT UPDATE:** Environmental Engineer Kristin Evans reminded the Council members that, on February 28, 2012, they had awarded a contract to HDR, Inc. to complete a Long-Range Facility Plan for the Water Pollution Control Facility. She said that staff had worked with the consulting team to develop the Plan for the next 20 years at the facility. She and Director John Dunn would be providing an update to the process to the Council; there would be no Council action necessary at this meeting.

Ms. Evans provided a summary outlining the major conclusions of the Facility Plan. The Plan provides direction on how best to accommodate increased flows and loads due to growth, meet changes in regulations (nutrients), and prepare for the replacement of aging equipment and infrastructure while making the most efficient use of capital investments (trying to prevent building something only to be removed a few years later). The Council was told that, essentially, the Plant has enough capacity to meet the projected growth of Ames through 2035 if the National Pollution Discharge Elimination System (NPDES) Permit regulations do not change. Unfortunately, nutrient removal is a known regulatory change that will trigger major upgrades to the WPC Facility. The aging infrastructure will be addressed through increased capital improvement projects. The WPC Facility Plan still needs to be finalized by incorporating the findings of the Sanitary Sewer System Evaluation when that project is complete. The CIP dollar amounts were presented to the Council. Mr. Dunn said that the numbers had been refined by staff to spread the impact on rates over multiple years, and those were provided to the Council. The dollar amounts and projects provided to the Council at this meeting were the consultant's estimate and will be refined as individual projects are initiated.

Mr. Dunn emphasized to the Council that included in the proposed CIP that will be presented to City Council on January 15, 2013, will be \$14,238,000 worth of projects recommended in the facility analysis. He said that, because of the significant impact the new initiative will have on sanitary sewer rates, the City Council will have to decide if those expenditures should be spread over a greater time period in order to mitigate the immediate impact on rates. Projected CIP needs for Years 6 - 10, 11-15, and 16-20 were given.

Ms. Evans presented staff's recommendation: that investment in Plant infrastructure is critical, there should be a balance between proactive and reactive maintenance, and long-term planning is essential.

Mr. Schainker said that the challenge will be the need for increases in the Sanitary Sewer fund in addition for those built in for the new Water Treatment Plant.

**ORDINANCE MAKING REVISIONS TO INTERNAL CODE REFERENCES IN SIGN CODE:** Brian Phillips, Management Analyst, recalled that, in November 2012, staff reported to Council about several clean-up concerns that existed in the Sign Code. In response to that report, the City Council had directed staff to draft an ordinance correcting those issues. Staff recommended a modification to Section 21.113, which is the section that currently requires that a sign owner remove any sign that no longer advertises a bona fide business, product or service after a period of six months. Mr. Phillips explained that, because *signs* are defined differently in the *Code* than *sign structures*, a business that closes must take down its sign but can leave up an empty sign pole indefinitely. The proposed ordinance would require removal of the sign and/or sign structure within six months of the closure of the business.

According to Mr. Phillips, several of the corrections are necessary because in 2010, the Sign Code was moved out of Chapter 5 and into its own chapter. References in sections 21.123, 21.128, 21.129, 21.130, and Appendix N need to be amended to reflect the correct chapter. It was also pointed out by Mr. Phillips that until 2010, a Sign Code violation was charged with a \$500 fine. Because Appendix N does not currently refer to the correct chapter, a violation of the Sign Code has been charged on the standard municipal infraction schedule (\$30 per violation). In correcting Appendix N to reflect the correct chapters, a violation of the Sign Code would revert to its original fine of \$500 per violation.

Additionally, changes to Sections 21.114 and 21.121 are needed to change the Hospital-Medical zone's abbreviation from "H-M" to its current "S-HM."

Mr. Phillips reported that, in 1997, the City removed an exception for public, educational, charitable, fraternal or religious signs in response to an Iowa Attorney General's opinion that such exceptions violated "content neutrality" and could, therefore, be ruled unconstitutional if challenged in court. The proposed ordinance would remove two additional similar exceptions in 21.115 and 21.121. That change would continue to allow political signs under the "temporary signs" criteria (no permit required, must not exceed 32 square feet in area, and may only be up for 90 days at a time). Public, educational, charitable, fraternal, and religious signs would remain legal, but must be submitted through the permitting process like all other signs. A summary of the changes recommended by staff was given.

The Council was reminded by Mr. Phillips that it had directed staff to address electronic signs in addition to the Code clean-up. He advised that staff intends to bring recommendations on electronic signs in a separate report at a later date.

Council Member Goodman said he personally believed that having to remove the pole could hinder the business owner from being able to rent the commercial space again. The pole is one component that could be left, so that the cost of the pole would not need to be borne by the new tenant. Council Member Szopinski noted that, on the other hand, the City did not want abandoned poles left to deteriorate.

Neighborhoods Inspector Sara VanMeeteren gave examples of businesses that had ceased to exist, but left an unsightly sign.

Discussion ensued as to what would be an acceptable time frame for removal of a sign and/or pole after the business ceased to exist.

Moved by Goodman, seconded by Larson, to table discussion on the sign ordinance clean-up.  
Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Orazem, to direct staff to add the following two requirements to the Sign Ordinance: (1) the sign must have a panel in it at all times and (2) if a property is razed, the sign pole must be razed at the same time.

Moved by Szopinski to amend the motion to state that if a property is vacated for a certain amount of time, the sign must be removed.  
Motion to amend failed for lack of a second.

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

Council Member Goodman said he would be in favor of setting a time limit on allowing a pole sign to exist when the business was no longer in existence, but was unsure what that time limit should be.

**ORDINANCE SETTING STORM WATER RATE:** Moved by Goodman, seconded by Wacha, to pass on third reading and adopt ORDINANCE NO. 4136 setting the Storm Water Rate.  
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**ORDINANCE PERTAINING TO LIGHTING AND ALTERNATIVE LANDSCAPE STANDARD FOR AUTO AND MARINE CRAFT USES:** Moved by Goodman, seconded by Davis, to pass on third reading and adopt ORDINANCE NO. 4137 pertaining to lighting and alternative landscape standards for auto and marine craft trade uses.  
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**ORDINANCE CORRECTING SCRIVENER'S ERROR IN TABLE 29.805(3) PERTAINING TO PLANNED REGIONAL COMMERCIAL ZONE DEVELOPMENT:** Moved by Wacha, seconded by Goodman, to pass on third reading and adopt ORDINANCE NO. 4138 correcting a scrivener's error in Table 29.805(3) pertaining to Planned Regional Commercial Zone Development Standards.  
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**ADJOURNMENT:** Moved by Davis to adjourn the meeting at 10:02 p.m.

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Diane R. Voss, City Clerk

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Ann H. Campbell, Mayor