

AGENDA
REGULAR MEETING OF THE AMES CITY COUNCIL
COUNCIL CHAMBERS - CITY HALL
JUNE 12, 2012

NOTICE TO THE PUBLIC: The Mayor and City Council welcome comments from the public during discussion. **If you wish to speak, please complete an orange card and hand it to the City Clerk. When your name is called, please step to the microphone, state your name for the record, and limit the time used to present your remarks in order that others may be given the opportunity to speak.** The normal process on any particular agenda item is that the motion is placed on the floor, input is received from the audience, the Council is given an opportunity to comment on the issue or respond to the audience concerns, and the vote is taken. On ordinances, there is time provided for public input at the time of the first reading. In consideration of all, if you have a cell phone, please turn it off or put it on silent ring.

CALL TO ORDER: 7:00 p.m.

CONSENT AGENDA: All items listed under the consent agenda will be enacted by one motion. There will be no separate discussion of these items unless a request is made prior to the time the Council members vote on the motion.

1. Motion approving payment of claims
2. Motion approving Minutes of Special Meetings of May 15, 2012, and June 4, 2012, and Regular Meeting of May 22, 2012
3. Motion approving Report of Contract Change Orders for May 15-31, 2012
4. Motion approving certification of civil service applicants
5. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class E Liquor, C Beer, & B Wine – Kum & Go #200, 4510 Mortensen Road
 - b. Class E Liquor, C Beer, & B Wine – Kum & Go #214, 111 Duff Avenue
 - c. Class E Liquor, C Beer, & B Wine – Kum & Go #215, 4506 Lincoln Way
 - d. Class E Liquor, C Beer, & B Wine – Kum & Go #216, 203 Welch Avenue
 - e. Class E Liquor, C Beer, and B Wine – AJ's Liquor, 4518 Mortensen #109
 - f. Class E Liquor – MMDG Spirits, 126A Welch Avenue
 - g. Special Class C Liquor – Hickory Park, 1404 South Duff Avenue
6. Resolution approving reappointment of Harry Budd and Sherry Meier and appointment of Jane Acker to Library Board of Trustees
7. Resolution adopting new and revised fees
8. Resolution approving agreement with ICMA-RC to act as 457(b) plan administrator through June 30, 2017
9. Resolution approving amendment to 28E Agreement to indicate that United Way of Story County is responsible for providing ASSET Administrative Services
10. Resolution approving Engineering Services Agreement for 2010/11 Airport Improvements (West Apron Rehabilitation)
11. Resolution approving Intermodal Facility Tenant Lease with Jefferson Partners, LP, d/b/a Jefferson Bus Lines
12. Resolution accepting proposal from National Insurance Services for continuing current group life and long-term disability policies
13. Resolution approving Contract for Safety and Training Services with Iowa Association of Municipal Utilities (IAMU)
14. Public Art Commission Membership:
 - a. Resolution changing Steve Kawaler's appointment to 1 year
 - b. Resolution reducing membership from 16 to 14

15. Resolution authorizing funding source to purchase *Topographical Illusion II* artwork for Municipal Auditorium
16. Resolution authorizing disposal of Police Department rifles
17. Resolution awarding contract to DPC Industries, Inc., of Omaha, Nebraska, in the amount of \$.685/gallon for purchase of 2012/13 Liquid Sodium Hypochlorite for Water Treatment Plant and Power Plant
18. Resolution awarding contract to Independent Salt Co., of Kanopolis, Kansas, for purchase of Rock Salt for 2012/13 Ice Control Program
19. Resolution approving contract payment to American Professional Service Group, Inc., for yard waste services for Spring 2012 Yard Waste Free Day
20. Resolution waiving formal bidding procedures and awarding contract extension to Quality One Commercial Cleaning, Inc., for custodial services for City Hall
21. Resolution approving renewal of contract with W-S Industrial Services, Inc., of Council Bluffs, Iowa, in an amount not to exceed \$156,000 for Specialized Cleaning Services, including Grit Blasting, Hydro Blasting, Detonation Blasting, and Vac Truck Services for Power Plant
22. Resolution approving renewal of contract with Biosolids Management Group, Inc., of Boone, Iowa, in an amount not to exceed \$1,000,000 for Power Plant Ash Hauling Services
23. Resolution approving renewal of contract with Diamond Oil Company of Des Moines, Iowa, in an amount not to exceed \$1,137,500 for Electric Services Diesel Fuel Supply
24. Resolution approving renewal of contract with Tri-City Electric Company of Iowa of Davenport, Iowa, in an amount not to exceed \$180,500 for Power Plant Breaker and Relay Maintenance
25. Resolution approving contract extension with Electronic Engineering Company of Ames, Iowa, for 800MHz Trunked Radio Equipment, Pagers, and Related Equipment and Services for City departments
26. Resolution approving preliminary plans and specifications for Maintenance Facility Energy Efficiency Projects; setting July 12, 2012, as bid due date and July 24, 2012, as date of public hearing
27. Resolution approving preliminary plans and specifications for new Five-Year Well Rehabilitation Contract; setting July 11, 2012, as bid due date and July 24, 2012, as date of public hearing
28. Resolution approving contract and bond for 2010/11 and 2011/12 Asphalt Resurfacing and Seal Coat Removal/Asphalt Reconstruction (22nd Street, 25th Street, 26th Street, Fletcher Boulevard, & Melrose Avenue)
29. Resolution approving contract and bond for 2010/11 Airport Improvements (West Apron Rehabilitation)
30. Resolution accepting completion of Power Plant Unit No. 8 Stack Repair Project
31. Resolution accepting completion of Power Plant Unit No. 8 Air Heater Baskets Installation Project
32. Resolution accepting completion of Water Treatment Plant Five-Year Well Rehabilitation Project
33. Water Pollution Control Facility Biosolids Disposal:
 - a. Resolution accepting completion of contract for Year Two with Nutri-Ject Systems, Inc., of Hudson, Iowa
 - b. Resolution awarding contract in the amount of \$48,974.66 to Nutri-Ject Systems, Inc., of Hudson, Iowa, for Year Three of three-year agreement
34. Resolution approving Plat of Survey for 820 Miller Avenue

PUBLIC FORUM: This is a time set aside for comments from the public on topics of City business other than those listed on this agenda. Please understand that the Council will not take any action on your comments at this meeting due to requirements of the Open Meetings Law, but may do so at a future meeting. The Mayor and City Council welcome comments from the public; however, at no time is it appropriate to use profane, obscene, or slanderous language. **The Mayor may limit each speaker to five minutes.**

PERMITS, PETITIONS, AND COMMUNICATIONS:

35. Motion approving encroachment permit for awnings at Emerhoff's, 217-219 Main Street
36. Motion approving Class B Native Wine Permit privilege for Swift Stop #4, 1118 South Duff Avenue
37. Motion approving 5-Day Class C Liquor License for Dublin Bay at CPMI Event Center, 2321 North Loop Drive
38. Motion approving 5-Day Class C Liquor License for Olde Main Brewing at ISU Alumni Center, 420 Beach Avenue
39. Motion approving Class C Liquor & B Wine Permit for Della Viti, 323 Main Street, #102
40. Motion approving Class C Liquor License for Charlie Yoke's, 2428 Lincoln Way
41. Resolution approving purchase of 2011/12 Neighborhood Art Acquisition Program sculpture selections
42. Requests for Midnight Madness on July 14, 2012:
 - a. Resolution approving closure of certain streets and parking lots on July 14 and 15, 2012
 - b. Resolution approving suspension of parking regulations and enforcement from 6:00 p.m. to 11:00 p.m.
 - c. Motion approving 5-day Class B Beer Permit and Outdoor Service Area in City Hall Parking Lot N
 - d. Motion approving tapping of up to seven kegs at once during post-race party with maximum of 20 kegs total during the evening

ADMINISTRATION:

43. Flood actions and update
44. Squaw Creek Watershed Management Authority:
 - a. Resolution approving 28E Agreement creating Squaw Creek Watershed Management Authority (WMA)
 - b. Motion designating Mayor and Assistant City Manager as representative and alternate representative, respectively, to WMA's Board of Directors
45. Discussion of tax abatement criteria for Deery Brothers
46. Motion providing direction to staff pertaining to Emergency Response Times

FINANCE:

47. Resolution endorsing Iowa Economic Development Authority application for financial assistance for AMCOR Rigid Plastics USA, Inc., with local match in the form of a forgivable loan
48. Resolution endorsing Iowa Economic Development Authority application for financial assistance for Solum, Inc., with local match in the form of a forgivable loan
49. Resolution providing authorization to negotiate City of Ames and Ames Economic Development Commission Economic Development Agreement with United Suppliers, Inc., with local assistance in the form of a forgivable loan

PUBLIC WORKS:

50. Update on Hazard Mitigation Grant Program (HMGP) Project:
 - a. Motion designating Municipal Engineer Tracy Warner as Authorized Representative for Stuart Smith Park Bank Stabilization project
 - b. Resolution approving local match funding up to \$120,000 for Stuart Smith Park Bank Stabilization project
51. Staff report on Lease to Youth & Shelter Services for Parking Lot P:
 - a. Resolution setting date of public hearing
52. Southeast Entryway Project:
 - a. Resolution approving Iowa Department of Transportation Planting Grant Agreement

- b. Resolution approving final plans and specifications and awarding a contract to Truelsen Blumenthal, LLC, of Grimes, Iowa, in the amount of \$343,416

HEARINGS:

53. Hearing on Unit No. 7 Stack Repair Project:
 - a. Resolution approving final plans and specifications and awarding contract to NAES Power Contractors of Cranberry Township, Pennsylvania, in the amount of \$227,354.00
54. Hearing on Brookside Park - East Side Improvements:
 - a. Resolution approving final plans and specifications and awarding contract to Manatt's of Ames, Iowa, in the amount of \$484,000.00
55. Hearing on 2011/12 Asphalt Pavement Improvements Project (Abraham Drive and Todd Circle):
 - a. Resolution approving final plans and specifications and awarding contract to Manatt's of Ames, Iowa, in the amount of \$210,231.93
56. Hearing on Vet Med Substation Capacitor Bank Foundation Installation:
 - a. Motion accepting report of no bids
 - b. Motion directing staff to rebid project
 - c. Resolution approving preliminary plans and specifications; setting June 27, 2012, as bid due date and July 10, 2012, as date of public hearing
57. Hearing on Zoning Ordinance text amendment to adopt alternative landscaping standards for auto and marine craft trade uses (Continued from May 8, 2012, and May 22, 2012):
 - a. First passage of ordinance

ORDINANCES:

58. Ordinance incorporating *Iowa Code* Section 317.1A, defining noxious weeds into *Municipal Code* and declaring noxious weeds as a public nuisance enforceable as a municipal infraction:
 - a. Second passage of ordinance
 - b. Motion to suspend rules for adoption of an ordinance
 - c. Third passage and adoption of ORDINANCE NO. 4114
59. Third passage and adoption of ORDINANCE NO. 4115 rezoning property located at 3799 Cedar Lane from Planned Residence District (F-PRD) to Government/Airport (S-GA)
60. Third passage and adoption of ORDINANCE NO. 4116 to add an exception for striping of parking spaces designated for outdoor display of vehicles for sale or lease
61. Third passage and adoption of ORDINANCE NO. 4117 to adopt provisions for integrated site plan subdivisions
62. Third passage and adoption of ORDINANCE NO. 4118 establishing parking regulations for Timber Ridge Drive

COUNCIL COMMENTS:

ADJOURNMENT:

***Please note that this agenda may be changed up to 24 hours before the meeting time as provided by Section 21.4(2), *Code of Iowa*.**

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

MAY 15, 2012

The Ames City Council met in special session at 7:00 p.m. on the 15th day of May, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Ann Campbell presiding and the following Council Members present: Davis, Goodman, Larson, Szopinski, and Wacha. Council Member Orazem was absent.

DETERMINATION OF QUESTIONS TO BE ANSWERED REGARDING EXTENSION OF UTILITIES ALONG EAST LINCOLN WAY TO 590TH STREET: City Manager Steve Schainker said that Council has included this project in the Capital Improvements Plan (CIP) and has approved raising water and sewer rates to accommodate the growth. Mr. Schainker said at the January 7, 2012 Goal Setting Session, Council committed to determine what information is needed to make a decision regarding extending utilities to 590th Street. He said that two members submitted questions, of which fell into three categories:

- The need for a payback analysis to justify this investment
- The need to develop safeguards to ensure that the land served by this infrastructure investment yields benefits beyond the direct financial payback
- The need for further analysis to generate information that would guide City Council decisions

Mr. Schainker said he would like to know which questions need answered before the Council makes the final decision, and if the Council desires to move ahead with the project, the next step would be to begin the engineering and design.

Council Member Szopinski said this is a project the Council could do if the answers to the questions make sense. Council Member Larson stated that the majority of the Council members don't have any questions regarding the project. Council Member Wacha said he would like to see projections of property and sales tax revenues with different build out options.

Council Member Szopinski asked about the water supply in the stated area. There was discussion regarding water, and how to define "payback." Mayor Campbell invited Assistant City Manager Bob Kindred to discuss the water issue. Mr. Kindred said he did not have any updates. Mr. Schainker said the City will determine if it is the City's legal responsibility to provide water. Mr. Kindred said the rural water authority stated in a joint meeting that they could provide the water for anything that is needed. He said that they are not required by law to provide fire protection water. Council Member Goodman said there is a point at which you have to make sure someone can do what they say they can do. Mr. Schainker said the City must get a firm response on water in the area. Discussion ensued on water.

Council Member Goodman discussed his analysis of Lincolnway Energy's payback. Council Member Larson asked several questions, and the discussion on payback continued.

Member Wacha asked if staff could provide a scenario or two that would be realistic if Council wants to proceed with this project. Mr. Schainker said many assumptions would need to be made based on the absorption rate. He also said many things could be calculated into the payback, and suggested staff could come up with a rationale subject to particular assumptions.

Mayor Campbell said there are water and sewer costs, and the payback coming in the form of property taxes. She asked what Council is asking staff to do. Member Goodman said he wants to understand the return for the money spent.

Member Szopinski said she wants to make sure the research shows there is industry interested in coming to Ames. She also said it would be helpful to know why certain industries chose other cities. Member Szopinski also mentioned she wants to be sure this is the right site. Member Larson said that he and Member Davis are currently appointed by the Mayor to sit on the Ames Economic Development Commission (AEDC) Board. He said at those meetings, the development community and people hired to do economic development for Ames say that train and rail access is in huge demand. He discussed several opportunities that have been recently discussed for Ames. He said he argues that the location is good, and there is demand. Member Davis said the location is farther from residential areas than the other possible sites. He also said that for Union Pacific Railroad, industry needing rail access needs to be on the south side of the tracks. Discussion continued on rail access. Member Szopinski again stated that she would like to know of industry successes, and also names of companies that wanted to come to Ames but decided against Ames, and the reasons why.

Member Wacha reiterated that many assumptions need to be made for staff to tackle the first category. He said he would like staff to make the assumptions, and state them, and return something to Council as a starting point. He said the scenario would include certain assumptions and the absorption rate based on x number of acres, using numbers from industries such as Barilla and Lincolnway Energy.

Mr. Schainker said the payback cannot be calculated simply. When other benefits are looked at, such as salaries, generated sales tax by employees, etc. the calculation can get very complicated. He said just using property taxes, however, is not a fair analysis.

Mr. Schainker said it has been determined that there is not adequate large-lot industrial land, which means that utilities must be extended, which is the responsibility of the City. He said the part of this that is causing angst is that growth cannot be contiguous, rather the utilities must be extended to 590th Street. Discussion ensued on the complicated payback analysis. Mr. Schainker asked for clarification on the cost to use in the payback analysis. Council members agreed that \$4.3 million should be used. Member Goodman said he feels it is very important to figure out the payback. Mr. Schainker said he hopes staff can come up with assumptions that Council can agree with. Member Wacha said something would be better than nothing. He suggested staff come up with assumptions, email them to the Council with one week to respond, then proceed with the analysis. Mayor Campbell asked if property taxes should be included in the analysis. Member Wacha said yes. Mr. Schainker wanted clarification regarding including jobs in the analysis. Member Wacha said he would like jobs included.

Moved by Wacha and seconded by Goodman, to direct staff to perform a revenue analysis including water and sewer revenues, property tax revenues with industrial tax abatement, jobs, and sales tax if applicable, for a scenario with assumptions adequately articulated for this potential extension of utilities.

Discussion continued. Member Larson said he is very reluctant to go through this time and time again, but realizes some Council members need the answers.

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

Council Member Goodman discussed the second category of questions dealing with the need to develop safeguards to ensure that the land served by this infrastructure investment yields benefits beyond the direct financial payback. He said Council should be sure to get what it wants in terms of industries, and should reserve large lots and rail access for those that need it.

Member Larson said the Ames Economic Development Commission (AEDC) has hired someone to draft a layout to make the area something that would sell. Mr. Schainker said that there are tools that can be used to accomplish the Council's goals. Discussion continued regarding restrictions and goals.

Moved by Goodman and seconded by Szopinski to again discuss category 2 (the need to develop safeguards to ensure that the land served by this infrastructure investment yields benefits beyond the direct financial payback) after the report from AEDC is received and before annexation. Discussion continued regarding requirements and goals for the area and land use.

Vote on Motion: 2-3. Motion failed.

Voting aye: Goodman, Szopinski. Voting naye: Larson, Davis, Wacha.

Discussion ensued regarding economic development.

STAFF REPORT REGARDING ELECTRIC ENERGY RESOURCE OPTIONS STUDY:

Electric Services Director Donald Kom told the Council that Assistant Electric Services Director Brian Trower is leading this project. Mr. Kom said this will be a major project for Electric Services and the Resource Recovery Plant for the next couple of decades.

Mr. Trower said that the study will look at energy resource options that Electric Services should be considering in the future due to Environmental Protection Agency (EPA) regulations that are targeted at burning fossil fuels for electric generation including fuel oil and coal. He said all utilities who have fossil fuel generators are facing the same regulations. He summarized the pending, anticipated, and recently enacted environmental rules that will impact the City electric utility in the future.

Mr. Trower told the Council that staff has come up with 16 viable options, but is lacking the time and expertise to evaluate the options. He said a Request for Proposals was issued on March 21, 2012 to nine firms and six proposals were received. Mr. Trower said that three finalists presented day-long presentations and staff will have a recommendation for Council on May 22, 2012.

Discussion ensued regarding the 16 options. Mr. Trower also said that the consultants were told to suggest and study other viable options.

Council Member Szopinski asked if compliance issues are expected to arise with natural gas. Mr. Trower said as of now, natural gas is currently EPA's fuel of choice and is exempt. Member Davis asked if Iowa State University (ISU) should be included in the study. Mr. Kom said ISU had a similar study conducted, but that ISU's primary function of generation is heating and cooling, and the City's primary function of generation is electricity. Mr. Trower added that ISU falls under a different regulatory process because the plant is under 25 megawatts (MW).

Mr. Trower said the analysis will include capital costs, ongoing maintenance costs, and operational

expenses for every option as well as a discussion of advantages and disadvantages for every option. He said that conclusions and recommendations were not requested, so that staff will have the ability to make choices while adding intrinsic values to the process. Mr. Trower said that Resource Recovery is being included and considered in the study, since the outcome will affect what happens to Refuse Derived Fuel (RDF). Mr. Kom said this study is focusing on the energy side, and that there is an RFP going out from a Resource Recovery standpoint to look at what to do with Municipal Solid Waste (MSW). He said the options are to continue turning it into RDF, convert it to a gas, or do a mass burn. Mr. Kom said staff is seeking to understand the options under the time constraint. Mr. Schainker told the Council that the consultant won't be asked to make a recommendation based on price since Resource Recovery must be considered.

Discussion ensued regarding MSW options. Mr. Trower said staff does not not have a preconceived notion of what the results of this study will be. He said ideally the study would be completed by October. Mr. Kom said this study will help plan the course of the utility for the next 20+ years. Mr. Schainker said the study done a few years ago is outdated since many things have changed, and because of new regulations. Council Member Davis said that to meet the new regulations it could be very costly to users.

Discussion ensued regarding natural gas and options for MSW. Mr. Kom thanked the Council and said a recommendation will be presented for them at the next City Council meeting.

COMMENTS: There were no comments.

ADJOURNMENT: The meeting adjourned at 9:18 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor

Erin Thompson, Recording Secretary

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

JUNE 4, 2012

The Ames City Council met in special session at 12:00 Noon on the 4th day of June, 2011, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Ann Campbell presiding. Since it was impractical for all Council members to attend in person, Council Members Davis, Goodman, Orazem, Szopinski, and Wacha were brought in telephonically. Council Member Larson was absent.

MEC INTERCONNECTION 161 kV LINE CONSTRUCTION: Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 12-278 approving date changes for the MEC Interconnection 161kV Line construction, setting July 11, 2012, as the new bid due date and July 24, 2012, as the new date of hearing and award of contract.

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

ADJOURNMENT: Moved by Davis to adjourn the meeting at 12:01 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor

**MINUTES OF THE MEETING OF THE
AMES AREA METROPOLITAN PLANNING ORGANIZATION (AAMPO)
TRANSPORTATION POLICY COMMITTEE
AND REGULAR MEETING OF THE AMES CITY COUNCIL**

AMES, IOWA

MAY 22, 2012

**MEETING OF THE AMES AREA METROPOLITAN
PLANNING ORGANIZATION TRANSPORTATION POLICY COMMITTEE**

The Ames Area Metropolitan Planning Organization (AAMPO) Transportation Policy Committee met at 7:00 p.m. on the 22nd day of May, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with the following voting members present: Ann Campbell, Wayne Clinton, Jeremy Davis, Matthew Goodman, Jami Larson, Peter Orazem, and Victoria Szopinski, Voting Member Tom Wacha was brought in telephonically. Also present were AAMPO Administrator John Joiner and City of Ames Transportation Planner Rudy Koester. Voting Member Mike O'Brien was absent, and the Transit appointee has not yet been named. Craig O'Riley, representing the Iowa Department of Transportation (Iowa DOT), was in attendance.

PUBLIC HEARING ON PROPOSED FISCAL YEAR (FY) 2013 TRANSPORTATION PLANNING WORK PROGRAM (TPWP): John Joiner, Public Works Director, explained that the Final FY 2013 TPWP includes eight planning work elements to ensure an integrated transportation system. Mr. Joiner indicated that the TPWP presented to the City Council for approval at this meeting was substantially the same as the draft that had been provided to the Council earlier in the spring.

According to Mr. Koester, a public input session was held on May 1, 2012. No public comments were received. Comments provided by the Iowa Department of Transportation were addressed in the final Work Program. The TPWP must be filed with the Iowa DOT on or before June 1, 2012.

Administrator Campbell declared the public hearing open. There was no one wishing to speak, and the hearing was closed.

Moved by Clinton, seconded by Goodman, to approve the Final FY 2013 Transportation Planning Work Program

Vote on Motion: 8-0. Motion declared carried unanimously.

PUBLIC HEARING ON PROPOSED AMENDMENT TO THE 2035 LONG-RANG TRANSPORTATION PLAN (LRTP): Mr. Koester explained that the proposed amendment had been presented to the Policy Committee at the last AAMPO meeting. The reason for the amendment is that the Iowa DOT has started the process for improvements to be completed to the interchange of Interstate 35 and Highway 30, which is located within the AAMPO's planning boundary. In order for the Iowa DOT to properly complete the preconstruction steps, qualify for federal funding, and keep the project time line, the project must be included in the AAMPO's LRTP. A request had been made by the Iowa DOT to amend the 2035 LRTP for inclusion of the project.

Mr. Koester reported that a public meeting on the Amendment was held on May 1, 2012. No public comments were received.

The public hearing was opened by Administrator Campbell and closed after no one came forward to speak.

Moved by Davis, seconded by Goodman, to approve the amendment to the 2035 Long-Range Transportation Plan to include the Interstate 35 and Highway 30 Interchange project.

Vote on Motion: 8-0. Motion declared carried unanimously.

DRAFT FY 2013-16 TRANSPORTATION IMPROVEMENT PROGRAM (TIP): Moved by Davis, seconded by Szopinski, to approve the Draft FY 2013-16 TIP and set June 26, 2012, as the date of public hearing.

Vote on Motion: 8-0. Motion declared carried unanimously.

COMMENTS: John Joiner advised that it had originally been planned to discuss potential options at this meeting for revision to the membership of the Policy Committee and the Technical Committee. However, since the beginning of May, the Federal Highway Administration had notified him that, based on the 2010 Census data, the City of Gilbert now needs to be part of the AAMPO. Mr. Joiner will be meeting with a representative of the Federal Highway Administration in June to determine what changes will be necessary to the By-Laws and the membership of the AAMPO, the AAMPO Transportation Policy Committee, and the AAMPO Transportation Technical Committee.

ADJOURNMENT: Moved by Clinton, seconded by Szopinski, to adjourn the meeting at 7:11 p.m.

Vote on Motion: 8-0. Motion declared carried unanimously.

REGULAR MEETING OF THE AMES CITY COUNCIL

The regular meeting of the Ames City Council was called to order by Mayor Campbell at 7:12 p.m. on May 22, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Davis, Goodman, Larson, Orazem, and Szopinski. Council Member Wachar was brought into the meeting telephonically. *Ex officio* Member Baker was absent.

Mayor Campbell announced that the Council would be working from an Amended Agenda. The following changes had been made:

1. Item 5a., renewal of a Class C Liquor License for Pappy's Meeting House, 823 Wheeler, Ste. 4., had been removed from the Consent Agenda.
2. A Resolution approving the contract and bond for Unit No. 8 Boiler Superheater and Boiler Tube Replacement had been added under Consent.
3. Pertaining to Item No. 30, North Growth Public Improvements:
 - a. A Resolution approving Cost-Sharing Agreements with Quarry Estates, Hunziker, and Rose Prairie had been added.
 - b. Additional action to approve \$15,000 from savings in previous General Obligation Bond projects to pay for the City's portion of the street design work was listed.

PROCLAMATION FOR PUBLIC WORKS WEEK: Mayor Campbell proclaimed May 20 - 26, 2012, as Public Works Week. Public Works Director John Joiner accepted the Proclamation on behalf of the City's Public Works Department.

CONSENT AGENDA: Council Member Orazem requested to pull Item No. 7 (Agreement for Financial Participation in connection with the CDBG Homebuyer Assistance Program) for separate discussion.

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 May 8, 2012
3. Motion approving Report of Contract Change Orders for May 1-15, 2012
4. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class C Liquor – Old Chicago, 1610 S. Kellogg Avenue
 - b. Class B Liquor w/Outdoor Service – Gateway Hotel & Conference, 2100 Green Hills Drive
 - c. Class B Beer – King Buffet of Ames, 1311 Buckeye, Suite B
 - d. Class A Liquor w/Outdoor Service – Green Hills Residents' Association, 2200 Hamilton Drive, #100
5. RESOLUTION NO. 12-254 approving change to Purchasing Policies required by Federal Transit Administration (FTA) pertaining to federal and state grant requirements
6. RESOLUTION NO. 12-256 approving Neighborhood Improvement Program grant for Chilton Crossing Landscaping Project
7. RESOLUTION NO. 12-257 approving preliminary plans and specifications for 2011/12 Asphalt Pavement Improvements Project (Abraham Drive and Todd Circle); setting June 6, 2012, as bid due date and June 12, 2012, as date of public hearing
8. Agreements with HIRTA for CyRide Dial-a-Ride Bus Service:
 - a. RESOLUTION NO. 12-258 approving 28-E Agreement
 - b. RESOLUTION NO. 12-259 approving Motor Vehicle User Agreement
9. RESOLUTION NO. 12-260 approving Intermodal Facility Tenant Lease with Loghouse Enterprises, Inc., d/b/a Executive Express
10. RESOLUTION NO. 12-261 approving Change Order No. 37 with The Weitz Company for CyRide Intermodal Facility
11. RESOLUTION NO. 12-268 approving contract and bond for Unit No. 8 Boiler Superheater & Boiler Tube Replacement Project
12. RESOLUTION NO. 12-262 approving renewal of contract for purchase of Water Meters and Related Parts and Services with Elster AMCO Water, Inc., of Ocala, Florida, in the estimated amount of \$92,456.05
13. RESOLUTION NO. 12-263 approving termination of Monitoring Well Agreement and Lease with Bourns, Inc.
14. RESOLUTION NO. 12-264 accepting completion of Cemetery Grounds Fencing Project
15. RESOLUTION NO. 12-265 accepting completion of Ames/ISU Ice Arena Rubber Flooring Replacement

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

AGREEMENT FOR FINANCIAL PARTICIPATION IN CONNECTION WITH CDBG HOMEBUYER ASSISTANCE PROGRAM: Council Member Orazem advised that he did not have any objections to the Agreement, but had requested to pull the item so that the Program could be explained to the public.

Vanessa Baker-Latimer, Housing Coordinator, explained that the Homebuyer Assistance Program is funded by the Community Development Block Grant. The Program is designed to assist first-time homebuyers who meet the low- to moderate-income limits set by the Department of Housing and Urban Development. Through the Program, the City provides down-payment,

closing costs, and affordability assistance to eligible persons to help them purchase their first home. It is hoped that homes purchased through the City's Acquisition and Reuse Program may be utilized. Eligible applicants will be invited to attend a homebuyers' seminar to help educate them on the responsibilities of homeownership. Qualified persons will receive a 2% interest rate on a loan that will be paid back over 12 years. The loan payments will be reinvested in the Program to sustain it into the future.

Moved by Orazem, seconded by Davis, to adopt RESOLUTION NO. 12-255 approving the Agreements for Financial Participation in connection with CDBG Homebuyer Assistance Program. Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes

PUBLIC FORUM: No one spoke during this time.

FRANCHISE UPDATE FROM ALLIANT ENERGY: Annette Reno, Key Account Manager with Alliant Energy, presented a summary of the Community Annual Partnership Assessment as a utility in Ames. Ms. Reno advised that, in 2011, Alliant Energy had supported economic development in Ames in the amount of \$8,490; provided community support in the amount of \$21,070; and participated in environmental partnerships by contributing \$3,000. Alliant provided 3,528 rebates totaling \$859,300.07 to promote energy efficiency. According to Ms. Reno, Alliant invested \$129,737.10 in electrical infrastructure and \$1,446,695.54 in natural gas infrastructure. Over \$188,000 of the total \$623,680 in property taxes went to Ames. Alliant's operating facility in West Ames employs 75 people. At the inquiry of Council Member Orazem, Ms. Reno referred people wanting to take advantage of an energy rebate or energy audit to the alliantenergy.com website.

NEW CLASS E LIQUOR, C BEER, AND B WINE PERMIT FOR WALGREEN'S: Moved by Davis, seconded by Goodman, to approve a new Class E Liquor, C Beer, and B Wine Permit for Walgreen's #12108, 2719 Grand Avenue.
Vote on Motion: 6-0. Motion declared carried unanimously.

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

ADDITIONAL REQUESTS FOR ART WALK: Moved by Goodman, seconded by Davis, to approve the following:

- a. RESOLUTION NO. 12-266 approving closure of up to ten parking spaces in Lot N for chalk drawing competition
- b. RESOLUTION NO. 12-267 approving waiver of parking meter fees in up to 10 spaces in Lot N from 12:00 to 8:00 p.m.

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

PARKING AGREEMENT FOR MUNICIPAL PARKING LOT P: Traffic Engineer Damion Pregitzer explained that Youth & Shelter Services (YSS) had requested to renew their parking agreement for five years for Municipal Lot P at 308 - 5th Street. Summarizing the history of the arrangement, Mr. Pregitzer stated that Lot P had been leased to YSS since 1997 when it took

ownership of the building. The parking arrangement, for a 15-year period, was part of a Development Agreement (entered into in 1995) for the renovation of the old City Hall building at 420 Kellogg Avenue. Specifics of the Agreement as well as the history of the rate charged were given.

The Council was informed that if it decided to enter into another lease with YSS for a period longer than three years, a public hearing would be required. If that is the Council's desire, Mr. Pregitzer recommended that the date for that hearing be set and staff would then bring a draft agreement back for Council approval.

Five fee options were presented. Mr. Pregitzer advised that in the April 12, 2012, letter to the City Council, YSS proposed to keep with the past practice of \$20/space/month, citing that the reduced rate was related to the annual maintenance costs that had held constant over time. However, YSS also proposed that, if the parking agreement were renewed, the cost of a project to repair potholes be borne 50% by the City. According to Mr. Pregitzer, the repairs are estimated at \$4,500; therefore, the City's share would be \$2,250. It was pointed out that the Director of YSS had indicated at a Council meeting held April 24, 2007, that YSS expected to pay the full market rate for the parking spaces set by the City after the 15-year term ended. Also the previous parking agreement had clearly specified that YSS would be responsible for pothole-filling. Under the terms of the Development Agreement, the City would only be responsible for major resurfacing or reconstruction of the lot. Mr. Pregitzer advised that if the Council opted to share in the cost of pothole-filling, a change to the Developer's Agreement would be necessary.

Mayor Campbell asked if potholes had been filled in the lot in the past. Mr. Pregitzer replied that YSS had been paying for filling potholes, crack sealing, painting, snow removal, etc. He said that was how YSS had come up with the amount that should be paid to the City per stall; they looked at what they had been paying for annual maintenance of the lot.

Council Member Goodman asked to know the budget for the other City parking lots per space. Mr. Pregitzer answered that the City's parking lot budget is in aggregate; it has not been broken down based on actual cost per stall.

Council Member Larson inquired as to the amount persons are charged for reserved parking spaces in other City lots. Mr. Pregitzer reported that all reserved spaces are currently leased at \$35/month/space.

Moved by Goodman, seconded by Wacha, to support a new parking agreement with YSS to lease 16 spaces in Municipal Lot P for five years at a \$35 per-space per-month rental rate.

It was clarified by Mayor Campbell that, if that motion passes, all other terms of the Development Agreement would remain.

Council Member Goodman said it was his understanding when making that motion that the City would then maintain the lot like it does for all other lots with reserved spaces. It was clarified that YSS would retain the responsibility of maintenance under that option.

Motion withdrawn.

Moved by Goodman, seconded by Larson, to support a new parking agreement with YSS to lease 16 spaces in Municipal Lot P for five years at a \$35 per-space per-month rental rate with the City assuming maintenance of the Lot at the same level as it provides to other City parking lots.

Mr. Pregitzer recommended that, since maintenance of Lot P was not currently in the Public Works budget, estimates for the cost of lot maintenance be calculated and reported back to Council prior to that option being approved.

Motion withdrawn.

Moved by Goodman, seconded by Szopinski, to direct staff to report back to Council with cost estimates for maintenance of Lot P.

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

6TH STREET BRIDGE FENCING: Corey Mellies, Civil Engineer, recalled that, in Fall 2011, during the City Council budget process, a request was made to place a fence along the traffic side of the pedestrian/bicycle areas of the 6th Street bridge. In February 2012, the Council directed staff to hold a discussion with bicyclists on possible solutions to improve safety for bicyclists over that bridge, and that meeting was held on site on May 9, 2012. Mr. Mellies reviewed the main issues that were discussed at that meeting with the four persons in attendance. In summary, those four people thought that placing a fence or railings was not their preferred option. If Council pursues that option, it was requested by the four people that sharrows (from Hazel to the Brookside Park entrance) and transitions (lowering the curb on both sides) be placed. They also requested that the City look at designing signage to perhaps direct that one bike at a time cross the elevated portion of the bridge. It was also asked that the City work on signage that would inform motorists to expect more bicycle activity on that stretch of roadway. Mr. Mellies also pointed out that City staff had also received email comments in opposition to installing a fence due to concerns regarding the reduction in width of the path and the difficulty in removing snow from the small area.

According to Mr. Mellies, the 6th Street bridge is shown for replacement in the fifth year of the Capital Improvement Plan (CIP). At the inquiry of Council Member Davis, Mr. Mellies advised that, if only the sharrows were painted, that work would be done by the City. It would be much less than the cost of fencing, which is estimated at approximately \$8,000.

At the inquiry of Council Member Wacha, Mr. Mellies advised that the City had not received any reports of injury to pedestrians or bicyclists occurring on the bridge.

Moved by Orazem, seconded by Goodman, to direct staff to install transitioning sharrows, but not install a fence.

Council Member Larson recommended that signage be placed to encourage bicyclists to use the sharrows or dismount and walk their bikes across the bridge. It was decided that staff would determine the signage.

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

DEERY BROTHERS: City Manager Schainker recalled that staff had recommended, at a previous Council meeting, the creation of an urban revitalization area for properties along SE 16th Street from South Duff Avenue to South Dayton Road; that resolution failed to receive the necessary four City Council votes for approval. A new proposal was then submitted from the Deery Brothers requesting tax abatement for three lots along SE 16th Street in return for: (1) the donation of 10.8 acres of land to accommodate the future widening of the Highway 30 bridge (if the car dealership project is pursued) as a flood mitigation technique, and (2) the straightening/widening of the north/south river channel on the Deery Brothers' site to help mitigate future flooding in the area. According to Mr. Schainker, the purpose of the latest proposal, which was referred to staff on April 24, 2012, was to provide substantial value to the City in return for the establishment of a tax abatement incentive for the three lots to be developed by Deery Brothers.

According to City Manager Schainker, it had appeared from the City Council's previous discussion regarding the Deery Brothers' proposal that there was some interest in providing tax abatement as long as the value of the incentive is offset by benefits that would be received by the City from their offer. He advised that, for purposes of the analysis, the cost would be the amount of the abatement that would be provided to the developer. Staff had been informed that should an urban revitalization plan be approved, the Deery Brothers hope to utilize the three-year 100% tax abatement schedule. Based on the estimated assessed values supplied by the developers, the improvements for the car dealership are expected to be \$4.5 million and the improvements on the two remaining lots are expected to be \$2 million each. Based on those estimates, the amount of taxes abated from City taxes would be \$273,360 over the three years.

Mr. Schainker listed the advantages and disadvantages of the land gift and the channel straightening/widening. On the benefit side, Mr. Schainker said he found it difficult to conclude that the 10.8 acres of land located in the floodway has a value of \$56,000/acre as suggested; however, an appraisal could be obtained to verify the actual value. City Manager Schainker said that, at this time, staff believes the disadvantages outweigh the advantages of assuming ownership of the land. In his opinion, the offer did not have the magnitude of positive impact relevant to flooding along South Duff; however, told the Council members that they will have to decide if what they are proposing would be something that the City would do later; thus, saving the City money.

Mr. Schainker acknowledged the high level of cooperation the City had experienced in working with the Deery Brothers. He further advised that the Deery Brothers are willing to agree to transfer ownership in the future of the portion of their 10.8 acres of land that is necessary to accommodate the widening of the Highway 30 Bridge, which would be considered a benefit to the City. Whether or not the City assumes ownership of the property, the Deery Brothers have indicated a willingness to give the wetland credits to the City.

At the request of Council Member Goodman, Fred Rose, 2014 W. 8th Street, Cedar Falls, Iowa, representing the Deery Brothers, defined how wetland credits work and gave an example of how they could be used. Public Works John Joiner confirmed the way wetland credits work.

Council Member Orazem asked if the proposed lake would be open to the public or private. City Manager Schainker said that if the City accepted ownership of the 10.8 acres offered by the Deery Brothers, which is designed to hold storm water, it would be an "attractive nuisance" for the City due to liability issues of a body of water that people might try to use for recreation. Mr.

Schainker noted that even if the City does not take ownership of that body of water, the Deery Brothers have indicated a willingness to give the wetland credits to the City free-of-charge; there is value to the wetland credits.

Referencing the Flood Study, Council Member Orazem asked Assistant City Manager Kindred if the possible expansion of U. S. 30 and I-35 bridges would be an considered. Mr. Kindred said that it would, in general terms. The Study will look at all options; nothing will be excluded. Mr. Kindred noted that the Iowa DOT is conducting its own internal evaluation of bridges.

Fred Rose introduced Monte Parrish, Matt Converse, and Scott Renaud, who would be speaking in favor of the Deery Brothers' request for tax abatement.

Monte Parrish, 1511 Stone Brooke Road, Ames, indicated that he had a vested interest in this project as a business owner along SE 16th Street. Mr. Parrish read an email that had been previously sent to the City Council by architect John Lott in which he endorsed the offering of tax abatement for the project.

Mr. Parrish also showed pictures of flooding that had occurred in Ames and compared it to a picture from circa 1830 that showed flooding over Mill Dam in Boston, Massachusetts. That area in Boston, which had previously been a salt marsh, had been filled in, and a picture of the buildings that had been constructed over that marsh was shown.

The funding summary for the Southeast Entryway Project was given Mr. Parrish. He showed a list of private contributors to that project and stated that all of those on the list were very interested in seeing Deery Brothers come to Ames and build at the location in question. In addition, the property owners had paid for approximately one-third of the \$4.5 million road and bridge project.

Mr. Parrish stated that he had an analysis prepared to indicate how much of the \$507,576 in annual property taxes that other Ames car dealerships would pay would go to help pay for the Deery Brothers' share, if tax abatement were granted. The amount came to \$1,900. A summary of the property taxes paid by the existing car dealerships in Ames was shown. According to Mr. Parrish, the Deery Brothers will most likely pay the most property taxes of all car dealerships. He conveyed that the Southeast 16th Street Business Owners strongly urge the City Council to find a way to offer tax abatement to the Deery Brothers.

Matt Converse, 415-26th Street, Ames, First Vice-Chair of the Ames Economic Development Commission, reiterated the information provided in a letter dated April 5, 2012, to the City Council. Mr. Converse asked that the Council find a way to come to an agreement to make the Deery Brothers' project come to fruition.

Scott Renaud, Fox Engineering, 414 South 17th, Suite 107, Ames, explained the proposed project to straighten, stabilize, and widen the channel. He said that that would add about 25% more flow through the channel. Mr. Renaud gave the history behind the Skunk River Channel since the late 1890s. He also explained the certification and costs of wetland credits.

Kurt Friedrich, Friedrich Iowa Realty, 100 Sixth Street, Ames, said he had recently spoken with the City's Finance Director, who believes the Deery project is a very, very good project for Ames from a financial standpoint. Mr. Friedrich pointed out that the City is currently receiving

basically no taxes from the Ag zoning designation; that will change to commercial under the Deery's proposal as of January 1, 2013. Additionally, the City will receive Local Option Sales Taxes on sales of service and body shop work and parts. Also, the City will be paid back immediately from the assessment against this property for the street and bridge improvements when it is subdivided. In only three years, there will be the additional commercial taxes on the improvements. Mr. Friedrich believes this is truly a "windfall" from a revenue perspective. He noted the creation of 40 to 60 good-paying jobs from this project, and added that, as a realtor, developer, and builder in Ames, it is critical to have new people move to the community. Lastly, Mr. Friedrich pointed out that the City has spent millions for the bridge and road improvements and has received little in return for that investment. He sees this project as turning that around. The Deery project would be a great business addition to Ames. Mr. Friedrich asked why the City Council approved spending millions of dollars of taxpayer money on that road and bridge improvements. He urged the Council to support the abatement request for the Deery project.

David Wheelock, Hickory Park, Ames, spoke in opposition to granting tax abatement to the Deery Brothers. He feels that if tax abatement is offered to the Deery Brothers, abatements should be given to all property owners on Southeast 16th Street. Mr. Wheelock told the Council that he, dba Hickory Park, has a substantial investment in the improvements along Southeast 16th Street. He believes that granting tax abatement to one property owner puts him in an unfair position when trying to sell his property.

Council Member Larson indicated his support for the Deery Brothers' project; he wants to see it move forward in some format. However, Mr. Larson said that he had similar concerns to Mr. Wheelock, however. He asked the City Attorney to comment on whether the criteria developed by staff for tax abatement eligibility in this location could be reviewed. City Attorney Marek advised that the criteria was not approved on April 10, 2012, when it was presented to the City Council; the resolution to approve did not receive four votes. No motion to reconsider was made at that meeting or at the meeting immediately following. Mr. Marek stated that that did not preclude the Council from directing staff to bring back an alternative proposal. Approval of the criteria could not occur at tonight's meeting as it is not on the Agenda. He explained the steps for creating an Urban Revitalization Area (URA) and Plan for the three properties on South 16th Street. For an Urban Revitalization Area to apply to the Deery Brothers' land, it would have to be an eligible economic development area. If it were going to apply to lots that include structures, that would be a different type of an URA.

Council Member Wacha noted that he had been the Council member to refer the new proposal of the Deery Brothers to staff for analysis. He had done so to see if the new proposal met his test, i.e., will this project provide flood improvement, and if so, it should be done. In his opinion, the project still does not meet that test.

Council Member Orazem, noting the comments made by Mr. Wheelock indicated that he would be in favor of a broader focus; however, that was not what was before the Council tonight. He also stated that, should the City ever get the Iowa DOT's cooperation in terms of removing the dams (bridges) on U. S. 30 and I-35, there would still be the opportunity to channelize the Skunk River to lower the peak flood at the Squaw Creek and Skunk River. Mr. Orazem believes that the only way to lower the peak flood is if there is the option of speeding the water flow from south of Lincoln Way and to get the Iowa DOT to allow the water to go through. He understands that that is going to be a topic of discussion during the Flood Study. Council Member Orazem said that this project is a great financial deal for the City. However, the public good in this case

is on maintaining the potential of eventually lowering the peak flood; that would include the other properties in the area. Mr. Orazem said he was willing to start with the Deery property.

Council Member Davis asked Scott Renaud whether the floodwaters would flow faster and lower more quickly once the channel was straightened and widened. Mr. Renaud confirmed that the water would go through faster and diminish more quickly.

Council Member Larson noted the opinion of City Attorney Marek that all options are open to the Council since the Agenda listed only a staff report.

Council Member Szopinski contended that tax abatement is not necessarily good for cities. She reiterated that the price of the subject land should have been lowered since it requires a lot of improvement to make it usable for the intended purpose.

Council Member Wacha stated that he would be willing to provide tax abatement on a case-by-case basis if the applicant will do flood mitigation work that can be proven to be beneficial to a broader area. He said that he would not feel comfortable approving any project until the Flood Study has been completed. It will take a while to get the results of the Flood Study, and he did not want the Deerys to be in limbo.

At the inquiry of Council Member Orazem, Scott Renaud advised that the flood mitigation effects will only be positive; they will do no harm to other properties. He sees this project as a start; it is one tool.

The Mayor noted that if the Deery Brothers were not asking for tax abatement, they would not need to make any flood mitigation improvements.

Council Member Goodman apologized to the Deery Brothers for his negative tone during the discussion of their proposal at the last City Council meeting. He commented that he did not intend to come across as not wanting the Deery Brothers to develop in Ames. Mr. Goodman explained his philosophy of avoiding granting commercial tax abatements. According to Mr. Goodman, the City has not determined what public good will be achieved by providing tax abatement to the Deery Brothers for this project.

Council Member Larson contended that the criteria formerly proposed by staff gave a benefit for flood mitigation to the City over what there is presently. He does not believe that the area in question will develop within three years without incentives. Mr. Larson expressed support for the motion made at the last meeting, which ultimately failed to get a fourth vote. The motion was summarized by Mr. Larson. He believed that the concept devised by staff gave a benefit to the City in protection of the area over what is currently there. The criteria would have allowed the City to have some control over the kinds of buildings to be constructed in the entryway to Ames. It would have prevented any net displacement that would cause flooding to be worse and was equal over the entire area.

Moved by Larson, seconded by Davis, to direct staff to bring back the criteria presented to the Council on April 10, 2012, for review.

Council Member Orazem wanted the criteria to take into account changes that would improve the flow of water through the floodway if the changes to the bridges on Interstate 35 and

Highway 30 were to be made by the Iowa DOT. This would entail leaving enough property undeveloped to allow for channel straightening.

Council Member Larson clarified that he preferred that the criteria be applicable for all the properties along the Southeast 16th Street area.

Mr. Rose indicated that the time line has been “up in the air” for some time. He asked how much time it would take for review of the criteria. City Manager Schainker explained the expected time line and requirements for creating an urban revitalization area.

Council Member Goodman said that if nothing changed as far as the public good, his vote would not change and he would still not support it. He did not see the benefit to bringing the criteria back before the Council.

City Manager Schainker noted that, if the Council decides to grant the requested tax abatement along with creating an urban revitalization plan, the staff will need to prepare a developer’s agreement to ensure that the proposed benefits are realized by the City.

Vote on Motion: 3-3. Voting aye: Davis, Larson, Orazem. Voting nay: Goodman, Szopinski, Wacha. Mayor Campbell voted aye to break the tie. Motion carried.

The meeting recessed at 9:06 and reconvened at 9:11 p.m.

ADAMS STREET PAVING: Public Works Director John Joiner introduced Sara Okerlund, Civil Engineer, who had conducted the analysis of this project. Ms. Okerlund recalled that the City Council had referred to staff a petition from Staci Harper of 1419 Edgewater Court pertaining to paving the graveled portion of Adams Street. This petition requested that the City add the project to its Capital Improvements Plan (CIP) to pave a small gravel section between Calhoun Avenue and Dawes Drive. It was signed by 74 persons, three of whom own property along the unpaved section of roadway.

Ms. Okerlund advised that the estimated cost for paving the segment of Adams Street, including engineering, construction, and construction administration, would be \$160,500. Four parcels currently exist adjacent to the unpaved portion of Adams Street.

According to Ms. Okerlund, on December 20, 2011, Council asked staff to contact neighborhood property owners within the immediate area to determine their interest and willingness to participate in a voluntary assessment for paving Adams Street. A summary of the results of those contacts was provided by Ms. Okerlund.

Ms. Okerlund said the traffic count of the road in question equated to 130 to 140 cars/day. At the inquiry of Council Member Davis, Traffic Engineer Pregitzer advised that collector streets normally carry 3,500 to 6,800 cars/day. The City would categorize a road with 130 to 140 cars/day as a very low-volume road.

Ms. Okerlund reviewed the comments received from property owners within the adjacent neighborhoods north of Bloomington Road, west of Grand Avenue, south of Ada Hayden Heritage Park, and both west of and along Hoover Avenue/Edgewater, and from a public

meeting held on April 2, 2012. She advised that most property owners along Top-O-Hollow Road reported they did not use the gravel section of Adams Street.

Council Member Szopinski pointed out that none of the people who live on the road in question initiated the project, yet they were being placed in the position to having to pay for a very expensive improvement.

Dennis Wendell, 917 Adams Street, Ames, noted that he had written or spoken to the City Council several times in the past two years about the need to pave Adams Street. He said that he fully supports the paving petition submitted by residents of the Reserve and preferred that the City Council approve Option 1 (to fund the project totally from property taxes) or Option 3 (to fund the project by \$139,100 in property taxes and \$21,400 from adjacent property owners), respectively. It was pointed out by Mr. Wendell that the longer it takes to get the paving project approved.

Roger Berger, 4121 Dawes, Ames, emphasized that the loose gravel washing from Adams Street onto Dawes Drive is an annoyance for many residents, not just those that live on Adams Street. He advised that he didn't really know how the paving should be paid for, but believes the road should be paved.

Staci Harper, 1419 Edgewater Court, Ames, advised that her family pays its fair share by paying \$900/month in property taxes. She believes that the gravel road is a disgrace to Ames. That street leads to three City of Ames parks and many Ames residents take that street to get their children to school in Gilbert.

Dorothy Kizer, 3919 Dawes Drive, Ames, said that she does not use the gravel portion because there are other alternatives. She advised that she is 91 years old and had just lost her husband two months ago. Ms. Kizer said that she was not in a financial position to take on any more debt. Although she believes the road should be paved, it is her feeling that the City should pay for it.

Catherine Scott, 1510 Roosevelt, Ames, advocated for the City to pave the road and said that she would not mind her property tax monies being used to pave it.

At the inquiry of Mayor Campbell, Public Works Director Joiner advised that there are very few gravel roads left within the City limits. He recalled a similar project off Beedle Drive. The Council had approved paving the road through special assessments of the residents along the road. The residents objected to the use of special assessments; therefore the paving did not occur.

Council Member Goodman noted that the poll of the residents of the area in question indicated that 63% of the people who live in the area either did not care or did not want the road paved.

Moved by Wacha to direct staff to include the paving of Adams Street (Calhoun Avenue to Dawes Drive) in the CIP in a specified year with funding accomplished through a special assessment whereby the property owners will pay specified amounts equal to the estimated increase in assessed value per parcel (\$12,600 for Parcel 1; \$8,800 for Parcel 2; and \$139,100 for the City).

After being asked, Director Joiner indicated that, if approved, the project would be bid this winter for construction the following spring.

Motion failed for lack of a second.

Moved by Orazem, seconded by Wacha, to direct staff to include the paving of Adams Street (Calhoun Avenue to Dawes Drive) in the CIP in a specified year with funding accomplished through a special assessment whereby the property owners will pay specified amounts equal to the estimated increase in assessed value per parcel (\$12,600 for Parcel 1, \$8,800 for Parcel 2; \$35,700 for Parcel 4; and the remainder paid by the City).

City Attorney Marek noted that if all adjacent property owners are not in favor of the assessment, the standard assessment procedure would need to be used.

Motion withdrawn.

Council Member Wacha said that he felt this was a quality of life issue and believed that the Council should state that it does not want gravel roads in the community.

Moved by Goodman to request staff to come up with a paving improvement program that would apply to all gravel roads in the community where 25% matching funds from interested parties would be received and the City would make up the difference.

Motion died for lack of a second.

Moved by Goodman, seconded by Szopinski, to direct staff to report back to the City Council with the number of gravel streets left in the City and a strategy for funding the paving of those streets.

Vote on Motion: 3-3. Voting aye: Goodman, Szopinski, Wacha. Voting nay: Davis, Larson, Orazem. Mayor voted aye to break the tie. Motion declared carried.

UNIT NO. 8 FEEDWATER HEATER REPLACEMENT: Electric Services Director Donald Kom reported that on May 8, 2012, the City Council decided to defer action on awarding a contract to SPX. Council expressed 1) concern about SPX's exceptions to City of Ames Standard Terms & Conditions; 2) inquired as to the reasons only a single bid had been received; and 3) if the non-responsive bidder had also indicated exceptions to City of Ames Standard Terms & Conditions, and why they failed to include a bid bond.

Mr. Kom explained that SPX had taken numerous exceptions to the City of Ames Standard Terms & Conditions on its bid submittal. The City Attorney identified two exceptions taken that would pose the greatest risk for the City; both exceptions dealt with liability issues. The first would subject the company's liability to the City only for acts of malicious or gross negligence. Normally, the City's liability standard is for ordinary negligence. The second involved capping the company's liability to equal the contract amount. In this case, it would be \$752,007. The City's normal practice would be to require liability coverage for \$1 million per occurrence and \$2 million in the aggregate. Staff contacted SPX and communicated to them that the City has some major concerns regarding their exceptions. As a result of this communication, staff was able to negotiate with SPX and they agreed to withdrawal all of the exceptions (including the gross negligence standard) taken in their bid except one. There is now only one modified

exception for City Council to consider. SPX still wants to cap their liability, but is willing to increase the cap to two times the contract amount (\$1,504,014). While this is an improvement over their original proposal, the exception still contradicts sections of the standard terms and conditions of the bidding document. Staff reviewed the remaining exception proposed by SPX and the exceptions presented in the non-responsive bid and determined that it was worth the risk by agreeing to the modified SPX exception. Pertaining to the non-responsive bid, when asked why a bid bond was not included, the respondent indicated that they did not know a bid bond was required, but could submit one after-the-fact.

According to Director Kom, staff believes that if the decision were made to rebid, there is a high probability that the rebid will have the same two bidders. SPX most likely will have removed their exceptions and the other bidder will have included a bid bond, but continue to have their exceptions.

____ Moved by Larson, seconded by Goodman, to adopt RESOLUTION NO. 12-269 agreeing to the single exception to the terms and conditions of the City of Ames bidding document and awarding a contract for Unit No. 8 Feedwater Heater Replacement to SPX Heat Transfer of Bethlehem, Pennsylvania, in the amount of \$752,007, plus applicable sales taxes to be paid directly by the City of Ames to the State of Iowa.

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

PROPOSED ELECTRIC RATE ORDINANCE: Finance Director Duane Pitcher advised that the Council was asking Council to pass the rate ordinance on first reading and then delay the second and third readings and adoption to allow staff to work through a process for customer notification and receive feedback on the new rate structure. The planned implementation would be no earlier than November 1, 2012. Mr. Pitcher presented a summary of changes in the proposed rate ordinance by class of customer.

Moved by Goodman, seconded by Szopinski, to pass on first reading the proposed revenue-neutral Electric Rate Ordinance.

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

Moved by Davis, seconded by Szopinski, to direct staff to delay the second and third readings and adoption of Ordinance to allow time to implement a customer notification process and solicit feedback.

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

ENERGY RESOURCE OPTIONS STUDY: Moved by Goodman, seconded by Wacha, to adopt RESOLUTION NO. 12-270 awarding a Professional Services Contract for Energy Resource Options Study to Black & Veatch of Kansas City, Missouri, in the amount of \$375,000.

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

MIXED-USE BUILDING AT 127 STANTON AVENUE: City Planner Jeff Benson advised that the property owner of 127 Stanton was proposing to replace the existing wood frame residence with a three-story “amenity building” that would provide recreational and leisure facilities for the residents of all the properties that Campus Acquisitions owns in Campustown. The building would include facilities for an outdoor pool area, yoga, weight, circuit, and cardio training as

well as tanning and sauna. The third story of the building would contain four residential units with a total of nine bedrooms. Parking would be provided in the existing parking structure in the Legacy Tower if the City Council approves the Remote Parking Agreement.

According to Mr. Benson, the property owner has requested prior approval of a ten-year tax exemption on increased value by the proposed improvements for this project. The area in question is located within the Campustown Urban Revitalization Area. Mr. Benson explained the requirements needed to be met to be eligible for tax abatement. He noted that some of the detailed criteria of the Campustown Urban Revitalization Plan were developed with much larger residential uses in mind and would not be applicable to this project. Other measures needed for the safety of the proposed project were not included in the listed criteria; however, the Campustown Urban Revitalization Plan includes a provision for City Council approval of equivalent criteria. The criteria were reviewed by Planner Benson. He also described the maintenance and operational requirements that would be included in agreements to be signed by the owners.

It was noted that there is currently a bar to the south of the proposed project. There is a 12-foot-tall roofed green building, which would deter patrons who are using the raised deck of the bar from throwing things into the pool area of the subject site.

Police Chief Chuck Cychosz said that he had met with the developers of this project, and with the perimeter controls, the screening of the balconies, and commitment to ongoing maintenance, it should have a good positive effect on the facility.

It was pointed out by Council Member Davis that there would be screens on the south side balconies only.

Moved by Szopinski, seconded by Larson, to adopt RESOLUTION NO. 12-271 approving the Remote Parking Agreement.

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

Moved by Goodman, seconded by Larson, to adopt RESOLUTION NO. 12-272 approving eligibility for tax abatement in Campustown Urban Revitalization Area, subject to execution of Restrictive Covenants.

Council Member Davis noted that the facility will be used by only the residents and asked if it met the criteria for commercial space. Steve Osguthorpe, Director of the Planning and Housing Department, said that it did meet the definition in the *Municipal Code*.

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

WELCH AVENUE PARKING LOT T: Traffic Engineer Pregitzer provided the Council with background information concerning the City's leasing Welch Lot T at 209 Welch Avenue from the owner of the Pizza Pit restaurant. The City funded construction of the parking lot in 1992 after a lease was obtained for the property. According to Mr. Pregitzer, the operating revenue from the rental and metered spaces is approximately \$8,600 per year and does not cover the cost of the lease payments and maintenance of the lot, which equate to \$25,319.

Mr. Pregitzer noted that, with the completion of the Intermodal Facility, which will add 384 new parking stalls to the Campustown area, staff was proposing a three-year lease to allow the City to be responsive to potential effects the new facility may have on Campustown parking. According to Mr. Pregitzer, the owner of Lot T prefers a five-year lease. Tom Northrop, owner of Pizza Pit restaurant and Green Book, LLC, explained that he preferred a longer-term lease, but given the fact that the new Intermodal Facility would be finished in June and provide much needed parking, he would be agreeable to a three-year term lease.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 12-273 approving a 3-year lease with Green Book, LLC, for Welch Avenue Parking Lot T.

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

NORTH GROWTH AREA PUBLIC IMPROVEMENTS: City Manager Schainker described the cost breakdown among Quarry Estates, Hunziker, Rose Prairie, and the City.

Moved by Davis, seconded by Orazem, to adopt RESOLUTION NO. 12-274 approving Cost-Sharing Agreements with Quarry Estates, Hunziker, and Rose Prairie.

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

Moved by Davis, seconded by Orazem, to adopt RESOLUTION NO. 12-275 waiving City's policies for solicitation of professional services; awarding a contract to Civil Design Advantage of Grimes, Iowa, in the amount of \$119,756; and approving \$15,000 from savings in previous General Obligation Bond projects for the City's portion of the street design work.

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

FLOOD ACTIONS AND UPDATE/EMERGENCY RESPONSE TIME POLICY: Moved by Davis, seconded by Goodman, to delay the flood actions and update and emergency response time policy.

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

CITY HALL SPACE REUSE PROJECT: Fleet Services Director Paul Hinderaker explained the planned renovations to City Hall. A Homeland Security Grant in the amount of \$600,000 had been secured to help pay for the improvements.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION 12-276 approving preliminary plans and specifications for City Hall Space Reuse Project; setting June 27, 2012, as bid due date and July 10, 2012, as date of public hearing.

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

HEARING ON SOUTHEAST ENTRYWAY PROJECT: Mayor Campbell opened the public hearing. No one came forward to speak, and the Mayor closed the hearing.

Public Works Director Joiner advised that one bid had been submitted; it came in \$100,000 over the engineer's estimate. He reported that staff needed time to research other funding sources.

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

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

HEARING ON ZONING ORDINANCE TEXT AMENDMENT TO ADOPT ALTERNATIVE LANDSCAPING STANDARDS FOR AUTO AND MARINE CRAFT TRADE USES (CONTINUED FROM May 8, 2012):

Moved by Davis, seconded by Goodman, to continue the hearing to June 12, 2012.

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

HEARING ON ORDINANCE INCORPORATING *IOWA CODE* SECTION 317.1A, DEFINING NOXIOUS WEEDS, INTO *MUNICIPAL CODE* AND DECLARING NOXIOUS WEEDS AS A PUBLIC NUISANCE ENFORCEABLE AS A MUNICIPAL INFRACTION:

City Manager Schainker introduced Sara Kramer, Neighborhood Inspector. Ms. Kramer showed pictures of the types of weeds on which the City had received complaints. She showed examples of weeds that are not on the State of Iowa noxious weed list.

Ms. Kramer reviewed statistics on weed complaints received in calendar year 2011. Seventeen (17) of the 56 complaints received were found to have unmowed grass, but no violation of the State's noxious weed standards had occurred.

The public hearing was opened by the Mayor. She closed same after no one asked to speak.

Moved by Goodman, seconded by Szopinski, to pass on first reading an ordinance incorporating *Iowa Code* Section 317.1A, Defining Noxious Weeds into *Municipal Code* and declaring noxious weeds as a public nuisance enforceable as a municipal infraction.

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

HEARING ON FINAL AMENDMENTS TO FISCAL YEAR 2011/12 BUDGET: Finance Director Duane Pitcher summarized the final amendments by fund.

The Mayor opened the public hearing and closed same after no one came forward to speak.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-277 amending the current budget for 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.

REZONING PROPERTY LOCATED AT 3799 CEDAR LANE: Moved by Davis, seconded by Larson, to pass on second reading an ordinance rezoning property located at 3799 Cedar Lane from Planned Residence District (F-PRD) to Government/Airport (S-GA).

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

ORDINANCE TO ADD AN EXCEPTION FOR STRIPING OF PARKING SPACES DESIGNATED FOR OUTDOOR DISPLAY OF VEHICLES FOR SALE OR LEASE:

Moved by Goodman, seconded by Davis, to pass on second reading an ordinance to add an exception for striping of parking spaces designated for outdoor display of vehicles for sale or lease.

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

ORDINANCE TO ADOPT PROVISIONS FOR INTEGRATED SITE PLAN SUBDIVISIONS: Moved by Goodman, seconded by Davis, to pass on second reading an ordinance to adopt provisions for integrated site plan subdivisions.
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE ESTABLISHING PARKING REGULATIONS FOR TIMBER RIDGE DRIVE: Moved by Goodman, seconded by Davis, to pass on second reading an ordinance establishing parking regulations for Timber Ridge Drive.
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE ADOPTING WATER AND SEWER RATES: Moved by Goodman, seconded by Larson, to pass on third reading and adopt ORDINANCE NO. 4112 adopting water and sewer rates.
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

ORDINANCE INCREASING ILLEGAL PARKING FINES AND REMOVING REFERENCES TO COINS IN THE FORM OF PAYMENT FOR PARKING METERS:
Moved by Goodman, seconded by Larson, to pass on third reading and adopt ORDINANCE NO. 4113 increasing illegal parking fines and removing all references to coins in the form of payment for parking meters.
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

COUNCIL COMMENTS: Moved by Davis, seconded by Goodman, to refer to staff the letter from the Rassmussen Group dated May 18, 2012, requesting waivers from subdivision regulations.
Vote on Motion: 6-0. Motion declared carried unanimously.

Council Member Larson asked for a memo from staff laying out the time line for the referrals concerning annexation of land at the Oaks Golf Course and land along George Washington Carver.

Moved by Szopinski, seconded by Orazem, to refer to staff the letter from Campustown Action Association dated May 16, 2012, requesting changes to the Ordinance pertaining to sidewalk cafes.
Vote on Motion: 6-0. Motion declared carried unanimously.

ADJOURNMENT: Moved by Davis to adjourn the meeting at 11:28 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor



REPORT OF CONTRACT CHANGE ORDERS

Period:	<input type="checkbox"/>	1 st – 15 th
	<input checked="" type="checkbox"/>	16 th – end of month
Month and year:	May 2012	
For City Council date:	June 12, 2012	

Department	General Description of Contract	Contract Change No.	Original Contract Amount	Contractor/ Vendor	Total of Prior Change Orders	Amount this Change Order	Change Approved By	Purchasing Contact Person/Buyer
Water & Pollution Control	Well Rehabilitation Project	2	\$54,460.00	Northway Corporation	\$2,201.30	\$1,770.35	J. Dunn	MA
Transit	Ames Intermodal Facility	34	\$7,115,000.00	The Weitz Company LLC	\$166,164.77	\$1,658.00	S. Kyras	MA
Transit	Ames Intermodal Facility	35	\$7,115,000.00	The Weitz Company LLC	\$167,822.77	\$1,585.30	S. Kyras	MA
Transit	Ames Intermodal Facility	36	\$7,115,000.00	The Weitz Company LLC	\$169,408.07	\$0.00 Cast Stone Benches	S. Kyras	MA
Transit	Ames Intermodal Facility	38	\$7,115,000.00	The Weitz Company LLC	\$222,408.07	\$14,532.00	S. Kyras	MA
			\$		\$	\$		

MINUTES OF THE AMES CIVIL SERVICE COMMISSION

AMES, IOWA

MAY 24, 2012

The Ames Civil Service Commission met in regular session at 8:15 a.m. on May 24, 2012, in the Council Chambers of City Hall, 515 Clark Avenue, with Commission Members Adams and Shaffer present. Commission Member Crum was absent. Also in attendance was Director of Human Resources Julie Huisman.

APPROVAL OF MINUTES: Moved by Shaffer, seconded by Adams, to approve the minutes of the April 26, 2012, Civil Service Commission meeting as written.

Vote on Motion: 2-0. Motion declared carried unanimously.

REQUEST TO ABOLISH ELECTRIC LINeworker CERTIFIED ENTRY-LEVEL LIST:

Moved by Shaffer, seconded by Adams, to abolish the current Electric Lineworker certified entry-level list.

Vote on Motion: 2-0. Motion declared carried unanimously.

CERTIFICATION OF ENTRY-LEVEL APPLICANTS: Moved by Shaffer, seconded by Adams, to certify the following individuals to the Ames City Council as entry-level applicants:

Electric Lineworker:	Chad Hergenrader	73
	Seth Reimer	70

Vote on Motion: 2-0. Motion declared carried unanimously.

COMMENTS: The next regularly scheduled Civil Service Commission meeting was set for June 28, 2012, at 8:15 a.m.

ADJOURNMENT: The meeting adjourned at 8:16 a.m.

Terry Adams, Chair

Jill Ripperger, Recording Secretary



Memo

Police Department

5a-g

TO: Mayor Ann Campbell and Ames City Council Members

FROM: Commander Geoff Huff – Ames Police Department

DATE: May 22, 2012

SUBJECT: Beer Permits & Liquor License Renewal Reference City Council Agenda
June 12, 2012

The Council agenda for June 12, 2012, includes beer permits and liquor license renewals for:

1. Class E Liquor, C Beer, & B Wine – Kum & Go #200, 4510 Mortensen Road
2. Class E Liquor, C Beer, & B Wine – Kum & Go #214, 111 Duff Avenue
3. Class E Liquor, C Beer, & B Wine – Kum & Go #215, 4506 Lincoln Way
4. Class E Liquor, C Beer, & B Wine – Kum & Go #216, 203 Welch Avenue
5. Class E Liquor, C Beer, and B Wine – AJ's Liquor, 4518 Mortensen #109
6. Class E Liquor – MMDG Spirits, 126A Welch Avenue
7. Special Class C Liquor – Hickory Park, 1404 South Duff Avenue

A routine check of police records found no violations for any of the establishments. The police department would recommend renewal of all seven establishments.



Memo

Mayor's Office

6

TO: Members of the City Council

FROM: Ann H. Campbell, Mayor

DATE: June 8, 2012

SUBJECT: Appointments to Library Board of Trustees

As you will recall, the City Council recently adopted an ordinance that implements changes to the term commencement date for the Library Board of Trustees from July 1 to April 1. This change is to take effect on July 1, 2012.

The Ames Public Library is the only City department where the term of the trustees begins on July 1. In February 2012, the Library Board unanimously agreed that in order to attract as many qualified citizens for trustee positions, it would be advantageous to draw candidates from the same pool of individuals applying for other City boards and commissions.

There are three terms of office that expire July 1; therefore, appointments need to be made to fill these positions. Two trustees, Harry Budd and Sherry Meier, have indicated their interest in being reappointed to the Library Board. Dudley Luckett has informed me that he no longer wishes to serve in this capacity. I have referred to applications on file from our annual boards and commissions recruitment, and I have selected Jane Acker to fill this term of office.

I request that the City Council approve the reappointment of Harry Budd and Sherry Meier and the appointment of Jane Acker to three-year terms of office on the Library Board of Trustees expiring April 1, 2015.

AHC/jlr

RESOLUTION NO. _____

A RESOLUTION ADOPTING NEW AND REVISED FEES FOR THE CITY OF AMES, IOWA

BE IT RESOLVED by the City Council for the City of Ames, Iowa, that the following fees shall be adopted or adjusted to recover the approximate actual costs of city services from those who use and benefit from these services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ames, Iowa, that fees shall be adopted as follows:

SECTION ONE. The following Animal Shelter Service Fees are hereby adopted or adjusted effective July 1, 2012, and codified as Appendix E:

FEES FOR ANIMAL SHELTER SERVICE

Impound Fees (release to owner):

1st time	\$25.00
2nd & Subsequent times	\$30.00

Putting Animals up for adoption:

Adult dogs, residents	\$15.00
Adult cats, residents	\$10.00
Puppies & kittens, singles	\$10.00
Puppies & kittens, multiples	\$7.00

Adoption of Animals:

Pure Breed (unaltered)	\$80.00
Dogs	\$50.00
Refund after neutering, dogs	\$30.00
Cats	\$40.00
Refund after neutering, cats	\$25.00
Ferrets	\$40.00
Rabbits and other small domestics	\$10.00

Permit Fee:

Any permit required by state or local law including dangerous animal, traveling wildlife, menageries, shows, petty zoos or exhibitor fees	\$36.00
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Animal Shelter Boarding Fees:

Per day	\$3.50
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Fee waivers for special needs adoptions, overcrowding or emergency shelter services are approved by the Animal Control Supervisor by authority of the City Council.

Adoption Fees are waived for Senior Citizens.

If an animal, due to it's rare breed would bring a fair market value which far exceeds the fees listed in the rare animal fee schedule then the animal control staff of the City of Ames, Iowa, is authorized to charge that fair market fee for both putting up for adoption and adoption fees. The animal control staff must research the fee that they feel should be charged for a very rare breed of animal and document how the figure was arrived at.

SECTION TWO. The following Public Works Fees are hereby adopted or adjusted effective July 1, 2012, and codified as Appendix F:

SOLID WASTE RULES AND REGULATIONS

1. No liquids, animals, hazardous or toxic waste, or demolition material will be accepted at the Arnold O. Chantland Resource Recovery Center except motor oil that is delivered to the Arnold O. Chantland Resource Recovery Center in separate containers. All containers, except for motor oil, must be open.
2. Per Capita Charge \$9.10
3. Delivery charges at the Arnold O. Chantland Recovery Center shall be:
 - a. Vehicles through the meter gate:

Passenger cars, each	\$8.00
Pickup, vans or vehicles towing trailers, each	\$22.00
 - b. Commercial charge customers through the scales:

All vehicles, including those of licensed refuse haulers, per ton (Minimum charge one ton)	\$52.75
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 - c. Non Per Capita Rate, per ton \$57.00
 - d. Out of County rate, per ton \$114.00
 - e. Tires*:

16" or smaller	\$2.25
16.5" - 24" truck tires and farm front skid steer tires	\$9.00
Sand box tire or farm tractor tire	\$38.00
*Any tire on a rim, the actual tire disposal charge plus for rim	\$5.00
 - f. Iowa State University, other State and Federal agencies

A proportional share by weight on the system cost or as provided by contract	
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 - g. Motorized white goods, including refrigerator, freezers, washing
machines, dryers, air conditioners and microwave ovens, each \$20.00
 - h. Waste Oil: First five gallons no charge, then per gallon \$.25

The plant will be closed on the following holidays: New Years Day, President's Day, Memorial Day (Federal designation), Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When the holiday falls on Sunday the following day will be observed.

MISCELLANEOUS FEES

1. **SIDEWALK CLEARING** shall be the actual cost plus a \$50.00 administrative fee.
2. **CURB OPENINGS.**
 - a. A charge of fifty dollars (\$50.00) per opening shall be made for all applications for residential curb openings or changes in width or location of any existing residential access drive.
 - b. A charge of fifty dollars (\$50.00) shall be made for all applications for commercial or industrial curb cuts, openings or access permits and any application for any type of curb opening or access permit to a primary highway.
3. **SIDEWALKS.**
 - a. A charge of fifty dollars (\$50.00) per single frontage property shall be made for all applications for new sidewalk installation.
 - b. A charge of seventy-five (\$75.00) per property having two or more frontages shall be made for all applications for new sidewalk installation.
4. **DRIVEWAY CULVERT INSTALLATION.** Driveway culverts shall be furnished and installed by and remain the property of the City. The owner of the property to which access is provided by the culvert shall be charged a fee of twenty dollars and fifty cents (\$20.50) per lineal foot of culvert used.

5. **PLAN FEES.** One set of bidding documents is available without charge to prospective bidders, subcontractor bidders, suppliers, and contractor plan room services. For all others, Plan Fees shall be the actual cost of printing plus a \$15.00 administrative fee.

6. **ENGINEERING FEES**

- a. Graphical Printing
 - Labor, per hour (minimum one-quarter hour charge) \$25.00
 - Paper, 8 ½" x 11" (black & white) \$.25
 - Paper, 11" x 17" (black & white) \$.50
 - Paper, 8 ½" x 11" (color map) \$2.50
 - Paper, 11"x 17" (color map) \$5.00
 - Plots, per sq. ft. (black & white, line drawing) \$1.25
 - Plots, per sq. ft. (color map) \$2.50
- b. Geographic Information System (GIS) data
 - Labor, per hour (minimum one-quarter hour charge) \$25.00
 - 2 ft. contours, per acre \$1.50
 - Planimetrics, per acre \$.60
- c. Sewer connection (8" sewer), per lineal foot \$18.00
- d. Water service connection (8" main), per lineal foot \$18.00
(with a minimum charge of \$650.00 per lot or land parcel)
- e. Construction inspection only shall be actual costs.

SECTION THREE. The following Public Safety - Police Fees are hereby adopted or adjusted effective July 1, 2012, and codified as Appendix M:

PUBLIC SAFETY - POLICE FEES

Accident, Verification of Loss and other

Police Reports	\$3.00 per incident
Overtime Payback and Event/Escort Service (per hour)	\$47.00
Community Safety Officer Event/Escort Service (per hour)	\$20.00
False Alarm Fee – After three times	\$30.00
Process Service Fee	\$20.00
Service fee for Service of Warrant	\$20.00
Non-criminal fingerprinting fee	\$10.00
Criminal History Check	\$2.00 per person checked
Booking Photo/Other Photo	\$3.00
Parking Collection Fee	\$5.00
Copying of Public Record	\$0.10 per page

Car/Booking/Other Video (VHS or Digital) or Audio Recordings shall be charged at actual cost. Actual cost shall be defined as the time spent on the specific recording plus the cost of the media.

SECTION FOUR. The following Ames Public Library Fees are hereby adopted or adjusted effective July 1, 2012, and codified as Appendix T:

LIBRARY FEES & CHARGES

Fines

General Collection Books and Other Materials:

Daily Fine, All items	\$.25
Maximum Fine (All items except magazines)	\$10.00
Maximum Fine: Magazines	\$2.00

Youth and Young Adult Books and Other Materials:

Daily Fine, All items	\$.25
Maximum Fine (except Parenting Packs and Read-Abouts)	\$2.00
Maximum Fine for Parenting Packs and Read-Abouts	\$10.00

Standard Fees for Damaged or Lost Materials

Replacement Borrower's Card	\$1.00
Adult and Youth Materials (except magazines)	Cost of item
Magazines	\$5.00
Plastic Bag for toys, kits, etc	\$2.00
Media Packaging (CD or DVD "jewel cases")	\$5.00
Map inserts in travel books	\$2.00
Liner Notes from CD or DVD	\$5.00
CD insert in book	\$10.00
CD within an audio-book	\$10.00
Item from Read-About Bag	\$15.00
Laminated page from Read-About Bag (per page)	\$1.50
Item from Storytelling Kit	Cost of item
Puzzle piece	Cost of item
Processing Fee for lost or irreparably damaged items	\$5.00

Other Fees

Photocopy, paper original	\$.10
Computer printer, per page, black & white	\$.10
Computer printer, per page, color	\$.50
Microfilm copy	\$.25
Census microfilm rental (per roll)	Varies
Referral to Debt Collection	\$10.00

SECTION FIVE. The following Water and Pollution Control Fees are hereby adopted or adjusted effective July 1, 2012, and codified as Appendix Q:

WATER AND POLLUTION CONTROL FEES & CHARGES

Water Division

Bulk Water Service	\$0.70/100 gallons
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Water Meter Division *

Meter & Setting Fees - Disc Style	
5/8" or 5/8 " x 3/4" disc	\$205.00
3/4" disc	\$210.00
1" disc	\$240.00
1½" disc	\$570.00
Meter & Setting Fees - Compound Style	
2"	\$1,940.00
3"	\$2,715.00
4"	\$3,455.00
6"	\$4,665.00

Meter & Setting Fees - Turbo Style	
2"	\$1,180.00
3"	\$1,890.00
4"	\$2,650.00
6"	\$3,810.00

Meter & Setting Fees - Misc. Meters	
Larger than 4" or alternative styles	
- to be determined when ordered	
Hydrant Meter**	\$205.00
Frozen/damaged meter	
Construction Meter	\$215.00
Meters 1-1/2" and larger	\$115 trip fee + repairs/replacement
Meters 1" and smaller	\$60.00 trip fee + Depreciated Value

Depreciated Value is a straight line depreciation of the Meter and Setting Fees above, based on length of time meter has been in service.

< 1 year	100%
< 2 years	90%
< 3 years	80%
< 4 years	70%
< 5 years	60%
< 6 years	50%
< 7 years	40%
< 8 years	30%
< 9 years	20%
<10 years	10%
>10 years	\$0

Unauthorized use of water	\$154.75/occurrence
Unmetered use of water	\$2.05/day + \$13.62/month
Resetting fee for unauthorized meter removal	\$ 60.00
Customer requested meter test fee	\$115.00
Service or meter disconnect or reconnect fee	\$ 60.00/trip

* Meter setting fees above include two service trips (one to set the temporary/construction meter, and one to set the permanent meter). A fee of \$60.00 will be charged for additional trips due to unexposed or inoperable curb boxes, incomplete remote wire installations, or other circumstances where the meter installation cannot be completed.

** Hydrant meter fees include the cost to install and remove the meter. Requests to move the meter to a new location will be charged one-half of the hydrant meter fee. Consumption will be billed at the "Irrigation and Yard Water" rate. For usage that covers more than 30 days, the block sizes will be adjusted accordingly.

WPC Division

Waste Hauler Fee - Ames locations*	
Domestic/Residential Waste	\$42.05/load + \$29.35/100 gallons (\$59.27/cubic yard)
Restaurant Grease Traps	\$42.05/load + \$24.93/100 gallons (\$50.35/cubic yard)
Non-Domestic Waste	\$42.05/load + unit rate to be determined

* Non-Ames location surcharge	15%
Unauthorized Sewer Use	\$164.89/occurrence
Unmetered Sewer Use	\$2.12/day + \$14.52/month

High-Strength Surcharge Rates

<u>Parameter</u>	<u>Surcharge Rate</u>
Oxygen Demand	
CBOD ₅	\$0.37/lb.
COD	\$0.14/lb.
Nitrogen	
NH ₃ -N	\$1.35/lb.
TKN	\$0.87/lb.
Solids	
TSS	\$0.57/lb.

Adopted this _____ day of _____, 20____.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor

COUNCIL ACTION FORM

SUBJECT: DEFERRED COMPENSATION PLAN ADMINISTRATOR

BACKGROUND:

The City of Ames is the plan sponsor for an IRS Section 457(b) Employee Deferred Compensation Plan. The plan is fully funded through voluntary employee payroll deductions, with the ICMA Retirement Corporation (ICMA-RC) acting as trustee and plan administrator.

Prior to 2007, ICMA-RC deducted an annual administrative fee from each employee's account balance. The City of Ames and ICMA-RC entered into an agreement to eliminate the annual fees in August of 2007. That agreement is now expiring. ICMA-RC has again offered to eliminate the annual fee provided the City of Ames, and the City will continue with ICMA as a 457(b) plan administrator through June 30, 2017. The agreement may be terminated by either party on sixty days advance notice in writing to the other.

ALTERNATIVES:

1. Approval an agreement with ICMA-RC to act as 457(b) plan administrator through June 30, 2017.
2. Reject the agreement with ICMA-RC.

MANAGER'S RECOMMENDED ACTION:

As Plan Sponsor, the City of Ames has a fiduciary duty to act in the best interest of the plan participants. Eliminating the annual fee provides a substantial savings and enhances the value of the plan to participating employees. This may also create an incentive to increase participation by employees who are not currently enrolled.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving an agreement with ICMA-RC to act as 457(b) plan administrator through June 30, 2017.

**AMENDMENT
TO THE
Administrative Services Agreement
for Plan Number 300253**

This Amendment to the Administrative Services Agreement (“Agreement”) for Plan number 300253 (the “Plan”) is entered by and between City of Ames (“Employer”) and ICMA Retirement Corporation (“ICMA-RC”), effective as of the date of execution by the Employer below (“Execution Date”).

WHEREAS, the Employer sponsors the Plan on behalf of its eligible employees and retirees; and

WHEREAS, the Employer entered the Agreement to engage ICMA-RC to provide administrative services and investments for the Plan under the terms specified in the Agreement; and

WHEREAS, the parties wish to amend the Agreement to provide for the continued elimination of the Plan Administration fee and the Mutual Funds Fee under the Agreement contingent upon ICMA-RC acting as the exclusive provider of administrative and investment services for the Plan over the term of the Agreement and contingent upon the Employer’s use of EZLink for contribution processing over the term of the Agreement and contribution funds are submitted through wire transfer or ACH; and

WHEREAS, Section 10(a) of the Agreement provides that the Agreement may be amended pursuant to a written instrument signed by the parties;

NOW, THEREFORE, the Agreement is hereby amended as follows:

FIRST

The following is added as a new section 3 to the Agreement, and the current provisions of the Agreement are re-numbered accordingly:

Employer agrees that for the initial or succeeding term of this Agreement specified in Section 10, so long as ICMA-RC continues to perform in all material respects the services to be performed by it under this Agreement, Employer shall not obtain plan administration from anyone other than ICMA-RC with the exception of the existing plan administrators during the term of this Agreement. Employer agrees that no new plan administrators may be added.

Employer acknowledges that ICMA-RC has agreed to the compensation to be paid to ICMA-RC under this Agreement in the expectation that ICMA-RC will be

able to offset costs allocable to performing this Agreement with revenues arising from Employer's exclusive use of ICMA-RC at the rates provided herein throughout the initial or succeeding term.

SECOND

Renumbered Section 10 of the Agreement, titled "Term" is amended to provide as follows:

This Agreement shall be in effect and commence on the date all parties have signed and executed this Agreement ("Inception Date"). The term of this Agreement will commence on the Inception Date and extend five (5) years from that date.

Following the initial term of the Agreement, the Agreement may be terminated by either party on sixty days advance notice in writing to the other. The Employer understands and agrees that, in the event the Employer terminates this Agreement (or replaces the VantageTrust PLUS Fund as an investment option in its investment line-up), ICMA-RC retains full discretion to release Plan assets invested in the VantageTrust PLUS Fund in an orderly manner over a period of up to 12 months from the date ICMA-RC receives written notification from the Employer that it has made a final and binding selection of a replacement for ICMA-RC as administrator of the Plan (or a replacement investment option for the VantageTrust PLUS Fund).

If the Agreement is not renewed, ICMA-RC will provide an orderly transition of assets and records to the new record keeper. A transition letter will be provided to the Employer which outlines the process and the responsibilities of ICMA-RC after the transition of assets and records has been completed.

The term amendment specified in section 10 of the Agreement will take effect following the Retirement Corporation's receipt of one fully-executed copy of this Amendment.

In all other respects, the Agreement are hereby ratified and affirmed.

IN WITNESS WHEREOF, Employer has caused this Amendment to be executed by its duly authorized officer this _____ day of _____, 2012.

CITY OF AMES

By: _____

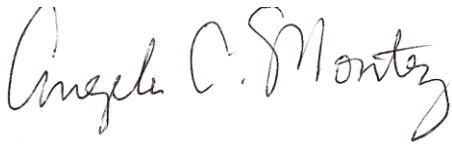
Print Name: _____

Title: _____

APPROVED AS TO FORM

Douglas R. Marek
City Attorney

INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION
RETIREMENT CORPORATION

A handwritten signature in cursive script that reads "Angela C. Montez". The signature is written in dark ink and is positioned above the printed name and title.

By _____
Angela C. Montez
Assistant Corporate Secretary

COUNCIL ACTION FORM

SUBJECT: **ASSET ADMINISTRATIVE SERVICES AGREEMENT**

BACKGROUND:

The ASSET Funders (City of Ames, United Way of Story County, ISU Government of the Student Body, Department of Human Services, and Story County) provide funding for administrative services according to a 28E agreement most recently revised in 2005. ASSET is currently allocated annually \$3,000 (\$600 from each Funder) for printing, postage, and other materials, and \$14,400 (\$2,880 from each Funder) for the contracted administrative assistant. Each year, staff presents the revised negotiated cost for administrative services as part of the City's budget.

The current administrative assistant is retiring. In February, ASSET issued a Request for Qualifications (RFQ) for administrative services. The opening was advertised in the Ames Tribune and on the ASSET website. Three statements of qualification were received. One candidate subsequently withdrew, and the Administrative Team determined that the other two did not have acceptable qualifications. The Administrative Team then decided to extend the RFQ period to seek additional candidates.

Two additional candidates then submitted statements of qualifications. One was Erin Thompson, who also serves as a part-time Principal Clerk in the City Manager's Office. The ASSET Administrative Team interviewed both candidates. The City's representatives recused themselves from the discussion and selection to avoid a conflict of interest. The remaining members of the ASSET Administrative Team made the decision to contract with Ms. Thompson for administrative services in the amount of \$13,000 per year.

After that decision was made, a question was raised regarding a state law provision that prohibits cities from contracting with their own employees except under certain circumstances. To address that concern, the ASSET Administrative Team proposes to amend the ASSET 28E agreement addressing administrative services to specify that United Way of Story County will be responsible for providing administrative services, and that the other Funders will reimburse United Way on a contractual basis for these services. This will satisfy any concerns with the State Code requirement, although all Funders except United Way will lose direct control over the administrative services contract. City staff is confident that United Way will be a responsive and effective administrator of the administrative services contract. This action will have no effect on the Funders' costs of ASSET administrative services.

Attached is the revised ASSET 28E agreement to implement this change. The only change from the current agreement is the insertion of the sentence "The administrative services provided for by this agreement shall be administered by and provided by United Way of Story County on a contract basis" in Section IV.

It should be noted that ASSET's previous two long-serving administrative assistants were also City employees who performed their ASSET duties on a part-time or contractual basis. All of these individuals carried out their ASSET duties in conformance with the City's Personnel Policies and Procedures, which require supervisory approval to ensure that their City responsibilities are not compromised and that a conflict of interest situation is not created.

ALTERNATIVES:

1. Amend the attached ASSET 28E agreement to indicate that United Way of Story County is responsible for providing ASSET Administrative Services.
2. Do not approve the proposed agreement. In this case, the services of a non-City employee will need to be secured.

MANAGER'S RECOMMENDED ACTION:

ASSET's administrative services are critical to providing effective coordination of human services. The Administrative Team believes that amending the 28E agreement to put this responsibility in the hands of United Way is necessary to allow the administrative services provider seen as most qualified by the Funders to be selected within the constraints of existing law.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving an amendment to the ASSET 28E agreement to indicate that United Way of Story County is responsible for providing ASSET Administrative Services.

AMENDED INTERGOVERNMENTAL / AGENCY AGREEMENT
TO FUND ADMINISTRATIVE SERVICES
FOR THE ASSET PROCESS

This agreement is made and entered into by and between Story County, Iowa (hereinafter referred to as County); the City of Ames, Iowa (hereinafter referred to as Ames); United Way of Story County (hereinafter referred to as United Way); Iowa Department of Human Services for Story County (hereinafter referred to as DHS) and the Iowa State University Government of the Student Body (hereinafter referred to as GSB), as indicated by the list and signatures appearing at the end of this agreement. All signing are parties to this agreement (hereinafter referred to as the ASSET Board and/or Joint Funders).

I. AUTHORITY

The parties enter into this Agreement under and by virtue of the powers granted by Chapter 28E, Code of Iowa, 2011.

II. PURPOSE

The purpose of this agreement is to fund a contract for administrative services to support the ASSET Board and its sub-committees to conduct the business of the ASSET Board.

III. ENTITY ESTABLISHED

No entity is established.

IV. ADMINISTRATION

This agreement shall be administered by the contracting party and the signing members of the ASSET Board. The administrative services provided for by this agreement shall be administered by and provided by United Way of Story County on a contract basis.

V. FINANCING

Each ASSET Board signing member shall contribute equally to the contract to fund the yearly expense for administrative services.

VI. INDEMNIFICATION

Each party shall be responsible to the others only for the amount of their agreed to share of the yearly contract for administrative services undertaken pursuant to the provision of this agreement.

VII. DURATION OF THE AGREEMENT

The duration of the agreement shall be perpetual until dissolution pursuant to the separately adopted by-laws of the ASSET Board.

VIII. TERMINATION

Termination of this agreement shall be pursuant to the separately adopted by-laws of the ASSET Board.

IX. EFFECTIVE DATE

This agreement shall be effective upon its execution by the County, Ames, United Way, DHS, and GSB upon filing of a signed copy with the Story County Recorder's Office and with the Iowa Secretary of State.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the days and dates set forth below.

STORY COUNTY, IOWA

Attest:

Chairperson, Story County
Board of Supervisors

Story County Auditor

Date _____

CITY OF AMES, IOWA

Attest:

Mayor

City Clerk

Date: _____

UNITED WAY OF STORY COUNTY

Attest:

Director

Executive Secretary

Date _____

IOWA DEPARTMENT OF HUMAN
SERVICES, STORY COUNTY

Attest:

Director

Staff

Date: _____

IOWA STATE UNIVERSITY
GOVERNMENT OF THE STUDENT
BODY

Attest:

President

Secretary

Date: _____

COUNCIL ACTION FORM

SUBJECT: 2010/11 AIRPORT IMPROVEMENTS (ENGINEERING SERVICES)

BACKGROUND:

This project is shown under the Airport Improvements program of the 2010/11 Capital Improvements Plan (CIP). It will provide for the rehabilitation of the West Apron. This is the paved staging area west of the Terminal Building and east of Runway Approach 13.

In selecting a design firm, staff followed a qualifications-based selection process as specified by the federal government. It should be noted that the FAA process prohibits the respective jurisdiction from requesting costs during the selection process, and only after the top firm is identified can an estimated fee be generated. The following firms submitted statements of qualifications and received averaged scores out of 100:

Engineering Firm	Av. Score
Bolton & Menk	90.0
Fox Engineering	88.3
CGA	83.3
McClure	80.3
AECOM	79.0
Snyder & Associates	75.3

Bolton & Menk Consulting Engineers of Ames, Iowa, is being recommended to complete the construction phase for the 2010/11 Airport Improvements project. The contract will include construction observation, material testing, project reporting, and final closeout in accordance with all applicable Federal Aviation Administration (FAA) standards. The contract is in an amount not to exceed \$185,479.

The apron rehabilitation project is funded as part of the 2010/11 CIP with local match funding from the Airport Construction Fund. The contract for the construction phase of the project has already been awarded to Godberson-Smith Construction Co. of Ida Grove, Iowa, subject to award of the FAA grant. That construction contract is for \$1,256,501 which, along with the \$185,479 for this construction observation contract, bring the total project cost to \$1,441,980.

An agreement with the FAA will be requested to fund the project with local funds in the amount of \$144,198 (10%) and a FAA Airport Improvement Program Grant (90%) in the amount of \$1,297,782. In order to cover the local match requirement of 10%, the \$144,198 will come from the City's Airport Construction Fund, from which the maximum available funds for this project are estimated at \$150,480 in the 2011/12 fiscal year.

ALTERNATIVES:

1. Approve the engineering services contract with Bolton & Menk Consulting Engineers of Ames, Iowa, for the 2010/11 Airport Improvements (West Apron Rehabilitation) in an amount not to exceed \$185,479 from the sources identified above, contingent upon the receipt of the FAA grant.
2. Reject the engineering services agreement and direct staff to pursue other design options.

MANAGER'S RECOMMENDED ACTION:

Approving this contract for the construction phase of this project will help ensure the ongoing safety and efficient operation of the Ames Municipal Airport.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the engineering services contract with Bolton & Menk Consulting Engineers of Ames, Iowa, for the 2010/11 Airport Improvements (West Apron Rehabilitation) in an amount not to exceed \$185,479 from the sources identified above, contingent upon the receipt of the FAA grant.

COUNCIL ACTION FORM

SUBJECT: INTERMODAL FACILITY TENANT LEASE WITH JEFFERSON PARTNERS, INC. D/B/A JEFFERSON LINES

BACKGROUND:

Under the Council approved Intermodal Facility operating agreement between the City and Iowa State University, CyRide staff is to negotiate tenant leases for the terminal area of the building. Over the last six months, staff has worked with the Federal Transit Administration, City legal staff, and transportation carriers to develop these agreements.

After moving throughout the community several times in the past four years, Jefferson Lines and Burlington Trailways currently pick up/drop off customers within Ames at the Memorial Union. With the completion of the Intermodal Facility, both carriers have indicated an interest in relocating to the new facility under a lease/sublease arrangement. In preparing for this location transfer, a Jefferson Lines lease agreement was developed to document the terms of their use and, under separate arrangements with Burlington Trailways for co-use of office space the new facility. The City of Ames arrangement is with Jefferson Lines only, and mirrors the agreement approved by City Council on May 22 with Executive Express and is generally described below.

1. Basic Provisions –

- Official designation of the parties to the agreement
- Definition of exclusive and common areas as well as the address and suite number
- Facility is available 24/7
- Lease starts on July 1, 2012 and expires June 30, 2013 with the renewal option of two additional years. Discussions regarding the renewal would start in January of each year.
- \$900 per month lease rate plus utilities with Producer's Price Index used to calculate the increase if renewals are desired. Rent would be paid to ISU's Parking Division Manager.

2. Premises – That the estimated square footage determines the rent, that the tenant is responsible for furnishings and that alterations must be approved by ISU's Parking Division Manager.

3. Term - Original year plus two extensions are possible. If extensions are taken, all original terms of the agreement still are in force.

4. Representations and Warranties -

- CyRide/City of Ames is the sole owner of the facility and has the right to enter into the agreement
- That there are no planned widening of streets in the vicinity
- That there is no condemnation, eminent domain issues, lawsuits or mechanical problems with the facility and that there are no other agreements that would impact their business.

5. Use –

- That they will use the facility for its intended purpose
- That there are no hazardous materials, asbestos or environmental issues that would impact their business
- That it will comply with any future laws that impact use of the space
- That it will provide documents as requested within 10 days after receipt
- That it will notify CyRide if there is any pending legal action against their Company
- It will enter the facility from Sheldon Ave. and exit on Hayward Ave. to Lincolnway

6. Maintenance and Repairs: Improvements, Additions and Alterations –

Jefferson Lines will keep the facility clean and orderly, that it will repair, at its cost, any damage created by its employees or customers.

7. Insurance and Indemnity –

- CyRide/City of Ames is insured against all risk for full replacement cost
- Jefferson Lines will have a comprehensive general liability policy for its premises of single limit liability of \$1 million per occurrence, provide a certificate of insurance to CyRide and a new one upon its expiration, and that, not maintaining this insurance is a material default of the contract
- Each party indemnifies the other for actions of negligence or wrongful acts of its employees and that Jefferson Lines/CyRide will provide their own legal counsel to defend against a claim filed against their firm/agency.
- Each party agrees to discharge the other from claims, losses and liabilities covered under third party insurance. This provision delineates the situations under which this could occur.
- Jefferson Lines can self-insure for auto and general liability, workers compensation, and property damage. The agreement lists the amounts required for a self-insurance retention.

8. Damage or Destruction – If the facility is damaged or destroyed, Jefferson Lines will repair or restore the premises with reasonable promptness and diligence. Rent will be abated during this time period. If CyRide does not start repairs within 30 days or is not completed within 90 days, the lease can be terminated.

9. Real Property Taxes – CyRide will pay any real estate taxes due.

10. **Assignment and Subletting** – Jefferson Lines may not sublease the space without written approval from CyRide and can only be subleased to an Over-The Road carrier.
11. **Default; Breach; Remedies** –
- Lists events that would constitute a default: Non-payment of rent, not abiding by lease agreement, subleasing space without approval, receivership, seizure of assets, liens.
 - CyRide has the right to remove Jefferson Lines's property; control the leased space and can relet the space.
 - CyRide defaults if, upon notice by the Jefferson Lines, it fails to meet any terms of the contract within 30 days unless the remedy would take longer than 30 days.
- The contract lists the remedies for the tenant – cure the default itself and deduct cost from rent or terminate the lease.
12. **Severability** – The invalidity of a lease provision does not affect the remainder of the contract.
13. **Conditions Precedent** – Contract obligations do not start until CyRide receives a certificate of occupancy. If this is not received by August 1, 2012, Jefferson Lines can terminate the contract.
14. **Time of Essence** – Contract obligations must be addressed as quickly as possible.
15. **Rent Defined** – All monetary obligations in the contract are defined as rent.
16. **No Prior or Other Agreements** – The contract is the entire agreement.
17. **Notices** – All notices to either party must be in writing and delivered to the individuals identified in the agreement.
18. **Waivers** – If CyRide waives a default of the contract, this does not mean other defaults are waived. Also, acceptance of rent does not waive the default.
19. **Holdover** – If the contract expires and tenant remains, a month-to-month rent can be charged.
20. **Cumulative Remedies** – Remedies can be cumulative.
21. **Covenants and Conditions** – All contract provisions are both covenant and conditions.
22. **Binding Effect; Choice of Law** – Binding on all successors or representatives and any possible litigation will be in Story County.

23. **Attorney's Fees** – If litigation occurs, the prevailing party is entitled to reasonable attorney's fees.
24. **Landlord's Access; Repairs** – CyRide or ISU Parking Division can enter Jefferson Lines's space for reasons listed.
25. **Signs** – Jefferson Lines can put signs in the facility with permission of CyRide.
26. **Quiet Possession** – If Jefferson Lines abides by the terms of the contract, CyRide will not interfere with its business.
27. **Performance Under Protest** – Jefferson Lines can pay rent under protest and file suit to recover the full amount.
28. **Authority** – Jefferson Lines confirms that its representative is authorized to sign the lease.
29. **Conflict** – Handwritten/typewritten changes prevail over the printed version of the contract.
30. **Offer** – The contract is not binding until all parties have signed the agreement.
31. **Amendments** – Requires written amendments with all parties signing.
32. **Multiple Parties** – If more than one contact is identified for a party, the actions of one bind the other.
33. **No Interpretation Against Drafter** – It is a legally binding document and each party has consulted with legal counsel; however, CyRide's crafting of the contract provisions does not mean that it is binding and an attorney has drafted its terms.

The agreement has been reviewed and approved by the City Attorney's Office and Risk Manager, Jefferson Lines legal counsel, and the Federal Transit Administration's (FTA) legal counsel.

The 2012-2013 operating budget for the facility includes \$900/month in revenue from leased space in the terminal building. The lease rate contained in this agreement is based upon market rates for office/garage space within Ames and, for the square footage that will be occupied by Jefferson Lines, totals \$900 per month.

With the facility scheduled to be substantially completed prior to June 9th with landscaping, punch list items and LEED commissioning to be completed after that date, a July 1, 2012 lease date was established for tenants.

ALTERNATIVES:

1. Approve the Ames Intermodal Facility Commercial Tenant Lease with Jefferson Partners, L.P., d/b/a Jefferson Lines.
2. Direct staff to renegotiate a lease with Jefferson Partners d/b/a Jefferson Lines with Council direction on items to be renegotiated.
3. Do not approve a lease with Jefferson Partners d/b/a Jefferson Lines for space within the Ames Intermodal Facility.

MANAGER'S RECOMMENDED ACTION:

The lease with Jefferson Lines will allow for this important transportation service to be housed with other transportation services provided within the Ames community. This co-location will allow for coordinated transportation services for residents and visitors to the community.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a lease with Jefferson Partners d/b/a Jefferson Lines for use of the Ames Intermodal Facility's bus terminal.

COUNCIL ACTION FORM

**SUBJECT: RENEWAL OF GROUP LIFE AND LONG-TERM DISABILITY
INSURANCE COVERAGE**

BACKGROUND:

National Insurance Services (NIS) has provided the City's employee benefits for Group Life and Long Term Disability (LTD) insurance since 2003. They are the managing general agent and administrator for a group program which covers numerous public sector accounts, including the City. The Life and LTD program for the City and other public entities is underwritten by Madison National Life Insurance Company.

These two policy renewals were last approved by the Council for three-year terms from July 1, 2009 through June 30, 2012. Last year, on July 22, 2011, we received notification that because of the City's overall favorable claims experience, even though we were three weeks into the third year of the three year program, the insurer was decreasing our rates by 15.25% for the Group Life coverage and 4.8% for the Long Term Disability coverage, retroactive to July 1, 2011. Additionally, Madison National offered to guarantee these reduced rates through June 30, 2014.

Besides the rate reductions, NIS and Madison National have provided responsive administrative support and excellent claims service, which are very important factors to consider in evaluating this type of group insurance program.

Madison National is proposing to maintain the existing coverages, with the newly guaranteed rates, through June 30, 2014 as shown below:

--The reduced rate for Basic Life (with Accidental Death & Dismemberment) is \$0.20 per \$1,000 of coverage per month (was \$0.236). This represents a 15.25% decrease, or \$10,398 annual savings over previous rates.

--The reduced rate for Long-Term Disability (LTD) is \$0.595 per \$100 of covered payroll (was \$0.625). This represents a 4.8% decrease, or \$6,993 annual savings over previous rates.

--As shown in the table below, the combined financial impact of NIS' rate reductions amounts to \$17,391 annual savings (8.1% combined percentage) over the previous 2009 – 2011 rates.

<i>Combined Life and LTD Rate Reductions: Impact on Annual Premium</i>			
<u>Term</u>	<u>Life Premium**</u>	<u>LTD Premium</u>	<u>Combined</u>
7/1/2009 – 6/30/2011	\$ 68,166	\$ 145,692	\$ 213,858
7/1/2011 – 6/30/2014*	\$ 57,768	\$ 138,699	\$196,467
Annual Savings	\$ 10,398	\$ 6,993	\$ 17,391
Per Cent Reduction	15.25%	4.8%	8.1%

ALTERNATIVES:

1. Accept the proposal from National Insurance Services for continuing the current group life and long-term disability policies with rates guaranteed for the period July 1, 2012 through June 30, 2014.
2. Reject the National Insurance Services proposal and direct staff to seek other proposals for these coverages.

MANAGER'S RECOMMENDED ACTION:

Because of the excellent service currently being provided, as well as the rate reductions that are guaranteed for the next two years, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1. This alternative will approve the proposal from National Insurance Services to continue the current program of group life, voluntary life, and long-term disability insurance for the period July 1, 2012 through June 30, 2014.

COUNCIL ACTION FORM

SUBJECT: SAFETY AND TRAINING SERVICES CONTRACT

BACKGROUND:

The FY 2012/13 Risk Management Program operating budget for safety training includes \$162,413 for outside professional services for safety program development (\$85,413), safety training (\$52,000) and Occupational Safety and Health Administration (OSHA) compliance support for City departments (\$25,000). The Iowa Association of Municipal Utilities (IAMU) has provided these services for the City for the past eight years. IAMU's knowledge and expertise in OSHA compliance and safety training continues to provide appropriate assistance to our water and electric utilities and to the City's other operating departments.

The proposed contract extension with IAMU calls for a continuation of safety program development, training and compliance support for City departments during FY 2012/13 at a cost not to exceed the approved budget amount of \$162,413. This is the same amount as the expiring 2011/12 agreement.

A few of the significant accomplishments of this program during the past year include increasing Ames-specific information in the training courses, rolling out of training and process improvements for injury reporting, delivery of workstation ergonomic assistance to administrative employees, and accessing on-line City claims data to identify and correct problem injury areas.

ALTERNATIVES:

1. Approve a contract with the IAMU to continue the City's program of safety and training professional services during FY 2012/13 at a cost not to exceed \$162,413.
2. Reject the IAMU proposed contract and direct staff to seek proposals from other providers of these services.
3. Do not contract with an outside organization to provide safety compliance and training services and assign internal staff to provide the required programs and services. Given current workloads, however, it will not be possible to accomplish these tasks with existing staff in an appropriate time frame.

MANAGER'S RECOMMENDED ACTION:

The IAMU has demonstrated that it can partner with the City and leverage its own OSHA expertise and knowledge of City operations to deploy safety services that benefit the City's departments and employees. They also help ensure that the City stays current with industry trends and regulations. The FY 2012/13 services in this contract are part of our ongoing risk management program to provide a safe and compliant workplace throughout the City and to control the cost of workers compensation claims.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the contract with the Iowa Association of Municipal Utilities for safety compliance and training professional services during FY 2012/13 at a cost not to exceed \$162,413.

Staff Report

PUBLIC ART COMMISSION MEMBERSHIP MODIFICATION

June 12, 2012

BACKGROUND:

The Public Art Commission (PAC) is by far the largest City board or commission, with a membership of 16. The PAC has organized itself into a number of functional work committees to carry out its work. At present, only 14 of the Commission's positions are filled.

Over the past two years, the Mayor has had a continual challenge identifying and appointing the last one or two members of this commission. In April, the PAC's two co-chairs met with the Mayor to discuss this dilemma. They agreed that down-sizing the Commission to 14 would not substantially reduce the Commission's capacity to carry out its work.

The membership of this Commission was set by Council resolution, and can be modified in the same way. One of the two positions currently vacant is the "one year" appointment originally intended to be filled by an ISU student. In order to preserve that appointment opportunity for future years, one of the existing, 3-year appointees could be shifted into the open 1-year opening. Steve Kawaler is currently filling the third year of his second 3-year term, and is thus ineligible for further reappointment. If his appointment is shifted to the 1-year position, the PAC's membership can be reduced to 14 at this time without any current member losing his or her position.

The Public Art Commission expressed support for this membership reduction and transition plan at its June 6th meeting. Steve Kawaler has also expressed support for the change in his PAC appointment.

NEXT STEPS

Should Council agree that these changes are appropriate, Steve Kawaler's appointment should be changed from a three-year term to a one-year term that will expire on April 1, 2013, and the number of three-year positions on the PAC should be reduced from 16 to 14. These changes can be accomplished by passage of a Council resolution.

Staff Report

ACQUISITION FUNDING FOR *TOPOGRAPHICAL ILLUSION II* ARTWORK

June 12, 2012

BACKGROUND:

In December, 2009, the City Council authorized an agreement with Priscilla Sage to acquire two matching sculptures for the Municipal Auditorium. Based upon the recommendation of the Public Art Commission (PAC), the first sculpture, *Topographical Illusion I*, was purchased outright for \$8,000; while the second sculpture, *Topographical Illusion II*, would be purchased in January 2012, subject to the PAC raising another \$8,000 in donations.

Since the PAC's fund-raising efforts only generated \$1,500, they brought this situation to the Council's attention on May 8th. At that time, Council directed the PAC to identify \$6,500 in funding from either its 2011/12 or 2012/13 budget allocations to complete this purchase.

On June 6th, the PAC carefully reviewed the budgetary status of its various programs and identified savings in the current year's budget allocation to cover this \$6,500 expense. These savings came from the archive maintenance, education, operations, public relations and fundraising programs. With these savings, it will now be possible to proceed with acquisition of *Topographical Illusion II* prior to the end of this fiscal year.

NEXT STEPS:

Assuming Council agrees with this recommendation, staff should be directed to utilize the \$1,500 in artwork donations and \$6,500 in PAC budget savings to complete the purchase of *Topographical Illusion II*.

COUNCIL ACTION FORM

SUBJECT: **SALE OF POLICE DEPARTMENT RIFLES**

BACKGROUND:

The Police Department is in the process of replacing four rifles used by the department's marksman team with new weapons. Both the old and the new rifles have a telescopic sight that is matched to the rifle. The older rifles, made by Remington, were originally purchased in groups of two. The first two were purchased in 1998 and the second two were purchased in 2003. The Remington rifles are tactical weapons that have reached a point where they have fired over 3,000 rounds and replacement is appropriate. Critical parts do wear out and new technologies have improved the performance of both rifles and scopes.

In the past, the Council has allowed officers to purchase older weapons for fair market value as the weapons go out of service. In 2002, when the department removed all revolvers from service, the Council allowed officers to purchase those handguns. Many had been carried for years by the officers who purchased the guns. Similarly, the department has been granted permission to allow each retiring officer to purchase his or her duty weapon as he or she leaves employment.

In this case, the department proposes that the four Remington rifles be sold to current police officers at fair market value as part of the replacement process. All state and federal firearms sale requirements would be followed and proceeds of the sale would be used to offset the purchase price of the new weapons.

As proposed, the sale of these weapons to police officers has two potential benefits. The weapon is sold to someone who agrees to keep it for an extended period (seven years), avoiding concerns about who eventually takes possession of a tactical weapon. An additional benefit accrues in that it allows the purchasing officer to continue to train with a tactical weapon which reinforces their shooting skills.

The City's purchasing policies on disposal of property do not specifically address the issue of disposing of tactical weapons. The department has worked through the process of getting bids for the new rifles. As part of that process, the department investigated the possibility of trading-in or otherwise disposing the older rifles. The Remington rifle could be traded-in or sold to a licensed firearms dealer.

Because the bidding process for the new rifles included a trade-in price, this has helped establish a value for these Remington rifles. The pricing is as follows:

<u>Supplier</u>	<u>Total Cost for Replacement Rifle</u>	<u>Trade-in</u>
-----------------	---	-----------------

		<u>Value</u>
OMB	\$7,584	\$325 Each
Midwest Supply	\$8,596	\$485 Each
Simmons	No quote	\$500 each

Based on the price quotes reflected above, staff will purchase the replacement weapons from OMB as the lowest cost provider. However, an officer who chooses to purchase the weapon would pay the highest quoted trade-in value of \$500 for the weapon, even though the replacement weapons will be purchased from a company quoting a lower trade-in. This arrangement benefits the City financially while also allowing an officer to purchase a weapon with which they are very familiar and one that will enhance their training.

ALTERNATIVES:

1. Allow Ames Police Officers to purchase the Remington rifles at the highest quoted trade-in value of \$500, provided they sign an agreement to keep the weapon for seven years.
2. Require that the Remington rifles be traded-in or sold to an authorized firearms dealer for best price available.
3. Delay disposal of these weapons and store the rifles in the police armory.

MANAGER'S RECOMMENDED ACTION:

Allowing Ames Police Officers to purchase the Remington rifles for fair market value benefits the City with no additional cost. Officers can continue to train with the weapons and the weapons remain out of public circulation.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby waiving applicable purchasing policies regarding disposal of City property and allowing Ames police officers to purchase these rifles.

COUNCIL ACTION FORM

SUBJECT: LIQUID SODIUM HYPOCHLORITE PURCHASE FOR WATER TREATMENT

BACKGROUND:

This contract is for the purchase of liquid sodium hypochlorite, which is used for disinfection in the water treatment process at the Water Treatment Plant and for treatment of cooling tower water at the Power Plant. The 2012/13 Water Plant operating budget of \$485,900 for water treatment chemicals and laboratory supplies includes \$42,000 for sodium hypochlorite. The 2012/13 Power Plant operating budget includes \$65,000 for this product and \$385,000 for all Power Plant chemicals.

The following bids were received on May 14, 2012:

Bidder	Price/Gallon	Total Cost
DPC Industries, Inc., Omaha, NE	\$.685	\$61,650.00
K. A. Steel Chemicals, Inc., Lemont, IL	.83	74,700.00
Hawkins Water Treatment Group, Slater, IA	.858	77,220.00
Rowell Chemical Corp., Hinsdale, IL	1.00	90,000.00
ACCO Unlimited Corporation, Johnston, IA	1.05	94,500.00
Vertex Chemical Corporation, St. Louis, MO	1.40	126,000.00

The total estimated cost shown above is for the estimated quantity of 90,000 gallons for the 2012/13 contract period.

ALTERNATIVES:

1. Award a contract for the purchase of 2012/13 liquid sodium hypochlorite to DPC Industries, Inc. of Omaha, NE in the amount of \$.685/gallon for an estimated total cost of \$61,650.
2. Reject all bids and attempt to obtain the required services on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

Liquid sodium hypochlorite is an essential treatment chemical, as it provides the final disinfectant barrier that keeps our drinking water and cooling tower water safe from microbial contaminants.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, awarding a contract for the purchase of 2012/13 liquid sodium hypochlorite to DPC Industries, Inc. of Omaha, NE in the amount of \$.685/gallon for an estimated total cost of \$61,650.

COUNCIL ACTION FORM

SUBJECT: ROCK SALT FOR 2012/13 ICE CONTROL PROGRAM

BACKGROUND:

This contract is to furnish rock salt for the 2012/13 Ice Control Program. Materials are to be delivered as requested by the City throughout the winter season. The estimated total cost is based on 2,500 ton.

The following bids were received on May 22, 2012:

<u>BIDDER</u>	<u>UNIT PRICE</u>	<u>ESTIMATED TOTAL COST</u>
Independent Salt Co., Kanopolis, KS	\$62.85/ton	\$157,125.00
Cargill, North Olmsted, OH	\$71.75/ton	\$179,375.00
North American Salt Inc., Overland Park, KS	\$75.79/ton	\$189,475.00
West Plains, LLC, Kansas City, KS	\$125.00/ton	\$312,500.00
Morton Salt, Chicago, IL	No Bid	
Central Salt LLC, Elgin, IL	No Bid	

The approved 2012/13 operating budget for the Public Works Department includes \$172,500 for snow and ice control chemicals. The estimated cost of this contract, based on the typical annual quantity of 2,500 tons, is \$157,125. The 2011/12 Ice Control Program had a unit price of \$63.64 per ton.

ALTERNATIVES:

1. Award the contract for the 2012/13 rock salt requirements to Independent Salt Co., of Kanopolis, Kansas, in the amount of \$62.85 per ton, to be delivered as requested by the City throughout the winter season.
2. Reject all bids and attempt to purchase rock salt on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

Independent Salt Co. has provided satisfactory service to the City in the past, and the 2012/13 bid price is \$.79 less than the current price. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving award of contract for the 2012/13 rock salt requirements to Independent Salt Co., of Kanopolis, Kansas, in the amount of \$62.85 per ton, to be delivered as requested by the City throughout the winter season.

Because of the mild winter last year, the Public Works Department only used approximately half of the typical amount of salt. Therefore, approximately half of the typical annual need for the coming season is still on hand. While this contract allows the City to purchase up to 2,500 tons of salt, not all of that amount will likely be needed because of the surplus remaining from last winter.

COUNCIL ACTION FORM

SUBJECT: YARD WASTE SERVICES

BACKGROUND:

For several years, the City of Ames has contracted for operation of a yard waste disposal site. This operation provides the community with disposal services for trees, branches, garden waste, leaves, grass clippings, and other yard waste debris. The standard service contract includes the requirement to hold five Yard Waste Free Days, one Saturday in the spring and four Saturdays in the fall.

The current contract, which is with All Seasons Contracting, Inc. (now dba American Professional Service Group, Inc.), is in the fifth and final year of a five-year contract for the period of April 1, 2012 through December 15, 2012. This contract was awarded in the amount of \$21,009.99 and includes an annual fee of \$9.99 for services provided from April through December at \$1.11 per month. Five Yard Waste Free Days are split into two separate categories: the first includes grass, leaves and garden waste only at \$3,000.00 per event during the second, third, and fourth Saturday of November; the second includes two Saturdays with grass, leaves, garden waste *and brush* at \$6,000.00 per event. The two Saturdays including brush are generally the fourth Saturday in April, and the first Saturday in November.

Spring 2012 Contract Compliance

The contract also stipulates that the Contractor will provide newspaper advertisement prior to the free days. However, it was recently discovered that American Professional Services Group did not arrange for any advertising for the spring 2012 Yard Waste Free Day, which took place on April 21, 2012. In working with the respective publishers, it was determined that this advertising would have had an approximate cost of \$2,794. Acknowledging that this requirement was not met, the corresponding amount was deducted from the contract amount of \$6,000 for the spring free day, with a payment being made to American Professional Services Group of \$3,206.

The owner of American Professional Services Group has acknowledged to City staff that he did not perform the advertising as required under the contract.

ALTERNATIVES:

1. Affirm staff's recent action to deduct \$2,794 for the advertising obligation not performed prior to the spring 2012 Yard Waste Free Day, resulting in a payment of \$3,206 for services performed by American Professional Service Group, Inc.

2. Terminate the contract with American Professional Services Group for failure to comply with conditions and stipulations.
3. Provide full payment of \$6,000 to American Professional Services Group for the spring Yard Waste Free Day that includes grass, leaves, garden waste and brush.

MANAGER'S RECOMMENDED ACTION:

The advertising requirements for the spring 2012 Yard Waste Free Day were not fulfilled, so a deduction seems reasonable due to the lack of performance by the contractor. City Council approval is needed to affirm this action.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby affirming the deduction of \$2,794 for the advertising obligation not performed prior to the spring 2012 Yard Waste Free Day and approving payment of \$3,206 for services performed by American Professional Service Group, Inc. for this event.

COUNCIL ACTION FORM

SUBJECT: CITY HALL CUSTODIAL SERVICES CONTRACT

BACKGROUND:

On May 22, 2007, Council awarded a one year contract to Quality One Commercial Cleaning, Inc. to provide custodial services for City Hall and the Community Center for FY 2007/08. This contract included four annual renewal periods, to be approved by the City Council one year at a time. All four years were renewed annually; and this contract will expire on June 30, 2012.

The annual cost for this service contract is \$66,000. It has remained the same amount for all 5 years, and is shared by budgets for City Hall, the Municipal Auditorium, the Community Center, and the Wellness Program. The amounts budgeted in each area for FY 2012/13 are as follows: City Hall = \$50,000, Community Center = \$11,840, Auditorium = \$4,250, and the wellness program = \$5,075, for a total budget of \$71,165. In addition to the base amount, this contract also includes a \$20.00 per hour rate for extra cleaning needs throughout the facility, for after hours or other scheduled events.

This contract is now due to rebid for FY 2012/13. However, there are two new issues that provide a challenge to updating the specifications and bidding for the next year.

Issue 1:

Council approved plans and specifications on May 22, 2012, for the major remodeling of two areas in City Hall – the Police Department and the basement. Construction is scheduled to begin in the fall of 2012 and will take 8 to 12 months to complete. The project requires staging of employees as each space is renovated and will require the cleaning staff to be flexible on what areas will be available to clean or not; and what type of cleaning is needed in these areas. The areas to be cleaned will vary and will not be consistent until this project is complete, making it difficult to predict the impact of this in the specifications for bidding.

Issue 2:

The expected level of the appearance for City Hall has been elevated for FY 12/13. This will require experimentation and adjustments to the required tasks, task frequency, and other efforts required to achieve this higher level of appearance. By the end of fiscal year 2012/13, the specifications for this bid will be modified, based on what is required to maintain this facility at the levels expected. Those revised specifications will then be used to solicit bids for FY 2013/14.

Due to these two elements, staff is requesting that the City Council waive formal bidding procedures and authorize extending this contract by one year. This will provide an opportunity for staff to work with the current contractor, who knows the facility and how it is used, for the next fiscal year to determine what is required to improve the level of services provided, and to work around the construction project.

Staff has discussed this concept with the current contractor, QualityOne Commercial Cleaning, Inc., to determine if they are open to this arrangement. The contractor has indicated that they are willing to continue the cleaning services for another year, under the circumstances identified; and that **they are willing to do this for the same rate of \$66,000, plus \$20.00/hr for additional cleaning needs after hours or after special events.**

ALTERNATIVES:

1. Waive formal bidding and extend this cleaning contract for City Hall and the Community Center for one year, FY 2012/13, to QualityOne Commercial Cleaning in the amount of \$66,000 (\$5,500 per month) plus \$20.00 per hour for emergency callback and additional work as authorized.
2. Reject extending this contract for FY 12/13, but approve extending the current contract with QualityOne Commercial Cleaning through September 30, 2012, with the same terms and fees as the current contract (\$5,500/month plus \$20.00 per hour for callbacks and additional work), to give staff time to update specifications and to re-bid this contract.
3. Reject this contract extension and direct staff to re-bid custodial services.

MANAGER'S RECOMMENDED ACTION:

QualityOne has been the custodial services contractor for the past seven years, and has worked closely with the City to continually improve its quality of services. Given the disruption that we will be experiencing over the next 8 to 12 months, it does not appear to be a good time to bid out these custodial services at this time.

Given the fact that QualityOne is willing to extend its contract with the City for another year at the same price, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1. This alternative will approve the waiver of formal bidding and extend this cleaning contract for City Hall and the Community Center for one year, FY 2012/13, to QualityOne Commercial Cleaning in the amount of \$66,000 (\$5,500 per month), plus \$20.00 per hour for emergency callback and additional work as authorized.

COUNCIL ACTION FORM

SUBJECT: RENEWAL OF CONTRACT FOR SPECIALIZED CLEANING SERVICES, INCLUDING GRIT BLASTING, HYDRO BLASTING, DETONATION BLASTING, AND VAC TRUCK SERVICES FOR THE POWER PLANT FOR FY 2012/2013

BACKGROUND:

The City of Ames Electric Utility has two coal-fired, high-pressure steam generation units within the City of Ames Power Plant, referred to as Unit No. 7 and Unit No. 8. These units require regular professional maintenance and repair. This consists of emergency service, as well as regularly scheduled planned repairs. The repair of the boilers on these generation units requires professional trade crafts such as boilermakers; steam/pipe fitters; and millwrights, to list a few.

The boiler units operate under environmental conditions with high heat and high pressure. Due to the operational conditions and fuel burned, the internal surfaces of the boilers are often covered with hardened ash, molten glass, and other substances, which coat the internal boiler tubes, and boiler walls. Because of the conditions resulting from burning the Refuse Derived Fuel (RDF), a reducing atmosphere exists in portions of the boiler, and there are chlorides present (which come from burning plastics). As a result, parts of the boiler units will fail due to tube wasting. (Examples include superheat tubes and boiler wall tubes)

When tube failures occur, the City contracts with private firms who have the expertise to perform the emergency repairs needed to bring the unit(s) back into operation. Prior to the professional crafts entering the boilers to carryout inspections and repairs, the surfaces must be cleaned of ash coating and debris. This cleaning process requires high-pressure water washing, grit blasting, or use of explosives to loosen and remove the materials. After loosening or breaking up these substances, they are removed from the boiler using the sluice system or by large industrial vacuums.

On June 23, 2009, City Council awarded a contract to W-S Industrial Services, Inc., Council Bluffs, Iowa, for a number of specialized cleaning services, including grit blasting, hydro blasting, detonation blasting, and vac truck services to be furnished as requested from July 1, 2009, through June 30, 2010. The contract was in an amount not-to-exceed \$231,000. City Council should note that the City also has a contract for similar services with Bodine Services of Clinton, also on this Council agenda for renewal. It is important to point out that W-S Industrial and Bodine do not provide the City with the same services.

The original contract has the option for the City to renew in one-year increments for up to five additional years. **Council should note that the hourly rates which will be charged by W-S Industrial will be unchanged for next year. Council should also note that this is the third renewal out of five maximum.**

The FY 2012/2013 operating budget for Electric Production includes \$156,000 for boiler cleaning services to be performed under this contract. **Payments would be calculated on unit prices bid and actual work performed, up to the available budget amount.**

ALTERNATIVES:

1. Approve the contract renewal with W-S Industrial Services, Inc., Council Bluffs, Iowa, for a specialized cleaning services contract, including grit blasting, hydro blasting, detonation blasting, and vac truck services, for the one-year period from July 1, 2012, through June 30, 2013, and approve contract and bond. Actual payments will be based on unit prices bid and actual work performed in an amount not-to-exceed \$156,000.
2. Do not renew the agreement and instruct staff to seek new competitive bids.

MANAGER'S RECOMMENDED ACTION:

This work is necessary to properly maintain Unit No. 7 and Unit No. 8 and to carry out emergency and scheduled repairs resulting from equipment failures. This contract allows the Power Plant to have reliable contractors available to perform these specialized cleaning services on very short notice in the event of an emergency repair. This contract also allows the Power Plant to control the costs of these services to the extent possible. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: **RENEWAL OF CONTRACT FOR POWER PLANT
ASH HAULING SERVICES**

BACKGROUND:

This contract is for the coal combustion by-product beneficial re-use or disposal from the City of Ames ash pond to an Iowa DNR approved and permitted beneficial re-use site or landfill disposal site. Bottom ash comes from the Power Plant coal fired boilers and is hydraulically transported to the ash pond east of the Power Plant. The ash pond serves as a settling pond where the ash falls to the bottom and relatively clean water can be recycled to the Power Plant to transport additional ash from the bottom of the boilers. The ash itself is composed of inorganic materials in the coal and in the refuse derived fuel (RDF) that do not burn and must be removed from the boilers to allow continual operation.

Over time the ash builds up on the bottom of the pond and reduces the available capacity of the pond. This ash must be periodically removed via excavating or dredging, allowed to dewater, and then transported off-site for disposal. Moving the ash off-site allows additional ash to be dredged from the pond and maintain the working capacity of the ash pond.

On September 14, 2010, City Council awarded a contract to Biosolids Management Group, Inc., Boone, Iowa, (BMG, Inc.) in the amount not to exceed \$1,160,000 for the removal of ash for a one year period. Included in the original proposal were terms for four optional twelve-month renewal periods. The initial contract term was for the period of one year or until such time as the budgeted funds of \$1,160,000 were exhausted. It is worth noting that in the first extension of this contract, the renewal term was extended to the end of FY 2011/12.

The FY 2012/13 operating budget includes \$1,000,000 for ash hauling. Payments would be calculated on unit prices proposed and actual services performed, up the available budget amount.

The Department of Natural Resources requires the contractor to landfill any product that cannot be reused. Therefore, there are two rates reflected in the contract: (1) \$45.60 per ton for re-use of the material by the contractor, and (2) \$50.84 per ton for material required to be landfilled by the contractor. In addition, the contract contains a fuel escalator for rack prices above \$3.00 per gallon for diesel fuel. **It should be noted that there is no increase in either the hauling rates or the fuel escalator for FY 2012/13.**

ALTERNATIVES:

1. Approve the contract renewal with Biosolids Management Group, Inc., Boone, IA, for removal and hauling of ash from July 1, 2012, through June 30, 2013. Actual payments will be calculated on unit prices proposed for these services in an amount not to exceed \$1,000,000.
2. Do not renew the agreement and instruct staff to seek new competitive proposals.

MANAGER'S RECOMMENDED ACTION:

It is essential for the Power Plant to receive ash hauling services at the lowest possible cost consistent with the quality required to maintain Plant operations. It is also vital to lock in prices and accountability with key contractors. By choosing alternative No. 1, the Plant will be able to continue achieving these goals.

Staff has been extremely satisfied with the performance of this vendor over the past two years. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: RENEWAL OF ELECTRIC SERVICES FUEL SUPPLY CONTRACT

BACKGROUND:

This contract is for the purchase of low sulfur diesel fuel for Electric Services. The Utility has a 250,000-gallon main fuel tank located at the Dayton Substation to fuel the two GT (gas-turbine) units. The City also has two 42,000-gallon underground fuel tanks located in the coal yard, south of the Power Plant, to assist in the start-up of the Plant. The Utility's two gas-turbines could burn 250,000 gallons of fuel in a 60 hour time period, requiring larger refill volumes, and quick refills should an emergency dictate that they stay on-line.

On May 5, 2011, staff received competitive sealed proposals from five firms for FY 2011/12, with the option of four one-year renewals. The scope of work for this contract includes supplying fuel to the Power Plant as needed. Vendors were asked to supply pricing based in the form of a markup to the daily-published "rack" average fuel price at the Des Moines, Iowa, terminal for stated products. The contract price is based on an adder of \$.0068 to the rack price average per gallon. City staff receives a daily electronic mail from the Iowa Department of Transportation stating the product's average price. If the City needs to purchase fuel, staff can determine instantly if the price is favorable based on market trends and then call the vendor to state the quantity and the delivery time. This allows the contracted vendor to secure large fuel orders and lock in prices for the City.

The goal of the contract is to create efficiency and flexibility in the purchase of a valuable commodity, ensuring that the City is able to use opportunity purchasing and to lock in performance criteria for the vendors.

On June 14, 2011, City Council awarded a contract to Diamond Oil Co., Des Moines, Iowa, to supply diesel fuel under this contract in an amount not-to-exceed \$1,250,000 through June 30, 2012. Actual cost is based on the amount of fuel purchased the contract price at the time of purchase plus an adder of \$0.0068 per gallon.

The approved FY 2012/13 operating budget includes \$1,137,500 for anticipated volumes of this fuel purchase.

ALTERNATIVES:

1. Approve the contract renewal with Diamond Oil Co., Des Moines, Iowa, to supply diesel fuel to the City's Power Plant, for the period from July 1, 2012, through

June 30, 2013, in an amount not to exceed \$1,137,500. Under this renewal, there is no increase from the previous year to the Diamond Oil mark-up of \$.0068/gallon.

2. Do not renew the agreement and instruct staff to seek new competitive proposals.

MANAGER'S RECOMMENDED ACTION:

This contract renewal will continue to offer the City the ability to have flexibility in fuel purchasing and to maintain standards of performance for fuel content and fuel delivery at the same mark-up price as the current year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: POWER PLANT BREAKER MAINTENANCE CONTRACT RENEWAL

BACKGROUND:

Electric Services' two coal-fired, high-pressure steam turbine electric generating units within the Power Plant are referred to as Unit No. 7 and Unit No. 8. These units require regular professional maintenance and repair. This consists of emergency service, as well as regularly planned repairs and services during scheduled outages. The repair of these generating units requires professional trade crafts such as boilermakers; electricians/control techs; steam/pipe fitters; and millwrights, to list a few. The units operate under environmental conditions with high heat and high pressure.

Due to these operational conditions, numerous circuit breakers and relays are necessary to safely and reliably operate the Power Plant. All of this equipment must be professionally maintained, serviced, adjusted, repaired, and rebuilt. Specially trained personnel perform this work. It is not possible for staff to adequately maintain this electrical equipment due to manpower constraints and the specialized nature of the work. Rather than bid and get prices for this work multiple times per year with the inconsistency of work and quality as different vendors participate, it was recommended that this work be outsourced on an annual renewable contract basis.

This process reduces the City's exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage. City staff saves considerable time obtaining quotes, evaluating proposals and preparing specifications and other procurement documentation.

On January 24, 2012, City Council awarded a contract to Tri-City Electric Company of Iowa, Davenport, IA, for Power Plant breaker and relay maintenance. The contract runs from February 16, 2012, through June 30, 2012. The contract was in an amount not-to-exceed \$127,500. Council may recall that the initial contract period was shortened to enable future renewals to coincide with the City's fiscal year.

The contract has the option for the City to renew in one-year increments for up to four additional years. This includes **a rate provision which increases rates at fixed percentages above the previous fiscal year contracted rates at time of renewal. The fixed rates for FY 2012/13 include labor and travel & subsistence increases of 4%. These increases are in accordance with the contract terms initially established. This is the first out of four possible renewals.**

The approved FY 2012/13 operating budget includes \$180,500 for relay and breaker

maintenance. **Actual payments will be calculated on unit prices bid and actual work performed, up to the available budget amount.**

ALTERNATIVES:

1. Approve the contract renewal with Tri-City Electric Company of Iowa, Davenport, IA, for Power Plant breaker and relay maintenance, for the one-year period from July 1, 2012, through June 30, 2013, and approve the associated contract and bond. Work will be scheduled on an as needed basis and payments will be based on unit prices bid and actual work performed. Total work in FY 2012/13 shall be an amount not to exceed \$180,500.
2. Do not renew the agreement and instruct staff to seek new competitive bids.

MANAGER'S RECOMMENDED ACTION:

This work is necessary to properly maintain relays and circuit breakers and to carry out emergency and scheduled repairs resulting from equipment failures. This contract establishes rates for service and provides for guaranteed availability, thereby setting in place known rates for service and controlling the Plant's costs. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: CONTRACT EXTENSION FOR 800 MHZ TRUNKED RADIO EQUIPMENT, PAGERS, AND RELATED EQUIPMENT AND SERVICES

BACKGROUND:

The 800 MHz trunked radio system provides for interoperable communication between City work groups and departments, as well as with the Story County Sheriff's Office, Iowa State University, Mary Greeley Medical Center, and all Story County emergency responders. On June 8, 2010, City Council awarded a contract to Electronic Engineering Co. for 800 MHz trunked radio equipment, pagers, and related equipment and services for City departments. The contract provides for lease of general radio equipment, law enforcement equipment, equipment installation and maintenance, and paging equipment and services through June 30, 2012. **The contract allows for an additional one year extension with no price increase to the City.** The agreement also allows City departments to continue to receive radio services provided locally by Electronic Engineering Co. There has been one change order to the contract adding an additional radio option.

Radio equipment furnished under the contract includes portable and vehicle radios, base station radios, and specialized law enforcement communication equipment. The City currently has approximately 354 radios and 65 pagers leased under this contract. The total annual cost for radio and pager equipment and related services is approximately \$190,000.

Public safety departments are the largest users of the City radio contract and interoperable communication with agencies throughout the county is crucial. A Radio User Group representing all City departments using the radio system has reviewed current service needs and concluded that continued use of existing equipment and services is in the City's best interests for the near term.

The proposed contract with Electronic Engineering Co. allows for a one year extension beginning July 1, 2012, and ending June 30, 2013. Equipment and other prices are unchanged from the contract awarded in 2010. While the equipment is now aging and the technology is older, the Radio User Group is suggesting that the scale of changes will require a long term strategy involving the exploration of new radio systems and public-private partnerships developing in adjacent counties.

The Radio User Group is in the process of evaluating communication systems and providers and looking for options that are available in the area which would be a long-term alternative to the City's existing system. There are changes in technology and new Federal regulations the City to will need to consider, but this is likely to involve a longer

term plan and significant investment. Many area communities and counties, as well as the State entities, are currently struggling with this issue. Until a feasible plan can be established and implemented, continuation of the existing radio contract is in the City's best interests.

ALTERNATIVES:

1. Approve the contract with Electronic Engineering Co. to provide 800 MHz trunked radio equipment, pagers, and related equipment and services for City departments from July 1, 2012, through June 30, 2013.
2. Reject the contract with Electronic Engineering Co. and attempt to purchase radio and pager services on an as-needed basis until the City can negotiate a new radio agreement.

MANAGER'S RECOMMENDED ACTION:

The proposed one-year contract for radio and pager equipment and services will insure continuation of critical interactive communication between City work groups and departments as well as with the Story County Sheriff's Office, Iowa State University, Mary Greeley Medical Center, and all Story County emergency responders.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the contract extension with Electronic Engineering Co. to provide 800 MHz trunked radio equipment, pagers, and related equipment and services for City departments from July 1, 2012, through June 30, 2013.

COUNCIL ACTION FORM

SUBJECT: **MAINTENANCE FACILITY ENERGY EFFICIENCY PROJECTS**

BACKGROUND:

This project is for energy efficiency projects at the Maintenance Facility on Edison Street. It consists of replacing the rooftop heating and cooling unit (RTU) for Fleet Service's offices, and installing an HVAC system that replaces seven window air conditioners and numerous baseboard or portable electric heaters in Public Works offices. These improvements are identified under the Cool City Program in the Capital Improvements Plan. The new equipment will include three energy efficient natural gas fired furnaces and three energy star SEER rated cooling units that qualify for energy rebates from Alliant Energy and the City's Electric Services.

To take advantage of economies of scale, these projects are combined into one project for better pricing. The project also combines the systems to gain better energy efficiency for the Maintenance Facility.

After receiving feedback during the design process, it was determined to also include an alternate to upgrade the exhaust system in the Public Works vehicle bay area to improve the discharge of exhaust fumes created by vehicles and equipment stored in that area. This will be pursued if funding allows.

The current budget for these projects includes \$75,800 for the replacement of the rooftop unit (RTU) for Fleet Services and \$60,000 for the installation of the new HVAC system in the Public Works offices, for a total budget of \$135,800. The plans and specifications for this project were completed by LMV Engineering, L.C. in the amount of \$4,900. The work for the fleet office area is estimated at \$49,800 and the work for the Public Works offices is estimated at \$60,400. The alternate for the exhaust units is estimated at \$56,200, but the alternative for the exhaust units would only be accepted if the other projects come in substantially lower than estimated.

ALTERNATIVES:

1. Approve preliminary plans and specifications for the Maintenance Facility Energy Efficiency Projects by establishing July 12, 2012, as the date of letting and July 24, 2012, as the date for report of bids.
2. Reject the project.

MANAGER'S RECOMMENDED ACTION:

These projects will provide more economical and efficient systems to heat, cool, and condition the air in these offices and will improve the air quality for a healthier

environment for staff. By moving forward at this time, it will be possible to complete the work before the winter season.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving plans and specifications for the Maintenance Facility Energy Efficiency Projects by establishing July 12, 2012, as the date of letting and July 24, 2012, as the date for report of bids.

COUNCIL ACTION FORM

SUBJECT: WATER TREATMENT PLANT WELL REHABILITATION PROJECT

BACKGROUND:

In April 2012, Northway Well and Pump Company completed a five-year contract to rehabilitate 22 potable water wells. The contract involved rehabilitating the City's drinking water wells on a five-year, preventive-maintenance cycle instead of waiting until wells were unable to produce adequate water volumes.

Upon completion of the five-year contract, well data showed this to have been a successful project. Failed equipment was repaired, and an average increase in well yield of 95 percent was realized. Since this percent gain will decline over time without further rehabilitation, Council is now asked to extend this program for a second five-year cycle of well rehabilitation. This will continue to ensure that the wells maintain their capacity for as long as possible.

The project plans and specifications detail the rehabilitation process and timeline to be used for the five-year cycle, and call for a one-year contract with four, one-year renewal options. The initial contract will be effective through June 30, 2013. A consumer price index will be used to adjust the contract price for each subsequent contract renewal. Future-year renewals will be based on satisfactory performance during the prior year and on the City Council appropriating funds.

The FY 2012/13 Water Treatment Plant operating budget for well rehabilitation includes \$75,000 to rehabilitate five wells and an additional \$35,000 for repairs.

ALTERNATIVES:

1. Grant preliminary approval of plans and specifications and issue Notice to Bidders for a five-year well rehabilitation contract, setting July 11, 2012 as the bid due date and July 24, 2012 as the date of public hearing and award.
2. Do not approve plans and specifications at this time.

MANAGER'S RECOMMENDED ACTION:

Regular maintenance of the City's potable water wells is required to ensure adequate source water to meet the community's current and future drinking water needs. It is in the City's best interest to maintain the wells by continuing the well rehabilitation program and adding another five-year cycle. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.



Memo

City Clerk's Office

TO: Mayor and Members of the City Council

FROM: City Clerk's Office

DATE: June 8, 2012

SUBJECT: Contract and Bond Approval

There are no Council Action Forms for Item Nos. 28 and 29. Council approval of the contract and bond for these projects is simply fulfilling a *State Code* requirement.

/jlr

COUNCIL ACTION FORM

SUBJECT: POWER PLANT UNIT NO. 8 STACK REPAIR

BACKGROUND

On July 13, 2010, City Council approved preliminary plans and specifications for the Unit 8 Stack Repair. This project addressed the cracked and broken liner in Unit No. 8 steel stack by replacing the gunite lining system in the top one-hundred feet of the stack.

On September 1, 2010, bids were received and Electric Services staff evaluated the bids and determined that the bid, submitted by Gerard Chimney Company was acceptable. The amount of the contract as awarded on September 10, 2010, was \$191,400 plus applicable sales taxes to be paid directly by the City of Ames to the State of Iowa.

There were a total of three change orders for this project. Change Order No. 1, at a cost of \$0, reduced the City's notification period to start work down to a two week notice. Change Order No. 2, at a cost of \$0, extended the contract so that the work would be done during the 2011 fall outage. Change Order No. 3, at a cost of \$26,416.26, extended the contract through December 31, 2012 as we awaited an opinion letter from legal counsel. The total contract amount including all change orders is \$217,816.26 plus applicable sales taxes to be paid directly by the City of Ames to the State of Iowa.

The Engineer's estimate of the cost of the repair was \$397,000. The approved FY 2010/11 operating budget for the Power Plant contained \$350,000 for Unit No. 8 stack repair. A total of \$17,000 of this budgeted amount was used for the engineering portion of the project, and as a result \$333,000 remained to do the repair work. These dollars were carried forward into the FY 2011/12 budget.

All of the work included in the contract with Gerard Chimney Company has now been completed. The Power Plant Engineer has provided a certificate of completion.

ALTERNATIVES:

- 1) Accept completion of the contract for the Unit 8 Stack Repair with Gerard Chimney Company at a total cost of \$217,816.26, and authorize final payment to the contractor.
- 2) Delay acceptance of this project.

MANAGER'S RECOMMENDED ACTION:

The contractor for the Unit 8 Stack Repair has completed the work under the contract, and the City is legally required to make final payment to the contractor. Therefore, it is

the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: **ACCEPTANCE OF COMPLETION FOR POWER PLANT UNIT 8
AIR HEATER BASKET INSTALLATION**

BACKGROUND

On December 13, 2011, City Council approved preliminary plans and specifications for Power Plant Unit 8 Air Heater Baskets Installation. This project involves the purchase and installation of baskets and associated materials that need to be replaced in the regenerative air heaters.

On January 11, 2012, bids were received and staff determined that the low bid submitted by Plibrico Company, LLC was acceptable. The amount of the contract as awarded on January 24, 2012, was \$29,182.

The Engineer's estimate of the total installed cost of this project was \$165,000. The approved FY 2011/12 budget and Capital Improvements Plan contained \$150,000 for the Unit 8 Air Heater Basket Replacement project. This included \$100,000 for the materials and \$50,000 for the installation. **Council should note that the total cost of this project was \$145,144. This total is inclusive of \$29,182 for installation and \$115,962 for materials.**

All of the work included in the contract with Plibrico Company, LLC has now been completed, and the Power Plant Engineer has provided a certificate of completion.

ALTERNATIVES:

- 1) Accept completion of the contract for the Unit 8 Air Heater Baskets Installation with Plibrico Company, LLC at a total cost of \$29,182, and authorize final payment to the contractor.
- 2) Delay acceptance of this project.

MANAGER'S RECOMMENDED ACTION:

The contractor for the Unit 8 Air Heater Baskets Installation has completed the work under the contract. The Power Plant Engineer has issued a certificate of completion on the work, and the City is legally required to make final payment to the contractor. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: COMPLETION OF WELL REHABILITATION CONTRACT

BACKGROUND:

On June 28, 2011, City Council awarded a contract to Northway Well and Pump Company of Waukee, Iowa in the amount of \$54,460 to complete the fifth and final year of a five-year renewable contract for the rehabilitation of drinking water wells. This fifth year of the contract provided the rehabilitation of four wells. As in previous years, staff indicated that additional well repair work may be required in conjunction with the rehabilitation work. It was also noted that the extent of the repair work would not be known until each well was taken out of service for rehabilitation. It was anticipated that change orders would be necessary to pay for additional repair work as the need became known.

- On May 3, 2012, Change Order No. 1 was administratively approved in the amount of \$2,201.30 for replacement and epoxy coating of two sections of column pipe and line shaft for Well No. 27.
- On May 21, 2012 Change Order No. 2 was administratively approved in the amount of \$1,770.35 for replacement of one stainless steel shaft coupling for Well No. 25 and three 10-inch pipe couplings for Well Nos. 25, 26, and 27.

The Water Plant operating budget (FY 2011/12) allocated \$60,000 for well cleaning, with an additional \$56,000 available for well repair work, as needed, during the well rehabilitations. All work for this year's contract has been successfully completed as of April 30, 2012, and an Engineer's Statement of Completion has been filed.

During this overall five-year contract, a total of 22 wells were cleaned and rehabilitated. This resulted in a total cost of \$211,906.30 for cleaning, with an additional \$142,179.67 for repairs. With the rehabilitation process complete, the average production yield of all 22 wells resulted in a 95% gain.

ALTERNATIVES:

1. Accept final completion of year five of the Water Plant well rehabilitation contract in the final amount of \$58,431.65.
2. Do not accept completion of year five of the Water Plant well rehabilitation contract at this time.

MANAGER'S RECOMMENDED ACTION:

Year five of the Water Plant well rehabilitation contract has been successfully completed in accordance with the City's plans and specifications.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting completion of year five of this five-year contract with Northway Well and Pump Company of Waukee, Iowa.

COUNCIL ACTION FORM

SUBJECT: **WATER POLLUTION CONTROL FACILITY BIOSOLIDS
DISPOSAL OPERATIONS**

BACKGROUND:

On August 24, 2010, City Council awarded a contract to Nutri-Ject Systems, Inc. of Hudson, Iowa in the amount of \$46,200 to complete the first year of a three-year biosolids disposal operation at the City's Water Pollution Control (WPC) Facility. The contract is renewable annually for up to a total of three years, dependent on successful performance by the contractor each year.

The contractor successfully completed year one of the contract; and on August 9, 2011, Council approved a renewal for year two. Unit rates for annual renewals are adjusted based on annual changes in the Consumer Price Index (CPI) and the Construction Cost Index (CCI). For the upcoming renewal period, the price adjustment is an increase of 2.7% from last year's unit rates.

All work on the second year's contract was completed to the satisfaction of staff and in accordance with the requirements of the contract, and final payment has been made. It is being recommended that the Council award a contract to Nutri-Ject Systems, Inc. for the third, and final, year of the agreement in the amount of \$48,974.66. The FY 2012/13 operating budget includes an allocation of \$100,000 for this work.

ALTERNATIVES:

1. Accept completion of year two of the contract and award a contract in the amount of \$48,974.66 to Nutri-Ject Systems, Inc. of Hudson, Iowa for year three of the three-year agreement for biosolids disposal. This new contract represents a 2.7% increase in unit rates over the prior year.
2. Accept completion of year two of the contract with Nutri-Ject Systems Inc. Do not award a contract for year three at this time and direct staff to solicit new bids for biosolids disposal.
3. Accept completion of year two of the contract with Nutri-Ject Systems. Do not award a contract for year three and direct staff to perform the work using City forces. This alternative would necessitate the purchase of an additional tractor (\$185,000), wagon (\$84,000), and lagoon pump (\$207,000) and would divert an estimated 750 hours of staff time each year from other maintenance activities.

MANAGER'S RECOMMENDED ACTION:

After an operational evaluation performed three years ago, it was determined that contracted biosolids disposal was the most cost-effective option. Competitive bids were solicited in the summer of 2010, the low bid was below the engineer's estimate and within the approved operating budget, and the incumbent contractor has continued to provide satisfactory service.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting completion of year two of the contract and approving a contract in the amount of \$48,974.66 to Nutri-Ject Systems, Inc. of Hudson, Iowa for year three of the three-year agreement for biosolids disposal.

COUNCIL ACTION FORM

SUBJECT: PLAT OF SURVEY – 820 MILLER

BACKGROUND:

Application for a proposed plat of survey has been submitted for:

- ☐ Conveyance parcel (per Section 23.307)
- ☐ Boundary line adjustment (per Section 23.309)
- ☐ Re-plat to correct error (per Section 23.310)
- ☐ Auditor's plat (per Code of Iowa Section 354.15)
- ☒ Changing Outlot Designation

The subject site is located at:

Street Address: 820 Miller (See attached location map.)

Assessor's Parcel #: 0907407000

Legal Description: Outlot T, except west 30' thereof, First Addition, Dauntless Subdivision

Owner: Ames Community School District

A copy of the proposed plat of survey is attached for Council consideration. **This Plat of Survey facilitates the development of an elementary school on this property.** The Conceptual Development Plan, which was a part of the subdivision process when the Dauntless Subdivision was created, established the purpose of the Outlot as an elementary school.

Pursuant to Section 23.308(4)(c), a preliminary decision of approval for the proposed plat of survey has been rendered by the Planning & Housing Department, without conditions. All public improvements associated with this property are already in place, except for the public sidewalk along the Miller Avenue frontage. The "Development Agreement Dauntless Subdivision" (Recorded in Story County as Instrument No. 97-09691) states that the Developer will construct all sidewalks at no charge or cost to the City. The Ames Community School District signed the Agreement as a Developer. The preliminary decision of approval does not require the addition of any public improvements associated with and required for the proposed plat of survey.

Under Section 23.307(5), the Council shall render by resolution a final decision of approval if the Council agrees with the Planning & Housing Director's preliminary decision.

ALTERNATIVES:

1. The City Council can adopt the resolution approving the proposed plat of survey if the Council agrees with the Planning & Housing Director's preliminary decision. **This action will change a non-buildable outlot to a buildable lot for a future elementary school.**
2. The City Council can deny the proposed plat of survey if the City Council finds that the requirements for plats of survey as described in Section 23.307 have not been satisfied.
3. The City Council can refer this back to staff and/or the owner for additional information.

MANAGER'S RECOMMENDED ACTION:

The Planning & Housing Director has determined that the proposed plat of survey satisfies all code requirements, and has accordingly rendered a preliminary decision to approve the proposed plat of survey.

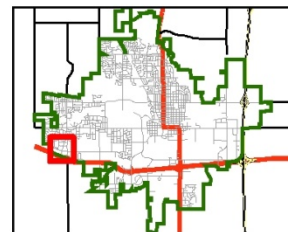
Therefore, it is the recommendation of the City Manager that the City Council act in accordance with Alternative #1, thereby adopting the resolution approving the proposed plat of survey. Approval of this resolution will allow the School District to prepare the official plat of survey incorporating all conditions of approval specified in the resolution. It will further allow the prepared plat of survey to be reviewed and signed by the Planning & Housing Director confirming that it fully conforms to all conditions of approval. Once signed by the Planning & Housing Director, the prepared plat of survey may then be signed by the surveyor, making it the official plat of survey, which may then be recorded in the office of the County Recorder.

It should be noted that according to Section 23.307(10), the official plat of survey will not be recognized as a binding plat of survey for permitting purposes until a copy of the signed and recorded plat of survey is filed with the Ames City Clerk's office, and a digital image in Adobe PDF format has been submitted to the Planning & Housing Department.

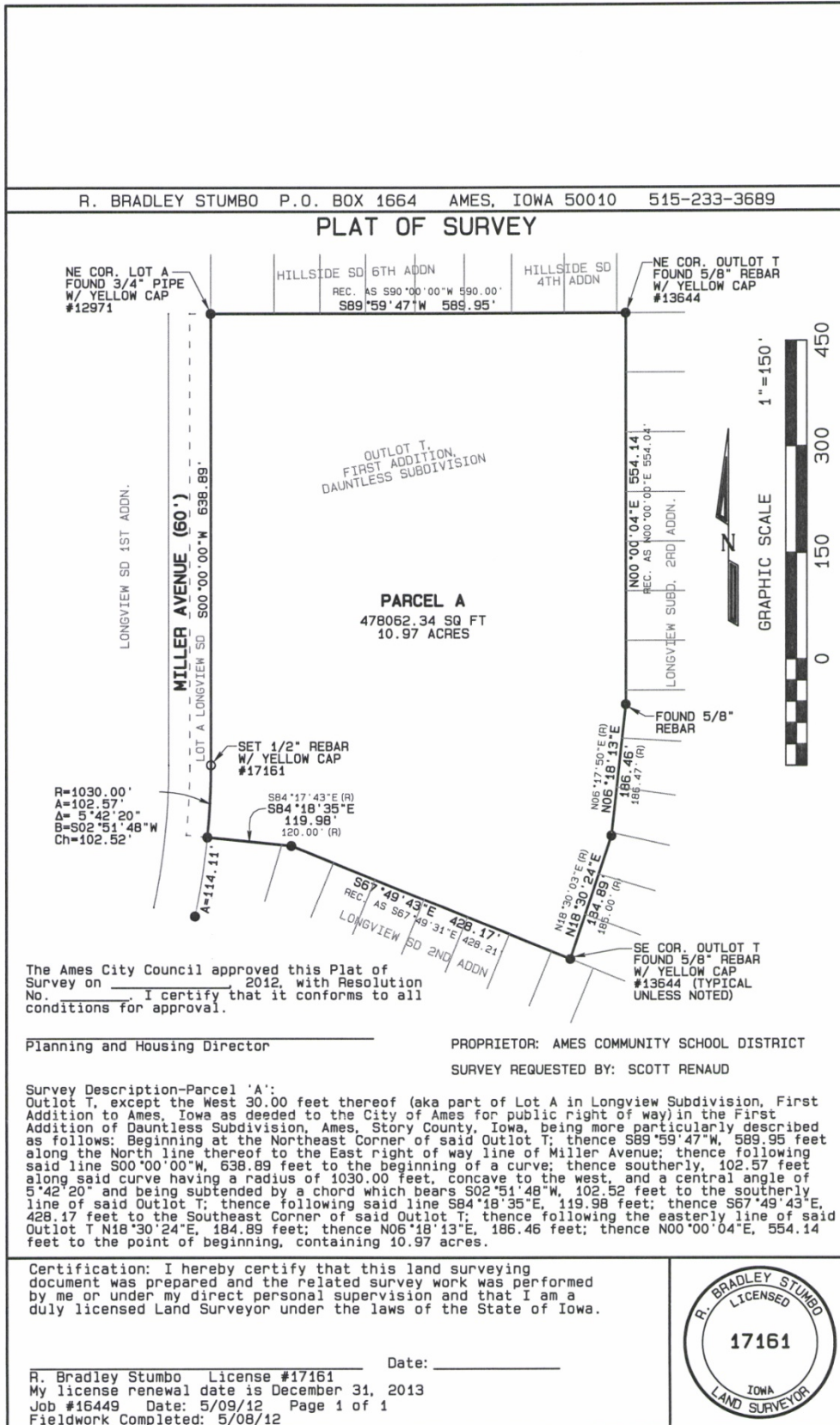
LOCATION MAP



Location Map
820 Miller Ave.



PLAT OF SURVEY



COUNCIL ACTION FORM

SUBJECT: ENCROACHMENT PERMIT FOR AWNINGS AT 217-219 MAIN STREET

BACKGROUND:

The owner of the building at 217-219 Main Street, Emerhoff's, has requested an encroachment permit to allow two awnings to occupy City right-of-way. These new awnings are a part of the planned façade improvements through the Downtown façade grant program.

The proposed awnings total 188.78 square feet, and should not impair the operation of the road way.

The requirements of Section 22.3 of the Municipal Code have been met with the submittal of a hold-harmless agreement signed by the property owner and the applicant, and a certificate of liability insurance coverage which protects the City in case of an accident. The fee for this permit was calculated at \$188.78, and the full amount has been received by the City Clerk's Office.

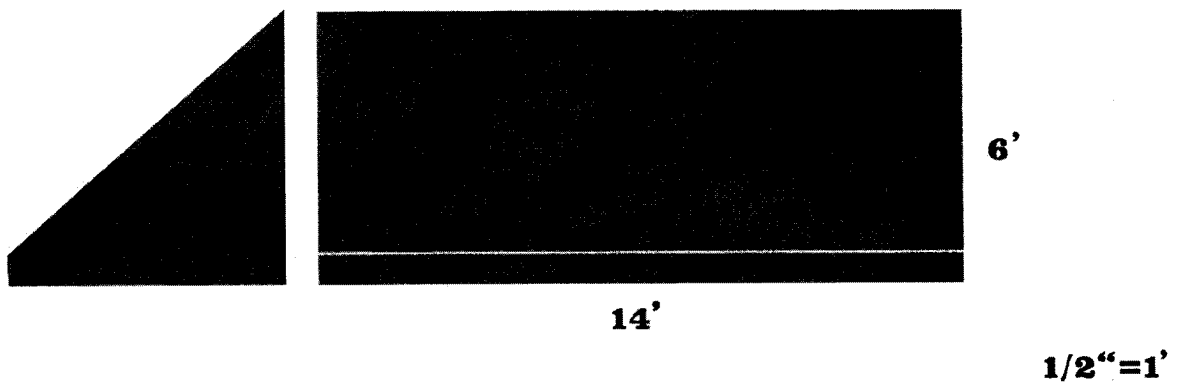
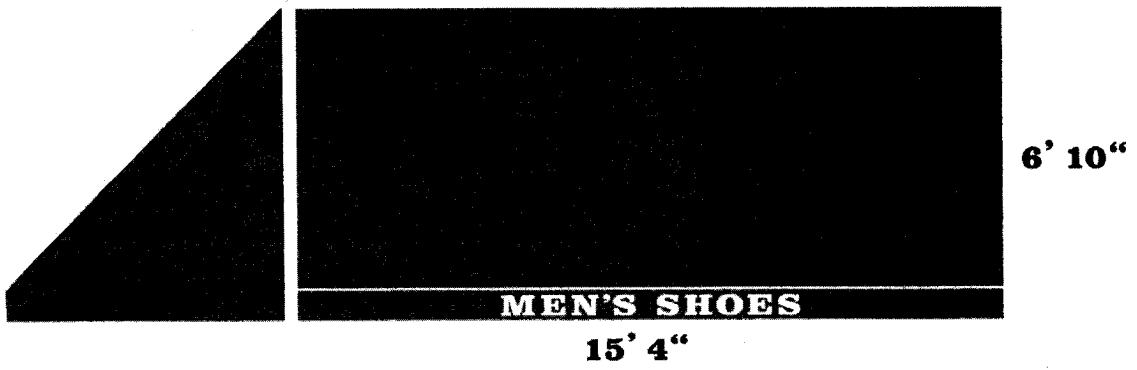
ALTERNATIVES:

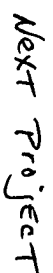
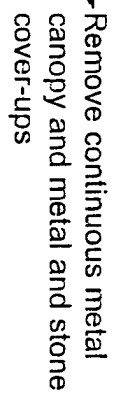
1. Approve the encroachment request from Emerhoff's for awnings at 217-219 Main Street.
2. Deny the encroachment request.

MANAGER'S RECOMMENDED ACTION:

This encroachment can be granted without compromising public safety or services to the public.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby granting the encroachment permit for these awnings at 217-219 Main Street.



REPAIR ROCK FACE PANELS
AND REPAIR BRICK FACINGS

architectural grade,
within building structure

ApplicantName of Applicant: Gary Thompson Oil CoName of Business (DBA): Swift Stop #4Address of Premises: 1118 S DuffCity: AmesCounty: StoryZip: 50010000Business Phone: (515) 232-5759Mailing Address: Box 167City: AmesState: IAZip: 50010***Contact Person***Name: Rick ThompsonPhone: (515) 232-6666Email Address: rick@thompsonoil.comClassification: Class C Beer Permit (BC)Term: 12 monthsEffective Date: 04/01/2012Expiration Date: 03/31/2013

Privileges:

Class B Native Wine PermitClass C Beer Permit (BC)***Status of Business***BusinessType: Privately Held CorporationCorporate ID Number: 40313Federal Employer ID # 42-0947404***Ownership***

Gary ThompsonFirst Name: GaryLast Name: ThompsonCity: AmesState: IowaZip: 50010Position President% of Ownership 100.00 %

U.S. Citizen

Janet ThompsonFirst Name: JanetLast Name: ThompsonCity: AmesState: IowaZip: 50010Position Secretary% of Ownership 0.00 %

U.S. Citizen

Rick ThompsonFirst Name: RickLast Name: ThompsonCity: AmesState: IowaZip: 50014Position Vice President% of Ownership 0.00 %

U.S. Citizen

Insurance Company InformationInsurance Company: First Western Insurance

Policy Effective Date:

Policy Expiration Date:

Bond Effective Continuously:

Dram Cancel Date:

Outdoor Service Effective Date:

Outdoor Service Expiration Date:

Temp Transfer Effective Date:

Temp Transfer Expiration Date:

Applicant

Name of Applicant: YeOlde Ilc

Name of Business (DBA): Dublin Bay Pub

Address of Premises: 2321 North Loop Dr.

City: Ames County: Story Zip: 50010

Business Phone: (515) 956-3580

Mailing Address: 2321 North Loop Dr.

City: Ames State: IA Zip: 50010

Contact Person

Name: Don O'Brien

Phone: (515) 451-1167 Email Address:

Classification: Class C Liquor License (LC) (Commercial)

Term: 5 days

Effective Date: 06/19/2012

Expiration Date: 06/23/2012

Privileges:

Class C Liquor License (LC) (Commercial)

Status of Business

BusinessType: Limited Liability Company

Corporate ID Number: 242991 Federal Employer ID # 42-1510291

Ownership

Don O'Brien

First Name: Don Last Name: O'Brien

City: Ames State: Iowa Zip: 50014

Position owner

% of Ownership 100.00 % U.S. Citizen

Insurance Company Information

Insurance Company: Allied Insurance

Policy Effective Date: 06/19/2012 Policy Expiration Date: 06/24/2012

Bond Effective Continuously: Dram Cancel Date:

Outdoor Service Effective Date: Outdoor Service Expiration Date:

Temp Transfer Effective Date: Temp Transfer Expiration Date:

ApplicantName of Applicant: LJPS, IncName of Business (DBA): Olde Main Brewing CoAddress of Premises: ISU Alumni Center, 420 Beach Ave, Second FloorCity: AmesCounty: StoryZip: 50010Business Phone: (515) 232-0553Mailing Address: 316 Main StCity: AmesState: IAZip: 50010***Contact Person***Name: Jamie CourtneyPhone: (515) 291-8346Email Address: jcourtney@oldemainbrewing.comClassification: Class C Liquor License (LC) (Commercial)Term: 5 daysEffective Date: 06/14/2012Expiration Date: 06/18/2012

Privileges:

Class C Liquor License (LC) (Commercial)***Status of Business***BusinessType: Privately Held CorporationCorporate ID Number: 286196Federal Employer ID # 770613629***Ownership***

Len Griffen**First Name:** Len**Last Name:** Griffen**City:** Potomac**State:** Maryland**Zip:** 24854**Position** Vice President**% of Ownership** 25.00 %**U.S. Citizen****Scott Griffen****First Name:** Scott**Last Name:** Griffen**City:** Ames**State:** Iowa**Zip:** 50010**Position** President**% of Ownership** 50.00 %**U.S. Citizen****Sue Griffen****First Name:** Sue**Last Name:** Griffen**City:** Potomac**State:** Maryland**Zip:** 24854**Position** Treasure**% of Ownership** 25.00 %**U.S. Citizen*****Insurance Company Information*****Insurance Company:** Founders Insurance Company**Policy Effective Date:****Policy Expiration Date:****Bond Effective Continuously:****Dram Cancel Date:****Outdoor Service Effective Date:****Outdoor Service Expiration Date:****Temp Transfer Effective Date:****Temp Transfer Expiration Date:**



Memo

Police Department

39

TO: Mayor Ann Campbell and Ames City Council Members

FROM: Commander Geoff Huff – Ames Police Department

DATE: June 8, 2012

SUBJECT: Beer Permits & Liquor License Renewal Reference City Council Agenda
June 12, 2012

The Council agenda for June 12, 2012, includes beer permits and liquor license renewals for:

- Class C Liquor – Della Viti, 323 Main Street #102 (Applying for new 12-month license after 6-month "test period")

Della Viti is operating under a waiver of the prohibition against wine or liquor vending machines. We have not found any violations during the past 6 months. However, we have found one discrepancy in the waiver between the City and Della Viti. The agreement states that Della Viti will deactivate their vending cards at the close of business each night so that the next day, the patron would have to reactivate the card. A check by the Alcoholic Beverages Division found that the cards were electronically deactivated at 12 midnight instead of 2:00 AM. The police department investigated and found that Della Viti rarely stays open past 12 midnight and there appears to be a sufficient number of employees on duty to ensure that IDs are being checked and patrons are being monitored. In essence, the cards being used in the establishment are being used as another form of currency. The critical functions of ensuring underage patrons are not in the establishment and patrons are not being over-served appears to be working in this establishment under these specific circumstances.

The waiver that Della Viti is currently operating under does not currently reflect what is happening in the operation of the establishment. The waiver will need to be clarified to accurately reflect the business practice and this is currently being done.

The police department would recommend renewal of Della Viti's license for a 12 month license with a new waiver in place. The police department will continue to monitor their performance.

Applicant

Name of Applicant:	<u>Burgers Ink</u>		
Name of Business (DBA):	<u>Charlie Yoke's</u>		
Address of Premises:	<u>2428 Lincoln Way</u>		
City: <u>Ames</u>	County: <u>Story</u>	Zip: <u>50010</u>	
Business Phone:	<u>(515) 450-9688</u>		
Mailing Address:	<u>2428 Lincoln Way</u>		
City: <u>Ames</u>	State: <u>IA</u>	Zip: <u>50010</u>	

Contact Person

Name:	<u>Jason Crimmins</u>		
Phone:	<u>(515) 450-9688</u>	Email Address:	<u>litattooames@yahoo.com</u>

Classification: Class C Liquor License (LC) (Commercial)Term: 8 monthsEffective Date: 06/12/2012Expiration Date: 06/11/2013

Privileges:

Class C Liquor License (LC) (Commercial)
Sunday Sales**Status of Business**

BusinessType:	<u>Limited Liability Company</u>		
Corporate ID Number:	<u>437709</u>	Federal Employer ID #	<u>45-5412828</u>

Ownership**Jason Crimmins**First Name: JasonLast Name: CrimminsCity: AmesState: IowaZip: 50010Position Partner% of Ownership 50.00 %

U.S. Citizen

Mike RobertsFirst Name: MikeLast Name: RobertsCity: BooneState: IowaZip: 50036Position Partner% of Ownership 50.00 %

U.S. Citizen

Insurance Company Information

Insurance Company: Illinois Casualty Co

Policy Effective Date:

Policy Expiration Date:

Bond Effective Continuously:

Dram Cancel Date:

Outdoor Service Effective Date:

Outdoor Service Expiration Date:

Temp Transfer Effective Date:

Temp Transfer Expiration Date:

Staff Report

NEIGHBORHOOD ART ACQUISITIONS

June 12, 2012

BACKGROUND:

Included in the 2011/12 Public Art budget allocation is \$10,000 for acquisition of sculptures under the Neighborhood Art program. This program provides for sculptures from the previous year's "Art Around the Corner" program to be placed in neighborhoods around the city.

The Public Art Commission is now recommending that Council authorize the purchase of two sculptures for the Neighborhood Art Program.

During the 2011/12 exhibition year, "Just Between Thieves" by Jaak Kindberg of Greenwood, Arkansas was displayed at the northeast corner of Fifth Street and Clark Avenue. It is proposed that this sculpture be purchased for \$3,200 and be placed in the front yard of Fire Station No. 2 on Welch Avenue. The application for placement of this sculpture came from Anne Taylor, a Campustown merchant.

During the 2011/12 exhibition year, "Dire Enticement" by Beth Nybeck of Kansas City, Missouri was displayed at the southeast corner of Main Street and Clark Avenue. It is proposed that this sculpture be purchased for \$6,000 and be placed in Duff Park. This neighborhood park is located at the southwest corner of Duff Avenue and 14th Street. Placement at this location was initiated by the Public Art Commission itself. Since Neighborhood Art placements have previously been well received at a number of other neighborhood parks, this placement also received support from Parks and Recreation Department staff.

As was stated above, funding for these purchases and installation is available from the 2011/12 Neighborhood Art budget. The Public Art Commission feels that these will be great additions to the two neighborhoods and to the City's public art collection.

Photographs of these two sculptures are attached. Members of the Commission will be present at the June 12th City Council meeting to answer any questions regarding these recommendations.



Dire Enticement
Beth Nybeck



Just Between Thieves
Jaak Kindberg

COUNCIL ACTION FORM

SUBJECT: MIDNIGHT MADNESS ACTIVITIES

BACKGROUND:

The Midnight Madness Organization is requesting the following street and parking lot closures on Saturday, July 14, and Sunday, July 15, 2012:

1. On July 14 from 6:00 p.m. to 11:00 p.m. for the Midnight Madness races:
 - Pearle Avenue, from Main Street to Fifth Street
 - Fifth Street, from Pearle Avenue to Douglas Avenue
 - Douglas Avenue, from Fifth Street to Sixth Street
 - Sixth Street, from Douglas Avenue to Clark Avenue
 - Clark Avenue, from Sixth Street to Main Street
 - Main Street, from Clark Avenue to Northwestern Avenue
 - Northwestern Avenue, from Main Street to Sixth Street
 - Sixth Street, from Northwestern Avenue to University Boulevard
 - University Boulevard, from Sixth Street to Haber Road
2. From 6:00 p.m. on July 14 to 1:00 a.m. on July 15 for post-race activities:
 - Clark Avenue from Sixth Street to Fifth Street
 - East City Hall Parking Lot (Lot N)

Parking spaces will need to be closed from 6:00 p.m. until 11:00 p.m. on July 14. They are requesting suspension of parking regulations and waiver of parking meter fees and enforcement for:

- Fifth Street, from Pearle Avenue to Douglas Avenue
- Douglas Avenue between Fifth Street and Sixth Street
- Clark Avenue, between Main Street and Fifth Street
- Pearle Avenue, between Main Street and Fifth Street
- Main Street, between Clark Avenue and Pearle Avenue

Midnight Madness is also requesting:

- A 5-day Class B Beer Permit and an Outdoor Service Area for Parking Lot N. Alcohol will be served in a fenced-in area from 8:00 p.m. to Midnight, starting on July 14
- To have up to 7 kegs tapped at one time with a maximum of 20 kegs to be used for the event
- A wavier of fees for electricity used in Lot N and in the Main Street Cultural District

- A blanket Vending License
- Waiver of the fee for the Vending License

Public Works Traffic Division will provide five Type III barricades, numerous A-frame barricades, and 150 traffic cones to facilitate this event. Midnight Madness organizers have also obtained a Noise Permit for the event.

Council may recall having approved requests from the American Legion for a parade and beer garden downtown on the same date. Midnight Madness coordinators have been in communication with the American Legion on coordinated street closures and the movement of barricades from one event to the other.

ALTERNATIVES:

1. The City Council can approve the requests for Midnight Madness on July 14, 2012, as requested above.
2. The City Council can deny the requests for Midnight Madness and direct staff to work with organizers to find an alternative location for the event.

MANAGER'S RECOMMENDED ACTION:

Midnight Madness has been held since 1979 and is a popular event that draws many competitors and spectators into the Main Street Cultural District. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby approving the requests as outlined above.

June 6, 2012

Mayor Ann Campbell and City Council Members
c/o City Clerk
515 Clark
Ames, IA 50010

Dear Mayor Campbell and Council Members:

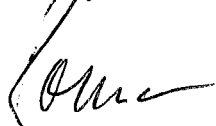
MIDNIGHT MADNESS has been around for 41 years. Many of the participants are from our City of Ames and, as such, have helped create a lot of excitement surrounding the Race. All parties involved were excited about how well the event went. We would like to have the Race downtown again this year. This year's race is **July 14, 2012**.

The following is a list of requests that we have of the City of Ames:

- Permission to allow parking behind Main Street and the west lot of City Hall.
- Use of cones for 6th Street between Clark and Elwood.
- Use of the east lot of City Hall and that part of Clark Street in front of City Hall for our Post-race Party. We would use fencing for the beer area so that we can monitor ages (a separate request has been provided). We would provide Ky-bos, dumpsters, and trash cans to help maintain the integrity of the party. We will have live music. We would stay off the grass in front of City Hall. We would have the area totally cleaned up by 1 p.m. on Sunday.
- We request **NO PARKING ALLOWED** on Main Street from 6-11 p.m. (except from Kellogg to Duff) and on 5th Street from the City Hall to Douglas for the same time period.
- We would like to hood all parking meters for **NO PARKING** on Main Street.
- We would like certain roads and parts of roads closed from 6-11 p.m. We would allow traffic to cross the course and drive along the course if there are no runners on the course. **A list of these roads is attached.**
- We would like barricades laid out at certain intersections so that we can better control traffic. **A list of those intersections is attached.**

We with MIDNIGHT MADNESS wish to thank the City for their help in the past and with their help so far this year. We believe in doing the best we can to make this an experience that is positive for the runners and the City of Ames. It is with this in mind that we make this request.

Sincerely,



Roman F. Lynch, Director
MIDNIGHT MADNESS

2 Attachments

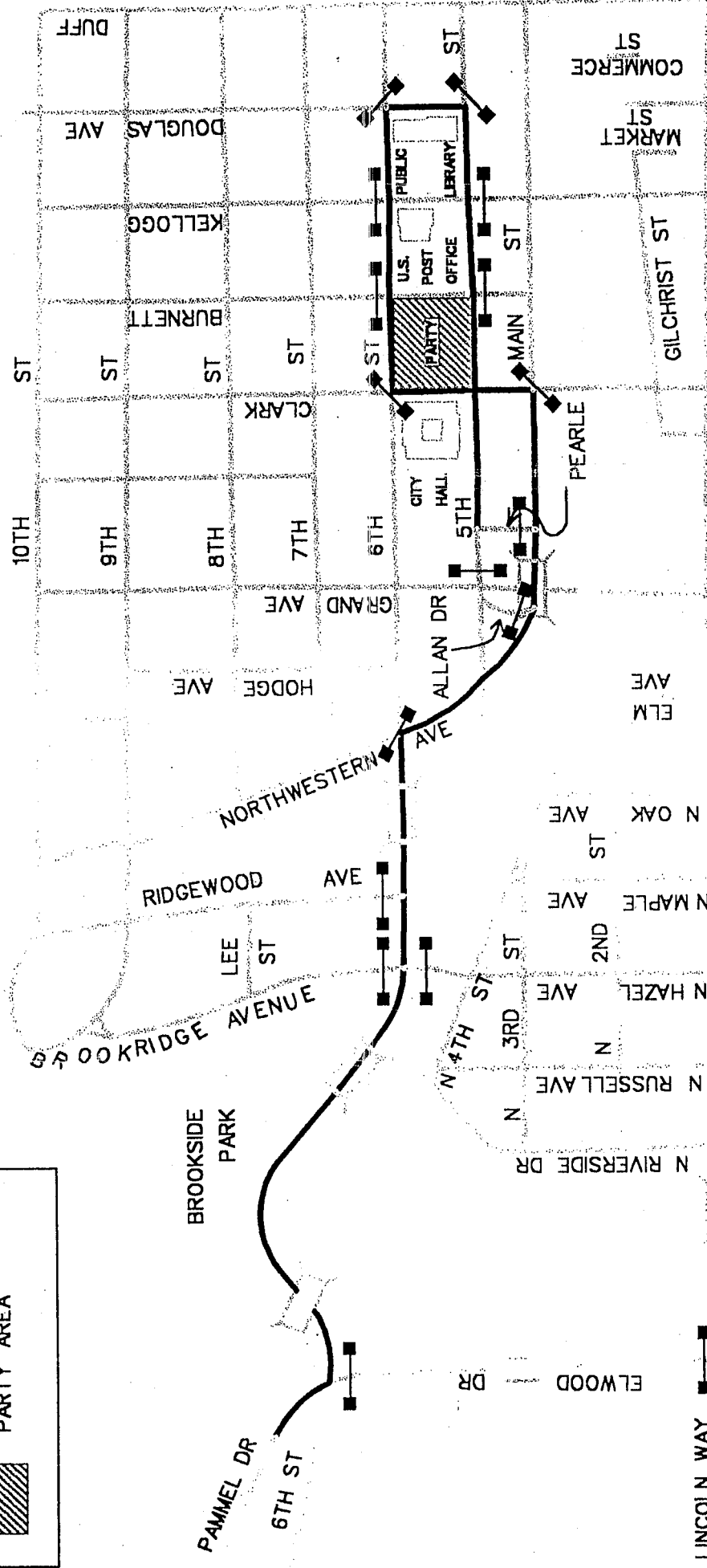
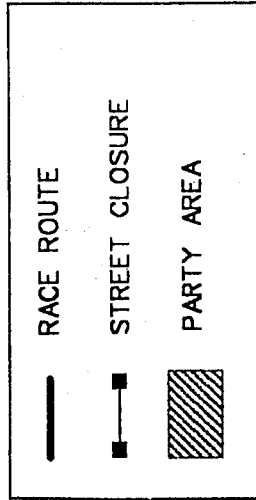
Signs, Baracades, and Cones

Cones are needed for several places....

- 1) for the two lanes on 6th street between Kellogg and Clark
- 2) for Main to create a lane from Garden Café to Clark so traffic can flow
- 3) for main Garden Café along Main to Northwestern to 6th to Elwood to Haber right down the middle of the road to split the runners
- 4) TYPE #3 Barracades to: Alan Dr & Grand (road closed) ; 5th and Grand(road closed), 6th and Northwestern(road closed), 6th and Clark(road closed ahead), Clark and Main(road closed-back by parking lot to let cars thru lot.Clark and Kellogg(road closed- unless Gingko closed permanent), Lincoln way and Elwood(Road Closed going north), 6th annd Kellogg(no left turn onto Kellogg).
- 5) Regular City Baracades to :
 - 6th and Ridgewood
 - 6th and Brookridge
 - 6th and Hazel
 - 6th and Brookside Park exit
 - 6th and Elwood
 - 5th and Northwestern
 - Main and Pearle
 - 5th and Clark, 5th and Kellogg
 - Lincoln Way at Elwood from west and from East

1999 MIDNIGHT MADNESS RACE STREET CLOSURE PLAN

KEY



June 6, 2012

Mayor Ann Campbell and City Council Members
c/o City Clerk
515 Clark
Ames, IA 50010

Dear Mayor Campbell and Council Members:

MIDNIGHT MADNESS has been around for 41 years. We feel that the race provides a vehicle for all levels of fitness. The race also creates a significant economic impact on Ames. This year's race is **July 14, 2012**.

In view of our long tradition as a contributor to the quality of life in Ames, we request two things from the Ames City Council:

- Allow us to use up to 20 kegs of beer at our Post-race Party
- Allow us to tap up to 7 kegs at one time

The approximate number of people that enter all the races is 2,300. There are approximately 1,000 spectators. There are about 3,000 that will attend the Post-race Party, of which 2,000 will drink beer and 1,300 will drink soda or orange drink. Large quantities of food will be available (spaghetti, fruit, yogurt, etc.)

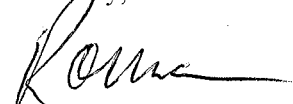
The average age of all runners is 35 years. Runners are generally a pretty docile group. As you know, we do a super job of cleaning up the area afterwards. **We request that we can have until 1:00 pm Sunday afternoon to have Main Street clean, 'no parking' signs removed and trash in a container and the Party area cleared.**

We have taken some precautions to see that no minors are served and that no one person consumes too much beer. The precautions that we will take at the MIDNIGHT MADNESS Post-race Party are:

- All kegs will be stored and served out of a beer truck.
- A double fence will surround the beer truck and act as a barrier.
- There will be one entry and exit to the beer area.
- There will be 15 people to serve beer and check ages.
- Through a tag system, we can visibly tell ages easily.
- All guests wishing beer will be checked for age and tagged.
- We will provide an adequate supply of toilets at the site.
- We will have alternate drinks—soda and orange drink.
- We will do all we can to maintain control of the party and comply with City and State laws.

Thank you for your consideration.

Sincerely,



Roman F. Lynch, Director
MIDNIGHT MADNESS
515-231-9995



June 6, 2012

Mayor and City Council
City of Ames
515 Clark Ave
Ames, IA 50010

Dear Mayor Campbell and City Council,

The Main Street Cultural District (MSCD) is excited about the number and quality of events taking place in downtown Ames this summer. Events and promotions are an important aspect to the vitality of downtown and the entire Ames community; and so we would like to express our support of the Midnight Madness race on July 14, 2012.

The MSCD is fully in support of this event, and asks that all Council requests be granted. Thank you for your consideration and your continued support of the Main Street Cultural District and its programming for the community. We hope to see you downtown for the race.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Drenthe".

Tom Drenthe
Executive Director

A handwritten signature in blue ink, appearing to read "Mandy McWherter".

Mandy McWherter
Events Coordinator

Cc: Jeff Benson

FLOOD ACTIONS & UPDATE

June 12, 2012

ACTION	TIME FRAME/STATUS
Coordination with ISU, Story County & IDOT	<ul style="list-style-type: none"> • August 2010 forward
Coordination with Iowa Flood Center (IFC)	<ul style="list-style-type: none"> • September 2010 forward
Development of LiDAR mapping for Ames' watersheds	<ul style="list-style-type: none"> • Iowa Flood Center began mapping in 2011 • Key input for local flood study • Current completion goal June 2012
Detailed flood plain mapping of College Creek & Worle Creek	<ul style="list-style-type: none"> • 2 year IDNR-funded project • Work commenced December 2011 • Planned completion August 2012
Squaw Creek basin road-flooding forecasting system	<ul style="list-style-type: none"> • 2-year pilot project conducted by IFC • \$350,000 funding from Iowa Highway Research Board and IDNR • Work commenced late 2011 • Will provide much more accurate potential flooding prediction at each roadway crossing
Create Squaw Creek Watershed Authority (WMA) to address flooding & water quality issues across the entire watershed	<ul style="list-style-type: none"> • Initial work began late 2011 • First watershed-wide effort to address flooding issues across jurisdictions • City Council will consider Intergovernmental (28E) Agreement creating WMA 6/12/2012 • Phase 2 grant goal is to put together a Watershed Master Plan in 2012/13.
Update detailed aerial mapping of Ames	<ul style="list-style-type: none"> • Included in Ames City Assessor's budget for 2012/13 • Input for implementation of local flood study
Public input on flood study	<ul style="list-style-type: none"> • Pilot citizen focus group held 4/18/2012 • Additional public input meetings will be coordinated with flood study consultant
Comprehensive flood study*	<ul style="list-style-type: none"> • Request for Qualifications (RFQ) issued 4/6 • Proposals due 4/27 • Eight proposals evaluated 5/10 • Finalist interviews 5/23-30 • Contract negotiation June 1-15 • Council consideration of contract and potential award on 6/26 • Draft report submitted by 11/1 • Final report submitted by 12/1

* Selected pages from the Request for Qualifications are attached. The study scope is described on pages 4-6, public involvement on page 8, and the project timeline on page 9.

City of Ames, Iowa

Request for Qualifications AMES FLOOD MITIGATION STUDY

April 5, 2012

PROJECT SUMMARY

Following the intense rainfalls and damaging flooding of 2010, the Ames City Council established a goal to mitigate both river flooding and localized flooding in the community. They have initiated a process to determine how best to achieve these goals, with collaboration from the public, involvement of other affected jurisdictions, and professional expertise.

This solicitation is for a variety of professional services to assist City staff in developing options and recommendations that will be presented to the Ames City Council for consideration and adoption.

TABLE OF CONTENTS

- Project Background
- Desired Scope of Work
- Concept Advisory Team
- Customer/Stakeholder Involvement
- Project Timeline
- Consultant Selection Process
- Statement of Qualifications Contents
- Submittal Instructions and Deadline
- Selection Criteria
- Proposer's Costs
- Pre-submittal Meeting and Inquiries

SUBMITTAL DELIVERY ADDRESS

John Dunn, PE
Director, Water and Pollution Control Department
300 E 5th Street, Bldg. 1
Ames, IA 50010
515-239-5150

SUBMITTAL DEADLINE: 4:00 p.m. CDT on April 26, 2012

Request for Qualifications AMES FLOOD MITIGATION STUDY

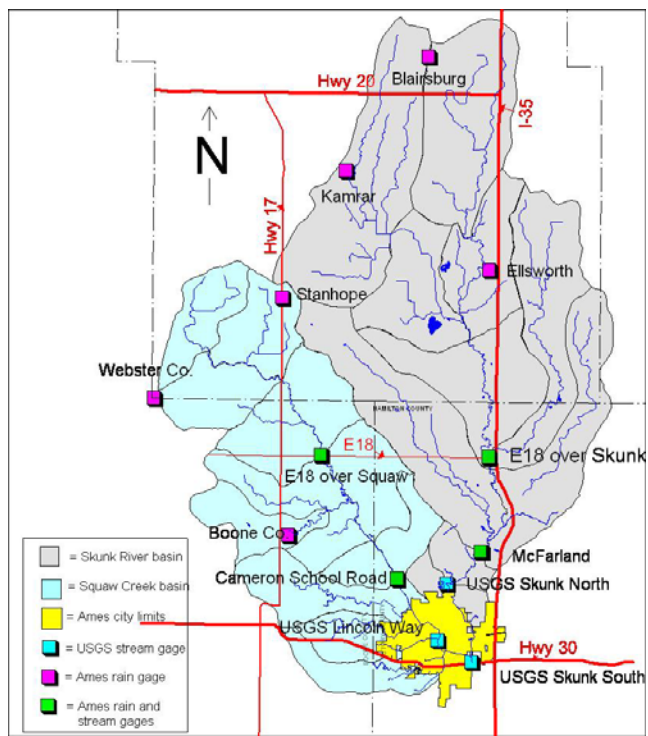
PROJECT BACKGROUND

The City of Ames is a river town, situated at the confluence of Squaw Creek and South Skunk River. The community has considerable residential and commercial development adjacent to the floodplains. In recent years, the community has experienced repeated flooding from these waterways. Major floods in the Ames area occurred in 1965, 1975, 1990, twice in 1993, 1996, 2007, 2008, and 2010. The flood of record occurred on Wednesday, August 11, 2010, eclipsing the previous peak by more than a foot.

As a result of the floods of 2010, the Ames City Council established a goal to mitigate the impact of future flooding on the Ames community. As a result of that goal, the City of Ames is soliciting proposals from qualified consultants to develop a Comprehensive Flood Plain Management Study. This study will update and build upon the *Skunk River/Squaw Creek Flood Plain Management Study*, prepared by Snyder and Associates following the 1993 floods.

Existing Hydrologic Modeling. As a mitigation measure following the 1993 floods, a 28E inter-governmental cooperative agreement was signed between the City of Ames, Story County, Iowa State University, and Iowa Department of Transportation. The purpose of the agreement, which is still in place, is to provide a flood-warning system that would provide the funding partners with advance warning for the purpose of protecting their respective facilities and interests.

The flood-warning system is made up of two parts. The first is a data collection system comprised of ten rain gauges and four stream gauges distributed throughout the Squaw Creek and South Skunk River basins. These gauges transfer rainfall and stream stage information to the Ames Water Plant via cell phone. The data are also shared with the National Weather Service, which subsequently provides the stream gauge data to the public through its Advanced Hydrologic Prediction Service. The four stream gauges maintained by the City of Ames are in addition to three gauging stations maintained by the U.S. Geological Survey.



The second part of the flood-warning system is a hydrologic model for Squaw Creek and South Skunk River. The model was originally developed as a HEC-1 model in 1995 and was converted to a HEC-HMS model in approximately 2000. The model was recalibrated in 2011 to account for changes in land use, as well as to reparameterize the model's curve numbers, impervious area, lag times, and rating curves to reflect the current conditions of the Ames area watersheds. The model is maintained by the City of Ames and is available to proposing firms. Electronic data (MS Excel) of rainfall and stream stage gathered from the Ames flood-warning system are available from 2005 to the present. Scanned data of select events prior to 2005 are also available. See information later in this document for instructions on how to access the model and other data.

Current FEMA Mapping Under Way. FEMA is in the process of a Physical Map Revision (PMR) for College Creek and Worle Creek. The PMR will result in enhanced floodplain mapping for approximately 14 stream miles (four miles for College Creek and ten miles for Worle Creek and two tributaries). The project is being done under FEMA's RiskMAP program and will use the City's LIDAR data. The project will create new Hydraulic and Hydrologic models for these watersheds.

The project began in early 2012, with an estimated six months for the engineering analysis and initial mapping. It will be about 24 months for the total project which will result in the adoption of new maps. The contact for the project is Britton Wells, Water Resources Engineer with AMEC Environment & Infrastructure.

(britton.wells@amec.com)

Current Planning and Zoning Information. Information related to planning and zoning inside the City of Ames, including the City's "Flood Plain Zoning Regulations," is available from the Planning and Housing Department's pages on the City of Ames web site. (<http://www.cityofames.org/index.aspx?page=581>)

Current Public Works Information. Information related to the City of Ames GIS systems and storm sewer utility is available from the Public Works Department's pages on the City of Ames web site. (<http://www.cityofames.org/index.aspx?page=163>)

DESIRED SCOPE OF WORK

The Ames Flood Mitigation Study will serve as a multi-year planning document to guide the City of Ames in establishing a prioritized list of actions that can be undertaken to reduce the impact of flooding on the Ames community. The study will serve as the basis for establishing flood mitigation priorities and recommending possible mitigation activities. Implementation of any recommendations reached is beyond the scope of this Request for Qualifications.

The ultimate deliverable of the study will be a written report that documents the following activities, including the following major components.

1. Baseline Flood Discharge Update.
 - a. Using the recommended methodology contained in the U.S. Geological Survey's Bulletin #17B, "Guidelines for Determining Flood Flow Frequency," estimate the 2-, 5-, 10-, 25-, 50-, 100-, and 500-year discharges at the three USGS gauge locations.
 - b. When developing the discharges, give consideration to the variations induced by the timing of the peaks on each stream. Evaluate the impact of coincidental peaks versus offset peaks.
 - c. Using FEMA's "Guidelines and Specifications for Flood Hazard Mapping," determine if the updated 100- and 500-year discharges are statistically different from the existing base flood discharge.
 - d. Included in the evaluation of the flood flow frequencies should be a sensitivity analysis based on a range of possible future rainfall estimates. Up to five rainfall scenarios will be developed by City staff in conjunction with researchers at Iowa State University, with each scenario differing in the way historical rainfall trends are extrapolated into the future. The purpose of this analysis is to help the City Council and the public consider a range of possible flood impacts resulting from climate variability. The results from this sensitivity analysis will be used when considering possible mitigation activities and strategies.
2. Floodplain Mapping Update. Submit updated models and maps to the City for review and comment.
 - a. A HEC-RAS model is currently being developed by the Iowa Flood Center and is expected to be ready by mid-May. The model's boundary extends from Ken Maril Road (on the South Skunk River) to Riverside Road (South Skunk River) to Cameron School Road (Squaw Creek). The model will include bridges and in-line structures and will be calibrated with water surface elevation measurements.

- i. The hydraulic model should be reviewed and validated to ensure that the results are reasonable and that the modeling parameters provide an accurate simulation.
 - b. Transfer the model results to a GIS format to delineate the flood inundation for each storm event analyzed.
 - i. Manually refine, as necessary, the plots to reflect the calculated base flood elevations for each storm interval analyzed.
 - ii. Prepare floodplain maps displaying the 2-, 5-, 10-, 50-, 100, and 500-year floodplain overlain on aerial photographs. Include maps that show the relative differences in the extent of the floodplain as a result of the rainfall scenarios described in paragraph 1d above.
 - iii. Tabulate the addresses of structures which, based on the flood inundation maps, would potentially be impacted for each of the storm intervals studied, including the various rainfall scenarios. Flood entry elevations were compiled as a part of the previous floodplain management study. Subsequent property development and the potential for an expended floodplain definition may necessitate the collection of new or updated flood entry elevations. This activity involves the identification of those locations where data are needed. Collection of actual flood entry elevations is outside the scope of work requested.
 - c. While submission of updated models and maps to FEMA for adoption and publication may ultimately be requested by the City of Ames, it is not included in the requested scope of work. If desired by the City, it will be included through a change order via a separate contract.
- 3. Alternatives Analysis. The core of the study will be to identify, evaluate, and recommend a list of possible flood mitigation alternatives. **Public participation and input is central to this portion of the study.** (See the Public Involvement section later in this document.)
 - a. Working with City staff and the other governmental partners, develop a list of possible flood mitigation efforts that could be undertaken. At the initial alternatives development stage, all ideas should be considered as “on the table.”
 - b. Conduct a public meeting where the full range of possible mitigation measures is presented. The intent is to gather public input and suggestions on the possible measures presented and on additional possible measures to be considered.

- c. After development of the list of possible mitigation measures, conduct a feasibility analysis of each that considers things such as constructability, permitting constraints, cost, impacts to land and property owners, reduction in base flood elevations, environmental impacts, and other benefits and impacts.
- d. For those alternatives deemed “feasible,” conduct supplemental hydrologic and hydraulic analyses necessary to evaluate the alternatives. In particular, this will be required for any options that may involve detention or storage components or road and bridge modifications.
- e. Conduct a workshop meeting with the Ames City Council to present the results of the alternatives analysis, including the methodology for determining which measures were ultimately recommended and how public input was incorporated into the final recommendations.

OVERALL MANAGEMENT OF AMES FLOOD MITIGATION STUDY

The Ames City Council chartered the study and retains the ultimate responsibility and authority for adopting any recommendation or enacting any decisions regarding flood regulation and mitigation within the Ames community. The contract for professional services that will result from this Request for Qualifications will be with the City of Ames.

The Ames Flood Mitigation Study will be administered by the City of Ames, with significant input and assistance from a core team comprised of staff from the City of Ames, Iowa State University, Story County, and the Iowa Department of Transportation. As partners, the Story County Board of Supervisors, Iowa State University Administration, and Iowa Department of Transportation are responsible for making flood-related decisions that affect their respective jurisdictions.

Lead staff members forming the core team are as follows:

City of Ames

Bob Kindred, Assistant City Manager
John Dunn, Director, Water and Pollution Control
John Joiner, Director, Public Works
Steve Osguthorpe, Director, Planning and Housing

Story County

Leanne Harter, Director, Planning and Zoning
Darren Moon, Story County Engineer

Iowa State University

David Miller, Associate Vice President for Facilities

Iowa Department of Transportation

Tony Gustafson, Assistant District 1 Engineer
Scott Dockstader, District 1 Engineer

PUBLIC INVOLVEMENT

Input from interested members of the Ames community will play an essential role in forming the ultimate conclusions and recommendations of the study. Multiple meetings are envisioned to allow and encourage the public-at-large to lend their input, questions, and concerns.

Ahead of the consultant beginning work on the Ames Flood Mitigation Study, a series of six public meetings will be held. Two meetings will be facilitated by staff from Iowa State University and will primarily reach out to the student and academic part of the community. Two meetings will be led by Story County, one with a broad, county-wide public audience and one that is targeted more specifically to emergency responders. Finally, two meetings will be facilitated by City of Ames staff, with a broad public audience. The selected consultant will not be required to prepare for or attend these meetings. City staff will work with the other entities to gather summaries of the key input and feedback from these meetings and will provide the compilation to the consultant.

As the consultant begins its work, it is envisioned that the initial task would be a workshop with City of Ames staff, with representatives from other interested governmental agencies in attendance. The majority of the workshop would include a small working group from the City of Ames, Iowa State University, Story County, and Iowa Department of Transportation. A portion of the meeting may involve a larger group of staff from these organizations who can share their organization's experiences, concerns, and desired outcomes from the study.

It is also envisioned that the consultant would play a significant role in at least four public meetings.

- A workshop-style meeting with the Ames City Council and other local governmental bodies following the conclusion of the technical analyses, to present the results of the hydrologic and hydraulic modeling efforts.
- A public meeting to gather input and feedback on possible mitigation strategies. While the meeting may include city staff and the consultant presenting a range of possible mitigation measures, the intent is to gather public input before any suite of measures have been evaluated or selected as the "preferred" recommendations.
- A second workshop-style meeting with the Ames City Council at the conclusion of the study to present possible mitigation measures and receive additional guidance from the City Council.
- A final presentation to the Ames City Council of the final evaluated recommendations incorporating technical, financial, and policy criteria developed in conjunction with City staff and the City Council.

PROJECT TIMELINE

Development of the Ames Flood Mitigation Study is intended to begin immediately after the consulting firm is selected. It is anticipated that the process will begin immediately and will proceed through the end of 2012. Ideally, the study will be to a point that at least conceptual recommendations can be made to the Ames City Council in September 2012. This timeline will allow cost estimates and funding options to be developed in advance of the Ames City Council's January 2013 Capital Improvements Plan and February 2013 operating budget reviews. The schedule below is meant as guidance; firm project deadlines will be negotiated by the City of Ames and the selected consulting team.

Anticipated Project Schedule:

Distribute Request for Qualifications <i>(this document)</i>	April 5, 2012
Pre-submittal Informational Meeting <i>10:00 -11:30 am CDT Conference Room 235 Ames City Hall 515 Clark Avenue Ames, IA 50010</i>	April 19, 2012
RFQ Response Deadline	April 26, 2012
On-site Interviews	May 7-11, 2012*
Professional Services Agreement Awarded by Ames City Council	May 22, 2012*
Draft Report Submitted	November 1, 2012
Final Report Submitted	December 1, 2012

[* Dates later delayed]

CONSULTANT SELECTION PROCESS

The consultant selection process will be conducted by the City of Ames.

The selection process will follow the general three-step process described below.

1. Request For Qualifications. The release of this document constitutes an open, formal Request for Qualifications (RFQ).
 - a. City staff will be evaluating the submitted qualifications based on the skill and ability to work with the City to develop the right approach for the Ames community.
 - b. A pre-submittal informational meeting will be held to allow interested firms to clarify the purpose and intent of the RFQ as well as the desired end product of the study. Additional information on the pre-submittal meeting is provided at the end of this document.
 - c. City staff will use the selection criteria described below to review and rank the Statements of Qualifications received in order to establish a list of preferred firms for participation in the formal interview step.
 - d. As a part of its evaluation, the City may conduct reference investigations, as necessary, to evaluate and determine the past performance record of the top-ranked firms prior to extending invitations for formal interviews. Reference checks may include inquiries as to the ability of the firm to perform the size and type of work included under this RFQ and to determine the likely quality of services being offered. Such reference investigations may include inquiries of past clients and contractors on prior projects and will include both the overall firm and the consultant's proposed key team members.
 - e. The City also reserves the right to investigate and confirm a firm's financial responsibility and viability. Unfavorable responses to these investigations may be considered by the City when ranking firms for additional consideration. **By submitting a Statement of Qualifications (SOQ), the submitting firm authorizes the City of Ames to conduct such reference investigations.**
2. Formal Interviews. Based on the information submitted in the SOQ, the City will invite approximately three firms to participate in formal interviews with the selection team. Interviews will be conducted on site at the City of Ames. The format and expectations for the formal interviews will be shared with the invited firms in advance. Interviews are tentatively planned for the week of May 7, 2012. The exact number of firms invited to interview is at the discretion of the City.

3. Negotiation of Final Scope. Following the formal interviews, the City of Ames will negotiate a final contract for professional services and associated scope of services with the preferred firm. Once an agreement has been reached that City staff determines to be fair, competitive, and reasonable, the selection team will submit the negotiated contract to the Ames City Council which will make the final decision on contract award.

Once a contract has been awarded by the Ames City Council, a City of Ames purchase order will be issued for the project. No work may begin until a purchase order has been issued.

All materials submitted shall become the property of the City of Ames. Note that all materials received by the City of Ames become “public records” and will be made available for review to any person upon request. Any materials submitted to the City of Ames are subject to potential public records requests. Proposing firms should clearly indicate to the City any material, submitted in any format, which is considered “proprietary.” In the event of a public records request for items so designated, the City will provide notice to the firm that a public records request has been received. The firm would then be responsible for seeking an injunction to block the release of the documents.

It is expected that the results of the Ames Flood Mitigation Study will form the basis of an on-going program of mitigation measures. However, **the scope of work covered by this solicitation is for development of the Ames Flood Mitigation Study only.** There is no guarantee that the firm selected to prepare the plan will be retained for any later portions. Future execution of the study’s recommendations will most likely include additional competitive solicitations for professional services.

STATEMENT OF QUALIFICATIONS CONTENTS

The Statement of Qualifications (SOQs) will form the basis of selecting the “short list” of firms that will be asked to meet with the City in a formal interview setting.

The Statement of Qualifications should include the following components. When submitting their SOQ, firms are asked to provide the materials in the order listed below. **SUBMITTING FIRMS ARE RESPONSIBLE FOR REVIEWING AND UNDERSTANDING THE REQUIREMENTS OF THIS SOLICITATION.** Careful attention must be given to ensure that all requested items contained in this RFQ are included in the submittal and sections comply with applicable page limits.

1. Cover Letter. A cover letter is required, stating the firm’s interest in being considered for the project. The letter should clearly identify the main point of contact for the submitting firm.
2. General Profile. A one-page general profile of the firm is required. For Statements of Qualifications that involve multiple firms submitting as a single project team, one additional page is permissible. The profile should describe the general nature of services provided by the firm, the location of main and branch offices, and the number of years the firm has provided services similar to those requested by this RFQ. Any sub-consultants which are proposed to be a part of the design team must be identified.
3. Key Personnel. A one-page summary is required that includes the names of the key personnel to be involved in preparing the Ames Flood Mitigation Study, along with a brief summary of their areas of expertise and their intended role in the project. (Resumes and CVs may be appended to the submittal but cannot substitute for the required summary page.) Please indicate those persons possessing the licenses and certifications necessary to perform the type of work being requested.

Additionally, a one-page organizational chart for this project shall be provided. Indicate the key personnel and their relationship to the overall project. Note that it is a requirement of the City of Ames that the key personnel identified during the consultant selection process will be required to participate in and execute the project. Substitution of personnel after an award of contract will require approval by the City of Ames.

4. References. A listing of no more than five reference projects of similar size and scope shall be provided. Particular emphasis should be placed on innovative, cost-effective solutions on similar projects, including projects involving analysis of potential rainfall events in excess of historical levels. Indicate which members being proposed for the Ames Flood Mitigation Study were involved in the reference projects and what their role in the reference projects was. Please provide contact information for the project owners, the nature of the firm’s scope

of work on the project, and the date the contract started and ended. Each project listing shall be no longer than one page in length.

5. Multiple Firms. For Statements of Qualifications that involve multiple firms submitting as a single project team, provide a maximum two-page summary of the roles each firm will play and the project management approach that will be used to provide seamless delivery of the end product.
6. Estimate of Resources. Based on the firm's understanding of the scope of work required, provide a maximum two-page preliminary estimate of the firm's resources that could be dedicated to the project. This can be in a form of the firm's choosing but should clearly convey a sense of the amount of effort and resources the firm believes will be required for the Needs Assessment phase of the project. As an example, an estimate of staff hours would be an acceptable method to meet this requirement. A statement of availability should also be included that confirms that these resources can be committed to allow the work to progress within the Project Timeline described earlier.

A preliminary fee proposal should not be included at this stage. During the subsequent formal interview step, a "two envelope" proposal process will be used to allow proposed scopes to be evaluated separately from fee proposals. **The City of Ames is committed to a qualifications-based evaluation and selection process.** If the proposed scope and associated fee of the preferred team appears to be "unreasonable" when compared to the proposed scope and fee of the other teams, the City of Ames reserves the right to take this into consideration when making its ultimate selection.

7. Supplemental Information. Firms are encouraged to submit any additional or supplemental information that they believe may be important to the City's selection team when narrowing the list of firms invited to participate in formal interviews. Please discuss any critical assumptions, extenuating circumstances, or other factors that may be critical to understanding the submitted qualifications. There is no page limit for this supplemental information; however, firms are encouraged to limit the additional information to topics relevant to the specific scope of work under consideration.

Any requests for clarification on the submittal requirements or review process must be received by City of Ames no less than three days prior to the submission deadline listed below.

SELECTION CRITERIA

The intent of the selection process is to select the most qualified, responsive, and responsible firm based on the identified needs of the City of Ames. The following table identifies the scoring rubric that the City of Ames will use to rate and compare submittals. The areas identified reflect those skills, expertise, and capabilities that the City of Ames believes are highly desirable in the selected consulting firm. Firms are encouraged to use this list when preparing their SOQ to ensure that the submitted materials address the selection team's priorities.

Criteria	Points Available	Points Awarded
General Firm Profile		
Depth of resources and technical support in the disciplines necessary for this project	15	
Breadth of expertise in evaluating multiple flood mitigation techniques and measures	15	
General Firm Profile Subtotal	30	
Proposed Project Team Profile		
Expertise in performing and evaluating hydrologic and hydraulic modeling.	15	
Demonstrated success in securing FEMA support for recommendations and conclusions	15	
Exemplary public education and involvement strategies	10	
Experience incorporating sensitivity analyses into flood inundation predictions	10	
Proposed Project Team Profile Subtotal	50	
Statement of Qualifications		
Quality of the submittal is representative of the quality that would be acceptable for the final Flood Mitigation Study report (includes grammar, spelling, formatting, etc.)	5	
Presentation of information is clear and logical; all required components submitted	5	
Specific SOQ Elements Subtotal	10	
Overall Impression		
Appropriateness of the firm's qualifications	10	
Overall Impression Subtotal	10	
Overall Firm Score	100	

The selected firm will have a demonstrated record of successfully completing similar projects. Representatives from the selected firm will become integral members of the City's flood mitigation team and will assist the City in developing a conceptual plan, establishing major philosophical requirements and expectations, and identifying and evaluating various alternatives to meet the current and future needs of the Ames community.

The scores generated by applying this rubric will provide a framework for the City to evaluate and compare submissions. While the general concept would be for the highest scoring firms to be invited to interview, the City of Ames reserves the right to consider other topics not included in the rubric and to exercise professional judgment and discretion when extending invitations. **In all cases, the City of Ames reserves the right to select a firm and award a contract that is in the best interests of the City.**

COUNCIL ACTION FORM

SUBJECT: SQUAW CREEK WATERSHED MANAGEMENT AUTHORITY

BACKGROUND:

In 2010 the Iowa General Assembly adopted HF 2459, a bill that provided funding to plan, implement and evaluate watershed projects. This bill established a state Watershed Planning Advisory Council, directed state agencies to seek funding to plan and implement a watershed demonstration pilot, and outlined the process for creation of Watershed Management Authorities using 28E intergovernmental agreements. These authorities are intended to reduce flood risk and improve water quality, monitor federal flood risk planning and activities, and educate residents of the watershed regarding flood risks and water quality.

In response to an announcement by the Iowa Department of Natural Resources, Story County submitted an application for grant funding to establish a Watershed Management Authority (WMA) for the Squaw Creek basin. In November, 2011, Story County was awarded a \$25,060 Watershed Management Authority Phase 1 Contract for this purpose.

The Squaw Creek basin includes portions of Story, Boone, Hamilton and Webster counties and the cities of Ames, Gilbert, Stratford and Stanhope. These eight entities, as well as the Soil and Water Conservation Districts for all four counties, are eligible to join together and create a Squaw Creek Watershed Management Authority.

Watershed Management Agencies are organized by natural watersheds, rather than by the man-made lines that normally demark city and county boundaries. They thus present an opportunity for all affected governments to specifically cooperate and coordinate efforts that affect each other within the specific rainfall basin. While WMA's are used extensively in Minnesota and Wisconsin, none presently exist in Iowa. The creation of a WMA in one of Ames' watersheds will provide an opportunity for the City to partner with other jurisdictions whose citizens and land use decisions directly affect potential flooding along Squaw Creek. It is an opportunity to work with these other cities, counties and districts to cooperatively plan and encourage watershed improvements to mitigate flooding in Ames and improve the water quality in Squaw Creek.

Key aspects of how the WMA will function include the following:

- Participation in the WMA is voluntary for each party. Any city, county or soil and water conservation district may join or withdraw from the WMA at its discretion.
- Each of the members has one seat and one vote on the WMA Board of Directors.

- Members are encouraged to bring their respective watershed management efforts to the WMA to facilitate coordinated action.
- The WMA has no taxing authority and no power to compel any member to take a specific watershed management action.
- WMA support should facilitate members' individual or collective efforts to seek state or federal grant funding for watershed management projects.
- Many other entities have expressed interest in collaborating with the new WMA. This includes ISU researchers and administration, other state and federal agencies, county emergency management agencies, crop grower associations, and a significant number of other private interests.
- Story County is administering the initial state grant to create the WMA, and will continue to serve in that role should the WMA be successful in securing a Phase 2 grant.
- Key actions following formation of the WMA include the following:
 - Applying for a Watershed Management Authority Phase 2 Contract, which would be used to commission a **Watershed Master Plan**.
 - Designating a fiscal and administrative agent for the WMA. Prairie Rivers RC&D of Ames has expressed interest in serving in this capacity.

A copy of the proposed 28E intergovernmental agreement is attached. A map of the WMA's territory is shown at the end of the agreement. This agreement is concurrently being presented to all twelve city councils and boards for approval. All who choose to participate will become charter members of the Squaw Creek Watershed Coalition, which will hold its first organizational meeting on June 21.

Should the Council choose to participate in this WMA, a City representative to the board of directors should be designated. It would seem appropriate to appoint the Mayor to this position, at least during the early, formative stages of the WMA. Assistant City Manager Bob Kindred could be appointed as an alternate for those occasions when the Mayor is unable to attend.

ALTERNATIVES:

1. Approve the attached 28E agreement creating the Squaw Creek Watershed Management Authority; and designate the Mayor and Assistant City Manager as representative and alternate representative, respectively, to the WMA's board of directors.
2. Choose not to participate in the proposed Squaw Creek WMA.

MANAGER'S RECOMMENDED ACTION:

Given the repeated flooding experienced in our community, the City has a great stake in basin-wide activities that influence both the quantity and quality of water in Squaw

Creek. Participating in the newly formed Squaw Creek Watershed Management Authority will allow the City to coordinate efforts with many other interested governments and parties within the watershed to better deal with common flooding and water quality issues. As this WMA develops and is successful over time, it will hopefully provide a model for a larger WMA including Skunk River.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the 28E agreement creating the Squaw Creek Watershed Management Authority and designating representatives to the WMA's board.

Squaw Creek Watershed Management Authority Agreement
Between Story County, Boone County, Webster County, Hamilton County, City of
Ames, City of Gilbert, City of Stanhope, City of Stratford, Story County Soil and Water
Conservation District, Boone County Soil and Water Conservation District,
Hamilton County Soil and Water Conservation District, and
Webster County Soil and Water Conservation District

This Joint and Cooperative Agreement (hereinafter referred to as the “Agreement”) is entered into pursuant to the authority of the *Code of Iowa*, Chapter 28E on this _____ day of _____, 2012 by and between Story County, Iowa; Boone County, Iowa; Hamilton County, Iowa; Webster County, Iowa; the City of Ames Iowa; the City of Gilbert, Iowa; the City of Stratford, Iowa; the City of Stanhope, Iowa; the Story County Soil and Water Conservation District; the Boone County Soil and Water Conservation District; the Hamilton County Soil and Water Conservation District; and the Webster County Soil and Water Conservation District. All entities shall be referred to hereinafter as the “Cooperators”.

WHEREAS, Iowa Code section 466B of the *Code of Iowa* authorizes two (2) or more political subdivisions, defined as including cities, counties and/or soil and water conservation districts, all of which must be located within the same United States Geological Survey Hydrologic Unit Code 10 watershed, to enter into agreement under Chapter 28E of the *Code of Iowa* to establish a watershed management authority to enable cooperation in supporting watershed planning and improvements for the mutual advantage of the political subdivisions involved; and

WHEREAS, pursuant to *Code of Iowa* Section 466B.22, a watershed management authority may perform all of the following duties:

1. Assess the flood risks in the watershed.
2. Assess the water quality in the watershed.
3. Assess options for reducing flood risk and improving water quality in the watershed.
4. Monitor federal flood risk planning and activities.
5. Educate residents of the watershed area regarding water quality and flood risks.
6. Seek and allocate moneys made available to the Authority for purposes of water quality and flood mitigation.
7. Make and enter into contracts and agreements and execute all instruments necessary or incidental to the performance of the duties of the Authority. The Authority shall not acquire property by eminent domain.

and;

WHEREAS, the counties of Story, Boone, Hamilton, and Webster; and the cities of Ames, Gilbert, Stanhope, and Stratford; and the Soil and Water Conservation Districts of Story, Boone, Hamilton, and Webster deem establishment of the Squaw Creek Watershed Management Authority (the Authority), a watershed management authority encompassing all of the Squaw Creek watershed, a Hydrologic Unit Code 10 (HUC 10) watershed, to be of mutual advantage; and

WHEREAS, it is mutually desired to enter into this Agreement pursuant to *Code of Iowa* Chapter 28E for the purpose of establishing the Squaw Creek Watershed Management Authority to carry out watershed planning and improvements in the Squaw Creek watershed

NOW THEREFORE, it is agreed by and between the parties as follows:

SECTION 1. IDENTITY OF THE PARTIES.

- 1.1 The Counties of Story, Boone, Hamilton, and Webster are each a municipality of the State of Iowa, organized and operating pursuant to *Code of Iowa* Chapter 331. Their respective addresses are:

Story County
900 Sixth Street
Nevada, Iowa 50201

Boone County
201 State Street
Boone, Iowa 50036

Hamilton County
2300 Superior Street, Suite 3
Webster City, Iowa 50595

Webster County
701 Central Avenue
Fort Dodge, Iowa 50501

- 1.2 The Cities of Ames, Gilbert, Stanhope, and Stratford are each a municipality of the State of Iowa, organized and operating pursuant to *Code of Iowa* Chapter 364. Their respective addresses are:

City of Ames
515 Clark Avenue
Ames, Iowa 50010

City of Gilbert
119 Main Street, P.O. Box 29
Gilbert, Iowa 50105

City of Stanhope
600 Main Street, P.O. Box 128
Stanhope, Iowa 50246

City of Stratford
805 Shakespeare Avenue
Stratford, Iowa 50249-0218

- 1.3 The Soil and Water Conservation Districts of Story, Boone, Hamilton, and Webster are each a governmental division of the State of Iowa as defined in *Code of Iowa* Section 161A3(6) and a soil and water conservation district established pursuant to Iowa Code Section 161A5(1). Their respective addresses are:

Story County SWCD
510 South 11th Street
Nevada, Iowa 50201

Boone County SWCD
1602 Snedden Drive
Boone, Iowa 50036

Hamilton County SWCD
1921 Superior Street
Webster City, IA 50595-3145

Webster County SWCD
1898 Kountry Lane
Fort Dodge, IA 50501

SECTION 2. SQUAW CREEK WATERSHED BOUNDARY

The area within this Agreement shall be known as the Squaw Creek Watershed Boundary. This Boundary is shown in Attachment A.

SECTION 3. PURPOSE.

- 3.1 The purpose of this Agreement is to provide for the manner in which the parties shall cooperate with one another to successfully encourage, plan for, and implement watershed activities within the Squaw Creek watershed, including but not limited to the following activities authorized pursuant to *Code of Iowa* Section 466B.22:

- 3.1.1 Assess the flood risks in the watershed.

- 3.1.2 Assess the water quality in the watershed.
- 3.1.3 Assess options for reducing flood risk and improving water quality in the watershed.
- 3.1.4 Monitor federal flood risk planning and activities.
- 3.1.5 Educate residents of the watershed area regarding water quality and flood risks.
- 3.1.6 Seek and allocate moneys made available to the Authority for purposes of water quality and flood mitigation.
- 3.1.7 Make and enter into contracts and agreements and execute all instruments necessary or incidental to the performance of the duties of the Authority. The Authority shall not acquire property by eminent domain.

SECTION 4. NO SEPARATE ENTITY CREATED.

- 4.1 It is the intention of this Agreement that there be no new or additional legal or administrative entity created by this Agreement, nor that the inherent governmental powers of any Cooperator be affected in any way beyond the terms of this Agreement.
- 4.2 A joint board of the Cooperators known as the Squaw Creek Watershed Management Authority Board (the Board) shall be responsible for coordinating watershed planning and improvements. The Board shall be comprised of one appointee from each county, city, and district participating in this Agreement.
- 4.3 Once established, the Board will develop governing bylaws.

SECTION 5. DURATION.

This Agreement shall be in effect in perpetuity until terminated pursuant to Section 13.

SECTION 6. POWERS AND DUTIES.

- 6.1 The parties to this Agreement shall retain all powers and duties conferred by law but shall work together in the exercise of such powers and the performance of this Agreement. These powers shall not be transferred to the Watershed Management Authority. Each party shall be responsible for:
 - 6.1.1 identifying opportunities for funding and in-kind support for the undertaking of watershed planning and improvements within the Squaw Creek watershed;
 - 6.1.2 identifying opportunities for infrastructure development and planning capable of assessing and mitigating flood risks in the watershed;

- 6.1.3 identifying the most effective best management practices for water quantity and water quality improvements in the watershed;
- 6.1.4 participating in educational/outreach programs regarding water quality and flood risks;
- 6.1.5 identifying opportunities for infrastructure development and planning to assess and mitigate water quality in the watershed;
- 6.1.6 providing support for the administration of any projects, including technical, financial and clerical, as agreed to by the Cooperators;
- 6.1.7 securing such financing, including grants, loans and the issuance of bonds of loan agreements, as determined by the respective party to be necessary or desirable to achieve the objectives of the agreement;
- 6.1.8 designing and bidding of projects;
- 6.1.9 administering contracts; and
- 6.1.10 observing construction.

SECTION 7. MANNER OF FINANCING.

The Board may solicit, accept and receive donations, endowments, gifts, grants, reimbursements and other such funds as necessary to support work pursuant to this Agreement. It is agreed and understood by the parties hereto that no financial obligations upon any cooperator are intended to be created hereby.

No action to contribute funds by a Board member of the Authority is binding on the Cooperator that he or she represents without official approval by the governing body of that Cooperator. No Cooperator may be required to contribute funds to the Authority, except to fulfill any obligation previously made by official action by the governing body of the Cooperator.

The Board will review each opportunity for funding or in-kind support. After review of the opportunity, a fiscal agent will be nominated. The fiscal agent would be a Cooperator or other organization meeting the fiscal agent standards outlined in the bylaws. Should no Cooperator or other organization accept the nomination of fiscal agent for the opportunity, the opportunity will not be considered.

SECTION 8. ENTIRE AGREEMENT.

This Agreement represents the entire understanding among the Cooperators and no Cooperator is relying on any representation or understanding which may have been made by another Cooperator and which is not included in this Agreement.

SECTION 9. SEVERABILITY/INVALIDITY.

If any term, provision or condition of this Agreement shall be determined to be invalid by a court of law, such invalidity shall in no way effect the validity of any other term, provision or condition of this Agreement, and the remainder of the Agreement shall survive in full force and effect unless to do so would substantially impair the rights and obligations of the Cooperators to this Agreement or substantially frustrate the attainment of the purposes of this Agreement.

SECTION 10. GOVERNING LAW.

This Agreement shall be governed by and interpreted under the laws of the State of Iowa.

SECTION 11. AMENDMENTS.

- 11.1 This Agreement may be amended at any time by an affirmative vote of the majority of the governing bodies of all Cooperators. Any Cooperator desiring an amendment to this Agreement shall notify the other Cooperators of its desire, and the reasons for the request.
- 11.2 Such a request shall be in writing to the other governing bodies of the Cooperators, and shall be considered by their governing body without unreasonable delay and within no more than ninety (90) days of receipt.
- 11.3 If the request is agreed to by the other Cooperators, each Cooperator shall prepare and submit to the others a certified resolution confirming the affirmative vote of the Cooperator's governing body.
- 11.4 The Amendment shall take effect ten (10) days following receipt of the last such resolution by the other Cooperators. Amendments shall be filed and recorded as required by Section 16 hereof.

SECTION 12. ADDITIONAL COOPERATORS

- 12.1 A City, County, or Soil and Water Conservation District within the Squaw Creek Watershed who is not a Cooperator, may request, in writing to all Cooperators, to become a Cooperator.
- 12.2 Such a request shall be considered an Amendment and shall follow the steps outlined in Section 11 hereof.

SECTION 13. TERMINATION OF AGREEMENT.

This agreement shall terminate upon the mutual agreement of the governing bodies of all Cooperators in the Authority. Upon termination, all property and money then owned by the Authority shall be distributed equally among its members after payment of all debts. Any funds donated under a stipulation limiting their use shall be dispersed consistent

with the owner's direction. The governing body of each jurisdiction may individually terminate their participation in the agreement after providing the Authority a written 90 notice of intent.

SECTION 14. EFFECTIVE DATE.

This Agreement shall take effect upon execution by the Cooperators as required by law, and filing with the Secretary of State in an electronic format.

SECTION 15. NOTICES.

Notices under this Agreement shall be in writing and delivered to the representative of the party to receive notice (identified below) at the address of the party designated to receive notice for each Cooperator as set forth in this Agreement. The effective date of any notice under this Agreement shall be the date of actual delivery of such notice and not the date of dispatch. The preferred means of notice shall be either actual hand delivery, certified US Mail, return receipt requested with postage prepaid thereon, or by recognized overnight delivery service, such as FedEx or UPS.

Notices shall be delivered to the following persons at each Cooperator:

Story County: Chairperson, Story County Board of Supervisors
 Story County Administration Building
 900 Sixth Street
 Nevada, Iowa 50201

Boone County: Chairperson, Boone County Board of Supervisors
 Boone County Administration
 201 State Street
 Boone, Iowa 50036

Hamilton County: Chairperson, Hamilton County Board of Supervisors
 Hamilton County Administration
 2300 Superior Street, Suite 3
 Webster City, Iowa 50595

Webster County: Chairperson, Webster County Board of Supervisors
 Webster County Administration
 701 Central Avenue
 Fort Dodge, Iowa 50501

Ames: Mayor, City of Ames
 City Hall
 515 Clark Avenue
 Ames, Iowa 50010

Gilbert: Mayor, City of Gilbert
City Hall
119 Main Street, P.O. Box 29
Gilbert, Iowa 50105

Stanhope: Mayor, City of Stanhope
City Hall
600 Main Street, P.O. Box 128
Stanhope, Iowa 50246

Stratford: Mayor, City of Stratford
City Hall
805 Shakespeare Avenue
Stratford, Iowa 50249-0218

Story County Soil and Water Conservation District:
Chairperson, Story County SWCD
510 South 11th Street
Nevada, Iowa 50201

Boone County Soil and Water Conservation District:
Chairperson, Boone County SWCD
1602 Snedden Drive
Boone, Iowa 50036

Hamilton County Soil and Water Conservation District:
Chairperson, Hamilton County SWCD
1921 Superior Street
Webster City, IA 50595-3145

Webster County Soil and Water Conservation District:
Chairperson, Webster County SWCD
1898 Kountry Lane
Fort Dodge, IA 50501

SECTION 16. RECORDATION.

This Agreement shall be recorded pursuant to the requirements of *Code of Iowa*, Chapter 28E.

SECTION 17. ENTIRE AGREEMENT.

This Agreement and attachments attached hereto constitute the entire Agreement, among the Cooperators and supersedes or replaces any prior agreements among the Cooperators relating to its subject matter.

SECTION 18. NO WAIVER.

The waiver or acceptance by any Cooperator of a breach or violation of any provisions of this Agreement by another cooperator shall not operate as, or be construed to be, a waiver of any subsequent breach.

SECTION 19. NO ASSIGNMENT OR DELEGATION.

Neither this Agreement, nor any right or obligation under it, may be assigned, transferred or delegated in whole or in part to any outside party without the prior written consent of all the Cooperators.

SECTION 20. AUTHORITY AND AUTHORIZATION.

Each party to this Agreement represents and warrants to the other that it has the right, power and authority to enter into and perform its obligations under this Agreement; and that it has taken all requisite actions necessary to approve the execution, delivery and performance of this Agreement, and that this Agreement constitutes a legal, valid and binding obligation upon itself in accordance with the terms of the Agreement.

SECTION 21. HEADINGS AND CAPTIONS.

The paragraph headings and captions set forth in this Agreement are for identification purposes only and do not limit or construe the contents of the paragraphs.

SECTION 22. COUNTERPARTS.

The Cooperators agree that this Agreement has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

Dated this _____ day of _____, 2012.

STORY COUNTY, IOWA

BY: _____
Board of Supervisors Chair

ATTEST: _____
County Auditor

Dated this _____ day of _____, 2012.

BOONE COUNTY, IOWA

BY:

Board of Supervisors Chair

ATTEST:

County Auditor

Dated this _____ day of _____, 2012.

HAMILTON COUNTY, IOWA

BY:

Board of Supervisors Chair

ATTEST:

County Auditor

Dated this ____ day of _____, 2012.

WEBSTER COUNTY, IOWA

BY:

Board of Supervisors Chair

ATTEST:

County Auditor

Dated this ____ day of _____, 2012.

AMES, IOWA

BY:

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM

Douglas R. Marek
City Attorney

Dated this ____ day of _____, 2012.

GILBERT, IOWA

BY:

Mayor

ATTEST:

City Clerk

Dated this _____ day of _____, 2012.

STANHOPE, IOWA

BY:

Mayor

ATTEST:

City Clerk

Dated this ____ day of _____, 2012.

STRATFORD, IOWA

BY:

Mayor

ATTEST:

City Clerk

Dated this ____ day of _____, 2012.

STORY COUNTY SOIL AND WATER CONSERVATION DISTRICT
STORY COUNTY, IOWA

BY: _____
Chairperson

ATTEST: _____
Secretary

Dated this ____ day of _____, 2012.

BOONE COUNTY SOIL AND WATER CONSERVATION DISTRICT
BOONE COUNTY, IOWA

BY: _____
Chairperson

ATTEST: _____
Secretary

Dated this ____ day of _____, 2012.

HAMILTON COUNTY SOIL AND WATER CONSERVATION DISTRICT
HAMILTON COUNTY, IOWA

BY: _____
Chairperson

ATTEST: _____
Secretary

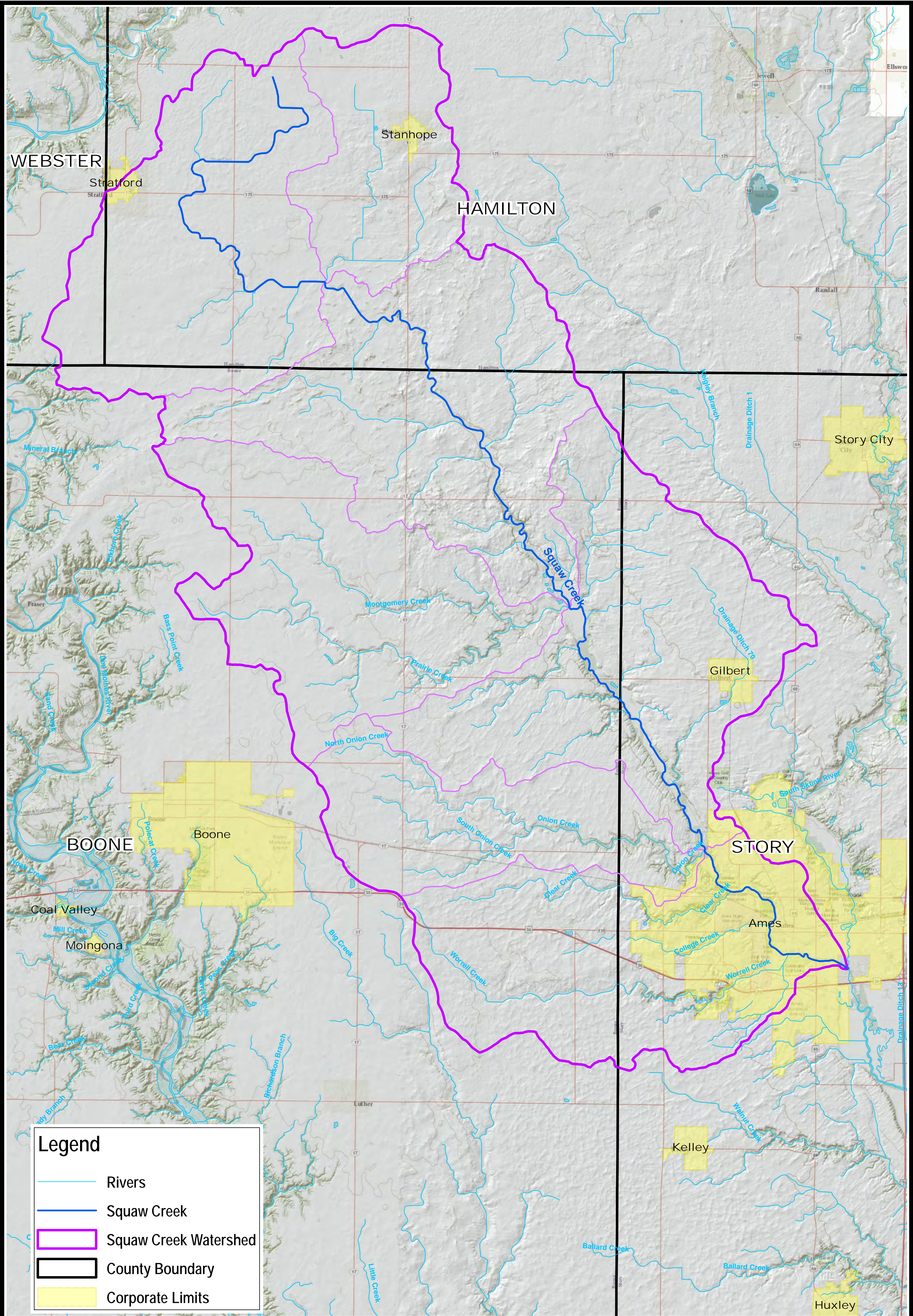
Dated this ____ day of _____, 2012.

WEBSTER COUNTY SOIL AND WATER CONSERVATION DISTRICT
WEBSTER COUNTY, IOWA

BY: _____
Chairperson

ATTEST: _____
Secretary

Attachment A



SNYDER & ASSOCIATES
Engineers and Planners

SQUAW CREEK WATERSHED





Memo

City Manager's Office

45

TO: Mayor and Ames City Council

FROM: Steven L. Schainker, City Manager

DATE: June 8, 2012

SUBJECT: Deery Brothers' Request For Tax Abatement

In accordance with your latest directive, the City Council will be reviewing a previous staff report presented on April 10, 2012. This study was prepared in response to a request to provide a tax abatement incentive for the three lots that the Deery Brothers hope to develop along S.E. 16th Street. As you revisit this proposal, I want to reiterate that the staff report provides a possible urban revitalization policy for properties along S.E. 16th Street between S. Duff and S. Dayton Road. Therefore, it offers possible eligibility criteria that the City Council members could utilize to determine whether or not to process requests for a tax abatement incentive in this area. In essence, it is the "decision making matrix" that you can utilize to determine eligibility.

Should you decide to provide a tax abatement incentive for this area, I want to emphasize that once the Council determines the eligibility criteria have been met, there is more work to be done on the part of the developer and City Council. (See pages 5 and 6 on the attached staff report.) After the application is processed, a plan has been developed, and a public hearing is held, the Council would then approve a specific economic development area for each plan.

It appears Council members are contemplating what I would characterize as "performance" criteria to determine eligibility for the tax abatement incentive. Possible criteria are listed on page 7 of the attached report. (I realize that the City Council might want to include others.) In establishing these criteria, the Council should understand that once the plan and the urban revitalization area have been approved, it will not be possible to eliminate the tax abatement incentive, even if the desired performance has not been met.

It appears that you have at least three strategies to assure the performance criteria are met:

- 1) You can make sure that the required action is accomplished prior to the public hearing on the plan.

This option will cause delays for the developer since the required task(s) and verification might have to come sometime much later in the development process.

- 2) You can develop a separate developer agreement that requires the developer to pay back to the City the value of the property tax abatement received should the performance requirements not be met.

This option imposes additional steps in the process for negotiating and monitoring a separate developer agreement.

- 3) You can approve the plan and the definition of the economic development area, but delay the 3rd reading of the ordinance until you are assured the performance requirements have been met.

This option could prove risky for the developer since there is no guarantee that the Council will vote to approve the plan on the third reading.

- 4) You can make sure to establish only performance criteria that can be verified prior to approving a plan.

This would be the preferred option, if feasible.

COUNCIL ACTION FORM

SUBJECT: SOUTHEAST 16TH STREET TAX ABATEMENT POLICY

BACKGROUND:

On February 28, 2012, staff reported to Council regarding a request from Brad Deery to consider granting tax abatement for their proposed development at the southwest corner of Southeast 16th Street and South Dayton Road. Because the property has been flooded in the past, it is their intent to raise the elevation of 11.5 acres of the 26-acre site above the road level using earth excavated from the floodway portion of the site. The Zoning Board of Adjustment approved that excavation in the floodway on March 14.

The Deerys intend to subdivide the land into three lots. Once this site work is completed, they intend to begin construction of a car dealership on the middle lot. Since uses for the remaining two lots have yet to be identified, development of these two lots most likely will occur at a later date. In order to offset some of the expense of excavation and fill for the development of these three properties, Mr. Deery requested that the City Council grant tax abatement.

On February 28, the City Council directed staff to develop a policy establishing qualifying criteria for an economic development tax abatement area that would specifically include the following criteria:

- a) Property located along Southeast 16th Street between South Duff Avenue and Dayton Road,
- b) The costs for raising land at least three feet out of the floodway fringe are equal to or greater than the value of the abatement,
- c) An engineer's certificate showing that raising the land would have no impact on surrounding properties, and
- d) Any other criteria that staff feels are necessary.

Code of Iowa Chapter 404 provides authority for municipalities to establish Urban Revitalization Areas and associated Plans as the mechanism for providing tax abatement in areas which the City Council has identified for economic development. Staff has developed the attached policy for City Council to consider for guiding the establishment of an Urban Revitalization Areas along Southeast 16th Street (see Attachment A).

Criterion #1

Because the Council directed that the abatement criteria include filling property above the base flood elevation, the only parcels along Southeast 16th Street between South Duff Avenue and Dayton Road that would be eligible are properties wholly or partly within the Floodway Fringe zoning overlay district, which Attachment B illustrates. **The Council should note that the Deery property is not one of the parcels within the floodway fringe as established by FEMA in 2008. However, staff believes this was an oversight on FEMA's part.**

Criterion #2

It should also be emphasized that the City Council directed that the qualifying criteria would specifically relate to the costs for raising land at least three feet out of the floodway fringe. However, because the Deery property is outside of the floodway fringe, the Council's direction would not apply to this property. In an effort to fulfill the spirit of Council's direction, staff is recommending that the FEMA-established base flood elevation of **adjacent** properties (884 feet) within the floodway fringe be used. **Therefore, the qualifying criterion for this issue references the elevation of 887, rather than three feet above the base flood elevation.**

Council also directed that an engineering study be provided showing that raising the land would have no impact on surrounding properties (See Criterion #2a on Attachment A). It is important to note that **any** filling in the floodplain will have impact on surrounding properties that have yet to be filled. **Therefore, this proposed policy of the Council could never be met.**

As an alternative, staff is providing Criterion #2b on Attachment A that requires an engineer to certify that the filling of the land will have no impact on surrounding properties beyond that impact already anticipated in establishing the Base Flood Elevation (a maximum rise of one foot).

Criterion #3

As stated above, the City Council directed that the criteria would specifically relate the costs for raising land at least three feet out of the floodway fringe to the amount of tax abatement received. Therefore Criterion #3 requires an engineer-certified cost estimate of flood protection measures to protect the improvements up to elevation of 887 feet. Working with the City Assessor, staff will provide estimates of the value of the tax abatement based on the three-, five- and ten-year tax abatement schedules that the City uses for all other Urban Revitalization Programs which allow the City Council to determine eligibility. Under Criterion #3, the estimated abatement value may not exceed the estimated cost of flood protection.

Criterion #3a, as proposed, allows for abatement related only to the costs of filling to elevation 887. The City Council should decide whether or not to offer the abatement for costs that exceed this local elevation requirement. It appears, for example, that Mr. Deery is seeking abatement beyond this minimum. **Criterion #3b would allow for tax abatement regardless of the level of fill brought on to the site.**

It should be emphasized that the Council's requirement that the cost of fill exceeds the tax abatement benefit received is a qualifying criteria. This calculation is based on the estimated cost for the fill work and projected assessed value of a proposed project. It is possible that, after the abatement is certified by the City Assessor, it may be determined that the actual value of the improvements or cost for fill are different from the original estimates. However, at that time it will not be possible to deny the abatement. Therefore, a technique to protect the City from this situation would be to require a Developer Agreement that would provide for the property owner to make annual payments back to the City during the life of the abatement for any amount of the total abatement that exceeds the cost of raising land out of the floodway fringe. **The Council will have to decide if you want to institute this contractual strategy, eliminate this qualifying criterion, or merely rely on the original estimates without verification at a later date.**

Criterion #4

Commercial areas usually include public sidewalks along the street. Public sidewalks are important for providing access to all users for commercial services, for continuity and connectivity in the walkable community as a whole, and in this location because of all of the visitors to the community who stay at the hotels at the east end of Southeast 16th Street. When new areas are developed, the subdivision regulations require the property owner or developer to construct the sidewalk.

A shared use path already exists along the north side of Southeast 16th Street and across the bridge, but no sidewalk exists along the south side. For the property on the south side of Southeast 16th Street and **west** of the Skunk River, a rezoning agreement approved on May 11, 2010 requires a sidewalk be constructed as the property develops. **Since the parcels on the south side of Southeast 16th Street and east of the Skunk River already exist, and thus no subdivision process may be needed, and because the property is already zoned as Highway Oriented Commercial, there may be no future opportunity to require sidewalks along this frontage. Therefore, the proposed Criterion #4 for tax abatement requires installation of the public sidewalk.**

Criterion #5

At that February 28 meeting, the City Council also discussed tax abatement as an incentive to initiate commercial development on the Southeast 16th Street corridor where infrastructure improvements have already been made. The Highway-Oriented Commercial Zoning permits a wide variety of uses (See Attachment C). Some uses may be more appropriate than others for stimulating commercial development along this major entry corridor into the community. For example, a retail sales use is more likely than wholesale trade to create customer activity that will attract other retail development.

Criterion #5 excludes the following uses from being eligible for tax abatement:

- Wholesale trade
- Mini-storage warehouse facilities
- Transportation, communications, and utility uses
- Institutional uses
- Adult entertainment businesses
- Detention facilities
- Agricultural or industrial equipment sales
- Agricultural and farm related activities

This list of ineligible uses is similar to that used in other Urban Revitalization policies in the City. **The City Council may want to consider designating other permitted uses listed on Attachment C as ineligible for consideration.** While improvements constructed for ineligible uses would not qualify for tax abatement, property owners would still have the right to develop all uses permitted within the zoning district. Council should note, however, that once an Urban Revitalization Area and Plan are adopted for construction of improvements for an eligible use, the abatement will continue for the remainder of the abatement schedule even if the eligible use is discontinued at that site. Here again, a technique to protect the City from this situation could be to require a Developer Agreement that would provide for the property owner to make annual payments back to the City during the life of the abatement for any years in which the property is used for an ineligible use.

In order to provide the information necessary to determine compliance with all five of the proposed criteria, it will be necessary for a Minor Site Development Plan and architectural floor plans and elevations to be prepared and approved by staff and submitted to the City Council as part of each Urban Revitalization Plan.

ALTERNATIVES:

1. City Council can approve the proposed policy for establishing Urban Revitalization Areas and Plans on Southeast 16th Street as described by Attachments A and B.

In order to accomplish this action, the City Council will need to select one of the alternatives for Criteria 2 and 3 and, if desired, add other exempted uses suggested in Criterion 5.

2. City Council can approve the proposed policy for establishing Urban Revitalization Areas and Plans on Southeast 16th Street as described by Attachments A and B, *with modifications*.
3. City Council can refer this issue to staff for further information.
4. City Council can choose to not adopt a policy for establishing Urban Revitalization Areas and Plans on Southeast 16th Street.

MANAGER'S RECOMMENDED ACTION:

The City has invested several million dollars in infrastructure to provide for quality commercial development along this entryway corridor into Ames. To date, no projects were proposed until Deery Brothers began planning for a new auto dealership here. Deery Brothers emphasized to the Council that the significant additional costs that are needed to protect new development from future flooding are a possible impediment to that project and to other commercial projects in this area. As a result of this input, the City Council directed staff to create criteria for a possible urban revitalization program along S.E. 16th Street.

Assuming it is Council's intent to approve such a policy, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the proposed policy for establishing Urban Revitalization Areas and Plans on Southeast 16th Street as described by Attachments A and B. In order to accomplish this action, the City Council will have to select one of the Alternatives for Criteria 2 and 3 and, if desired, add other exempted uses suggested in Criterion 5.

NEXT STEPS:

Should the City Council approve the Urban Revitalization Policy, the following steps would be necessary for any eligible project to take advantage of this incentive:

1. Developer prepares Minor Site Development Plan and architectural floor plans and elevations.
2. Developer works with the staff Development Review Committee for approval of these plans.
3. If the proposed project complies with attached policy, developer presents these plans to the City Council and Council sets a date for a public hearing on establishing the project site as an Urban Revitalization Area and approving an Urban Revitalization Plan for that site. The Minor Site Development Plan and architectural floor plans and elevations, and other requirements as determined by the City Council, serve as the Urban Revitalization Plan. State law requires 30 days prior notice for this hearing.

At this step the staff will create a developer agreement that will address the payback issues described in Criterion 3.

4. City Council conducts the hearing and approves the first reading of an ordinance establishing the Urban Revitalization Area and approves a resolution approving the Urban Revitalization Plan. In addition, Council would also approve the developer agreement at this step.

5. City Council approves the second and third readings of the ordinance establishing the Urban Revitalization Area.
6. Developer constructs the project. (Under state law, to be eligible for tax abatement, improvements cannot begin until the Urban Revitalization Area and Plan are approved.)
7. Upon completion of the project as described by the approved Urban Revitalization Plan, the developer applies for tax abatement.
8. City Council typically approves properties for tax abatement at its first meeting in February as a consent agenda item.
9. City forwards tax abatement approval to the City Assessor, who determines the final value and establishes the abatement.

ATTACHMENT A
URBAN REVITALIZATION POLICY
SOUTHEAST 16TH STREET

The City Council will consider establishing Urban Revitalization Areas and Plans for properties that meet all of the following qualifying criteria:

1. The properties have frontage on Southeast 16th Street between South Duff Avenue and South Dayton Avenue.
- 2a. Fill or other flood proofing will be placed on the site up to an elevation of, at least, 887 feet (NGVD29), when an engineer registered in Iowa provides written certification that raising the land would have no impact on surrounding properties.

or

- 2b. Fill or other flood proofing will be placed on the site up to an elevation of, at least, 887 feet (NGVD29), when an engineer registered in Iowa provides written certification that raising the land would have no impact on surrounding properties beyond that impact already anticipated in establishing the Base Flood Elevation.
- 3a. The cost of placing fill or flood proofing up to an elevation of 887 feet is expected to be equal to or greater than the value of the total tax abatement to be received under the Urban Revitalization Plan, as estimated by the City Assessor.

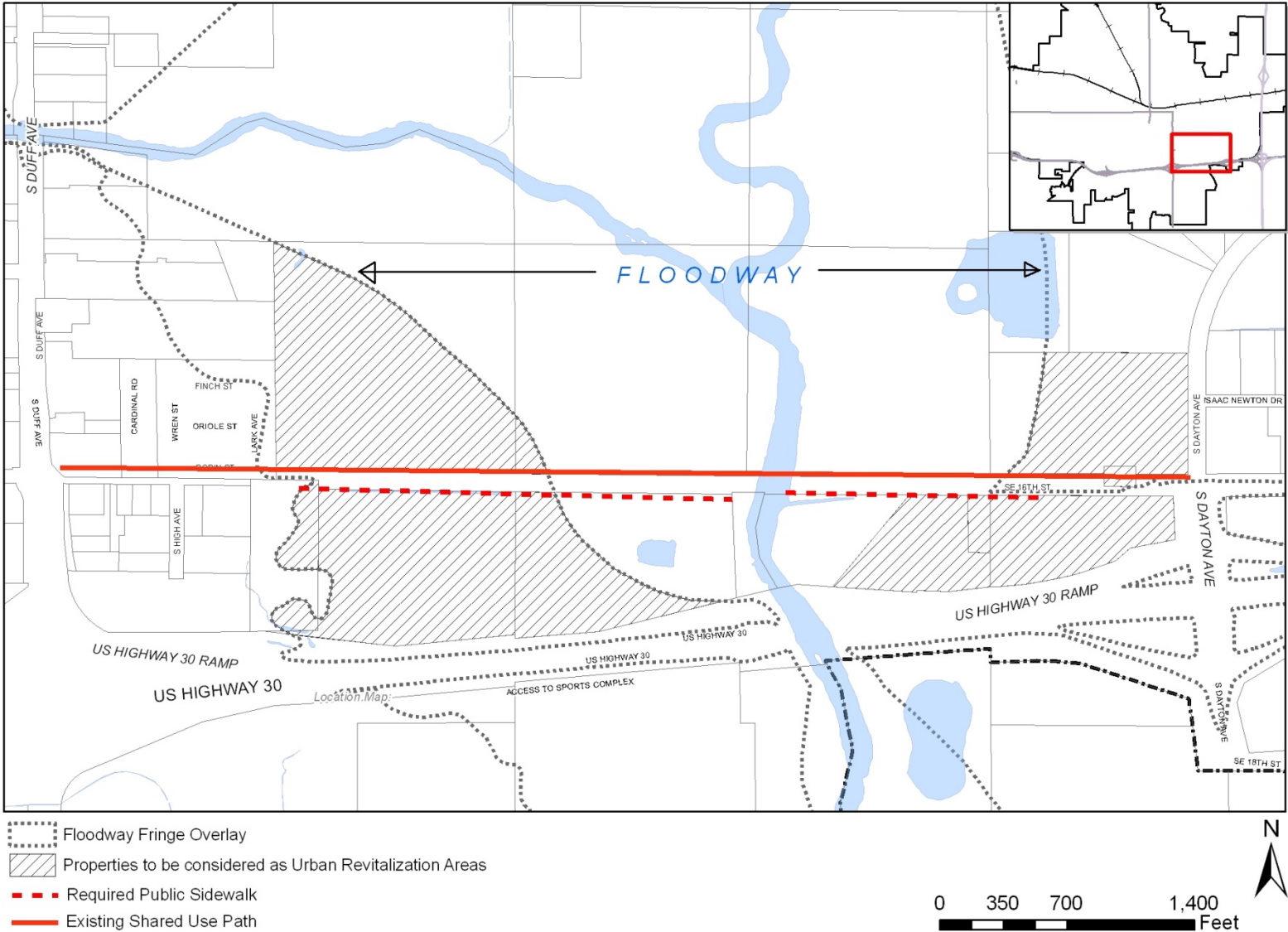
or

- 3b. The cost of placing fill or flood proofing up to an elevation of 887 feet or above is expected to be equal to or greater than the value of the total tax abatement to be received under the Urban Revitalization Plan, as estimated by the City Assessor.
4. A public sidewalk is to be constructed along the south side of Southeast 16th Street adjacent to the property.
5. The property will be used for uses permitted in the applicable zoning district except for the following as further defined and described in the Ames Zoning Ordinance:
 - a. Wholesale trade
 - b. Mini-storage warehouse facilities
 - c. Transportation, communications, and utility uses
 - d. Institutional uses
 - e. Adult entertainment businesses
 - f. Detention facilities
 - g. Agricultural or industrial equipment sales
 - h. Agricultural and farm related activities

[City Council may want to consider other exceptions from the list of uses currently permitted in the Highway-Oriented Commercial zoning district shown on Attachment C.]

ATTACHMENT B

SE 16th Urban Revitalization Program



ATTACHMENT C
**Permitted Uses in the
Highway Oriented Commercial Zoning District**

- RESIDENTIAL USE CATEGORIES
 - Short-Term Lodging
- OFFICE USE CATEGORIES
 - Banking and bank-related services
 - Brokerage houses
 - Data processing centers
 - Government offices
 - Insurance services
 - Lenders and credit services
 - Public utility offices
 - Real estate and related services
 - Sales offices
 - General office uses
 - Medical and dental clinics, laboratories and offices
 - Professional service offices such as: Accountants, Architects, Engineers, Lawyers
 - Television and radio studios
 - Accessory Uses - Cafeterias, health facilities, and other amenities primarily for the use of employees or visitors of the firm or building
- TRADE USE CATEGORIES
 - Automotive and Marine Craft Trade
 - Entertainment, Restaurant and Recreational Trade
 - Retail Sales and Services—General
 - Wholesale Trade
- INSTITUTIONAL USE CATEGORIES
 - Colleges and Universities
 - Community Facilities
 - Funeral Facilities
 - Medical Centers
 - Religious Institutions
 - Social Service Providers
 - Parks and Open Areas
- TRANSPORTATION, COMMUNICATIONS AND ESSENTIAL SERVICES USE CATEGORIES
 - Basic Utilities
 - Commercial Parking
 - Passenger Terminals
 - Radio and Television Broadcast Facilities
 - Personal Wireless Service Facilities

- Rail Lines and Utility
- MISCELLANEOUS USE CATEGORIES
 - Adult Entertainment Facilities
 - Agricultural and Farm Related Activities
 - Commercial Outdoor Recreation
 - Detention Facilities
 - Major Event Entertainment
 - Vehicle Service Facilities
 - Child Day Care Facilities
 - Sports Practice Facilities

Corridors

April 5, 2012

Mayor Ann Campbell & Ames City Council Members
City of Ames
515 Clark Street
Ames IA 50010

RE: SE 16th Street Tax Abatement Project

Dear Mayor Campbell,

The Ames Economic Development Commission (AEDC) would like to reiterate its support of the SE 16th Street Tax Abatement Project. Although much of the discussion around this project has focused on the Deery project, please understand that we also support the entire SE 16th Street Tax Abatement Project which is before you at your April 10, 2012 meeting.

The Deery project, which will create 40 well-paid positions and will not negatively impact the floodway, is a huge benefit to our community. Additionally, a larger benefit comes from supporting development along this highly visible corridor that has remained undeveloped even with the significant investment made by the City of Ames in recent years.

Ultimately we see this project as a catalyst that will encourage other investment that will aesthetically upgrade this gateway to our community opening the opportunity to create additional jobs for the future.

Thank you for your consideration.

Sincerely,



Daniel A. Culhane, CEcD, CCE
President & CEO

CC: Tom Wach, Ward I
Jami Larson, Ward II
Jeremy Davis, Ward III
Victoria Szopinski, Ward IV
Matthew Goodman, At-Large
Peter Orazem, At-Large
Steve Schainker, City Manager



Staff Report

EMERGENCY RESPONSE TIMES

May 22, 2012

On April 24, 2012 the City staff presented a report regarding the topic of emergency response times for the City of Ames. This report was in response to the City Council's recent decision to allow growth to the southwest, northwest, and southwest in addition to discussions about expanding to 590th Street to the east. Based on current approach to measuring response times to these parts of the city would be outside of the City's goal. Therefore, the Council requested that the emergency response time issue be revisited and that other cities be surveyed to determine how they are addressing this issue.

The report concludes with a number of policy questions for the City Council to consider regarding this topic. It was agreed that Council would be prepared to give direction regarding the various policy issues at a later meeting. **The staff would appreciate direction regarding the following issues.**

WHO SHOULD ADOPT THE RESPONSE TIME GOAL?

It should be noted that most of the cities surveyed are relying on internal Fire Department indicators which were not formally adopted by the City Council and most of these cities are not even meeting their stated goal.

Since the word "goal" carries the connotation that a city is bound to take action if the goal is not met, it may be more appropriate for the City Council not to formally approve a response time goal. **Rather, the staff would recommend that the Fire Department should track emergency response times as one of its many "performance measures" that are provided to the City Council to consider.**

WHAT RESPONSE TIME SHOULD BE MEASURED?

The decision as to what an appropriate emergency response time should be resides solely with the City Council. A review of the comparable cities that were surveyed indicates that there is no one preferred measurement. The measurements range from Ankeny's 80% within 8 minutes to Marshalltown's 100% within 4 minutes.

Staff believes that a measurement of 85% of calls within a 5 minute travel time would be in the middle of the range for other comparable cities that were surveyed and, therefore, should be used as a performance measure.

In addition, staff believes that it might be possible to have a different, longer response time performance measure for industrial areas, depending on how the area ultimately builds out. We will explore this possibility for the future.

HOW SHOULD RESPONSE TIME BE MEASURED?

All of the surveyed cities measure response time based on actual calls for service. As we have shifted away from a targeted growth strategy and are poised to grow in four directions, our current technique for measuring response time based on area covered no longer seems warranted. **Therefore, staff believes it would be more advisable to measure response times based on actual calls.** Furthermore, In order to avoid aberrations that might occur from year to year, a rolling five year period should be used to accomplish this measurement.

For purposes of informing the City Council of the possible impact of future land use decisions, the staff can now utilize more sophisticated GIS tools for planning purposes. This technique would allow us to analyze response time patterns from existing developed areas in the city and project this information onto undeveloped areas that are being considered for annexation to better project anticipated response times from these new areas.

Another alternative suggested at our April 24th meeting would be to measure response time not only for actual calls, but also measure the percent of developed properties that fall within the proposed measurement of 85% within five minute travel time.

SHOULD THERE BE A SEPARATE RESPONSE TIME MEASURE FOR FIRE AND MEDICAL ASSIST CALLS?

None of the cities surveyed measure response times for fire and medical calls separately. **Since Mary Greeley Medical Center is the primary provider of ambulance service in the community, staff believes the City should work with them to establish an appropriate medical response time measure as well as develop cost-effective options for achieving the performance expectation.**

Currently, the Medical Center is implementing a new computer-aided dispatching system. They have indicated more data is needed from this new system before they will be in a position to recommend a medical response time measure. **Until this happens, the City will be focusing on one performance measure.** We will, however, be analyzing call data based on the type of emergency.

WHAT CITY COUNCIL DECISIONS CAN HELP THE CITY BETTER MEET THE RESPONSE TIME PERFORMANCE MEASURE?

The staff pointed out in the April 24th report that the Council could consider three strategies to help the City provide improved emergency service delivery.

First, when making LUPP and zoning decisions, the City Council could give more consideration locating high density residential and assisted living/retirement communities closer to the urban core. However, there was no indication from our survey that other cities have adopted this land use approach.

Second, the City Council could require more stringent fire protection requirements related to sprinklers, smoke detectors, construction standards. Here again, this approach would place Ames out of the mainstream in comparison with other cities and at a competitive disadvantage for those considering developing in Ames.

Third, the City could provide programs to place defibrillators in public places and enhance efforts to provide bystander first aid and CPR training.

This technique is utilized in the developer agreement with the owners of Rose Prairie who are required to provide sprinklers in homes in this proposed development. We have also included this requirement in proposed agreements with Hunziker and Quarry Estates. **Due to our new approach to fire response performance measuring, the Council might want to revisit this requirement as we annex additional land north of the current City limits.**

NEXT STEPS

Should the City Council agree with the staff recommendations, a motion approving the following issues would be in order:

- 1) Rather than the City Council formally adopting an emergency response time goal for the community, the Fire Department will continue to monitor response times as part of their departmental effectiveness measures.**
- 2) This departmental measure will be based on 85% of the actual calls responded to within 5 minutes.**
- 3) While currently there is only one response time measure for both fire and medical incidents, there is an expectation that the City staff will continue discussions with representatives from Mary Greeley Medical Center that might result in a different response time measure for medical responses and new techniques for providing emergency medical service in the City.**
- 4) While currently there is only one emergency response time measure for all parts of the City, there is an expectation that City staff will continue to analyze this issue and it might be possible to establish a different response time measure for the industrial area to the east.**
- 5) For purposes of obtaining information regarding the possible impact of future land use decisions, the City Council will review GIS modeling projections regarding projected response times to the new areas.**

COUNCIL ACTION FORM

SUBJECT: ENDORSEMENT OF IOWA ECONOMIC DEVELOPMENT AUTHORITY APPLICATION FOR FINANCIAL ASSISTANCE FOR AMCOR RIGID PLASTICS USA INC WITH LOCAL MATCH IN THE FORM OF A FORGIVABLE LOAN

BACKGROUND:

AMCOR is a large, multi-national company with several business lines including operation of a plastic beverage container manufacturing plant in Ames (the former Ball Plastics plant). The company is reviewing options for retooling plants to modern equipment to improve efficiency, including the Ames plant. AMCOR has applied for economic development assistance from the Iowa Economic Development Authority (IEDA) with a local match provided by the City of Ames and the Ames Economic Development Commission (AEDC).

The project will include improvements to the existing building as well as new production equipment and is expected to retain 150 full-time jobs in Ames. Total investment expected for the project is over \$25 million, including a \$175,000 forgivable loan from IEDA. The company will also be applying for a grant under the Iowa DNR Solid Waste Alternative Program (SWAP) since the project will include assessment of using post-consumer materials (currently disposed of in Iowa landfills) to be processed into new containers. The addition of new equipment may also improve the efficiency of electric power, and the company may qualify for rebates under the Ames Electric Services demand side management program.

IEDA will review AMCOR's application for assistance later this month. The local match from the City will be contingent upon approval of the final agreement by the City Council. For the IEDA to continue consideration of this project, the City Council must adopt a resolution supporting the submittal of the AMCOR application for IEDA assistance.

If Council supports the application for assistance, the local match for the project will be a \$35,000 forgivable loan to be funded with \$17,500 from the City of Ames (from the available balance in the Economic Development Fund) and \$17,500 from the Ames Economic Development Commission (AEDC). The AEDC Board has already authorized their commitment to the local match.

ALTERNATIVES:

1. Adopt a resolution supporting the submittal of an application from AMCOR Rigid Plastics USA, Inc. requesting economic development assistance from IEDA with local match to be provided in the form of a forgivable loan in the amount of \$35,000 (\$17,500

from the City of Ames from available balance in the Economic Development Fund and \$17,500 from the Ames Economic Development Commission).

2. Do not adopt a resolution of support for AMCOR's application.

MANAGER'S RECOMMENDED ACTION:

AMCOR is a well-established manufacturing company in Ames that is making a significant investment of capital to make improvements to continue to provide high paying jobs without the cost of additional City infrastructure. In keeping with the Council's goal to promote economic development, this project will expand the number of quality jobs within our city.

In addition, an analysis of their proposal utilizing our evaluation matrix for industrial/manufacturing companies indicates that they would qualify for our "best terms." This high score is influenced by high wages, large number of jobs, and no requirement for investment in City infrastructure.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, adopting a resolution supporting the submittal of an application from AMCOR Rigid Plastics USA, Inc. requesting economic development assistance from IEDA with local match to be provided in the form of a forgivable loan in the amount of \$35,000 (\$17,500 from the City of Ames from available balance in the Economic Development Fund and \$17,500 from the Ames Economic Development Commission).



ECONOMIC DEVELOPMENT LOAN APPLICATION

Instructions For Financial Assistance

The application packet for financial assistance from a City of Ames Economic Development Loan program includes the following:

- Application Form *(This form must be filled out completely for all applications.)*
- Supporting Information *(Each listed item must be addressed.)*
- Checklist *(This is a list of all required submittals and attachments.)*

Be sure to complete and submit all the required materials that are part of this packet. Applications must be typed.

Your completed application, including attachments, must be filed with:

City of Ames
Attn: Duane Pitcher, Director of Finance
Finance Department
515 Clark Avenue
P. O. Box 811
Ames, IA 50010

If you have any questions while completing this application, please contact Duane Pitcher.

Phone: 515-239-5114

FAX: 515-239-5320

E-mail: dpitcher@city.ames.ia.us



ECONOMIC DEVELOPMENT LOAN APPLICATION

Application For Financial Assistance

PLEASE TYPE THE FOLLOWING INFORMATION:

Business Name: Amcor Rigid Plastics USA, Inc.		
Street Address: 10521 S. Highway M-52		
City: Manchester	State: MI	Zip Code: 48158
Phone #: 734-428-4510	FAX #: 734-428-4523	
Business Federal ID #: 36-4126680		
Internet Site: www.amcor.com/businesses/rigid_plastics		

Company Officer Authorized to Obligate Business: Sheridan Attig, Director of Purchasing Svcs		
Home Street Address: (use business address information above)		
Home City:	Home State:	Home Zip Code:
Home Phone #:		
Business Phone #: 734-428-4510	FAX #: 734-428-4523	
E-mail Address: sheridan.attig@amcor.com		

Amount of Funds Requested: \$70,000
--

I certify that I have submitted all the required information to apply for the City of Ames economic development loan and that the information is factual.

Signed by:

Obligator

Date: 5-29-12



ECONOMIC DEVELOPMENT LOAN APPLICATION

Supporting Information For Financial Assistance

Description of Business: Include history; if new, proposed markets; products or services provided; and management structure. (If sufficient space is not provided, you may attach a separate sheet.)

Amcor Rigid Plastics delivers packaging solutions that provide shelf differentiation, unique features, advanced technology, and cost competitiveness. We are uniquely positioned to help develop innovative packages that are practical to manufacture, fill and use.

With more than 5,800 people in 75 manufacturing operations in 13 countries, we are the world's largest PET container supplier. And, with the integration of the acquired Alcan Packaging business, we are now a leading supplier of plastic packaging to the global pharmaceutical industry. Amcor Rigid Plastics USA, Inc employees approximately 3150 employees in 25 manufacturing sites.

Project Description: Explain the need for the Economic Development assistance being requested. (If sufficient space is not provided, you may attach a separate sheet.)

While the infrastructure of the Ames facility looks good, new technical advancements have occurred in our business. It is imperative that Amcor stay on top of these advancements if we are going to remain a player in this market. We must drive our cost to produce down. If our customer base does not see that we remain state of the art, they will begin to question why they are doing business with us. That is why we intend to immobilize \$5M worth of outdated machinery while we make this investment.

Has any part of this project been started? ☐ Yes ☒ No

Does the project involve relocation of economic activity from elsewhere? ☒ Yes
☐ No

If yes, please explain. (If sufficient space is not provided, you may attach a separate sheet.)

(See next page)



ECONOMIC DEVELOPMENT LOAN APPLICATION

Supporting Information For Financial Assistance, continued

Over the past number of months Amcor which is in an extremely cost sensitive business has been investigating where to make capital investments based on a number of cost structure factors, with the goal of optimizing the overall system cost. The decision making process entails looking at the company's assets and determining which plants should receive a technology upgrade and which ones may be obsolete with future operation questionable.

The Ames plant, originally a Ball asset, has been part of this project investigation.

Currently Amcor is in the decision making phase to allocate capital funding for a new technology upgrade to the Ames plant versus the plant in Lenexa, KS and other plants. The plant not receiving the upgrade will end up being at a technological disadvantage and operational costs over time will not meet the company's "cost sensitivity" goals for operation.

Capital investment dollars are planned to be allocated as soon as a decision is made as to which plant will receive the funding. Amcor plans to start construction activities and the required equipment upgrade during the summer, 2012 with completion by year-end 2012.



ECONOMIC DEVELOPMENT LOAN APPLICATION

Supporting Information For Financial Assistance, continued

Job Creation/Retention (Full-Time Equivalents):

- ____ Number of permanent jobs to be created as a result of this project
- ____ Number of permanent jobs to be created within 12 months of loan award
- ____ Number of permanent jobs to be created within 24 months of loan award
(This number is cumulative – includes 12 month figure.)
- _150 Number of permanent jobs to be retained as a result of the project
- _150 Number of permanent jobs with average wages of _\$ (see [Wage Summary Attachment](#))

What percentage of sales will be outside the State of Iowa? 94% (estimated)

What percentage of sales will be within the City of Ames? 0.004%

Description of the Proposed Financial Package:

Amount		Type (Loan, Grant or Equity)	Interest Rate	Term
Business Contribution	\$24,890,000	Working Capital - corporation		
State Assistance	\$175,000	Forgivable Grant		
Conventional Assistance				
Local Participation				
Other – City of Ames	\$17,500	Forgivable Grant		
Other – Ames Economic Development Commission (AEDC)	\$17,500	Forgivable Grant		

List the names of the principal business owners and the percent of ownership held by each:

Amcor LTD (100%)

In what form is the business contribution to the project? Please explain clearly (i.e. sale of stock, equity investments, subordinated debt, etc.).

Cash – internal corporation working capital.



ECONOMIC DEVELOPMENT LOAN APPLICATION

Checklist For Financial Assistance

Required submittals and attachments:

- X Business Plan (Refer to State of Iowa IEDA Application – Attachment A1 which is attached)
- X Profit and Loss Statements – 3-year historical and 2-year projections (Refer to Amcor LTD online financials at http://www.amcor.com/investor-relations/reports/results/hy_fy_results.html)
- X Balance Sheets – 3-year historical and 2-year projections. Refer to http://www.amcor.com/investor-relations/reports/results/hy_fy_results.html)
- ☐ Letter from business committing to project and job creation (Will be provided by signature on Agreement for the funds)
- X Commitment letter and letter of credit from lender (Will provide document the same as State application at contract time)
- ☐ Business federal tax returns (past three years) (Not required)
- ☐ Individual federal tax returns of principal owners, if required (Not required)
- ☐ Resumes of principal owners and key management personnel (Not required)
- X Verification of loans or grants from private lenders, federal, and state programs (Refer to Amcor LTD online financials at http://www.amcor.com/investor-relations/reports/results/hy_fy_results.html)
- ☐ Letter of commitment indicating amount of owner equity in project and documentation (Not required)
- X Corporate resolution authorizing the application for economic development loan funds (Will provide copy of State Letter at time of contract)
- ☐ Corporate signatory authorization naming an officer to execute the application and loan documents, if approved. (If loan is approved and Amcor moves ahead with it, Amcor requests the ability to provide what is needed at that time)

City of Ames Chamber
ECONOMIC DEVELOPMENT LOAN APPLICATION
Average Wage Summary

Full-Time RETAINED Jobs	(Add additional rows as needed)	
Job Title	Number of RETAINED Jobs	Current Hourly Wage
Management	22	\$36.12
Tech Services	37	\$27.05
Machine Operators (all above \$19.12)	38	\$20.94
Machine Operators	53	\$18.49
Total RETAINED Jobs	150	

Amcor Business Plan – Attachment A1

Amcor LTD Corporate Background

As the world's leading packaging manufacturer, Amcor offers customers the highest quality in innovative and sustainable packaging solutions, and partnerships built on service, reliability and excellence.

Amcor offers a broad range of plastic, fibre, metal and glass packaging related products and services, including packaging for beverages, food, healthcare, personal and homecare, tobacco, and industrial applications; as well as recycling services in Australia and distribution services in North America.

Our business is headquartered in Melbourne, Australia and consists of:

Flexible Packaging

Amcor Flexibles is the world's largest supplier of flexible packaging, operating across 30 countries and 89 plants. Products include packaging for fresh foods such as meat, fish, bread, produce and dairy; processed foods such as confectionary, snack foods, coffee and ready meals; as well as high value-added resin and aluminium based medical applications, hospital supplies, pharmaceuticals, personal & home care products and specialty packaging.

Amcor Flexibles operates as two independent business groups across two regions – Flexibles Europe and America's and Flexibles Asia Pacific.

Amcor Flexibles Europe & America's delivers outstanding customer solutions to the food, home & personal care, hospital, medical, pharmaceutical and industrial markets, as well servicing the wine industry with Stelvin® closures.

Amcor Flexibles Asia Pacific produces innovative packaging solutions to service customers across food and healthcare markets, including for pharmaceuticals, medical devices, and personal & homecare.

Tobacco and Specialty Packaging

Focused exclusively on the tobacco and specialty packaging markets with 20 plants across Europe, the Americas and Asia, Amcor Tobacco and Specialty Packaging offers customers a diverse production network, along with leading edge research and development services and technology.

Rigid Plastics

With 75 plants across 13 countries, Amcor Rigid Plastics is the world's largest manufacturer of PET (polyethylene terephthalate) containers, supplying consumer product and FMCG companies, big and small.

Amcor Rigid Plastics range of containers and capabilities includes packaging for hot and cold, and alcoholic beverages, blow molded and extrusion molded plastic containers for food, and an array of PET, HDPE and PP containers for pharmaceutical, personal and home care products.

Amcor Australasia and Packaging Distribution

Amcor Australasia and Packaging Distribution is a diverse packaging business which includes the fibre, glass and aluminium beverage can businesses in Australia and New Zealand and the packaging material, and equipment distribution and manufacturing business in North America, Europe and Asia. The Australasian business' core products include custom printed, die cut and stock corrugated boxes, folding cartons, paper and recycling services, cartonboard, aluminium cans for beverages, plastic and metal closures, glass wine and beer bottles and multiwall sacks. Amcor Packaging Distribution uniquely supplies packaging products for the full supply chain; from primary and secondary packaging, to line automation and logistics support services.

Joint Venture: AMVIG

Amcor holds 47.939% of AMVIG, which currently has a 12% share of the tobacco packaging market in the People's Republic of China. With manufacturing plants across Asia, AMVIG is a leading supplier of packaging and printing for packaging in the region. Although AMVIG is not a wholly owned company of Amcor, there exists significant opportunities for Amcor and AMVIG to mutually benefit from the experience and participation in the specialty packaging for tobacco markets.

Amcor Rigid Plastics USA, Inc. Background

In the United States the Amcor entity is Amcor Rigid Plastics USA, Inc. with corporate offices in Manchester, MI. The Ames Amcor plant is part of this organization.

Amcor Rigid Plastics delivers packaging solutions that provide shelf differentiation, unique features, advanced technology, and cost competitiveness. We are uniquely positioned to help develop innovative packages that are practical to manufacture, fill and use.

Amcor Ltd, with more than 5,800 people in 75 manufacturing operations in 13 countries, is the world's largest PET container supplier. And, with the integration of the acquired Alcan Packaging business, is now a leading supplier of plastic packaging to the global pharmaceutical industry. Amcor Rigid Plastics USA, Inc. represents approximately 3150 of those employees in 25 manufacturing Operations.

On June 15, 2010 Ball Corporation announced that it has entered into an agreement to sell its plastic packaging, Americas, business to Amcor Limited. The sale of Ball's plastic packaging business included five U.S. plants that manufacture polyethylene terephthalate (PET) bottles and preforms and polypropylene bottles, as well as associated customer contracts and other related assets. These manufacturing plants are located in Ames, IA; Batavia, IL.; Bellevue, OH; Chino, CA. and Delran, NJ.

Project Summary

Over the past number of months Amcor which is in an extremely cost sensitive business has been investigating where to make capital investments based on a number of cost structure factors, with the goal of optimizing the overall system cost. The decision making process entails looking at the company's assets and determining which plants should receive a technology upgrade and which ones may be obsolete with future operation questionable.

The Ames plant, originally a Ball asset, has been part of this project investigation.

Currently Amcor is in the decision making phase to allocate capital funding for a new technology upgrade to the Ames plant versus the plant in Lenexa, KS or to other plants. The plant not receiving the upgrade will end up being at a technological disadvantage and operational costs over time will not meet the company's "cost sensitivity" goals for operation.

Capital investment dollars are planned to be allocated as soon as a decision is made as to which plants will receive the funding. Amcor plans to start construction activities and the required equipment upgrade during the summer, 2012 with completion by year-end 2012.

In addition to applying for State of Iowa financial assistance, the local Ames plant management with the Regional Sr. Plant Engineer has been in discussions with the Ames Electric Utility department to determine what actions could be taken in tandem to State aid to make the Ames plant more desirable to operate. The following areas are being investigated:

1. City program to reduce electrical demand (i.e. interruptible rate)
2. New compressed air system which would yield a rebate, and
3. New "effective electric rate" based on a recent cost-of-service study.

The operational savings are not yet quantified, but conversations are ongoing to help identify the potential savings.

The Ames plant management team has also applied for a grant application under the Solid Waste Alternative Program (SWAP). Amcor plans to assess the quantity and availability of post-consumer #1 PET beverage containers (including #1 PET collected through recycling programs and #1 PET disposed) in the State of Iowa. The study will work to identify large generators, collectors, processors/recyclers, and transporters of postconsumer #1 PET beverage containers.

The study will also evaluate the potential for capturing additional #1 PET beverage containers that are currently being disposed of in Iowa landfills. The study will work to:

- Determine how post-consumer #1 PET beverage containers are managed across the state (i.e. bailed with other plastics, separated, etc.),
- Determine the availability of material to be re-directed to a viable local market, and
- Evaluate the economics associated with the current recycling system for post-consumer #1 PET beverage containers.

If this project is successful in identifying adequate PCR markets, Amcor hopes to purchase approximately 100,000 pounds of processed PCR per day (or approximately 18,250 tons per year) to incorporate into their manufacturing process. This would help create a new viable local market for post-consumer #1 PET beverage containers and help close the recycling loop for the material.

The collaboration of Amcor and the City of Ames Electric Department and the submission of the SWAP grant are additional activities to demonstrate local projects to support keeping the Ames plant a viable facility in the Amcor fleet of facilities.



Debi V. Durham, Director
Iowa Economic Development Authority

Business Financial Assistance Application

Business Finance
Business Development Division
Iowa Economic Development Authority
200 East Grand Avenue
Des Moines, Iowa 50309-1819

iowaeconomicdevelopment.com
Telephone: 515.725.3133
businessfinance@iowa.gov

Application Instructions

To Complete Electronic Form: Click on TEXT BOX to add text. Double click on YES/NO boxes and select "Checked".

1. All applicants must complete the Business Financial Assistance Application and attach only those additional sections for the components to which the applicant is applying.

Direct Financial Assistance – STATE of IOWA

- | | |
|--|---|
| <input checked="" type="checkbox"/> 130% Component
(no supplement) | <input type="checkbox"/> Infrastructure Component
(no supplement) |
| <input type="checkbox"/> 100% Component
(no supplement) | <input type="checkbox"/> Value-Added Agriculture Component
Supplemental information required |
| <input type="checkbox"/> Entrepreneurial Component (and Supplement)
Supplemental information required | <input type="checkbox"/> Disaster Relief Component
Supplemental information required |

Tax Credits – STATE of IOWA

- | | |
|--|---|
| <input type="checkbox"/> Enterprise Zone Program (EZ)
Supplemental information required | <input checked="" type="checkbox"/> High Quality Jobs Program (HQ)
(no supplement) |
|--|---|

Direct Financial Assistance – FEDERAL

- | | |
|---|---|
| <input type="checkbox"/> Economic Development Set-Aside Program (EDSA)
Program (PFSA)
Supplemental information required | <input type="checkbox"/> Public Facilities Set-Aside
Supplemental information required |
|---|---|

2. Please visit the IDED Web site at www.iowalifechanging.com or contact IDED at 515.725.3133 to confirm that this is the most current application version.
3. Before filling out this application form, please read all applicable sections of the 2009 Iowa Code and Iowa Administrative Code (rules). www.legis.state.ia.us/IowaLaw.html
4. Only typed or computer-generated applications will be accepted and reviewed. Any material change to the format, questions, or wording of questions presented in this application will render the application invalid and it will not be accepted.
5. Complete the applicable sections of the application fully. If questions are left unanswered or required attachments are not submitted, an explanation must be included.
6. Use clear and concise language. Attachments should only be used when requested or as supporting documentation.
7. Any inaccurate information of a significant nature may disqualify the application from consideration.
8. The following must be submitted to Business Finance at IDED in order to initiate the review process:
 - One **original**, signed application form and all required attachments
 - One **electronic** copy of the application form and all required attachments

Facsimile copies will not be accepted.

Business Finance
Iowa Department of Economic Development
200 East Grand Avenue
Des Moines, IA 50309-1819

Telephone: 515.725.3133
businessfinance@iowa.gov

Applications are must be submitted to IDED Business Finance before 4:00pm on the fourth Monday of the month.

Applications will be reviewed by the IDED Board on the third Thursday of the following month.

Public Records Policies

Information Submitted to IDED. The Iowa Department of Economic Development (IDED) is subject to the Open Records law (Iowa Code, Chapter 22). Treatment of information submitted to IDED in this application is governed by the provisions of the Open Records law. All public records are available for public inspection. Some public records are considered confidential and will not be disclosed to the public unless ordered by a court, the lawful custodian of the record, or by another person duly authorized to release the information.

Confidential Records. IDED automatically treats the following records as confidential and they are withheld from public disclosure:

- Tax Records
- *Quarterly Iowa Employer's Contribution and Payroll Report* prepared for the Iowa Workforce Development Department
- Payroll Registers
- Business Financial Statements and Projections
- Personal Financial Statements

Other information supplied to IDED as part of this application may be treated as confidential under Iowa Code section 22.7. Following are the classifications of records which are recognized as confidential under Iowa law and which are most frequently applicable to business information submitted to IDED:

- Trade secrets [Iowa Code §22.7(3)]
- Reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose. [Iowa Code §22.7(6)]
- Information on an industrial prospect with which the IDED is currently negotiating. [Iowa Code §22.7(8)]
- Communications not required by law, rule or regulation made to IDED by persons outside the government to the extent that IDED could reasonably believe that those persons would be discouraged from making them to the Department if they were made available for general public examination. [Iowa Code §22.7(18)]

Information supplied to IDED as part of this application that is material to the application and/or the state program to which the applicant is applying including, but not limited to the number and type of jobs to be created or retained, wages for those jobs, employee benefit information, and project budget, are considered open records and will not be treated as confidential.

Additional Information Available. Copies of Iowa's Open Record law and IDED's administrative rules relating to public records are available from the IDED upon request.

Applicant Information

Name of Business: Amcor Rigid Plastics USA, Inc.

Address: 10521 S. Highway M-52

City, State & Zip Code: Manchester, MI 48158

Contact Person: Sheridan Attig

Title: Director of Purchasing Svcs

Phone: 734-428-4510

Fax: 734-428-4523

Email: sheridan.attig@amcor.com

Federal ID Number: 36-4126680

NAICS Code for primary business operations: 326100

US DOT Number: NA

Does the Business file a consolidated tax return under a different tax ID number?

☐ Yes

☒ No

If yes, please also provide that tax ID number:

Is the contact person listed above authorized to obligate the Business?

☒ Yes

☐ No

If no, please provide the name and title of a company officer authorized to obligate the Business:

If the application was prepared by someone other than the contact person listed above, please complete the following:

Name of Business: Amcor Rigid Plastics USA, Inc.

Address: 10521 S. Highway M-52

City, State & Zip Code: Manchester, MI 48158

Contact Person: Adriene Haygood

Title: Procurement Analyst

Phone: 734-428-4634

Fax:

Email: adriene.haygood@amcor.com

Sponsor Information

Sponsor Organization: City of Ames

Official Contact (e.g. Mayor, Chairperson, etc.): Duane Pitcher

Title: Director of Finance

Address: 515 Clark St.

City, State & Zip Code: Ames, IA 50010

Phone: 515-239-5113

Fax: 515-239-5320

Email: dpitcher@city.ames.ia.us

If IDED needs to contact the sponsor organization with questions, should we contact the person listed above?

☐

Yes

☒

No, please contact the following person:

Name: Ron Hallenbeck

Title: Vice President, Existing Business & Industry, Ames EDC

Address: 1601 Golden Aspen Dr., Suite #110

City, State & Zip Code: Ames, IA 50010

Phone: 515-232-2310

Fax: 515-232-6716

Email: ron@ameschamber.com

If necessary, please list information on additional sponsors in an attachment.

Certification & Release of Information

I hereby give permission to the Iowa Department of Economic Development (IDED) to research the Business' history, make credit checks, contact the Business' financial institutions, insurance carriers, and perform other related activities necessary for reasonable evaluation of this application. I also hereby authorize the Iowa Department of Revenue to provide to IDED state tax information pertinent to the Business' state income tax, sales and use tax, and state tax credits claimed.

I understand that all information submitted to IDED related to this application is subject to Iowa's Open Record Law (Iowa Code, Chapter 22).

I understand this application is subject to final approval by IDED and the Project may not be initiated until final approval is secured.

I understand that IDED reserves the right to negotiate the financial assistance. Furthermore, I am aware that financial assistance is not available until an agreement is executed within a reasonable time period following approval.

I hereby certify that all representations, warranties, or statements made or furnished to IDED in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision.

For the Business:

Signature

SHERIDAN ARTHUR
DIRECTOR OF PURCHASING SVCS.
Name and Title (typed or printed)

5-25-12
Date

For the Sponsor(s):

Signature

Date

Name and Title (typed or printed)

Please use the following if more than one sponsor is required. (For example, use this if a signature from the local Enterprise Zone Commission is required in addition to the signature from the Mayor of the sponsoring city.)

Signature

Date

Name and Title (typed or printed)

IDED will not provide assistance in situations where it is determined that any representation, warranty, or statement made in connection with this application is incorrect, false, misleading or erroneous in any material respect. If assistance has already been provided prior to discovery of the incorrect, false, or misleading representation, IDED may initiate legal action to recover incentives and assistance awarded to the Business.

Business Information

Provide a brief description and history of the Business. Include information about the Business' products or services and its markets and/or customers.

Amcor Rigid Plastics USA, Inc. is a global leader in responsible packaging solutions supplying a broad range of plastic (rigid & flexible) packaging products to enhance the products consumers use in everyday life. Amcor also provides packaging related services that help customers succeed through collaboration and innovation driven by art and science. The Amcor companies have \$12.2 billion in proforma sales, employ 35,000 people worldwide and have 300+ sites in 43 countries. Amcor North America is comprised of four business groups. The main products include PET plastic containers for beverage applications of which Amcor Rigid Plastics USA, Inc is a part, flexible packaging for the food and healthcare markets, tobacco packaging, and a North America packaging distribution business.

Business Structure:

☐ Cooperative ☒ Corporation ☐ Limited Liability Company ☐ Not for Profit
☐ Partnership ☐ S-Corporation ☐ Sole Proprietorship

State of Incorporation: Delaware

Identify the Business' owners and percent ownership: Amcor LTD (100%)

Does a woman, minority, or person with a disability own the Business?

☐ Yes

☒ No

If yes, is the Business certified as a Targeted Small Business?

☐ Yes

☒ No

List the Business' Iowa locations and the current number of employees at each location.

Amcor Rigid Plastics USA, Inc., 520 Bell Avenue, Ames, Iowa 50010

163 Employees

What is the Business' worldwide employment? Please include employees of parent company, subsidiaries, and other affiliated entities in this figure. Amcor LTD employs 35,000 people worldwide in over 300+ sites in 43 countries.

Project Information

Project Street Address: 520 Bell Avenue

Project City: Ames

Project County: Story

Type of Business Project:

☐ Startup

☒ Expansion of Iowa Company

☐ New Location in Iowa

☐ Relocation from another State

Briefly describe the proposed project for which assistance is being sought. (Include project timeline with dates, facility size, infrastructure improvements, proposed products/services, any new markets, etc.)

While the infrastructure of the Ames facility looks good, new technical advancements have occurred in our business. It is imperative that Amcor stay on top of these advancements if we are going to remain a player in this market. We must drive our cost to produce down. If our customer base does not see that we remain state of the art, they will begin to question why they are doing business with us. That is why we intend to immobilize \$5M worth of outdated machinery while we make this investment.

Project Timeline (add additional rows as needed)	Activity Completion Date
Refresh on Injection Machines (Presses)	12/31/2012
Refresh on Injection Equipment (Resin Handling, Dryers)	12/31/2012
Refresh on Injection Molds (Molds)	12/31/2012
Infrastructure (raising roof on existing plant building)	12/31/2012
Asset Redistribution	12/31/2012
Buyout of Lease Option (586K sf to 300K sf)	12/31/2012

Please identify the project management for the project location and experience.

Ken Strapan- Pet Terra
Steve Sahl – Amcor Director of Engineering
Mike Simpson – Plant Manager
William Miller –Director Global Injection Systems
Matt Birzer- Sr Plant Engineer

In Excess of 100 years Experience.

Has any part of the project started? ☐ Yes ☒ No
If yes, please explain.

Identify the Business' competitors. If any of these competitors have Iowa locations, please explain the nature of the competition (e.g. competitive business segment, estimated market share, etc.) and explain what impact the proposed project may have on the Iowa competitor. Amcor's main competitors in Iowa include Alpla, Rexam. We don't expect that our expansion will affect either as our target customers are serviced from other out of state suppliers.

Will any of the current Iowa employees lose their jobs if this project does not proceed in Iowa?
☒ Yes ☐ No,

If yes, please explain why and identify those jobs as "retained jobs" in the Project Jobs section.

One aspect of this business which we must always be monitoring is technology. As newer technology proliferates the market and if we do not adapt it seriously impacts our ability to compete. A review of the Ames asset base purchased from the Ball Corporation would indicate that local technology is in the lower third of Amcor's overall fleet.

Should this investment be made to the Ames plant the technology upgrade would allow the plant to perform well within the Amcor system scale as well as effectively compete within the company's market space for the foreseeable future. What Amcor is intending to do is to operate as efficiently as possible and retain as many jobs for the current needed production. It is our intent to have the Ames plant be the low cost leader within the Amcor family of plants.

If there is no technology upgrade, the Ames plant will fall further behind in its cost effectiveness to produce product and be on a path of obsolescence, with our customer base leaving us long before there is full obsolescence. As customers begin to leave, this will translate into a loss of employees. Such loss of customers could begin to happen in as few as three years. Should this occur the current work force will need to be minimized with potential plant closure not out of the question. This is not a preferable action, but feasible.

Project Budget

AMOUNT BUDGETED								
Use of Funds	Cost	Source A	Source B	Source C	Source D	Source E	Source F	Source G
Land Acquisition								
Site Preparation								
Building Acquisition								
Building Construction								
Building Remodeling	\$2,500,000	\$350,000		\$70,000	\$2,080,000			
Mfg. Machinery & Equip.	\$21,560,000				\$21,560,000			
Other Machinery & Equip.								
Racking, Shelving, etc. ¹								
Computer Hardware								
Computer Software								
Furniture & Fixtures								
Working Capital	\$1,040,000				\$1,040,000			
Research & Development								
Job Training								
TOTAL	\$25,100,000	\$350,000	\$	\$70,000	\$24,680,000	\$	\$	\$

¹ Racking, shelving and conveyor equipment used in distribution center projects only

Does the Business plan to lease the facility? ☒ Yes, Warehouse Only ☐ No If yes, please provide the Annual Base Rent Payment (lease payment minus property taxes, insurance, and operating/maintenance expenses) and the length of the lease agreement. 2013-\$1,346,010 2014-2020 -\$1,175,755 (8 years)

PROPOSED FINANCING					
Source of Funds (List tax benefits separately below, not as a source of direct financing)	Amount	Form of Funds (Loan, Grant, In-Kind, Donation, etc.)	Rate and Term	Commitment Status	Conditions/Additional Information Include when funds will be disbursed; If loan, whether payments are a level term, balloon, etc
Source A: IDED*	\$350,000	50:50 Loan/Grant	0% 36 mo.		Level Term
Source B: Other State (Community College, IDOT, etc.)					
Source C: Local Government	\$70,000	50:50 Loan/Grant	0% 36 mo.		Level Term
Source D: Business Amcor	\$24,680,000	Company Working Capital			Company Self Financing
Source E: Other Private Sources	\$				
Source F:	\$				
Source G:	\$				
TOTAL	\$25,100,000				

*** Identify the collateral used to secure IDED funds:**

TAX CREDITS AND INDIRECT FINANCING		
Source of Funds	Amount	Description
Investment Tax Credit	\$1,200,000	Credit on IA Corporation Taxes (carryover)
Sales, Service & Use Tax Refund	\$75,000	(\$2.5M construction cost *.5*6% sales tax)
Research Activities Credit (3%/10%)		
Withholding		
Local Property Tax Exemption		
Tax Increment Financing		
260E Job Training Funds		
In-kind Contribution		
Other		
TOTAL	\$1,275,000	

What measures were analyzed to determine the amount and form of assistance needed? Wages, size of facility and proximity to major customers and Target customers should we move the operations to Ames.

Is the Business actively considering locations outside of Iowa? ☒ Yes ☐ No

If yes, where and what assistance is being offered? Kansas, The business, while still waiting to hear what Kansas will provide by way of an incentive package, would prefer to remain in Iowa due to the aging facility in Kansas.

There are three general justifiable reasons for assistance. Check the box next to the reason why assistance is needed to complete this project.

☒ **Financing Gap** - The Business can only raise a portion of the debt and equity necessary to complete the project. A gap between sources and uses exists and state and/or federal funds are needed to fill the gap.

☐ **Rate of Return Gap** – The Business can raise sufficient debt and equity to complete the project, but the returns are inadequate to motivate an "economic person" to proceed with the project. Project risks outweigh the rewards.

☒ **Location Disadvantage (Incentive)** – The Business is deciding between a site in Iowa (site A) and a site in another state (site B) for its project. The Business argues that the project will cost less at site B and will require a subsidy to equalize costs in order to locate at site A. The objective here is to quantify the cost differential between site A and site B.

Project Jobs

List the jobs that will be created and/or retained as the result of this project. (A retained job is an existing job that would be eliminated or moved to another state if the project does not proceed in Iowa.) For jobs to be created, include the starting and final hourly wage rate. For retained jobs, include the current hourly wage rate.

Is the hourly wage rate based on a 40 hour work week, 52 weeks per year? ☒ Yes ☐ No
If no please explain: NA

Full-Time CREATED Jobs	(Add additional rows as needed)		
Job Title	Number of CREATED Jobs	Starting Hourly Wage	Hourly Wage at End of Year Three
Total CREATED Jobs	0	0	0

Full-Time RETAINED Jobs	(Add additional rows as needed)	
Job Title	Number of RETAINED Jobs	Current Hourly Wage
Management	22	\$36.12
Tech Services	37	\$27.05
Machine Operators	91	\$19.00
Total RETAINED Jobs	150	

Employee Benefits

Please identify all employee benefits provided by and paid for (in full or in part) by the Business.

Employee Benefits Provided by Business	Total Annual Cost (show on a per employee basis)		Portion of Total Annual Cost Paid by the Business		Plan Provisions		
	Employee	Family	Employee	Family	Deductible		(Include coinsurance %, office visit co-payments, annual out-of-pocket maximums, face amounts, etc.)
Medical Insurance	\$1,188	\$3,600	70%	70%	Employee	\$450/ \$900	Coinsurance 90%, co-pay of \$20/\$30, annual out of pocket \$2,950 / \$5,900 max.
					Family	\$900/ \$1800	
Dental Insurance	\$132	\$384	70%	70%	Employee	\$50	\$1,500 max annual benefit, various deductibles dependent on service.
					Family	\$150	
Vision Insurance	\$48	\$156	70%	70%	Employee	n/a	\$10 / \$25 co-pays, lenses / frames reimbursed up to \$120
					Family	n/a	
Life Insurance		Spouse / children	1.5x salary				Employee covered by employer, available for spouse (50%) and children \$10k at employee expense.
Short-term Disability			26 weeks				Based on employee's wages
Long-term Disability			6 months				Based on employee's wages at 60% after Short term complete
Health Savings Account	n/a	n/a	n/a	n/a			Flex spending accounts available for dependent care / health care

Does the Business offer a pension plan, 401(k) plan, and/or retirement-plan? ☒ Yes ☐ No

If yes, please indicate the amount contributed on a per employee basis by the Business to the plan for the last three years. For 401(k) plans, please provide information on the company match and indicate the average annual match per employee (show average as a percentage of salary).

Year Ending	Average Actual Match per Employee (%)
2009	n/a
2010	n/a
2011	3%
Three-year Average:	

Does the Business offer a profit-sharing plan? ☒ Yes ☐ No

If yes, please indicate total amount paid out each year for the past three years and then, determine the average annual bonus or contribution per employee for that three year period.

Year Ending	Average Actual Share per Employee (\$)
2009	n/a
2010	n/a
2011	\$101k Hourly \$188k Salaried
Three-year Average:	\$289 combined

Attachments

Please attach the following documents:

A1 Business Plan

At a minimum, include:

- Marketing study
- Feasibility study
- Projected profit and loss statements for three years into the future
- Project budget
- Production operations
- Management structure
- Personnel needs
- Descriptions of product or process
- Status of product/process development
- Patent status (if applicable)

(Any information outlined above not included in the business plan should be submitted as supplemental information via a separate attachment.)

(Attached)

A2 Copies of the Business' Quarterly Iowa Employer's Contribution and Payroll Report Summary Page (Page 1) for the past year and a copy of the most recent payroll report for one pay period. The copy of the most recent payroll report for one pay period must be in Excel format and include the following information:

- Company name, date of payroll and source of payroll information
- Employee name and/or employee identification number
- Current hourly wage - do not include bonuses or other benefit values
- Indicate if the employee is full time (40 hours per week, 52 weeks per year) or part time.

A sample Excel spreadsheet can be found at

http://www.iowalifechanging.com/applications/bus_dev/payroll_template.xls

(Attached)

A3 Affidavit that states the Business has not, within the last five years, violated state or federal statutes, rules, and regulations, including environmental and worker safety regulations, or, if such violations have occurred, that there were mitigating circumstances or such violations did not seriously affect public health or safety or the environment. A sample affidavit can be found at

http://www.iowalifechanging.com/applications/bus_dev/sampleaffidavit.doc.

(Attached)

A4 Financial Information (Existing Businesses Only)

- Profit and loss statements and balance sheets for past three year-ends;
- Current YTD profit and loss statement and balance sheet;
- Schedule of aged accounts receivable;
- Schedule of aged accounts payable; and
- Schedule of other debts.

Amcor Ltd. Financials at http://www.amcor.com/investor-relations/reports/results/hy_fy_results.html

Attachment A1

Amcor Rigid Plastics Application

May 25, 2012

Amcor Business Plan – Attachment A1

Amcor LTD Corporate Background

As the world's leading packaging manufacturer, Amcor offers customers the highest quality in innovative and sustainable packaging solutions, and partnerships built on service, reliability and excellence.

Amcor offers a broad range of plastic, fibre, metal and glass packaging related products and services, including packaging for beverages, food, healthcare, personal and homecare, tobacco, and industrial applications; as well as recycling services in Australia and distribution services in North America.

Our business is headquartered in Melbourne, Australia and consists of:

Flexible Packaging

Amcor Flexibles is the world's largest supplier of flexible packaging, operating across 30 countries and 89 plants. Products include packaging for fresh foods such as meat, fish, bread, produce and dairy; processed foods such as confectionary, snack foods, coffee and ready meals; as well as high value-added resin and aluminium based medical applications, hospital supplies, pharmaceuticals, personal & home care products and specialty packaging.

Amcor Flexibles operates as two independent business groups across two regions – Flexibles Europe and America's and Flexibles Asia Pacific.

Amcor Flexibles Europe & America's delivers outstanding customer solutions to the food, home & personal care, hospital, medical, pharmaceutical and industrial markets, as well servicing the wine industry with Stelvin® closures.

Amcor Flexibles Asia Pacific produces innovative packaging solutions to service customers across food and healthcare markets, including for pharmaceuticals, medical devices, and personal & homecare.

Tobacco and Specialty Packaging

Focused exclusively on the tobacco and specialty packaging markets with 20 plants across Europe, the Americas and Asia, Amcor Tobacco and Specialty Packaging offers customers a diverse production network, along with leading edge research and development services and technology.

Rigid Plastics

With 75 plants across 13 countries, Amcor Rigid Plastics is the world's largest manufacturer of PET (polyethylene terephthalate) containers, supplying consumer product and FMCG companies, big and small.

Amcor Rigid Plastics range of containers and capabilities includes packaging for hot and cold, and alcoholic beverages, blow molded and extrusion molded plastic containers for food, and an array of PET, HDPE and PP containers for pharmaceutical, personal and home care products.

Amcor Australasia and Packaging Distribution

Amcor Australasia and Packaging Distribution is a diverse packaging business which includes the fibre, glass and aluminium beverage can businesses in Australia and New Zealand and the packaging material, and equipment distribution and manufacturing business in North America, Europe and Asia. The Australasian business' core products include custom printed, die cut and stock corrugated boxes, folding cartons, paper and recycling services, cartonboard, aluminium cans for beverages, plastic and metal closures, glass wine and beer bottles and multiwall sacks. Amcor Packaging Distribution uniquely supplies packaging products for the full supply chain; from primary and secondary packaging, to line automation and logistics support services.

Joint Venture: AMVIG

Amcor holds 47.939% of AMVIG, which currently has a 12% share of the tobacco packaging market in the People's Republic of China. With manufacturing plants across Asia, AMVIG is a leading supplier of packaging and printing for packaging in the region. Although AMVIG is not a wholly owned company of Amcor, there exists significant opportunities for Amcor and AMVIG to mutually benefit from the experience and participation in the specialty packaging for tobacco markets.

Amcor Rigid Plastics USA, Inc. Background

In the United States the Amcor entity is Amcor Rigid Plastics USA, Inc. with corporate offices in Manchester, MI. The Ames Amcor plant is part of this organization.

Amcor Rigid Plastics delivers packaging solutions that provide shelf differentiation, unique features, advanced technology, and cost competitiveness. We are uniquely positioned to help develop innovative packages that are practical to manufacture, fill and use.

Amcor Ltd, with more than 5,800 people in 75 manufacturing operations in 13 countries, is the world's largest PET container supplier. And, with the integration of the acquired Alcan Packaging business, is now a leading supplier of plastic packaging to the global pharmaceutical industry. Amcor Rigid Plastics USA, Inc. represents approximately 3150 of those employees in 25 manufacturing Operations.

On June 15, 2010 Ball Corporation announced that it has entered into an agreement to sell its plastic packaging, Americas, business to Amcor Limited. The sale of Ball's plastic packaging business included five U.S. plants that manufacture polyethylene terephthalate (PET) bottles and preforms and polypropylene bottles, as well as associated customer contracts and other related assets. These manufacturing plants are located in Ames, IA; Batavia, IL.; Bellevue, OH; Chino, CA. and Delran, NJ.

Project Summary

Over the past number of months Amcor which is in an extremely cost sensitive business has been investigating where to make capital investments based on a number of cost structure factors, with the goal of optimizing the overall system cost. The decision making process entails looking at the company's assets and determining which plants should receive a technology upgrade and which ones may be obsolete with future operation questionable.

The Ames plant, originally a Ball asset, has been part of this project investigation.

Currently Amcor is in the decision making phase to allocate capital funding for a new technology upgrade to the Ames plant versus the plant in Lenexa, KS or to other plants. The plant not receiving the upgrade will end up being at a technological disadvantage and operational costs over time will not meet the company's "cost sensitivity" goals for operation.

Capital investment dollars are planned to be allocated as soon as a decision is made as to which plants will receive the funding. Amcor plans to start construction activities and the required equipment upgrade during the summer, 2012 with completion by year-end 2012.

In addition to applying for State of Iowa financial assistance, the local Ames plant management with the Regional Sr. Plant Engineer has been in discussions with the Ames Electric Utility department to determine what actions could be taken in tandem to State aid to make the Ames plant more desirable to operate. The following areas are being investigated:

1. City program to reduce electrical demand (i.e. interruptible rate)
2. New compressed air system which would yield a rebate, and
3. New "effective electric rate" based on a recent cost-of-service study.

The operational savings are not yet quantified, but conversations are ongoing to help identify the potential savings.

The Ames plant management team has also applied for a grant application under the Solid Waste Alternative Program (SWAP). Amcor plans to assess the quantity and availability of post-consumer #1 PET beverage containers (including #1 PET collected through recycling programs and #1 PET disposed) in the State of Iowa. The study will work to identify large generators, collectors, processors/recyclers, and transporters of postconsumer #1 PET beverage containers.

The study will also evaluate the potential for capturing additional #1 PET beverage containers that are currently being disposed of in Iowa landfills. The study will work to:

- Determine how post-consumer #1 PET beverage containers are managed across the state (i.e. bailed with other plastics, separated, etc.),
- Determine the availability of material to be re-directed to a viable local market, and
- Evaluate the economics associated with the current recycling system for post-consumer #1 PET beverage containers.

If this project is successful in identifying adequate PCR markets, Amcor hopes to purchase approximately 100,000 pounds of processed PCR per day (or approximately 18,250 tons per year) to incorporate into their manufacturing process. This would help create a new viable local market for post-consumer #1 PET beverage containers and help close the recycling loop for the material.

The collaboration of Amcor and the City of Ames Electric Department and the submission of the SWAP grant are additional activities to demonstrate local projects to support keeping the Ames plant a viable facility in the Amcor fleet of facilities.

COUNCIL ACTION FORM

SUBJECT: ENDORSEMENT OF IOWA ECONOMIC DEVELOPMENT AUTHORITY APPLICATION FOR FINANCIAL ASSISTANCE FOR SOLUM, INC WITH LOCAL MATCH IN THE FORM OF A FORGIVABLE LOAN

BACKGROUND:

Solum is a Mountain View, California based agricultural technology company that has developed advanced measurement systems for soil sample analysis. Solum's first commercial application is a product that provides producers in the corn and soybean markets with high resolution soil nutrient information that can be integrated with agricultural GPS tools to customize soil treatment to maximize yields and control cost of soil treatments.

The company has chosen Ames as the center for agronomy and lab operations and will maintain the Mountain View location for hardware and software development. Solum has applied for economic development assistance from the Iowa Economic Development Authority (IEDA) with a local match provided by the City of Ames and the Ames Economic Development Commission (AEDC). The project will include leasing space in a South Bell TIF District building and is expected to add 25 full-time jobs in Ames. The company expects to start operations in Ames in July 2012. Total investment expected for the project is \$16.14 million, including a \$100,000 forgivable loan from IEDA as well as other state tax credits and incentives projected to total an additional \$158,000.

IEDA will review Solum's application for assistance later this month. The local match from the City will be contingent upon approval of the final agreement by the City Council.

For the IEDA to continue consideration of this project, the City Council must adopt a resolution supporting the submittal of the Solum application for IEDA assistance. **If Council supports the application for assistance, the local match for the project will be a \$40,000 forgivable loan to be funded with \$20,000 from the City of Ames (from available balance in the Economic Development Fund) and \$20,000 from the Ames Economic Development Commission (AEDC).** The AEDC Board has already authorized their commitment to the local match.

ALTERNATIVES:

1. Adopt a resolution supporting the submittal of an application from Solum, Inc. requesting economic development assistance from IEDA with local match to be provided in the form of a forgivable loan in the amount of \$40,000 (\$20,000 from the

City of Ames from available balance in the Economic Development Fund and \$20,000 from the Ames Economic Development Commission).

2. Do not adopt a resolution of support for Solum's application.

MANAGER'S RECOMMENDED ACTION:

Solum is an agricultural technology company that will be a good fit with other businesses and institutions in Ames and will provide high paying jobs without the cost of additional City infrastructure. In keeping with the Council's goal to promote economic development, this project will expand the number of quality jobs within our city.

In addition, an analysis of their proposal utilizing our evaluation matrix for high tech companies indicates that they would qualify for our "best terms." This high score is influenced by their management team experience, a product in place with sales within a developed market, and high wages.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, adopting a resolution supporting the submittal of an application from Solum, Inc. requesting economic development assistance from IEDA with local match to be provided in the form of a forgivable loan in the amount of \$40,000 (\$20,000 from the City of Ames from available balance in the Economic Development Fund and \$20,000 from the Ames Economic Development Commission).



ECONOMIC DEVELOPMENT LOAN APPLICATION

Instructions For Financial Assistance

The application packet for financial assistance from a City of Ames Economic Development Loan program includes the following:

- Application Form *(This form must be filled out completely for all applications.)*
- Supporting Information *(Each listed item must be addressed.)*
- Checklist *(This is a list of all required submittals and attachments.)*

Be sure to complete and submit all the required materials that are part of this packet. Applications must be typed.

Your completed application, including attachments, must be filed with:

City of Ames
Attn: Duane Pitcher, Director of Finance
Finance Department
515 Clark Avenue
P. O. Box 811
Ames, IA 50010

If you have any questions while completing this application, please contact Duane Pitcher.

Phone: 515-239-5114

FAX: 515-239-5320

E-mail: dpitcher@city.ames.ia.us



ECONOMIC DEVELOPMENT LOAN APPLICATION

Application For Financial Assistance

PLEASE TYPE THE FOLLOWING INFORMATION:

Business Name: Solum, Inc.		
Street Address: 1916 Old Middlefield Ave, Suite A		
City: Mountain View	State: CA	Zip Code: 94043
Phone #: 650-963-9775	FAX #: 650-386-1986	
Business Federal ID #: 27-0361206		
Internet Site: www.solumtech.com		

Company Officer Authorized to Obligate Business: Hitesh Shah		
Home Street Address: (use business information above)		
Home City:	Home State:	Home Zip Code:
Home Phone #:		
Business Phone #:	FAX #:	
E-mail Address: Hitesh@solumtech.com		

Amount of Funds Requested: \$40,000
--

I certify that I have submitted all the required information to apply for the City of Ames economic development loan and that the information is factual.

Signed by: _____

Obligator

Date: _____



ECONOMIC DEVELOPMENT LOAN APPLICATION

Supporting Information For Financial Assistance

Description of Business: Include history; if new, proposed markets; products or services provided; and management structure. (If sufficient space is not provided, you may attach a separate sheet.)

Solum is an agricultural technology company. Solum develops advanced measurement systems that enable faster, more accurate and more efficient field sample analysis. Founded by three Stanford PhDs, Solum has unlocked the missing variable for optimal crop management - the world's best soil measurements.

Our products and services enable farmers to efficiently increase their yields by providing proprietary measurement and analytics tools. The opportunity we are addressing was made possible by the recent, widespread adoption of GPS tools which allow farmers to program independent treatments on every acre. With the right context, the data we provide can dramatically increase per-acre profits. Our web-based operations and analytics toolkit provide that context and allow the return on each input to be proven out with a quantitative system. We sell our product through the trusted coop/retailer channel that is already sampling millions of acres each year. We successfully completed 12 pilot trials last year and just started commercial sales in January. In 6 weeks we received commitments for 400k acres, which is 80% of our annual sales goal for the entire year. Our business model is to provide soil measurement services and software services that optimize the worldwide agriculture production system.

Project Description: Explain the need for the Economic Development assistance being requested. (If sufficient space is not provided, you may attach a separate sheet.)

Solum is targeting the Midwest (Iowa or Nebraska) to be its center of excellence for agronomy and lab operations with its northern California (Bay Area) location as its center of excellence for its hardware and software solutions. We will conduct research and development at both facilities to address the overall needs of the agriculture community in the Midwest and the rest of the US market to follow.

The proposed project is to set up a state of the art facility in Iowa or Nebraska to provide the best soil measurements for the corn and soybean market. The initial facility will be approximately 12,000 sf of office, lab and warehouse space. The facility will service clients throughout the Midwest and the US.

Has any part of this project been started? ☐ Yes ☒ No

Does the project involve relocation of economic activity from elsewhere? ☒ No

If yes, please explain. (If sufficient space is not provided, you may attach a separate sheet.)



ECONOMIC DEVELOPMENT LOAN APPLICATION

Supporting Information For Financial Assistance, continued

Job Creation/Retention (Full-Time Equivalents):

____ Number of permanent jobs to be created as a result of this project
 ____ Number of permanent jobs to be created within 12 months of loan award
 ____ Number of permanent jobs to be created within 24 months of loan award
 (This number is cumulative – includes 12 month figure.)
 25 Number of permanent jobs to be retained as a result of the project
 25 Number of permanent jobs with average wages of __\$31.14__

What percentage of sales will be outside the State of Iowa? __in progress__%

What percentage of sales will be within the City of Ames? _minimal__%

Description of the Proposed Financial Package:

	Amount	Type (Loan, Grant or Equity)	Interest Rate	Term
Business Contribution	\$16,000,000	\$11.9M & \$4.0 M future revenues		
State Assistance	\$100,000	Forgivable Loan		
Conventional Assistance				
Local Participation				
Other – City of Ames	\$20,000	Loan/Forgivable Loan	Low %	5 Year
Other – Ames Economic Development Commission (AEDC)	\$20,000	Loan/Forgivable Loan	Low %	5 Year

List the names of the principal business owners and the percent of ownership held by each:

Khosla Ventures - 33.73%; Mike Preiner - 20.21%; Nick Koshnick - 19.71%; Justin White - 8.95%

Khosla Venture is an venture capital firm that has a 33.73% ownership stake in Solum, Inc through its purchase of Series A Preferred stock of the company. A representative of Khosla Ventures is a member of the Board of Directors of Solum.

In what form is the business contribution to the project? Please explain clearly (i.e. sale of stock, equity investments, subordinated debt, etc.).

Solum has received capital infusion of \$6.5M (\$2M Series A Preferred in 2010 and \$4.5M Convertible Note in 2011). Solum completed its Series B financing of \$12M new capital in May 2012. The working capital mentioned in the table above will be sourced from a combination of the capital infusion described here and revenue generated by the company over the next three years.



ECONOMIC DEVELOPMENT LOAN APPLICATION

Checklist For Financial Assistance

The following are required submittals and attachments:

- ☐ Business Plan
- ☐ Profit and Loss Statements – 3-year historical and 2-year projections
- ☐ Balance Sheets – 3-year historical and 2-year projections
- ☐ Letter from business committing to project and job creation
- ☐ Commitment letter and letter of credit from lender
- ☐ Business federal tax returns (past three years)
- ☐ Individual federal tax returns of principal owners, if required
- ☐ Resumes of principal owners and key management personnel
- ☐ Verification of loans or grants from private lenders, federal, and state programs
- ☐ Letter of commitment indicating amount of owner equity in project and documentation
- ☐ Corporate resolution authorizing the application for economic development loan funds
- ☐ Corporate signatory authorization naming an officer to execute the application and loan documents, if approved.



Debi V. Durham, Director
Iowa Economic Development Authority

Business Financial Assistance Application

Business Finance
Business Development Division
Iowa Economic Development Authority
200 East Grand Avenue
Des Moines, Iowa 50309-1819

Iowaeconomicdevelopment.com
Telephone: 515.725.3133
businessfinance@iowa.gov

Application Instructions

To Complete Electronic Form: Click on TEXT BOX to add text. Double click on YES/NO boxes and select "Checked".

1. All applicants must complete the Business Financial Assistance Application and attach only those additional sections for the components to which the applicant is applying.

Direct Financial Assistance – STATE of IOWA

☒ 130% Component
(no supplement)

☐ 100% Component
(no supplement)

☐ Entrepreneurial Component (and Supplement)
Supplemental information required

☐ Infrastructure Component
(no supplement)

☐ Value-Added Agriculture Component
Supplemental information required

☐ Disaster Relief Component
Supplemental information required

Tax Credits – STATE of IOWA

☐ Enterprise Zone Program (EZ)
Supplemental information required

☒ High Quality Jobs Program (HQ)
(no supplement)

Direct Financial Assistance – FEDERAL

☐ Economic Development Set-Aside Program (EDSA)
Program (PFSA)
Supplemental information required

☐ Public Facilities Set-Aside
Supplemental information required

2. Please visit the IDED Web site at www.iowalifechanging.com or contact IDED at 515.725.3133 to confirm that this is the most current application version.
3. Before filling out this application form, please read all applicable sections of the 2009 Iowa Code and Iowa Administrative Code (rules). www.legis.state.ia.us/iowaLaw.html
4. Only typed or computer-generated applications will be accepted and reviewed. Any material change to the format, questions, or wording of questions presented in this application will render the application invalid and it will not be accepted.
5. Complete the applicable sections of the application fully. If questions are left unanswered or required attachments are not submitted, an explanation must be included.
6. Use clear and concise language. Attachments should only be used when requested or as supporting documentation.
7. Any inaccurate information of a significant nature may disqualify the application from consideration.
8. The following must be submitted to Business Finance at IDED in order to initiate the review process:
 - One **original**, signed application form and all required attachments
 - One **electronic** copy of the application form and all required attachments

Facsimile copies will not be accepted.

Business Finance
Iowa Department of Economic Development
200 East Grand Avenue
Des Moines, IA 50309-1819

Telephone: 515.725.3133
businessfinance@iowa.gov

Applications are must be submitted to IDED Business Finance before 4:00pm on the fourth Monday of the month.

Applications will be reviewed by the IDED Board on the third Thursday of the following month.

Public Records Policies

Information Submitted to IDED. The Iowa Department of Economic Development (IDED) is subject to the Open Records law ([Iowa Code, Chapter 22](#)). Treatment of information submitted to IDED in this application is governed by the provisions of the Open Records law. All public records are available for public inspection. Some public records are considered confidential and will not be disclosed to the public unless ordered by a court, the lawful custodian of the record, or by another person duly authorized to release the information.

Confidential Records. IDED automatically treats the following records as confidential and they are withheld from public disclosure:

- Tax Records
- *Quarterly Iowa Employer's Contribution and Payroll Report* prepared for the Iowa Workforce Development Department
- Payroll Registers
- Business Financial Statements and Projections
- Personal Financial Statements

Other information supplied to IDED as part of this application may be treated as confidential under Iowa Code section 22.7. Following are the classifications of records which are recognized as confidential under Iowa law and which are most frequently applicable to business information submitted to IDED:

- Trade secrets [Iowa Code §22.7(3)]
- Reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose. [Iowa Code §22.7(6)]
- Information on an industrial prospect with which the IDED is currently negotiating. [Iowa Code §22.7(8)]
- Communications not required by law, rule or regulation made to IDED by persons outside the government to the extent that IDED could reasonably believe that those persons would be discouraged from making them to the Department if they were made available for general public examination. [Iowa Code §22.7(18)]

Information supplied to IDED as part of this application that is material to the application and/or the state program to which the applicant is applying including, but not limited to the number and type of jobs to be created or retained, wages for those jobs, employee benefit information, and project budget, are considered open records and will not be treated as confidential.

Additional Information Available. Copies of [Iowa's Open Record law](#) and IDED's [administrative rules](#) relating to public records are available from the IDED upon request.

Applicant Information

Name of Business: Solum, Inc

Address: 1916 Old Middlefield Ave, Suite A

City, State & Zip Code: Mountain View, CA 94043

Contact Person: Hitesh Shah Title: CFO

Phone: 650.963.9775

Fax: 650.386.1986

Email: hitesh@solumtech.com

Federal ID Number: 27-0361206

[NAICS](#) Code for primary business operations: 115

US DOT Number:

Does the Business file a consolidated tax return under a different tax ID number?

☐ Yes

☒ No

If yes, please also provide that tax ID number:

Is the contact person listed above authorized to obligate the Business?

☒ Yes

☐ No

If no, please provide the name and title of a company officer authorized to obligate the Business:

If the application was prepared by someone other than the contact person listed above, please complete the following:

Name of Business:

Address:

City, State & Zip Code:

Contact Person:

Title:

Phone:

Fax:

Email:

Sponsor Information

Sponsor Organization: City of Ames

Official Contact (e.g. Mayor, Chairperson, etc.): Ann Campbell Title: Mayor

Address: 515 Clark Ave.

City, State & Zip Code: Ames, IA 50010

Phone: 515-239-5101

Fax: 515-239-5142

Email:

If IDED needs to contact the sponsor organization with questions, should we contact the person listed above?

☐

Yes

☒

No, please contact the following person:

Name: Duane Pitcher

Title: Director of Finance

Address: 515 Clark Ave.

City, State & Zip Code: Ames, IA 50010

Phone: 515-239-5114

Fax: 515-239-5142

Email: dpitcher@city.ames.ia.us

If necessary, please list information on additional sponsors in an attachment.

Certification & Release of Information

I hereby give permission to the Iowa Department of Economic Development (IDED) to research the Business' history, make credit checks, contact the Business' financial institutions, insurance carriers, and perform other related activities necessary for reasonable evaluation of this application. I also hereby authorize the Iowa Department of Revenue to provide to IDED state tax information pertinent to the Business' state income tax, sales and use tax, and state tax credits claimed.

I understand that all information submitted to IDED related to this application is subject to Iowa's Open Record Law (Iowa Code, Chapter 22).

I understand this application is subject to final approval by IDED and the Project may not be initiated until final approval is secured.

I understand that IDED reserves the right to negotiate the financial assistance. Furthermore, I am aware that financial assistance is not available until an agreement is executed within a reasonable time period following approval.

I hereby certify that all representations, warranties, or statements made or furnished to IDED in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision.

For the Business:

Signature

Date

Hitesh Shah, CFO
Name and Title (typed or printed)

For the Sponsor(s):

Signature

Date

Name and Title (typed or printed)

Please use the following if more than one sponsor is required. (For example, use this if a signature from the local Enterprise Zone Commission is required in addition to the signature from the Mayor of the sponsoring city.)

Signature

Date

Name and Title (typed or printed)

IDED will not provide assistance in situations where it is determined that any representation, warranty, or statement made in connection with this application is incorrect, false, misleading or erroneous in any material respect. If assistance has already been provided prior to discovery of the incorrect, false, or misleading representation, IDED may initiate legal action to recover incentives and assistance awarded to the Business.

Business Information

Provide a brief description and history of the Business. Include information about the Business' products or services and its markets and/or customers.

Solum is an agricultural technology company. Solum develops advanced measurement systems that enable faster, more accurate and more efficient field sample analysis. Founded by three Stanford PhDs, Solum has unlocked the missing variable for optimal crop management - the world's best soil measurements.

Solum's first commercial application allows growers and agricultural service providers in the corn and soybean market to obtain unprecedentedly high-resolution soil nutrient information without adding cost to existing practices. The Company provides patented hardware and software solutions that enable increased profitability by providing the information required to farm every acre optimally.

Our products and services enable farmers to efficiently increase their yields by providing proprietary measurement and analytics tools. The opportunity we are addressing was made possible by the recent, widespread adoption of GPS tools which allow farmers to program independent treatments on every acre. With the right context, the data we provide can dramatically increase per-acre profits. Our web-based operations and analytics toolkit provide that context and allow the return on each input to be proven out with a quantitative system. We sell our product through the trusted coop/retailer channel that is already sampling millions of acres each year. We successfully completed 12 pilot trials last year and just started commercial sales in January. In 6 weeks we received commitments for 400k acres, which is 80% of our annual sales goal for the entire year. Our business model is to provide soil measurement services and software services that optimize the worldwide agriculture production system.

Solum is targeting the Midwest (Iowa or Nebraska) to be its center of excellence for agronomy and lab operations with its northern California (Bay Area) location as its center of excellence for its hardware and software solutions. We will conduct research and development at both facilities to address the overall needs of the agriculture community in the Midwest and the rest of the US market to follow.

The company received its Series A funding from Khosla Ventures. Solum's completed its Series B financing of \$12M new capital in May 2012.

Business Structure:

☐ Cooperative ☒ Corporation ☐ Limited Liability Company ☐ Not for Profit
☐ Partnership ☐ S-Corporation ☐ Sole Proprietorship

State of Incorporation: Delaware

Identify the Business' owners and percent ownership: Khosla Ventures - 33.73%; Mike Preiner - 20.21%; Nick Koshnick - 19.71%; Justin White - 8.95%

Khosla Venture is an venture capital firm that has a 33.73% ownership stake in Solum, Inc through its purchase of Series A Preferred stock of the company. A representative of Khosla Ventures is a member of the Board of Directors of Solum.

Does a woman, minority, or person with a disability own the Business?

☐ Yes ☒ No

If yes, is the Business certified as a Targeted Small Business?

☐ Yes ☐ No

List the Business' Iowa locations and the current number of employees at each location. N/A (New Business)

What is the Business' worldwide employment? Please include employees of parent company, subsidiaries, and other affiliated entities in this figure. 22 Employees

Project Information

Project Street Address: 615 S. Bell Avenue, Ames, Iowa
Project City: Ames

Project County: Story

Type of Business Project:

☐ Startup

☐ Expansion of Iowa Company

☒ New Location in Iowa

☐ Relocation from another State

Briefly describe the proposed project for which assistance is being sought. (Include project timeline with dates, facility size, infrastructure improvements, proposed products/services, any new markets, etc.)

The proposed project is to set up a state of the art facility in Iowa or Nebraska to provide the best soil measurements for the corn and soybean market. The initial facility will be approximately 12,000 sf of office, lab and warehouse space. The facility will service clients throughout the Midwest and the US.

Project Timeline <i>(add additional rows as needed)</i>	Activity Completion Date
Identify Site and negotiate lease. Current option is located in Ames	June 2012
Start tenant improvements at the facility to build out the soil-processing center	June 2012
Install equipment at the new facility. Start employee recruitment	July 2012
Test and certify equipment through a trial process. Start employee training	August 2012
Start processing customer soil samples	September 2012

Please identify the project management for the project location and experience.

Solum is in the process of hiring a general manager to run the new soil testing facility. The management team in California as well as the Vice President of Marketing and Business Development (based in Nebraska) will provide additional oversight to the new facility.

Has any part of the project started?

☐ Yes

☒ No

If yes, please explain.

Identify the Business' competitors. If any of these competitors have Iowa locations, please explain the nature of the competition (e.g. competitive business segment, estimated market share, etc.) and explain what impact the proposed project may have on the Iowa competitor. We currently do not have commercial competitors that provide high-volume soil measurements using a field-moist process which is a proprietary Solum developed process

Will any of the current Iowa employees lose their jobs if this project does not proceed in Iowa?

☐ Yes

☒ No

If yes, please explain why and identify those jobs as "retained jobs" in the Project Jobs section.

Project Budget

AMOUNT BUDGETED								
Use of Funds	Cost	Source A	Source B	Source C	Source D	Source E	Source F	Source G
Land Acquisition								
Site Preparation								
Building Acquisition								
Building Construction								
Building Remodeling	300,000				300,000			
Mfg. Machinery & Equip.	1,840,000	100,000		40,000	1,700,000			
Other Machinery & Equip.								
Racking, Shelving, etc. ¹								
Computer Hardware								
Computer Software								
Furniture & Fixtures								
Working Capital	14,000,000				14,000,000			
Research & Development								
Job Training								
TOTAL	\$16,140,000	\$100,000	\$	\$40,000	\$16,000,000	\$	\$	\$

¹ Racking, shelving and conveyor equipment used in distribution center projects only

Does the Business plan to lease the facility? ☒ Yes ☐ No If yes, please provide the Annual Base Rent Payment (lease payment minus property taxes, insurance, and operating/maintenance expenses) and the length of the lease agreement. \$3.00 - \$6.00 per sq. ft. 5 year term

PROPOSED FINANCING					
Source of Funds	Amount	Form of Funds	Rate and Term	Commitment Status	Conditions/Additional Information
(List tax benefits separately below, not as a source of direct financing)		(Loan, Grant, In-Kind, Donation, etc.)			Include when funds will be disbursed; If loan, whether payments are a level term, balloon, etc
Source A: IDED*	\$100,000	Forgivable Loan			At start of project. Supported by a letter of credit from Solum.
Source B: Other State (Community College, IDOT, etc.)	\$				
Source C: Local Government	\$40,000	TBD: Loan/ Forgivable Loan			50% forgivable loan, 50% low interest, 5 year loan
Source D: Business	\$16,000,000	\$11,900,000 Series B Financing \$4,000,000 Future Revenues			
Source E: Other Private Sources	\$				
Source F:	\$				
Source G:	\$				
TOTAL	\$16,140,000				

Solum has received capital infusion of \$6.5M (\$2M Series A Preferred in 2010 and \$4.5M Convertible Note in 2011). Solum completed its Series B financing of \$12M new capital in May 2012. The working capital mentioned in the table above will be sourced from a combination of the capital infusion described here and revenue generated by the company over the next three years.

*** Identify the collateral used to secure IDED funds: \$100,000 Letter of Credit**

TAX CREDITS AND INDIRECT FINANCING		
Source of Funds	Amount	Description
Investment Tax Credit	\$107,000	Equipment, Tenant Improvements, and Building Lease
Sales, Service & Use Tax Refund	\$9,000	Materials for Tenant Improvements
Research Activities Credit (3%/10%)	\$42,000	R&D Wages & Supplies
Withholding		
Local Property Tax Exemption		
Tax Increment Financing		
260E Job Training Funds		
In-kind Contribution		
Other		
TOTAL	\$158,000	

What measures were analyzed to determine the amount and form of assistance needed?

Solum is looking to locate their center of excellence for agronomy in the Midwest (Iowa or Nebraska). As the company is still in the early stages, it is necessary that we find a state and community that will partner with us and allow us to conserve necessary capital to reinvest in the company.

Is the Business actively considering locations outside of Iowa? ☒ Yes ☐ No
If yes, where and what assistance is being offered? Omaha, Nebraska

- \$4,000 per job for training assistance
- 10% investment credit – Tier Two for a \$3M investment in NE
- 6% Compensation credit
- Sales tax refund on all capital purchases
- Personal property tax exemption for 10 years
- 7 year attainment period
- Block grants and Tax increment financing programs

There are three general justifiable reasons for assistance. Check the box next to the reason why assistance is needed to complete this project.

☐ **Financing Gap** - The Business can only raise a portion of the debt and equity necessary to complete the project. A gap between sources and uses exists and state and/or federal funds are needed to fill the gap.

☐ **Rate of Return Gap** – The Business can raise sufficient debt and equity to complete the project, but the returns are inadequate to motivate an “economic person” to proceed with the project. Project risks outweigh the rewards.

☒ **Location Disadvantage** (Incentive) – The Business is deciding between a site in Iowa (site A) and a site in another state (site B) for its project. The Business argues that the project will cost less at site B and will require a subsidy to equalize costs in order to locate at site A. The objective here is to quantify the cost differential between site A and site B.

Project Jobs

List the jobs that will be created and/or retained as the result of this project. (A retained job is an existing job that would be eliminated or moved to another state if the project does not proceed in Iowa.) For jobs to be created, include the starting and final hourly wage rate. For retained jobs, include the current hourly wage rate.

Is the hourly wage rate based on a 40 hour work week, 52 weeks per year? ☒ Yes ☐ No

If no please explain:

Full-Time CREATED Jobs	(Add additional rows as needed)		
Job Title	Number of CREATED Jobs	Starting Hourly Wage	Hourly Wage at End of Year Three
Midwest Lab Operations Director	1	\$60.00	\$63.75
Agronomists	4	\$33.65	\$35.70
Chemists	2	\$33.65	\$35.70
HR Manager	1	\$36.05	\$38.25
Shift Supervisors	2	\$36.05	\$38.25
Lab Technologists	12	\$24.03	\$25.50
Office Manager	1	\$36.05	\$38.25
Systems Administrator	1	\$36.05	\$38.25
Staff Scientist	1	\$48.07	\$51.00
Total CREATED Jobs	25 Full Time		

[illegible]

Employee Benefits

Please identify all employee benefits provided by and paid for (in full or in part) by the Business.

See attached benefits program offered by Solum to its current employees in California. A similar program will be offered to our employees in Iowa. We have very competitive and broad range of offerings for employees to choose from. The table below shows annual costs and employee contribution amounts for a Blue Shield HMO 30 plan (Medical); Delta Dental DMO (Dental); Aetna Vision Plan (Vision). The attached exhibits for the benefits program provide an overview of all the plans offered and available to full time employees at Solum.

Employee Benefits Provided by Business	Total Annual Cost (show on a per employee basis)		Portion of Total Annual Cost Paid by the Business		Plan Provisions	
	Employee	Family	Employee	Family	Deductible	(Include coinsurance %, office visit co-payments, annual out-of-pocket maximums, face amounts, etc.)
Medical Insurance Blue Shield HMO 30	\$5088.00	\$15276.00	100%	67%	Employee \$0 Family \$0	See attached plan description
Dental Insurance Delta Dental DMO	\$253.32	\$753.12	0	0	Employee \$0 Family \$0	See attached plan description
Vision Insurance Aetna Vision Plan	\$62.28	\$183.24	0	0	Employee \$0 Family \$0	See attached plan description
Life Insurance	\$1.4076 per \$1000	N/A				See attached rate chart
Short-term Disability	\$5.4192 per \$100	N/A				See attached rate chart
Long-term Disability	\$5.4192 per \$100	N/A				See attached rate chart
Health Savings Account	N/A	N/A				See attached rate chart

Does the Business offer a pension plan, 401(k) plan, and/or retirement-plan? ☒ Yes ☐ No

If yes, please indicate the amount contributed on a per employee basis by the Business to the plan for the last three years. For 401(k) plans, please provide information on the company match and indicate the average annual match per employee (show average as a percentage of salary).

Year Ending	Average Actual Match per Employee (%)
	0%
Three-year Average:	

Does the Business offer a profit-sharing plan? ☐ Yes ☒ No

If yes, please indicate total amount paid out each year for the past three years and then, determine the average annual bonus or contribution per employee for that three year period.

Year Ending	Average Actual Share per Employee (\$)
Three-year Average:	

Attachments

Please attach the following documents:

A1 Business Plan

At a minimum, include:

- Marketing study
- Feasibility study
- Projected profit and loss statements for three years into the future
- Project budget
- Production operations
- Management structure
- Personnel needs
- Descriptions of product or process
- Status of product/process development
- Patent status (if applicable)

(Any information outlined above not included in the business plan should be submitted as supplemental information via a separate attachment.)

A2 Copies of the Business' Quarterly Iowa Employer's Contribution and Payroll Report Summary Page

(Page 1) for the past year and a copy of the most recent payroll report for one pay period. The copy of the most recent payroll report for one pay period must be in Excel format and include the following information:

- Company name, date of payroll and source of payroll information
- Employee name and/or employee identification number
- Current hourly wage - do not include bonuses or other benefit values
- Indicate if the employee is full time (40 hours per week, 52 weeks per year) or part time.

A sample Excel spreadsheet can be found at

http://www.iowalifechanging.com/applications/bus_dev/payroll_template.xls

A3 Affidavit that states the Business has not, within the last five years, violated state or federal statutes, rules, and regulations, including environmental and worker safety regulations, or, if such violations have occurred, that there were mitigating circumstances or such violations did not seriously affect public health or safety or the environment. A sample affidavit can be found at

http://www.iowalifechanging.com/applications/bus_dev/sampleaffidavit.doc.

A4 Financial Information (Existing Businesses Only)

- Profit and loss statements and balance sheets for past three year-ends;
- Current YTD profit and loss statement and balance sheet;
- Schedule of aged accounts receivable;
- Schedule of aged accounts payable; and
- Schedule of other debts.

COUNCIL ACTION FORM

SUBJECT: **ECONOMIC DEVELOP-MENT AGREEMENT WITH UNITED SUPPLIERS, INC.**

BACKGROUND:

United Suppliers, Inc. is an Eldora, Iowa based agricultural wholesale distribution company owned by 775 agricultural retailers located in 20 states. The company currently has 30 employees located in the Ames Crop Nutrients business unit.

The proposed project will include expansion of the offices in Ames and moving 15 employees from the Eldora offices to Ames and adding 35 new jobs over the next five years with the Ames office becoming the corporate headquarters. The company will add approximately 12,000 square feet to the current office location and purchase land for future expansion. Total investment expected for the project is over \$1.975 million, including a \$1.9 million business contribution. The company will also be applying for Industrial Property Tax Abatement under the existing City program.

Since the project is a relocation of a company within the State of Iowa, there is no application or assistance expected from the Iowa Economic Development Authority. **The application to the City of Ames and AEDC for local assistance is in the form of a \$75,000 forgivable loan to be funded with \$50,000 from the City of Ames (from the available balance in the Economic Development Fund) and \$25,000 from the Ames Economic Development Commission (AEDC).** Terms of an agreement still need to be established and Council will need to approve a final agreement.

ALTERNATIVES:

1. Authorize the City Manager to negotiate an Economic Development Agreement with United Suppliers, Inc. and the Ames Economic Development Commission providing local assistance in the form of a forgivable loan in the amount of \$75,000 (\$50,000 from the City of Ames from available balance in the Economic Development Fund and \$25,000 from the Ames Economic Development Commission).
2. Do not authorize the City Manager to negotiate an Economic Development Agreement with United Suppliers, Inc.

MANAGER'S RECOMMENDED ACTION:

United Suppliers, Inc. is a well-established, Iowa-based agricultural company with a current presence in Ames and with plans to expand employment here. In keeping with the Council's goal to promote economic development, this project will expand the number of quality jobs within our city.

An analysis of their proposal utilizing our evaluation matrix for industrial/manufacturing companies indicates that they would qualify for a revolving loan rather than a forgivable loan. However, there are three significant benefits from this project that justify the forgivable loan incentive: (1) this is an expansion of an existing Ames company, (2) they will be locating their corporate headquarters here in Ames, and (3) the project reflects a number of very high paying jobs planned for this facility.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby authorizing the City Manager to negotiate an Economic Development Agreement with United Suppliers, Inc. and the Ames Economic Development Commission providing local assistance in the form of a forgivable loan in the amount of \$75,000 (\$50,000 from the City of Ames from available balance in the Economic Development Fund and \$25,000 from the Ames Economic Development Commission).

COUNCIL ACTION FORM

SUBJECT: HAZARD MITIGATION GRANT PROGRAM PROJECTS

BACKGROUND:

As reported at the March 1, 2011 and December 20, 2011 City Council meetings as a follow-up to the 2010 flooding, Public Works staff submitted 11 projects for consideration under FEMA's Hazard Mitigation Grant Program (HMGP). The Iowa Homeland Security and Emergency Management Division (HSEMD) has now completed their preliminary review of more of these projects.

If approved for funding, the cost share basis for these projects would be in amounts not to exceed 75 percent from federal funds, 10 percent from state funds, and the remaining 15 percent from local funds. Local match funding in the amount of \$820,000 was included in the Capital Improvements Plan's Flood Response and Mitigation Projects program.

A description for each of the eleven projects follows, along with an update for each project.

Northridge Parkway – This neighborhood has several homes that have experienced damage due to flooding during the 1993 and 2010 events. This project would mitigate the flood potential through grading, increasing local detention, additional storm pipe and intake improvements, and adjusting the grade of the shared use path in the area. The neighborhood has been responding to our request for documentation of flooding in this area. However, some residents are hesitant to provide the City with damage documentation as well as for the City to make improvements to the neighborhood in fear that their property could be negatively impacted.

UPDATE: Our indications are still pointing toward possible receipt of FEMA funds for this area's flood mitigation project. Staff intends to hold another neighborhood meeting to continue working through any hesitations that residents may have.

Castlewood Place – Three four-plex apartment units at the east end of Castlewood Place experienced flooding in the lower level units during August 2010. This project would include storm sewer improvements in the area.

UPDATE: Clapsaddle-Garber Associates has continued to work on the potential project in this area. In order for the benefit cost ratio to meet or exceed 1.0, there needs to be documented damage from more than one event. In this and several other locations, the projects are not meeting FEMA's benefit-cost ratio (BCR) calculations because residents can only document damage on one occasion

where the storm event was between a 50-100 year storm. Therefore, FEMA believes that the probability of this event happening again over the next 10 years is low and the dollar amount that will be needed to upsize storm sewer piping or add additional storage is high. For this project, the BCR = 0.13. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project will be withdrawn.

Waterbury Court – The homes along Waterbury Circle and Stonebrook Road experienced damage to the basements during the 2010 floods as a result of water backing up to the west from Ada Hayden. This project would include grading, storm sewer installation, and reconstruction of the impacted shared use path to prevent further damage.

UPDATE: Clapsaddle-Garber Associates has continued to work on the potential project in this area. In order for the benefit cost ratio to meet or exceed 1.0, there needs to be documented damage for more than one event. In this and several other locations, the projects are not meeting FEMA's BCR calculations because residents can only document damage on one occasion where the storm event was between a 50-100 year storm. Therefore, FEMA believes that the probability of this event happening again over the next 10 years is low and the dollar amount that will be needed to upsize storm sewer piping or add additional storage is high. For this project, the BCR = 0.15. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project will be withdrawn.

North Park Villa – Some residents in this area experienced damage to their basements during the 2010 floods. This project would include obtaining an easement and then regrading areas to create positive drainage away from the units.

UPDATE: Clapsaddle-Garber Associates has continued to work on the potential project in this area. In order for the benefit cost ratio to meet or exceed 1.0, there needs to be documented damage for more than one event. In this and several other locations, the projects are not meeting FEMA's BCR calculations because residents can only document damage on one occasion where the storm event was between a 50-100 year storm. Therefore, FEMA believes that the probability of this event happening again over the next 10 years is low and the dollar amount that will be needed to upsize storm sewer piping or add additional storage is high. For this project, the BCR = 0.30. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project will be withdrawn.

Oakwood Drive Area – The neighborhood on the north side of Oakwood Road has experienced basement flooding on several occasions due to storm water flowing overland and into garages and window wells.

UPDATE: Snyder & Associates went door to door on November 1 and 2, 2011 to solicit flood damage information from the neighborhood. A follow up letter was sent on November 18 as a final request for any available flood damage

information. In addition, Homeland Security did send us copies of the damage claims that the City of Ames submitted to FEMA for the 2008 event. We reviewed all of the claim forms, but they were all for other areas of the City; none of the damage could be attributed to flooding in the Oakwood Road area. We also received documentation of the FEMA assistance provided to several of the homeowners in 2010. These claims are included in our damage totals. In addition, a review of possible damages to City facilities in this area for the 2008 and 2010 floods indicates there were no damages attributable to these floods. Maps of the damages obtained from each property owner are attached. Properties outside of these maps had no damage provided. In summary, we were able to obtain \$203,396 in damages from the 2010 flood and \$0 in damages from the 2008 flood.

A review of the rainfall information that fell at the Ames Airport on August 8-9, 2010 indicates 4.69 inches of rain fell between 10pm and 4am. This equates to a 50-year storm event.

The Engineer's Opinion of Probable Project Cost is \$510,000. The proposed project would be installation of a 24" RCP storm sewer along Oakwood Road to University Boulevard.

Based on this information, a benefit cost ratio of 0.12 was developed using the Homeland Security model. This indicates the project would not be eligible for funding at this time. The lack of documented damages from the 2008 storm event is a major factor in the final benefit cost calculation. For example, if there were \$25,000 in documented damages in 2008, the benefit cost ratio would be 1.08. However, FEMA will not fund this project, and the City's Notice of Interest for the project will be withdrawn.

Stuart Smith Park Bank Armoring – This project was identified to protect the 24" water main that crosses Squaw Creek (near Lincoln Way), which is vital to maintaining the integrity of the City-wide water distribution system.

UPDATE: The 24-inch water main crossing under Squaw Creek serves as a main supply line to the west pressure zone of the City. This main supplies water to 18,500 Ames residents and to Iowa State University. This main is known to have a shallow depth and there has been concern for some time regarding the susceptibility of the main to bank erosion and flooding. Events experienced in 2010 highlighted this concern.

Flooding in August of 2010 resulted in multiple breaks in the City's water main system, draining the system and leaving the City's residents and businesses without potable water or fire protection. While the 24 inch main was not damaged, these events underscored its importance in maintaining service to residents.

Given the critical importance of this main, the City of Ames desires to complete improvements to stabilize and protect the eroding banks of Squaw Creek within the vicinity of the existing 24-inch water main and prevent future erosion and

flood waters from washing out the main and causing a catastrophic loss of water service to nearly half the City's residents.

The proposed improvements include construction of a transition area to carry water from the existing low head concrete dam down to the stream channel without creating an eddy pool. The banks along either side will be protected by sheet pile walls extending from the dam, to a location just beyond the existing main.

Based on this design and the damage potential from the loss of water, a benefit cost of over 5.0 has been determined. The final benefit cost number is not known at this time as final revisions to the benefit cost model are underway to address comments from Homeland Security. The total estimated cost of the proposed project is \$695,000. The City of Ames' contribution to the project is estimated at \$120,000.

Schubert Street and Todd Drive – Homes along Schubert Street and Todd Drive have experienced repeated flooding during larger storm events. This project is anticipated to include grading and possibly include storm sewer pipe installation in order to mitigate the basement flooding.

UPDATE: FEMA has indicated that this project equates to a BCA = 0.41. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project has been withdrawn.

Trail Ridge Landslide – During the flood events, areas of the Clear Creek bank eroded, causing landslides to occur along the hillside on an outside curve of the creek. A house is bordered by the creek to the northwest. Grading and land stabilization needs to occur in order to prevent impacts to this home.

UPDATE: FEMA has indicated that this project equates to a BCA = 0.06. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project has been withdrawn.

Pi Kappa Alpha Union (PIKE) & Phi Kappa Theta (PKT) – These fraternity houses are located lower than the surrounding area and have experienced repeated flooding of the lower levels. This project would include obtaining an easement and installation of storm sewer to intercept storm sewer run-off that flows through their sites.

UPDATE: FEMA has indicated that this project equates to a BCA = 0.27. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project has been withdrawn.

Utah Drive Landslide – During the flood events, areas of the Clear Creek bank eroded causing landslides to occur along the hillside on an outside curve of the creek. Two

houses are bordered by the creek to the northwest. Grading and land stabilization needs to occur in order to prevent impacts to the homes.

UPDATE: FEMA has indicated that this project equates to a BCA = 0.22. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project has been withdrawn.

South Duff Siphon Access Structure – This siphon was submerged for a number of days during the 2010 floods, thereby hindering maintenance crews from having full access to the structure. This project would include raising the elevation of the access to allow maintenance crews to have access even during flood events.

UPDATE: FEMA has indicated that this project equates to a BCA = 0.27. Therefore, FEMA will not fund this project, and the City's Notice of Interest for the project has been withdrawn.

Even though City staff and our consulting engineers have expended countless hours seeking to qualify these projects for FEMA funding, it is now clear that nine of the eleven projects do not meet FEMA's BCA criteria, and will thus be ineligible for grant funding. Regrettably, the City's Notices of Interest for these nine projects must be withdrawn.

Five of these flood mitigation projects were previously withdrawn from further HMGP funding consideration as reported on December 20, 2011. The four additional projects as reported above will be withdrawn following this Council meeting. In the future, the City Council will need to determine if we should proceed with any of the projects that will not receive federal funding.

Engineering analyses of the two remaining flood mitigation projects (Northridge Parkway and Stuart Smith Park Bank Armoring) will continue with the hope that they will be before the Council for approval to submit grant applications in the near future.

ALTERNATIVES:

- 1a. Approve a resolution as part of HMGP application through Iowa HSEMD to FEMA for local match funding up to \$120,000 (a minimum of 15 percent) for the Stuart Smith Park Bank Stabilization project with a total project estimated cost of \$695,000.
- b. Designate Tracy Warner, Municipal Engineer, as the applicant's Authorized Representative for the Stuart Smith Park Bank Stabilization HMGP projects.
2. Reject the HMGP applications and direct staff on how to further mitigate flooding of these areas.

MANAGER'S RECOMMENDED ACTION:

By approving the resolution for this project, further FEMA funding can be applied for as part of mitigating further public infrastructure damage in this area of town.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the HMGP application for the Stuart Smith Park Bank Stabilization project with local match funding up to \$120,000 (a minimum of 15 percent) and designating Municipal Engineer Tracy Warner as the applicant's Authorized Representative.

You will recall that a new program was added to the new Capital Improvements Plan which reflected funding from G.O. Bond revenues in the amount of \$820,000 for yet to be determined projects. In order to fund the two remaining projects that could receive FEMA, \$165,000 will be needed for the 15% local match.

The City Council will need to prioritize the projects not eligible for federal funding and give guidance as to which of the remaining projects should be funded totally with City monies. Since the City is scheduled to issue the bonds needed for the FY 2012/13 projects in the coming weeks, staff will be seeking Council direction on these projects in the near future.

Staff Report

**PARKING AGREEMENT WITH YOUTH AND SHELTER SERVICES
FOR MUNICIPAL LOT P**

June 12, 2012

BACKGROUND:

On May 22, 2012, City Council discussed the request from Youth and Shelter Services (YSS) regarding their desire to renew the parking agreement for Municipal Lot P at 308 5th Street. Municipal Lot P was leased to YSS as part of the Development Agreement for renovation of the old City Hall at 420 Kellogg Avenue beginning in 1995. During that meeting, Council directed staff to determine a cost estimate for the City to take over the maintenance of Municipal Lot P. YSS currently pays an estimated \$15/space/month for maintenance, which is reflected by the current lease rate of \$20/space/month. (The City typically charges \$35/month to rent spaces) Staff analyzed the last three fiscal year's typical maintenance expenses to restripe, clean, and remove snow on the remainder of the City's parking lots, and found the approximate cost to be \$9/space/month.

YSS is also proposing that, with renewal at the current lease rate, they would also be willing to split the cost of a pavement repair project on the lot estimated to cost \$4,500. The cost to the City for this major repair would then be approximately \$2,250. After further discussions between maintenance staff from the City and YSS, it has been determined that the scope of the project is more accurately a resurfacing of the center drive aisle of the lot. Under the current terms of the agreement, this work is the responsibility of the City. However, because the current agreement states that this project would happen at a time chosen by the City, YSS is offering to pay half as an incentive to initiate the project.

In its recent letter to City Council, YSS proposed to keep with current lease rate of \$20/space/month, reiterating that the reduced rate is related to the annual maintenance costs that have held constant over time. The proposed term of the new lease would expire on June 30, 2017. All other provisions related to the maintenance, use, and proof of current liability coverage for the lot would remain the same.

OPTIONS:**Option 1**

Direct the City Attorney to create a new lease agreement with Youth and Shelter Services for exclusive use of Municipal Lot P expiring June 30, 2017, at a rate of \$20/space/month, maintain all other provisions of the current agreement, and set the date for public hearing for July 24, 2012.

Option 2

Direct the City Attorney to create a new lease agreement with Youth and Shelter Services for exclusive use of Municipal Lot P expiring June 30, 2017, at a rate \$35/space/month, have the City assume responsibility for all maintenance and repairs, and set the date for public hearing for July 24, 2012.

Option 3

Do not enter into a new lease agreement with Youth and Shelter Services (YSS), making spaces in Municipal Lot P available for general public lease at the City's standard rate of \$35/space/month.

STAFF COMMENTS:

City staff remains appreciative of YSS for locating their offices in the Downtown Business District and renovating the historic city hall building for that purpose. In order to assist with the continued viability of their efforts, staff supports the continued leasing of the 16 parking spaces in Municipal Lot P for an additional five year period to YSS. Additionally, staff is supportive of the terms of the existing agreement pertaining to parking. These terms provide for liability protection, assign maintenance responsibilities to the lessee, and allow the City to cancel the agreement after a 90 day notice if the parking on the site is needed for a development project in the Downtown Business District.

The two issues that remain for Council consideration are establishment of the monthly rental fee, and determination of who should be responsible for routine maintenance of the lot. Based on the City's current maintenance cost of \$9/space/month, it would appear to be in the City's interest to take over routine maintenance of the lot and to charge YSS \$35/space/month as reflected in Option 2. Based upon the maintenance cost information provided by YSS, this change should not result in any net additional cost to YSS.

In a conversation with YSS Director Belitsos, he stated that they prefer Option 1. He believed that maintenance costs borne by YSS actually approach \$35/space/month; which would bring the net YSS monthly costs under Option 1 to \$55/space. Nevertheless, he feels there is great intrinsic value with being able to manage the timing and quality of the routine maintenance for which they would be responsible under this option. Examples cited include such tasks as trimming, stall painting, and snow removal and hauling. **Staff concurs that that if the City assumes responsibility for the maintenance activities as proposed in Option 2, the work will not match the timing or frequency desired by YSS.**

If either Option 1 or Option 2 is selected, a new agreement is will be required to lease the parking spaces to YSS for another five year period. Under either of these options, the City Council should confirm the terms of the new contract at this meeting and set a date of public hearing for the new lease as the July 24, 2012, which allows for at least 30 days of notice.

No matter which option is selected, it has now been determined that a partial resurfacing of this lot is now needed and is the responsibility of the City. The only decision regarding this resurfacing issue is to determine when this unbudgeted improvement will be made. If Option 1 is supported by the Council, YSS is willing to split this cost as an incentive to accelerate the completion of this improvement during the summer of 2012. Therefore, a condition for approval of Option 1 should be that YSS pay for half of the cost for this resurfacing.

COUNCIL ACTION FORM

SUBJECT: **SOUTHEAST ENTRYWAY PROJECT**

BACKGROUND:

This project is a continued partnership between the City of Ames and the South Ames Business Neighborhood (SABN) to complete improvement features to the Southeast Entryway, including installation of light columns and planting of trees, native plants and flowers. A portion of the Southeast Entryway has already been improved with grading and plantings at the intersection of Dayton Avenue and S.E. 16th Street, extending up to the Dayton Avenue overpass over U.S. Highway 30.

On December 16, 2008, Council approved an Iowa Department of Transportation (Iowa DOT) funding agreement for the project. On December 16, 2010, a public meeting was held to provide project specific information and to receive feedback regarding the proposed project concepts, and from that feedback, a plan was developed. On July 12, 2011, Council authorized staff to negotiate a sole source contract with RDG Dahlquist Art Studio for fabrication and installation of lighted sculptures for this project. The Iowa DOT also approved this firm as the sole source provider for fabrication and installation of the lighted sculptural columns. RDG Dahlquist Art Studio has been involved with initial concepts, public input, and cost estimating for the project as a sub-consultant on the Engineering Services Contract for the project design.

On October 25, 2011, Council approved a sole source contract with RDG Dahlquist Art Studio for the fabrication and installation of 12 sculptural light columns and two pedestrian scale sculptural light columns in the amount of \$555,495. Since that time, the cost estimate has been revised to \$554,820. An alternate bid item is also included that would add two more full-size light columns for an additional \$69,500. That alternate could be awarded if favorable construction bids are received.

On May 22, 2012, Council accepted the report of bids for the Southeast Entryway Project. At that meeting staff reported that a planting grant would be applied for to assist in funding the project. Staff has been notified by the DOT that the City was successful in obtaining the planting grant in the amount of \$63,632 to be used on specific items in the contract.

Plans and specifications for this project, which includes fence removal/replacement, sculptural footing installation and restoration, were completed by Snyder & Associates of Ankeny, Iowa. Costs for engineering and construction administration are estimated to be \$141,396, bringing the total estimated cost for this location, including fabrication and installation of the light columns by RDG Dahlquist Art Studio, to \$1,039,632.

Project Revenue and Expenses are summarized below:

	<u>Expenses</u>	<u>Revenue</u>
G.O. Bonds (abated through property assessments)		\$ 148,000
Local Option Sales Tax		\$ 99,000
Private Funding Through SABN		\$ 46,000
State-Wide Transportation Enhancement Grant		\$ 683,000
Iowa DOT Planting Grant		<u>\$ 63,632</u>
Art Fabrication/Installation Contract	\$ 554,820	
Landscaping/Footing/Mowing Contract	\$ 343,416	
Engineering (estimated)	<u>\$ 141,396</u>	<u> </u>
Totals	\$1,039,632	\$1,039,632

ALTERNATIVES:

- 1a. Approve the Iowa DOT Planting Grant Agreement for the Southeast Entryway Project.
- b. Approve final plans and specifications for the Southeast Entryway Project.
- c. Award the Southeast Entryway Project to Truelsen Blumenthal, LLC, of Grimes, Iowa in the amount of \$343,416.
2. Reject the Agreement.
3. Direct staff to pursue other options.

MANAGER'S RECOMMENDED ACTION:

Lighted sculptural columns are a key component of the Southeast Entryway Project that will create a stronger sense of arrival into Ames. By approving the Iowa DOT Planting Grant Agreement, approving the final plans and specifications, and awarding the contract, this project can be constructed during the 2012 construction season.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the Iowa DOT Planting Grant Agreement, approving the final plans and specifications, and awarding the contract to Truelsen Blumenthal, LLC, of Grimes, Iowa in the amount of \$343,416.

COUNCIL ACTION FORM

SUBJECT: **POWER PLANT UNIT #7 STACK REPAIR CONTRACT AWARD**

BACKGROUND:

Cracks in the upper outer shell of Unit #7 stack were observed in 2007. As a result, two steel bands were installed to reinforce the shell of the stack. In 2011, a professional inspection of the stack identified several additional defects that require immediate attention to keep the stack safe and secure.

On April 10, 2012, City Council approved preliminary plans and specifications for the Unit #7 Stack Repair. The scope of the project includes installing additional steel reinforcing rings, replacing the grating on the elevated platforms, replacing the top ring, repairing the upper five courses of brick liner, painting the ladder and platforms, cleaning the interior, repairing cracks in the concrete, and coating the stack with a waterproof coating.

Bid documents were issued to twenty-three potential bidders. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published in the Ames Tribune. The bid was also sent to two plan rooms.

On May 23, 2012, three bids were received as shown below:

BIDDER	BASE BID	SALES TAX INC	EVALUATED TOTAL
NAES Power Contractors Cranberry Township, PA	\$227,354	\$4,995.00	\$222,359
Gerard Chimney Company, St. Louis, MO	\$230,800	Not Licensed	\$230,800
Industrial Access, Alpharetta, GA	\$380,603	Not Licensed	\$380,603
* Evaluated Total is less all applicable sales tax since two of the bidders are not licensed to collect.			

Staff concluded that the apparent low bid submitted by NAES Power Contractors, Cranberry Township, PA, in the amount of \$227,354 is acceptable.

The Engineer's estimate of the cost of the repair is \$214,000. **Because of the unplanned nature of this repair, funds were not included in the FY 2012/13 budget. Since the stack is a vital part of the plant, this emergency project will need to be funded from savings identified elsewhere in the budget.**

Funding for this \$227,354 repair will need to come from the FY 2011/12 operating budget. Possible sources include savings from delaying the Unit #7 air heater project a reduction in Unit #7 boiler parts and supplies.

ALTERNATIVES:

1. Award a contract to NAES Power Contractors, Cranberry Township, PA, for the Unit #7 Stack Repair in the amount of \$227,354.
2. Reject all bids and delay repair of the Unit #7 stack.

MANAGER'S RECOMMENDED ACTION:

This project will address the cracked and broken liner in the Unit #7. It is crucial to have this work done because the stack is at risk of failing prematurely due to the cracks. The Unit cannot operate without a functioning stack to transport the exhaust away from the boiler.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: **BROOKSIDE PARK IMPROVEMENTS**

BACKGROUND:

The FY 2012/13 Budget and Capital Improvements Plan include a total of \$507,500 from Local Option Sales Tax funding to replace Brookside Park's four tennis courts (with lights), to replace the east concrete steps adjacent Brookridge Avenue (including new limestone veneer), to replace the walkway leading from Brookridge Avenue west into Brookside Park, and to repair and rebuild the west limestone walls.

On May 24, 2012 one bid was received for this work from Manatt's Inc. as follows:

BASE BID TOTAL \$484,000

Tennis Courts	\$316,000
Limestone Walls and Stairs	\$168,000

Alternate 1

Tennis Court Lighting	\$97,000
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Alternate 2

Repair Limestone Drinking Fountain	\$9,500
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BUDGET SUMMARY:

Base Bid	\$484,000
Engineering	\$ 35,800
Contingency	<u>\$ 41,000</u>
Total	\$560,800

Total Budget	\$507,500
Estimated Short Fall	\$ 53,300

Alternates 1 and 2:

By adding tennis court lights to the base bid, the budget shortfall would increase to \$150,300. By adding lights and repairing the drinking fountain to the base bid, the shortfall would increase to \$159,800.

Bid Analysis:

Staff met with the project engineering consultant, Snyder and Associates, to gain insight into why only one bid was received and why the bid was so much higher than their estimate. Snyder responded as follows:

Stairs and Limestone Walls:

The specifications call for the **east stairs** (adjacent Brookridge Avenue) to be torn out and for construction of concrete walls with limestone veneer installed. The **west stairs** do not need to be replaced, yet the limestone walls need to be repaired. With the goal of matching the existing limestone on the **west stairs**, the contractor is required to salvage limestone from the **east stairs** (adjacent Brookridge) and re-use it on the **west stairs**. The estimated budget for this work activity was \$98,000. The actual bid price was \$168,000, an increase of \$70,000. With renovation versus new construction of the west stairs, the contractor expressed concern over unforeseen issues with this work.

Tennis Courts:

Snyder and Associates developed their estimate using the actual cost that the City of Ankeny incurred to build similar courts in 2011. Ankeny's **per court** cost was \$65,000 (without lights) and the City's of Ames bid (without lights) was \$79,000 **per court**. This is an increase of \$14,000 per court for a total of \$56,000.

Receiving Only One bid:

Manatt's is the only asphalt company in Ames. Snyder and Associates contacted other asphalt companies in central Iowa, who indicated that they chose not to submit a bid.

Bid as One Project (Sidewalk/steps/limestone veneer and tennis courts):

Since the two projects are in such close proximity, it was determined that utilizing one general contractor would enhance scheduling coordination and prioritization of work activity. Additionally, it was anticipated that a cost savings would be realized by mobilizing equipment at the site through one general contractor. It should be noted that Manatt's solicited bids from subcontractors for the stairs and the installation of limestone. Manatt's informed the City that this work activity will be accomplished by Jensen Builders and Country Landscapes, respectively.

Engineer's Analysis Summary:

Snyder believed that the above stated issues account for the difference between the project budget and the bid received. They also emphasized that, in their opinion, redesigning or re-bidding the work as two projects versus one would be unlikely to result in substantially lower bid(s).

History of Brookside Tennis Courts:

In 1997 City Council **redirected \$100,000** in City funding (that would have been used to reconstruct the tennis courts at Brookside Park) to partner with the Ames Community School District and the Friends of Ames Tennis and construct a new, 8-court facility (four courts with lights) at **Ames High School**. The School District donated the land and \$50,900. The Friends of Ames Tennis privately fundraised \$207,000. In addition, the School District agreed to pay the City \$2,500 annually for a period of 10 years (through

FY07/08) to help pay for the ongoing maintenance costs of the tennis courts at Brookside. At that time, the City Council decided that the four courts at Brookside would be maintained at a “recreational level” until the City made a final decision regarding the future existence of these courts.

In October 2011 a letter was mailed out to over 300 households inviting them to attend a meeting to gain input on how they would like to see this part of Brookside Park renovated. Eleven residents attended that meeting and voiced support for four tennis courts, with lights, to be rebuilt at this site.

Resident Feedback:

The eleven individuals who attended the October 2011 public meeting were contacted the week of June 4, 2012, informing them that the lone bid exceeded the approved budget by \$150,300 (with lights). Staff asked for their input in light of this significant budget shortfall.

Seven residents provided feedback (Attachment A). Staff’s summary of this input follows:

- Proceed with the project
- Lighting the courts is a priority
- To reduce costs, two people suggested making the east steps functional versus aesthetically pleasing by eliminating the limestone veneer
- One person placed priority on the steps because they are used daily

Value Engineering:

Eliminating the limestone veneer on the east steps would reduce costs by \$15,000 or 3% of the base bid. However, the chairperson of the Ames Historic Preservation Commission expressed support for incorporating limestone on the steps to maintain the historic appearance.

Lighting:

In the event lighting is not included in the project, underground conduit would be installed to insure that lighting would be easy to install in the future and that the existing plans and specifications could be utilized. It is not feasible to re-use the existing lights, since the electric electrical service to the individual poles will be removed during the demolition of the existing courts.

Horseshoe Courts: The Brookside Park horseshoe courts need to be removed to allow for large construction vehicles and equipment to access the tennis courts. Following a discussion with a local horseshoe court player, it has been determined to relocate the horseshoe courts to North River Valley Park. This new location is close to restroom facilities and parking. Funding to accomplish this relocation, estimated at \$10,000, will be taken from the Brookside project contingency fund.

ALTERNATIVES:

- 1) Award a contract to Manatt's Inc to reconstruct the tennis courts, limestone walls and stairways in the amount of the **base bid** of \$484,000. This alternative will result in a total cost for construction, engineering, and contingency of \$560,800. In order to finance this alternative, the additional \$53,300 should be reallocated from the Park Land Acquisition and Development fund from savings realized from the Northridge Heights Park project.
- 2) Award a contract to Manatt's Inc to reconstruct the tennis courts, limestone walls and stairways in the amount of \$581,000 that includes the **base bid and Alternate 1 (the addition of tennis court lighting)**. This alternative will result in a total cost for construction, engineering, and contingency of \$657,800. In order to finance this alternative, the additional \$150,300 should be approved from the Park Land Acquisition and Development fund (\$53,300 in savings realized from the Northridge Heights Park project and from additional funding from the PADF in the amount of \$97,000).
- 3) Award a contract to Manatt's Inc to reconstruct the tennis courts, limestone walls and stairways in the amount of \$590,500 that includes the **base bid and Alternate 1 (the addition of tennis court lighting) and Alternate 2 (refurbish the limestone drinking fountain)**. This alternative will result in a total cost for construction, engineering, and contingency of \$667,300. In order to finance this alternative, the additional \$159,800 should be approved from the Park Land Acquisition and Development fund (\$53,300 in savings realized from the Northridge Heights Park project and from additional funding from the PADF in the amount of \$106,500).
- 4) Reject the bid from Manatt's Inc and refer this project back to staff with a recommendation for how best to proceed with this project in FY 2013/14.

MANAGER'S RECOMMENDED ACTION:

Given the existing safety concerns for the tennis courts and stairs/walls and the fact that our consulting engineer reviewed the bids and advised that redesigning or re-bidding the project would not result in substantially lower bids, it is the recommendation of the City Manager that City Council approve Alternative #1.

If the Council supports this recommendation, funding to cover the \$53,300 project budget shortfall should be taken from the Park Land Acquisition and Development fund. Recently, during development of the Northridge Heights Park, fill dirt budgeted to cost \$120,000 was acquired for \$26,290. Staff does not recommend utilizing the entire \$93,710 in savings at this time, since 90% of the development of Northridge Heights Park remains. However, staff is comfortable in using \$53,300 of this savings for the Brookside Park project.

If Alternative #1 is supported, as a next step a recommendation regarding the funding for lighting these courts should be solicited from the Parks and Recreation Commission. With lighted tennis courts already located at Ames High School, McCarthy Lee Park, and Inis Grove Park, and with limited capital resources, the Commission should be asked to obtain additional public input and then prioritize this lighting project with other identified CIP priorities throughout the park system. This public input process would occur in November as the Commission prepares their 2013/18 Capital Improvement Plan recommendations.

ATTACHMENT A

BROOKSIDE PARK FEEDBACK (Week of June 4, 2012)

- You could have the contractor rough in the conduit for lights for the project this year and delay the installation of lights for a couple more years. If that doesn't work out, I think I'd rather see you delay the project and do it right all at once. We don't mind playing on the aging courts for a couple more years. Thanks,

Art Baumgartner

- First I would like to thank the city for the planned improvements to these facilities. In regards to our phone conversation today concerning the installation of lights at the Brookside tennis courts. As I write at 9.20 pm the lights are on and people are using the basketball and tennis courts, [we reside directly across the from the stairs leading down to the courts]. It would be a such a shame not to have the lights. I also realize the constraints that the city may be under, but the more I think about it the more I feel that the lights are essential. Having lights will allow the city to receive the greatest return on their investment. The lights will not only add hours to the courts use in summer but will also add weeks of possible use during the spring and fall months when it is still warm enough to be outside but daylight hours are fewer.

We don't want to delay the project as the work is desperately needed but is there a possibility we could somehow spend less on lights. Can we refurbish the current one? Also, I am unaware of the design for the new stairs, but is it possible to limit the replacement stairs to a purely functional level as after all the most important thing about stairs is that they are functional and that any savings could go towards lights. If none of these are options can the city budget for adding lights next year- and the renovations that go ahead this year include plans for that retrofit next year.

These are just some ideas that I hope help more than hinder and once again I would like to say thank you for involving us. Thanks again, **Kevin Walker**.

- I would prefer the tennis court resurfacing (including the basketball court) and the new lighting be completed this year. Improved surfaces and new lights increase the safety of the area and make tennis more accessible to more people. In addition new lights will glare less in the eyes of passing motorists making driving on Brookridge Ave. safer.

Though the steps and walls definitely need to be rebuilt for safety reasons, including a hand rail, could one make a start on them this year and finish it next? I am confident the Ames City Council would agree to provide the funds to finish that project next year but I'm not so confident that the Ames City Council would agree about funding tennis court lighting next year, especially when funds are tight.

It's been 2012-1997=15 years we've waited to have the tennis courts resurfaced and better lights installed. Let's get that project done, and then move on to the walls and steps. Sincerely, **Holly Fuchs**

- I just want to say that I think that the stairs should be the priority at Brookside, rather than the lights. I am a fit able person, but i have ms and am not the mst graceful of people. I am always very slow going down them and worried that I am going to fall, especially in the winter. I think the tennis players are over stating the use of the courts, but I know those stairs are used a tremendous amount and the park becomes inaccessible to those that might need a little balance/support to get down the steps. Also if you wait a year for the lights folks might loose 20 weeks of tennis weather, but the steps are used every day in all weather and would get the most use.
Thanks! **Lori Biederman**

- I support giving priority to the lighting improvement in the Brookside Park tennis courts.
Ricardo Rosenbusch

- The tennis/basketball courts are a high priority. The lighting although expensive is needed because that is one of the features that makes the courts so attractive. If the lighting was omitted this year, preparation work for lighting would need to be done this year as the courts are reconstructed so that lighting could be easily added next year.

The steps and walls do need attention. I understand that the limestone is in keeping with the "preservation" of the park's historic state. However, if the limestone is a costly addition, maybe just concrete would do. Although I value preservation efforts here in town, cost is always a consideration. Whatever is done with the steps, railings are a must and should meet ADA requirements.

I think we need to do this project this year and not wait to reconfigure and rebid for another year. **Sue Crull**

- Thank you for soliciting the concerns of the Brookside Park neighbors in making your recommendations for how to allot the improvement funds.

I believe that the tennis courts and lights should be the highest priority because of how frequently they are used and how badly they need attention.

The stairs could use handrails, but the walkways are still quite serviceable and the improvements to them can wait another year or more, but the courts are a very popular and fun feature that deserve our support and maintenance.

Thank you kindly for listening, **Sarah Davis**

COUNCIL ACTION FORM

**SUBJECT: 2011/12 ASPHALT PAVEMENT IMPROVEMENTS PROGRAM
(ABRAHAM DRIVE AND TODD CIRCLE)**

BACKGROUND:

This is the annual program for reconstruction of full-depth asphalt streets, typically located within residential neighborhoods. Streets within residential subdivisions have been installed using full-depth asphalt pavement since mid-1970s. Full-depth replacement of these streets has become necessary due to structural pavement failure. This program was created to support the City Council's goal of strengthening our neighborhoods.

The 2011/12 program will consist of roadway reconstruction with seven-inch asphalt paving, repair of damaged curb and gutter, and storm sewer intake replacement. The program will be packaged into four separate contracts in order to better coordinate construction activities in the respective areas, which include: South Oak Avenue (will be combined with 2011/12 Low Point Drainage Improvements), Ironwood Court (will be combined with 2010/11 Low Point Drainage Improvements), Indian Grass Court and Barr Drive, and Abraham Drive and Todd Circle.

The locations for this specific project are Abraham Drive and Todd Circle. Staff has completed plans and specifications with estimated construction costs of \$214,000. The overall program is shown in the 2011/12 Capital Improvements Plan with financing established in the amount of \$2,576,000 from General Obligation Bonds.

On June 6, 2012, bids on this project were received as follows:

Engineer's Estimate	\$214,000.00
Manatts, Inc.	\$210,231.93

The 2011/12 Asphalt Pavement Improvements Program includes expenses as follows:

Barr Drive/Indian Grass Court (Bid Amount)	\$ 458,058.00
Abraham Drive/Todd Circle (This Project)	\$ 210,231.93
Ironwood Court (Estimated)	\$ 650,000.00
South Oak Avenue (Estimated)	\$ 750,000.00
Engineering/Administration (Estimated)	<u>\$ 336,000.00</u>
Total	\$2,404,289.93

Any remaining funds will be utilized for contingencies and additional projects.

ALTERNATIVES:

- 1a. Accept the report of bids for the 2011/12 Asphalt Pavement Improvements Program (Abraham Drive and Todd Circle).
 - b. Approve the final plans and specifications for the 2011/12 Asphalt Pavement Improvements Program (Abraham Drive and Todd Circle).
 - c. Award the 2011/12 Asphalt Pavement Improvements Program (Abraham Drive and Todd Circle) to Manatts, Inc. of Ames, Iowa, in the amount of \$210,231.93.
2. Reject the project.

MANAGER'S RECOMMENDED ACTION:

By moving forward with this project now, it will be possible to move forward with the rehabilitation of these streets during the 2012 construction season. Delay of approval could lead to construction cost increases and delay the reconstruction by a year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 accepting the report of bids, approving the final plans and specifications and awarding the 2011/12 Asphalt Pavement Improvements Program (Abraham Drive and Todd Circle) to Manatts, Inc. of Ames, Iowa, in the amount of \$210,231.93.

COUNCIL ACTION FORM

SUBJECT: VETERINARY MEDICINE (VET MED) SUBSTATION CAPACITOR BANK FOUNDATION INSTALLATION

BACKGROUND:

This overall project is for the procurement and installation of two capacitor banks for the Vet Med Substation. This particular portion is for the installation of a new concrete foundation in the Vet Med Substation to support the capacitor banks. **On May 8, 2012, staff reported that the City did not receive any bids the first time the bidding document was issued for this project. As a result, Council directed staff to rebid the project and approved preliminary plans and specifications for the Vet Med Substation capacitor bank foundation installation.**

Bid documents were issued to twenty-two potential bidders. The bid was also advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published in the Ames Tribune. It was also sent to two plan rooms.

The bid due date was May 23, 2012, and again the City did not receive any bids. Several of the bidder's notified staff that due to their current workload they are unable to provide a bid on this project. It was also determined that the timing of the project coincides with the busy season of the majority of the contractors.

Staff has now revised the technical specifications, increased the bidders list, and revised the project schedule to permit construction to take place in July and August. The capacitor manufacturer has agreed to postpone delivery to September at no additional cost.

The Engineer's estimate for this portion of the overall project is estimated at \$75,000. In 2010/11 the CIP was adjusted to include \$350,000 for the Vet Med Substation Voltage Support project. These funds were recently approved for carryover to the 2011/12 Fiscal Year. Approximately \$117,218 remains in the budget for this work.

ALTERNATIVES:

1. a. Accept report of no bids.
- b. Direct staff to rebid the project.
- c. Approve the preliminary plans and specifications for the reissuance of the Vet Med Substation capacitor bank foundation installation and set June 27, 2012, as the bid due date and July 10, 2012, as the date of hearing and award of contract.

2. Do not direct staff to rebid the project and delay the installation of the foundation.

MANAGER'S RECOMMENDED ACTION:

At the Vet Med Substation, there has been and will continue to be an increase of electrical load as both the ISU Veterinary Medicine campus and the Research Park continue to grow and expand. Installation of the capacitor banks at the Vet Med Substation will provide voltage support and add capacity to the system at a needed load center, improving electric service in that area.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

COUNCIL ACTION FORM

SUBJECT: ZONING ORDINANCE TEXT AMENDMENT TO ADOPT ALTERNATIVE LANDSCAPING STANDARDS FOR AUTO AND MARINE CRAFT TRADE USES

BACKGROUND:

A proposed ordinance adopting alternative landscaping standards for auto and marine craft trade uses was presented to the City Council on May 8, 2012. This was one of three proposed text amendments requested by Wilson Toyota to facilitate expansion plans for their dealership, and which could also facilitate a proposed new dealership by the Deery Brothers along Highway 30. The Council acted on two of the requested amendments (i.e., parking lot striping and integrated site plan subdivision provisions) but continued the alternative landscaping provisions to the May 22 meeting in order for staff to do the following:

1. Prepare a hypothetical site plan showing how an auto dealership site would be landscaped under the current code requirements versus the proposed alternative standards, and
2. Contract the remaining auto dealerships in Ames to receive feedback on the proposed ordinance.

Staff has prepared the attached hypothetical site plans showing landscaping under both the existing and proposed alternative standards. Staff will use these illustrations to more fully explain the differences at the June 12 Council meeting.

Staff also invited representatives from the following local auto dealers to a meeting to explain the proposed amendments and ask for feedback: Amescars Com Incorporated, Wilson Auto Group Inc., George White Chevrolet Inc., Lithia HDM Inc., Quality Motors of Ames Ltd., and Willey Inc. (Staff coordinated with the Deery's separately prior to the initial presentation to Council). Attending the meeting were Danny and Denny Wilson, and Doug Livy. The Wilsons continued to express their support for the amendments because they offered added flexibility. Mr. Livy likewise stated that he likes the flexibility component of the proposed amendments. Staff also heard from Mike Gougherty (Lithia Honda/Nissan), who stated that he may not be able to attend the meeting, but asked for a copy of the proposed amendments. Staff e-mailed a copy and offered to sit down with Mr. Gougherty in person if he preferred.

It should be noted that the proposed standards do not replace or change current standards; but are an optional alternative to current standards. It is that

characteristic that provides the added flexibility that responding dealer representatives said they like. Staff has received no negative feedback on the proposed standards.

ALTERNATIVES:

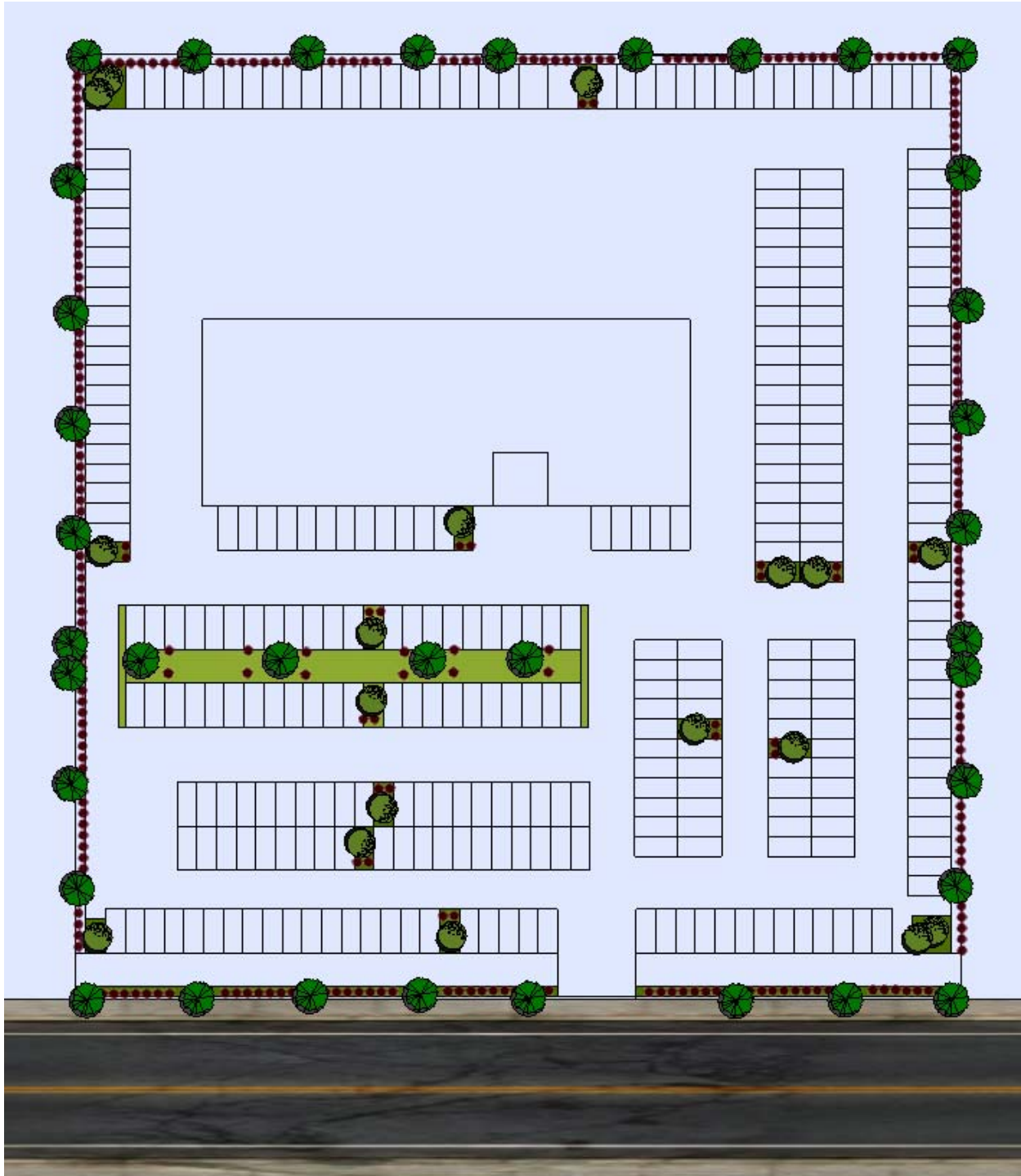
1. The City Council can approve the zoning code text amendment adopting alternative standards for auto and marine craft trade uses.
2. The City Council can approve the zoning code text amendment adopting alternative standards for auto and marine craft trade uses with modifications.
3. The City Council can decide not to adopt the proposed text amendments.
4. The City Council can refer this issue back to staff for further information.

MANAGER'S RECOMMENDED ACTION:

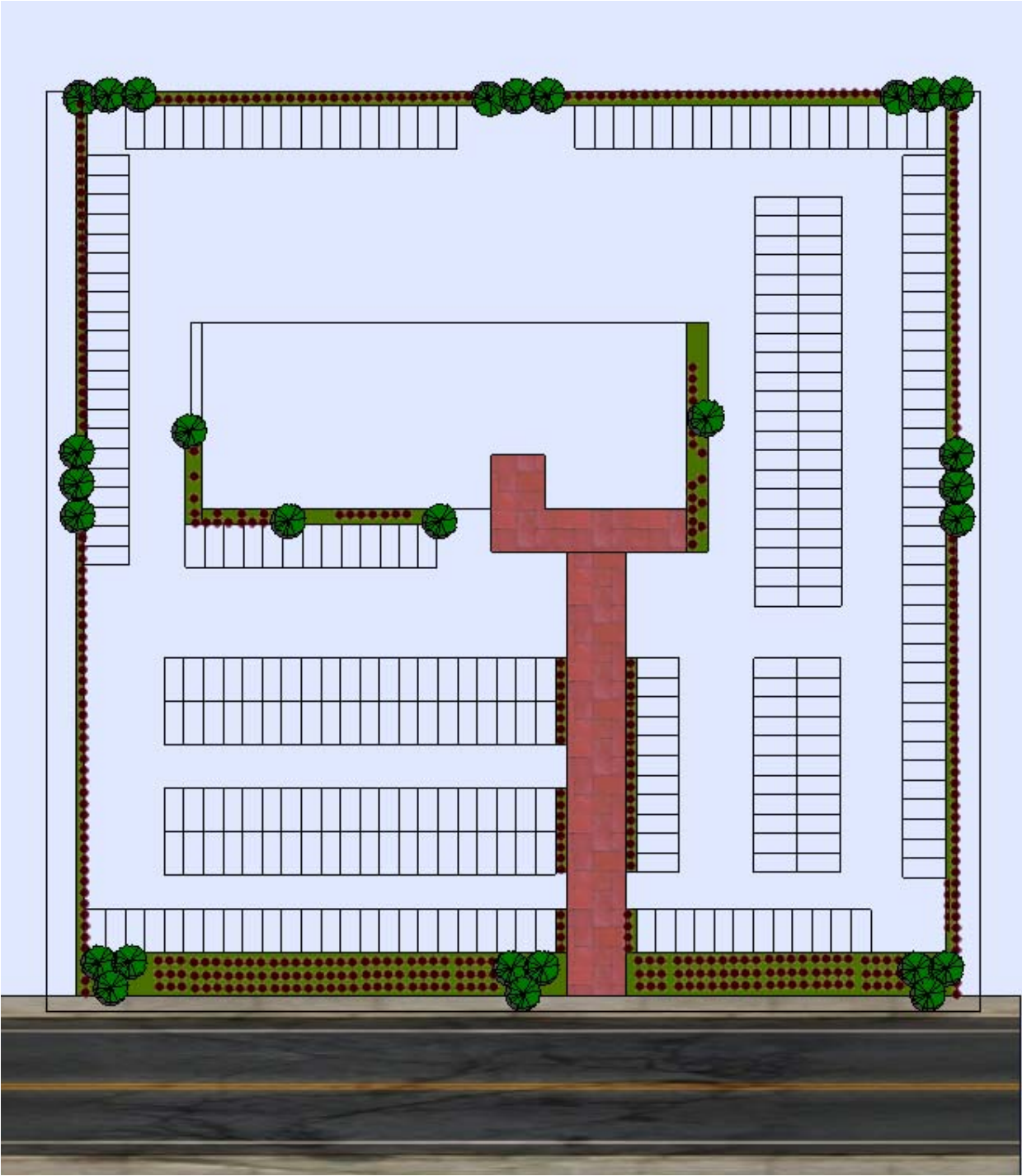
The proposed amendments seem to address the stated, essential needs of auto dealers interested in developing or expanding in Ames, while also reflecting the purpose and intent statements of the City's current landscaping regulations.

Therefore, it is the recommendation of the City Manager that the City Council accept Alternative 1, thereby adopting the alternative landscape standards for auto and marine craft trade as provided in the attached proposed ordinance.

Site Plan - Current Landscaping Standards



Site Plan – Proposed Alternate Landscaping Standards



ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY REPEALING SECTIONS 29.403(4)(b), 29.403 (5), 29.403(6) AND ENACTING NEW SECTIONS 29.403(4)(b), 29.403(5), 29.403(6), 29.403(7) THEREOF, FOR THE PURPOSE OF PROVIDING ALTERNATIVE LANDSCAPE PROVISIONS FOR AUTO AND MARINE CRAFT TRADE USES; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; PROVIDING A PENALTY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City has adopted landscaping standards for the following purposes:

- i. Reduce heat-generating pavement
- ii. Provide greater space for trees to shade and cool pavement
- iii. Provide more space for trees to shade and cool buildings, thereby reducing energy consumption for air conditioning
- iv. Reduce the number of lights needed to illuminate parking lots and thereby reduce energy consumption and facilitate Dark Sky objectives
- v. Reduce stormwater runoff from impervious surfaces

WHEREAS, current landscaping standards for parking lots do not differentiate between parking lots serving different types of uses; and

WHEREAS, parking lots for auto and marine craft trade are not only for purposes of providing parking for individuals that visit or frequent the site, they also serve to display products for sale; and

WHEREAS, alternative landscaping standards for auto and marine craft trade parking lots have been drafted that address the marketing needs of the auto sales industry while also ensuring that the stated purposes of landscape standards are achieved;

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by repealing Sections 29.403(4)(b), 29.403(5), 29.403(6), and enacting new Sections 29.403(4)(b), 29.403(5), 29.403(6), 29.403(7), to read as follows:

Sec. 29.403. LANDSCAPING AND SCREENING.

...

(4) Landscaping Requirements For Surface Parking Lots, Generally.

...

(b) Setback and perimeter landscaping. The minimum setbacks and perimeter landscaping standards for parking areas, and for any driveways and drive aisles accessing parking areas, are set forth in Table 29.403(4) below. For Auto and Marine Craft Trade Uses, see Section 29.403 (5), below.

...

(5) **Alternate Landscape Standards for Automotive and Marine Craft Trade Uses.** As an alternative to the requirements of Section 29.403(4)(b) and 29.403(4)(c), the following standards may be applied to sites developed for automotive and marine craft trade as defined in Article 5;

(a) Landscaped area between parking lot pavement and property lines.

(i) Minimum Landscape Width – 20 feet along all property lines abutting public right-of-way lines, 10-feet along all other property lines along a zoning boundary, and 5 feet along all other property lines of properties within the same zone, landscaped as follows:

(a) Five feet of the landscaped setback shall be landscaped according to the L2 , Low Screen landscaping standards of this Section, with the balance landscaped according to subsection iv below; or

(b) Landscaped according to L1 standards, except that required numbers of trees and shrubs may be strategically clustered to allow visual openings into the site. Trees and shrubs must be clustered in regular intervals within required landscaped areas, spaced no greater than 200 feet apart. Each cluster shall include no less than three trees spaced no greater than 15 feet apart (center to center) with the trunk of at least one tree in the cluster located within 8 feet of the parking lot edge (to ensure some shading of abutting pavement). Because landscaping under this option is less effective at softening impacts of lighting common to parking areas, all outdoor lighting shall conform to the Guidelines for Signage and Lighting in Section 29.1109(18), except 29.1109(18)(j). All lighting fixtures shall be shielded in such a manner that the lenses of the fixtures are not visible from public rights-of-way.

(ii) Setback areas beyond the minimum setbacks shall be fully landscaped applying the landscape element ratios in the LI General Landscaping standards of this Section.

(b) Landscaping around perimeter of all principal facades visible from a public street.

(i) Minimum landscape area equivalent to 5 feet times the length of each visible facade.

(ii) Building perimeter landscaping may be reduced or eliminated along selected areas of the perimeter if an equivalent amount of landscaped area is added to other areas of the building's perimeter, provided that perimeter areas of increased landscaping are along building facades visible from public rights of way.

(iii) Up to 25% of the required landscaped area may consist of either a brick-paved surface, or a raised sidewalk/pedestrian area consisting of either brick pavers or colored and pattern-stamped concrete.

(iv) Landscaping shall consist of one tree per 50 feet of building façade, and one shrub for every six feet of building façade. Plants and trees may be clustered as desired.

(c) Landscaped Entry Feature. A landscaped entry feature shall be provided that consists of either a landscaped sidewalk or driveway extending from the right-of-way providing primary vehicular access to the site, to within 20 feet of at least one principal building on the site. The landscape entry feature shall consist of the following:

(i) A five foot wide landscape strip on each side of the sidewalk or driveway. Said landscaping shall extend either:

(a) The full length of the required landscape entry feature; or

(b) At least 50% of the length of the landscape entry feature, provided that the entire length and width of the entry feature consists of a color-contrasted brick paved surface. (Colored and pattern-stamped concrete may be used for walkway areas, but will not suffice in areas of vehicle travel due to its poor color retention over time).

(ii) Landscaping in the entry feature shall consist of one shrub or tree for every 40 square feet of landscaped area. Shrubs may be low-lying to maximize visibility through the landscaped area.

(d) In addition to the minimum landscaping areas and plantings described above, the balance of all setbacks, landscape areas, and other portions of the site not otherwise developed with pavement, buildings, stormwater facilities and/or protected environmentally sensitive areas, shall be landscaped with lawn or groundcover plants (e.g., Sweet Woodruff, Ajuga/Bugleweed, Candytuft, Periwinkle, Vinca, Hosta, Carpet Juniper, prairie wildflower mix, etc.), and additional shrubs, flowers and trees as desired. Ground covers shall be typed, spaced and sized to provide at least 75% coverage within a three-year period. Within this context, Lawn means a managed area of grass forming a continuous turf mowed and maintained at a low and consistent height, and that is generally free of weeds, sedges, and invasive or volunteer plants or grasses.

(e) For sites 3 acres or larger, all of the above landscape provisions apply. For sites less than 3 acres, the applicant may eliminate either the building perimeter landscaping of subsection (b) above, or the landscaped entry feature of subsection (c) above.

(6) Landscaping Requirements for Apartment Dwellings in the UCRM, RM and RH Zones.

(a) Generally. These landscaping requirements are intended to be applied to front yards and side yards that abut streets for apartment dwellings in the UCRM, FS-RM, RM and RH zoning districts. This landscaping is required to enhance the yard area and to soften the impact of the building from the street and from nearby residential areas.

(Ord. No. 3591, 10-10-00)

(b) Required Landscape Elements. A minimum of one landscaping unit, consistent of:

One (1) deciduous (over-story) tree, or

Two (2) ornamental (understory) trees, or

Two (2) evergreen trees, or

One (1) ornamental (understory) tree or one (1) evergreen tree, and

Six (6) deciduous and evergreen shrubs,

shall be planted for every 60 feet or part thereof of frontage along a public or private street.

(i) Shrubs. Shrubs shall be a combination of deciduous and evergreen plant materials, and no more than b of the shrubs shall be of one type or the other. The majority of the shrubs shall serve as foundation plantings for the multiple family structure, and no more than 50 percent of the building foundation, exclusive of windows, shall be visible from the street in the summer upon maturity of the shrubs.

(ii) Minimum Size. The plant materials shall meet the following minimum sizes when planted:

Deciduous (over-story) tree: 1-1/2 inch caliper, measured 6 inches above the ground.

Ornamental (understory tree): Six (6) feet in height.

Evergreen tree: Three (3) feet in height.

Shrub: Small shrub – minimum of a 12-inch spread.

Medium and large shrub – minimum of an 18 inch spread.

(Ord. No. 4099, 01-10-12)

(iii) Trees and Shrubs. Trees and shrubs may be traded within a landscape unit, when there are utility easements or other site impediments that prevent the planting of a specific plant established above, e.g. one deciduous (over-story) tree may be traded for an additional one ornamental (understory) tree and three (3) additional shrubs.

(iv) Existing Vegetation. Developers shall be encouraged to save existing desirable vegetation on the development site, and they will be given credit on a one for one basis against the required landscape units for desirable species saved.

(v) Any undeveloped area on the site not planted with trees or shrubs shall be planted with grass, sod or other cover that is suitable to the local climate and is a suitable variety of ground cover plantings to present a completed appearance and provide full coverage within one (1) year.

(vi) Installation and Maintenance. Installation and maintenance of the landscaping for apartment dwellings in the UCRM, FS-RM, RM and RH zones shall meet the requirements provided for in Section 29.403(3).

(Ord. No. 3591, 10-10-00)

(7) **Screening and placement of mechanical units.** Mechanical units must meet all screening requirements of Section 29.408(4) and must be located outside of required landscape areas. However, in situations where upgrades or relocations of mechanical units for utility services are necessary to provide continued service, the Director of Planning & Housing may approve placement of mechanical units in required landscape areas, and may also waive screening requirements of mechanical units, if the Director determines that such upgrades or relocations could not have been anticipated either at the time of platting or at the time of site development when the utilities were first planned and/or installed, and that there is insufficient room for the relocated or upgraded utility mechanical units to be screened or placed outside of required landscape areas.

(Ord. No. 3997, 07-14-09)

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable as set out by law.

Section Three. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this _____ day of _____, _____.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor



Memo

Legal Department

TO: Mayor Campbell and Members of the City Council
FROM: Judy Parks, Assistant City Attorney
RE: Noxious Weed ordinance –suspension of rules and passage
DATE: June 8, 2012

You may recall that this ordinance passed on first reading at the May 22nd meeting. This proposed ordinance adopts a state code by reference, so the state law directs procedurally that the council must act within 30 days of the initial hearing on the ordinance to adopt it. However, the normal scheduling of council meetings would place the third reading outside that 30 day window. It is therefore requested that you suspend the rules and adopt this proposed ordinance on second and third readings at this meeting to comply with the state law.

*