

**MINUTES OF THE REGULAR MEETING OF THE  
AMES CONFERENCE BOARD AND  
REGULAR MEETING OF THE AMES CITY COUNCIL**

**AMES, IOWA**

**JANUARY 24, 2012**

**REGULAR MEETING OF THE AMES CONFERENCE BOARD**

The regular meeting of the Ames Conference Board was called to order by Chairperson Ann Campbell at 6:30 p.m. on January 24, 2012. Present from the Ames City Council were Davis, Goodman, Larson, Orazem, and Szopinski. Story County Board of Supervisors present were Clinton and Sanders. Representing the Ames School Board were Espeset and Talbot. Gilbert School District and United School District were not represented.

**MINUTES OF THE DECEMBER 13, 2011, CONFERENCE BOARD REGULAR MEETING:**

Moved by Davis, seconded by Sanders, to approve the minutes of the Special Meeting of the Conference Board on December 13, 2011.

Vote on Motion: 3-0. Motion declared carried unanimously.

**ASSESSOR'S BUDGET PROPOSALS:** Ames City Assessor Greg Lynch highlighted information from the City Assessor's 2012/13 Annual Report. He explained the effect of residential rollback on taxable value; it was the primary driver of the net 5.9% change.

Department activities were reviewed by Mr. Lynch. He stated that new residential sales decreased from 43 in 2009 to 19 in 2010, a trend that has continued over the past three years. The new home sale price decreased approximately 5.6%. The sales value for existing homes increased slightly (1.64%). From information provided by the Iowa Department of Revenue in July 2011 and from sales that have occurred since then, the median sales ratio for commercial property in the Ames jurisdiction is 101.3%. According to Mr. Lynch, that means that the sale prices are a little high in relation to the assessed value.

City Assessor Lynch said that new real estate software called Incode (produced by Tyler Technology) was successfully installed and has been used since last spring. Currently, the City Assessor's Office has been working with Tyler Technology to convert to its new Microsoft.Net-based software, which is a much-improved product. They are close to finalizing the contract. The software would be implemented in January 2013. The City Assessor's portion of the cost of the new software would be \$8,000, which would primarily be for training.

Mr. Lynch detailed the City Assessor budget proposal for 2012/13. Pertaining to salaries, he advised that he based his request on the Consumer Price Index, which showed a 3.4% increase from November 2010 to 2011. Mr. Lynch stated that he is asking for a 1.5% cost of living increase and a 1.00% merit pool, for a total of 2.50%, for the Assessor and all other staff. In addition, he is requesting a one-time bonus of \$1,000 for each professional designation obtained by appraisal staff and for the designation of Certified Administrative Professional for the office assistants. Mr. Lynch noted that he would be excluded from the bonus option. Also, a bonus of \$1,000 has been included in the budget proposal for Chief Deputy Assessor Paul Overton, who achieved the designation of Residential Evaluation Specialist (RES) in March 2011.

Regarding the Board of Review line item, which showed an increase of 646.7% (from \$500 to \$5,600), Mr. Lynch said that they would like to go with an all-digital presentation to the Board, thus necessitating the purchase of laptops or iPads. He described the concise time frame that property owners have to appeal assessed values. Especially for commercial property, the justification

submitted by the property owner can amount of enormous amounts of paper. Providing that information in digital format can save a lot of staff time and paper.

The major components under the Data Processing & Software line item were listed Mr. Lynch. It includes maintenance on existing software and upgrades and payments to the City's Information Technology (IT) Department for use of the network and IT staff within City Hall.

A summary of the 2011 Assessment Appeals was given by Mr. Lynch. The Barilla Pasta manufacturing plant was the one case that was appealed to District Court in 2011. The new Super Wal-Mart case is still unresolved from 2010.

City Assessor Lynch reminded the Board that there is now a 28E Agreement in place for GIS and mapping. Support Assurance is paid to Story County. The City Assessor's Office pays for web hosting and basic system support to Schneider Corporation. For the next three years, the City Assessor's Office will pay \$7,166/year to Pictometry for new aerial photographs.

In conclusion, Mr. Lynch advised that they retain 30% of the annual budget in reserves.

Mr. Clinton asked for clarification of the proposed \$1,000 bonus for professional designations. He views the proposed bonus as continuing education and asked if the City Assessor's Office budgets for continuing education. Mr. Clinton asked Mr. Lynch to compare the bonus proposal to what City of Ames employees might receive or be eligible to receive. Mr. Lynch stated that he was unaware of what is offered to City employees. He advised that the budget does contain an Education line item. Supervisor Sanders recapped discussions on this topic that had been held by the Mini Board. In summary, the Mini Board felt that there is a number of limited designations possible for the positions that would be affected. According to Mr. Sanders, after lengthy discussion by the Mini Board, it felt the bonus provision was justified. Mr. Larson noted that a similar proposal was brought to the Mini Board a year ago. The Mini Board had asked for modifications to the proposal to narrow it down and bring back more specifics.

Mr. Sanders also noted that the Mini Board had discussed a \$4,800 Board of Review expense for laptops or iPads for the Board members to use during their time in session. Discussion ensued on the granting of a stipend to Board members if they provide their own equipment. It is a possibility that the Assessor's Office might purchase two laptops or iPads in the case that someone did not wish to purchase their own, but the \$4,800 was really just a "placeholder" until a discussion could be held with this Conference Board. Mr. Sanders expressed his preference that a stipend be offered since the equipment would not be in use for the majority of the months. Mr. Lynch noted that any communication among Board members would be a public record. If the equipment used was owned by a Board member and a public records request was received about a Board of Review matter, the personal equipment would be checked. Mr. Larson pointed out that the Board of Review would need that equipment for such a short period of time; therefore, it would be more economical to provide a stipend rather than the City Assessor buying laptops or iPads. Mr. Davis stated that he would prefer to see the stipend option offered. Mr. Clinton offered his opinion that offering a stipend was more appealing to him than the outright purchase of the equipment. He also suggested another possibility that the equipment be used by other departments when not being used by the Board of Review.

Noting that the cost of a laptop has decreased significantly, Mr. Davis felt that \$200 was too high. If a stipend is offered, he believed it should be set at \$100/each Board of Review member, with

the amount for equipment set at \$1,000 that would include incidental expenses associated with that equipment.

Moved by Davis, seconded by Sanders, to set the stipend for laptops or iPads for the Board of Review at \$100 and retain the other \$800.

Upon being asked for clarification, Mr. Davis said his motion was essentially to set the line item total at \$1,800.

Mr. Sanders noted that the proposed budget for that line item currently is shown at \$5,600. He assumed that the amount designated for equipment (\$4,800) would be decreased to \$1,000 and the other \$800 would be left in there for other expenses of the Board of Review, as determined by City Assessor Lynch. Mr. Davis confirmed that that was the intent of his motion.

Mr. Goodman added that he would like to see the total increase between the proposed and current budget be approximately 3.0%, rather than 4.3%. He noted that there had been a 6.4% increase the previous year (2010/11). Mr. Goodman asked the Mini Board members if it were impossible to get the work done and stay at a 3.0% increase. Mr. Larson, a Mini Board member, said that the Mini Board extensively reviewed the budget, brought it down a little, and felt what was being proposed now was justified. Mr. Sanders agreed and noted that the \$4,800 equipment expense had been reduced to \$1,000.

At the inquiry of Mr. Goodman, Deputy Assessor Paul Overton explained their “reserve” policy. He said the proposed budget includes an approximate 30% reserve, which the Assessor’s staff feels is adequate.

At the further inquiry of Mr. Goodman, Mr. Sanders expressed his opinion that the Mini Board’s role is to go through the proposed budget and evaluate it line-by-line. Mr. Larson pointed out that upgrades in Incode software and data processing equate to over \$14,000. Mr. Sanders noted that the Pictometry expense is approximately \$7,200 that was not budgeted last year, and the Incode software upgrade at \$8,000 is really outside the Ames Assessor’s control. He commended Mr. Lynch and his staff at reducing certain line items by 10% after the Mini Board meeting to get the budget proposal to where it is now.

Roll Call Vote: 3-0. Motion declared carried unanimously.

Noting that the City works hard to stay between 2 and 3% increase, Mr. Goodman said that he would support the budget proposal this year; however, he did not believe that that percentage of increase is sustainable. He encouraged the City Assessor’s Office staff to prioritize and keep the increase at no more than 3%.

Moved by Davis, seconded by Sanders, to approve the proposed City Assessor’s 2012/13 budget, as above-discussed.

Roll Call Vote: 3-0. Motion declared carried unanimously.

Moved by Davis, seconded by Sanders, to receive the proposed budget (adoption of the budget will occur after the hearing is held).

Roll Call Vote: 3.0. Motion declared carried unanimously.

Moved by Davis, seconded by Sanders, to set 6:30 p.m. on February 28, 2012, as the date of public hearing on the proposed FY 2012/13 City Assessor's budget.

Roll Call Vote: 3-0. Motion declared carried unanimously.

Mr. Sanders asked for a clarification of representation on the Conference Board. He noted that there are three School Boards on the Ames Conference Board (Ames, Gilbert, and United), and asked if each School District should have representatives present. City Attorney Doug Marek advised that, per *Iowa Code*, there are three units that make up the Conference Board. All of the members of the combined School Boards (Ames, Gilbert, and United) constitute one voting unit of the Conference Board. The Ames Community School Board, provided there are two members present, constitute the third voting unit (along with the City of Ames and Story County Board of Supervisors) of the Conference Board.

Mr. Larson expressed his preference for all members of the three voting units should to sit around the dais.

**ADJOURNMENT:** Moved by Sanders, seconded by Talbot, to adjourn the Ames Conference Board at 7:15 p.m.

Vote on Motion: 3-0. 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 7:20 p.m. on January 24, 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. *Ex officio* Member Finseth was also present. Council Member Wacha was absent.

The Mayor announced that the Council would be working off of an Amended Agenda: a Closed Session to discuss a matter in litigation had been added. She also noted that staff had requested that Consent Item No. 11 (Extension of Contract for Sustainability Coordinator) be pulled.

**PROCLAMATION:** Mayor Campbell proclaimed February 4, 2012, as "Take Your Child to the Library Day." Jerri Heid, Chris Robinson, Nicole Harding, and Danielle Ziegler, representing Ames Public Library Youth Services, accepted the Proclamation. Ms. Heid listed activities that will be held at the Library on February 4.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of January 10, 2012, and Special Meetings of January 7, 2012, and January 17, 2012
3. Motion approving Contract Change Orders for January 1-15, 2012
4. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
  - a. Class C Liquor – The 5 & Dime, 115 5<sup>th</sup> Street
  - b. Class C Liquor & Outdoor Service – West Towne Pub, 4518 Mortensen Road, Suite 101
  - c. Class C Liquor & Outdoor Service – Dublin Bay, 320 South 16<sup>th</sup> Street
  - d. Special Class C Liquor & Outdoor Service – Black Market Pizza, 2610 Northridge Parkway
  - e. Class E Liquor, C Beer, & B Wine – Campustown Liquor, 218 Welch Avenue, Suite 3
  - f. Class C Liquor & Outdoor Service – Mickey's Irish Pub, 109 Welch Avenue
5. RESOLUTION NO. 12-016 approving and adopting Supplement No. 2012-1 to Ames *Municipal*

*Code*

6. RESOLUTION NO. 12-017 approving appointment of Council Member Victoria Szopinski to Story County Decategorization Empowerment Board
7. RESOLUTION NO. 12-018 approving appointment of Council Member Victoria Szopinski to *Ames Reads* Steering Committee
8. RESOLUTION NO. 12-019 approving Investment Report for quarter ending December 31, 2011
9. RESOLUTION NO. 12-020 approving policy update on definition of retirement age for Utility Retirement Plan
10. RESOLUTION NO. 12-022 approving preliminary plans and specifications for Main Street Alley (Kellogg Avenue to Douglas Avenue); setting February 22, 2012, as bid due date and February 28, 2012, as date of public hearing
11. RESOLUTION NO. 12-023 awarding contract to Tri-City Electric Company of Iowa, of Davenport, Iowa, in the amount of \$127,500.00 for Breaker and Relay Maintenance for Power Plant
12. RESOLUTION NO. 12-024 awarding contract to Alstom Power, Inc., of Windsor, Connecticut, in the amount of \$94,520.64 for Power Plant Unit No. 7 Coal Mill Parts
13. RESOLUTION NO. 12-025 approving Change Order No. 1 for Power Plant Ash Hauling Services
14. RESOLUTION NO. 12-026 accepting final completion of Substation Control Panel Installations
15. RESOLUTION NO. 12-027 accepting final completion of Vet Med Substation Expansion Construction

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

**EXTENSION OF CONTRACT FOR SUSTAINABILITY COORDINATOR:** City Manager Steve Schainker explained that, between the time when he had written the staff report on this item and tonight's meeting, Iowa State University officials had requested that an Amendment to the Contract be drafted since the Scope of Services would change slightly. The contract had formerly been extended by adoption of a Resolution that changed the end date. Mr. Schainker recommended that the item be tabled to the February 14, 2012, meeting. He noted that the Scope of Services would be for the Sustainability Coordinator to work, during the next year, to help implement the recommendations of the Sustainability Task Force on electric-consumption reduction, working specifically with the three committees established to accomplish the implementation of those recommendations.

Moved by Goodman, seconded by Davis, to table the extension of the contract for the Shared Sustainability Coordinator until February 14, 2012.

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

**PUBLIC FORUM:** Scott Renaud, FOX Engineering, 1601 Golden Aspen Drive, Ames, encouraged the City Council to refer to staff the request from Wilson's Toyota requesting changes in the landscaping and parking lot requirements for car dealerships.

**2012-2017 CAPITAL IMPROVEMENTS PLAN (CIP):** Mayor Campbell invited the public to provide input on the 2011-2016 CIP. No public input was received.

Mr. Schainker brought the Council's attention to two pages in the 2012-17 Capital Improvements Plan that had been revised and placed around the dais (Ames Public Library Renovation and New Water Treatment Plant). He advised that he would bring further information to the Council on pending items, specifically, extension of utilities to the north and east, rates, and the pedestrian bridge over the Squaw Creek. It was his recommendation that the Council hold its proposed

revisions to the CIP until budget discussions scheduled for February 14.

Council Member Goodman raised a concern over the FEMA funding issues in the CIP and asked if staff was considering funding all the projects. Mr. Schainker stated that that would be a policy decision of the City Council. He reported that he had included all the flood mitigation projects, whether FEMA funds would be received or not; those total over \$5 million. The funding source for the flood-mitigation projects that staff does not believe will receive funding from FEMA has been listed as property taxes through General Obligation Bonds; that would affect property taxes next year and the year after. City Manager Schainker reported that the projects that are shown in the draft CIP as being totally financed with G. O. Bonds are the ones that FEMA has rejected; the other ones are still in the pipeline for FEMA funding, but could still be rejected. He reiterated that all the flood-mitigation projects are contained in the CIP; Council will have to decide which ones the City should fund. At the inquiry of Council Member Szopinski, Mr. Schainker stated that if the projects are listed in the CIP, and thus, budgeted for, the City will actually levy taxes for pay for those.

Council Member Larson said that he is concerned about setting a precedent, specifically, about raising taxes, and thus, affecting all taxpayers, to pay for flood mitigation projects. He commented that perhaps some of the issues that caused the problems should have been worked out through the development process or by neighbors working together to prevent a potential situation from occurring. Mr. Larson asked that the Council be informed of the facts on some of the projects, specifically wanting to know what the City's contribution relative to the flooding was – whether the City's infrastructure contributed to the problem. Mr. Schainker pointed out that there are some G.O. Bond-funded projects shown for 2012/13 and asked the Council members if they wanted to slide those projects to 2013/14. Council Member Goodman said that the City Council needed to talk about prioritizing the projects. He also felt the Council needed to know what the risk was for the properties if the projects did not happen in 2012/13 or 2013/14. Mr. Schainker asked for criteria to be provided to staff, stating that risk will be a difficult one because it is not known when it will flood again.

City Manager Schainker said that staff will provide a report to the Council with more information on each of the projects. Council Member Goodman said that he would be comfortable with the staff deciding what details to provide to the Council, but definitely, explaining the City's role and the impact of the result, e.g., whether it is negligible. Public Works Director Joiner said that the Hazard Mitigation Grant applications would have a description of the proposed project, a description of the damage that had occurred, and a description of the damage that the project would mitigate. He pointed out that the projects that were proposed to be funded solely with G. O. Bonds had been denied by Homeland Security; that means that the benefit/cost ratio, according to their evaluation, was less than one (1); that means that the cost was greater than any benefit the project would derive.

**SHARED LOGO DESIGNS:** Public Relations Officer Susan Gwiasda gave an update on the tagline process. She noted that the City Council had provided direction previously to use the third option, "City of Ames, Iowa - Smart Choice," if the other two were not feasible. The first two preferences were not available, which left the third option. The City of Philadelphia, Pennsylvania, has trademarked another tagline, but uses "Smart Choice" to describe its business recruitment program. Aside from Philadelphia, the City's Legal Department has confirmed that "Smart Choice" does not have any obvious legal complications. The Ames Chamber of Commerce has approved moving forward with the tagline "Smart Choice," contingent on approval by the Ames City Council.

Moved by Orazem, seconded by Goodman, to approve "Smart Choice" as the new community tagline.

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

Ms. Gwasda then updated the Mayor and Council on the process for selecting a new logo. Three options created by Push Branding and Design (under contract with the Ames Chamber of Commerce and Ames Convention & Visitors Bureau) were presented for Council review. The Council was asked for direction on moving forward with a new logo. Ms. Gwasda told the Council that it could vote on a new logo at this meeting or direct staff to allow the public to vote on the final three.

Council Member Davis asked what the City's projected costs will be to "re-brand" the City. Ms. Gwasda said the implementation process will take three to five years. Products will be depleted; and when new products are ordered, the new tagline and logo will be included; it will not be a wasteful-type process.

Moved by Goodman, seconded by Orazem, approving Logo Option #2, with each entity deciding its own color scheme.

Council Member Larson explained that he personally did not like any of the three options as well as he likes the current City logo. Council Member Davis concurred. He also stated that he liked the new tagline and thought that it would have worked well with the City's current logo.

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

**DOLLAR DAYS:** Moved by Davis, seconded by Goodman, to approve the following requests from Main Street Cultural District for January Dollar Days:

- a. RESOLUTION NO. 12-028 approving suspension of parking regulations and enforcement in Central Business District (CBD) from 8:00 a.m. to 6:00 p.m., Thursday, January 26, through Saturday, January 28
- b. Motion approving Blanket Temporary Obstruction Permit for CBD sidewalks from 8:00 a.m. to 6:00 p.m., January 26 - 28
- c. Motion approving Blanket Vending Permit for entire CBD for January 26 - 28
- d. RESOLUTION NO. 12-029 approving waiver of fee for Blanket Vending Permit

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

**5-DAY CLASS C LIQUOR LICENSES FOR OLDE MAIN BREWING COMPANY:** Moved by Goodman, seconded by Davis, to approve a 5-Day Class C Liquor License for Olde Main Brewing Company at CPMI Event Center, 2321 North Loop Drive.

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

Moved by Davis, seconded by Goodman, to approve a 5-Day Class C Liquor License for Olde Main Brewing Company at Reiman Gardens, 1407 University Boulevard.

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

**CLASS C LIQUOR LICENSE & OUTDOOR SERVICE FOR ODDFELLOWS:** Moved by Goodman, seconded by Davis, to approve a Class C Liquor License & Outdoor Service for Oddfellows, 823 Wheeler Street.

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

**HEARING ON ZONING ORDINANCE TEXT AMENDMENT PERTAINING TO**

**INDEPENDENT SENIOR LIVING FACILITIES:** Planning and Housing Director Steve Osguthorpe reminded the Council members that they had referred to staff a letter from Silverstone Partners, Inc., dated December 15, 2011, requesting a zoning text amendment to reduce the number of parking spaces required for a senior housing development. On January 11, 2012, Silverstone Partners, Inc., had submitted a formal application requesting the zoning text amendment. The requested zoning text amendment was to establish a requirement of one parking space per unit for apartment dwellings that are deed restricted to persons aged 62 and older, provided that spouses/partners aged less than 62 shall also be allowed.

According to Director Osguthorpe, Silverstone Partners is interested in constructing a 42-unit senior Iowa Finance Authority project on land zoned as F-PRD (Planned Residence District) at 601 South 16<sup>th</sup> Street. The proposed use is a “permitted principle use” in the F-PRD zoning district. The applicant states that they are extremely confident that a 1:1 parking ratio for apartments restricted to those 62 years old or older is very adequate. To the best of the applicant’s knowledge, their other Senior Living Facilities do not have any tenants that own two cars and many residents no longer own a vehicle. Mr. Osguthorpe emphasized to the City Council that the proposed zoning text amendment, if passed, would apply to all zoning districts that allow apartment dwellings. Approval of this request would require that the minimum off-street parking requirements in Table 29.406(2) of the *Municipal Code* be changed to allow a separate parking standard for “Independent Senior Living Facilities.” The site at 601 South Street meets the definition of an Independent Senior Living Facility.

Director Osguthorpe reported that the current minimum number of off-street parking spaces required for residential units in an Independent Senior Living Facility is the same as that required for “Apartment Dwellings.” The requirement is 1.5 spaces for each one-bedroom residential unit and one (1) space per bedroom for units of two bedrooms or more. The zoning text amendment drafted by staff to address the applicant’s request would reduce the number of parking spaces required for Independent Senior Living Facilities. Adoption of the new parking standard would require that Table 29.406(2) of the *Municipal Code* be amended. Mr. Osguthorpe advised that the Planning & Zoning Commission, at its meeting of January 18, 2012, with a vote of 4 - 0 and 1 abstention, recommended approval of the zoning text amendment.

Director Osguthorpe stated that staff agrees that the proposed zoning text amendment to reduce the minimum number of parking spaces required for Independent Senior Living Facilities is a reasonable change to the current parking requirements given the experience cited by the applicant.

Mr. Osguthorpe reported that, for the developer to meet the February 3, 2012, deadline for submittal of the application for tax credits through the Iowa Finance Authority (IFA), it would be necessary for the City Council to expedite the approval process for the proposed text amendment. There are two means available by which the City Council may facilitate their request. One option would be for the City Council to suspend the rules, waive the second and third readings of the ordinance, and adopt the ordinance at this meeting. The other option would be to conduct two special meetings for the second and third readings of the ordinance. This option can be accomplished with two very brief telephonic meetings on January 26<sup>th</sup> and January 27<sup>th</sup>.

Mayor Campbell opened the public hearing. Bob Stehr, Silverstone Partners, Middleton, Wisconsin, explained that his company has been specializing in senior independent living apartments in the Midwest for over 15 years. He reported that in all similar units, the average is .6/car/unit. Many of their residents are in their mid-70's. Mr. Stehr requested that the Council adopt the ordinance at this meeting. They are applying for tax credits, which is a very competitive process; those are time-

sensitive.

There being no one else wishing to speak, the Mayor closed the hearing.

Moved by Orazem, seconded by Goodman, to pass on first reading a Zoning Ordinance text amendment to add new minimum off-street parking requirement for residential units in independent senior living facilities.

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

Moved by Orazem, seconded by Larson, to suspend the rules necessary for the adoption of an ordinance.

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

Moved by Davis, seconded by Larson, to pass on second and third readings and adopt ORDINANCE NO. 4107 to add new minimum off-street parking requirement for residential units in independent senior living facilities.

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

**HEARING ON PROPOSED LOAN AND DISBURSEMENT AGREEMENT PERTAINING TO NEW WATER PLANT:** The public hearing was opened by Mayor Campbell. No one came forward to speak, and the hearing was closed.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-030 authorizing the City to enter into an SRF Water Revenue Loan and Disbursement Agreement with the Iowa Finance Authority under the State Revolving Fund Loan Program in a principal amount not to exceed \$11,425,000 for the purpose of paying the cost of planning, designing, and constructing improvements and extensions to the Municipal Waterworks System.

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

**HEARING ON PROPOSED CONVEYANCE OF LAND TO THE USDA IN CONNECTION WITH THE NEW WATER PLANT:** The Mayor opened the public hearing and closed same after no one asked to speak.

Moved by Davis, seconded by Orazem, to adopt RESOLUTION NO. 12-031 approving the disposal of Parcels 05-25-400-200 and 05-25-400-140, pursuant to a Land Exchange Agreement between the City of Ames and the United States Government.

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

**HEARING ON UNIT NO. 8 AIR HEATER BASKETS INSTALLATION:** Mayor Campbell opened the public hearing. There was no one who wished to speak, and the Mayor closed the hearing.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-032 approving final plans and specifications and awarding a contract to Plibrico Company, LLC, of Omaha, Nebraska, in the amount of \$29,182.00.

Council Member Larson noted that the bid submitted by Plibrico was substantially lower than the engineer's estimate and he wanted to ensure that everything was included that needed to be. Electric

Services Director Kom noted that the City has a current contract with Plibrico for boiler tube repair. Plibrico is very familiar with the Ames Power Plant, and he felt perhaps that was why Plibrico's bid came in that much lower.

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

**HEARING ON VET MED SUBSTATION CAPACITOR BANKS:** The hearing was opened by the Mayor and closed after no one came forward to speak.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-033 approving final plans and specifications and awarding a contract to Controllix Corporation of Walton Hills, Ohio, in the amount of \$218,379.00, plus applicable sales taxes.

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

**CYRIDE FACILITY CONSTRUCTION PROJECT:** Transit Director Sheri Kyras explained the federal procurement process that had to be followed for this project. Council Member Orazem asked if there was a process for the flood-mitigation improvements to be approved by the insurer. Ms. Kyras reported that FM Global had been involved in the process.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-034 approving a contract with URS Corporation in an amount not-to-exceed \$462,509 for architectural/engineering services for the CyRide Facility Construction project.

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

**2012/13 PROPOSED ANNUAL ACTION PLAN PROJECTS FOR COMMUNITY DEVELOPMENT GRANT PROGRAM:** Housing Coordinator Vanessa Baker-Latimer told the

Council that, although the City only recently received approval of its 2011/12 Amended Action Plan, it was time to begin the process for determining the 2012/13 Annual Action Plan Projects. She advised that the City's Consolidated Plan was submitted and approved by HUD in July 2010. The Consolidated Plan requires that the City develop an Annual Action Plan that outlines the program activities to be undertaken to address or meet those goals and priorities. According to Ms. Baker-Latimer, HUD regulations require that the Annual Action Plan be submitted for approval within 45 days before the beginning of the program fiscal year (i.e., by May 17, 2012). It also requires that the Plan be published for 30 days to allow for citizen input on the proposed project(s) for the utilization of the funds.

Ms. Baker-Latimer reported that HUD recently published the 2012 CDBG funding allocations for entitlement cities. The City of Ames allocation is listed at \$511,276 for FY 2012, which was an increase over last year's allocation (due mainly to the Census data).

The proposed 2012/13 Annual Action Plan program activities were reviewed by Ms. Baker-Latimer. The programs being recommended for next year (Home Improvement Rehabilitation, Homebuyer Assistance, Dangerous Building, Single-Family Conversion, and Neighborhood Infrastructure Improvements) are the same as 2011/12. These programs continue to focus on the Council's goal of strengthening our neighborhoods. Ms. Baker-Latimer explained staff's rationale for recommending a continuation of the programs.

According to Ms. Baker-Latimer, if the proposed 2012-13 Action Plan Projects are acceptable to City Council at this time, the next steps would be to conduct a public forum to gain input from citizens on the proposed projects and then prepare the Action Plan document.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 12-035 approving the proposed 2012/13 Annual Action Plan Program projects in connection with the City's Community Development Block Grant Program, authorizing staff to conduct public forums, prepare the Action Plan document for the 30-day public comment period, and set May 8, 2012, as the date of public hearing.

Council Member Goodman said he hoped that the City could protect itself and make sure that it is using as much of the money as possible in ways that will "bring the money back." He felt that home improvement was such a large chunk of the allocation and suggested that some of those funds be moved into a type of program that would require repayment. Ms. Baker-Latimer noted that, even though it is a grant, with the home improvement rehabilitation, many times the recipients sell their property, which triggers repayment to the City. Due to the financial condition of the majority of the applicants, they would not be able to afford another loan, but their property is deteriorating. The emphasis is to stabilize the housing market and keep as many properties as possible in good condition.

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

**PARKING REQUIREMENTS FOR EXPANSION OF EXISTING BUILDINGS:** Planning and Housing Director Osguthorpe noted that the City has adopted parking standards that specify the number of parking spaces required for uses specified in the Zoning Code. According to Mr. Osguthorpe, the *Code* recognizes that buildings were erected before the effective date of the City's parking ordinance, and that uses of structures may change over time. The *Code* includes two provisions allowing changes to buildings and their uses before current standards were adopted. Provision 1 applies to any change that would trigger the need for more parking, including change of use. Provision 2 applies only to changes in the floor area of the building and assumes that the use does not change. Mr. Osguthorpe emphasized that Provision 1 applies only to newer development. Provision 2 applies to older buildings, but does not allow a building expansion to facilitate a change to a use with a higher parking requirement than the existing use.

Director Osguthorpe said that the provisions appeared to be written to ensure the continued use and viability of existing buildings; but they are not particularly well-written and have more recently been interpreted to allow buildings to expand up to 150% in area without additional parking even for changes to more intense uses. That "more liberal interpretation" recently came under question when a potential tenant looked to lease an existing building that did not meet current parking regulations, and the tenant's intended use was more intense than building's current use. While staff is not aware of any investments made in reliance of this more-recent interpretation, it has nonetheless been an interpretation offered to an undefined number of customers over the past few years. It is not clear, however, if that "more liberal" interpretation might result in unintended parking impacts on surrounding properties and rights-of-way. Mr. Osguthorpe noted that the challenge is to avoid the impacts of excess parking demands on abutting properties and rights-of-way while ensuring that older existing buildings continue to be viable even if they don't meet parking requirements.

One option devised by staff was explained. Credit would be given to a pre-code building that has deficient code-required parking spaces with the number of parking spaces that would be required by

*Code* under the current use. That credit would be applied toward: any use that has the same parking requirement or less as the current use, or any change in the use or size of the building that would result in the need for up to 50% more parking spaces than the number of credited spaces available for the building. This credit approach would allow the use to be changed to an equivalent or less intensive impact use without requiring additional parking and without any special review procedures, or to be enlarged in such manner that only the parking spaces required by the increase would have to be provided on-site.

A second option, requiring a Special Use Permit, was explained. Under the provisions of a Special Use Permit, allow any pre-code building to be changed in use or size in a manner that would require more parking spaces than the credited amount, when such parking spaces cannot be provided on-site or under standard remote parking provisions.

A third option would be to amend remote parking provisions to expand remote parking option to any property reviewed under the provisions of the Special Use Permit process.

City Manager Schainker noted that staff is aware that the City Council hopes to support entrepreneurs who typically have to rely on utilizing existing buildings to begin their enterprises. The existing *Code* sections related to off-street parking requirements many times are detrimental to their efforts.

Moved by Goodman, seconded by Orazem, directing staff to move forward with the proposed changes and bring them back to Council.

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

**PENALTIES FOR PARKING:** Police Chief Chuck Cychosz reported that a previous staff report led the City Council to direct the Police Department to gather public input regarding a potential increase in parking fines. Fines are set by Ordinance to address two general groups of parking violations: overtime parking at meters and all other illegal parking.

According to Chief Cychosz, The overtime parking fine is currently \$10, but if paid within seven days, the fine is reduced to \$5. This rate was last increased in 2003. This violation accounts for 24,823 or approximately 48,419 tickets written in 2011. The estimated cost of meter enforcement, converted to a per-ticket basis, is \$6.73. Added to this is \$4.39 in overhead costs associated with collecting and processing payments and all other city support functions (Legal, Human Resources, Facilities, etc) for a total cost of \$11.12 per ticket. Illegal parking violations include such things as blocking sidewalks or driveways, parking without the proper permit or permission, or parking in violation of alternate side or hour of day restrictions. The fine for that violation is \$15, but if paid within seven days, the fine is reduced to \$10. Those rates were increased from \$5 in 2003.

Chief Cychosz reported that one justification for levying parking fines is to deter illegal parking. While the “deterrent effect” of a given penalty varies among individuals, the willingness to risk the penalty is probably also influenced by the availability of parking options. As the supply of available parking decreases, however, the motorist is often willing to pay more in order to park their car. At some point, the cost of a parking ticket can become equivalent to the cost of parking. In essence, the citation can become a “convenience fee” for the privilege of parking at a desirable location. This may be most evident on football game days when there is readily available parking in university lots with rates beginning at \$20 per vehicle. Many attendees are willing to pay \$20 or more to park their vehicle on game day. Some, however, choose to avoid these costs and park on city streets. A portion of this group will accept a \$10 illegal parking citation in order to park illegally on city streets

adjacent to the Stadium. It should also be noted that some illegal parking citations stem from misinterpretation of complex regulations or motorists who are simply misled by seeing someone else parked illegally.

According to Chief Cychosz, a summary of the violations and parking system finances had been prepared. Sessions were held with interested parties from Campustown, Downtown, and the Panhellenic representatives. Meetings were also held with the ISU Parking System representative, the GSB Off-Campus Student Senator, and a representative of the ISU Athletic Department. In addition, comments were invited from citizens through emails to the neighborhood association representatives and ISU Greek Affairs. A wide array of opinions had been represented in the comments that were received. Mr. Cychosz outlined some themes that emerged from several of the meetings.

According to Chief Cychosz, those who acknowledged that an increase may be warranted tended to support a more cautious increase in the overtime parking fine amount. Council Member Larson commented that, by reviewing the data, it appeared to him that increases were warranted. Mayor Campbell recommended that if the fines for overtime parking increased, it would be very important to clarify the signs. Chief Cychosz reported that he had heard comments from ISU students that a substantial amount of publicity be done before any changes are made. He noted that the Police Department would like five or six months to prepare the public for any new rates or strategy. Chief Cychosz encouraged the Council to consider raising the fines for illegal parking. He advised that he does not have the same sense of urgency for overtime parking fines, as he is hoping that fund balance improves. According to City Manager Schainker, when the Parking Fund is presented to the Council in early February, they will see the trend for this fund balance and be able to judge what, if any, changes to make.

Council Member Goodman said that he was eagerly awaiting the conversation about modern techniques in lieu of feeding quarters into the meters.

The meeting recessed at 8:45 p.m. and reconvened at 8:52 p.m.

**EXTENSION OF CITY UTILITIES:** Assistant City Manager Bob Kindred recalled that, following discussion of the 2012/13 budget guidelines in November 2011, City Council directed staff to engage a consultant to develop conceptual plans and associated costs for those extensions. Staff asked the consultant to develop multiple scenarios for providing water and sewer infrastructure to the land between Lincoln Highway and the Union Pacific Railroad (UPRR) east of Barilla up to 590th Avenue. Scenarios were also developed to provide sewer service to the land on East 13th Street zoned for regional commercial development. In order to ensure that these investments are compatible with potential growth in the surrounding areas into the more distant future, staff also directed the consultant to consider the service level needs of potential long-term development within the area reaching one-half mile south of US 30 and up to a mile north of East 13th Street.

Mr. Kindred emphasized that there were no present plans to annex this expanded territory; however, the more expansive scenarios are appropriate in order to help with the City's long-term planning. This is particularly important since any interceptor sewer brought north from the WPC Facility should have the capacity to serve for 50-100 years. Otherwise, the cost to up-size that line in a few decades would be exorbitant. Mr. Kindred also emphasized that planning capacity and routes that could serve this larger large area does not necessarily mean that the City will grow there; that would be based upon the willingness of private landowners and future City Councils to consider such annexation.

Mr. Kindred explained that there are transportation issues, issues with a rural water agency that serves the area in question, potential impacts upon rates, and the land uses that will need to be addressed if the Council chooses to grow east beyond what is now shown in the Land Use Policy Plan. City Manager Schainker noted that no decisions would be asked of the Council on these issues at this meeting. The impacts on rates for the different options will be provided to the Council during upcoming budget discussions.

Public Works Director John Joiner introduced Michael Flattery, Iowa Division Manager from Alfred Benesch & Co., who had conducted the conceptual planning study to analyze the issues and costs for extending water and sanitary sewer infrastructure. Mr. Joiner advised that the focus of the presentation would be on the East Lincoln Way corridor and the Regional Commercial area. A final report to be compiled by Benesch & Co. will include evaluation of serving the greater potential growth area (a mile north of East 13th Street south through the US 30 corridor, east to 590th Avenue).

Mr. Joiner explained four scenarios for serving the East Lincoln Way corridor, as well as alternatives that extend service to the regional commercial area, as follows:

Scenario 1. Extend water main and trunk sewer line from the west to serve the north side of Lincoln Way (Barilla to 590th Avenue). A portion of the existing sewage collection system on Lincoln Way west of I-35 would need to be up-sized. Potable water can be serviced from the existing system servicing the Barilla facility.

Scenario 2. Same as Scenario 1, but also extends the sewer to the north to encompass the Regional Commercial Area (former Wolford Property).

Scenario 3. Extend water main from the west along Lincoln Way and extend the trunk sewer up from the south to connect to the Water Pollution Control facility.

Scenario 4. Same as Scenario 3, but also extends the sewer north to serve the Regional Commercial Area.

Attention was brought to the cost estimates for the scenarios. City Manager Schainker noted that construction of elevated storage, which would ultimately be needed for the area, could be phased in at a later date, depending on the demand. He also noted that the incremental cost of serving the Regional Commercial area is approximately \$400,000, which could be installed all at once or phased-in until the land is developed. There could also be negotiations with developers. In summary, it would cost approximately \$6 million to have access to approximately 900 acres of land.

Water and Pollution Control Director John Dunn said that the challenge when trying to speculate growth – either water or sewer – is that if you oversize it for the ultimate demand, then it is significantly oversized in the short term. For drinking water, the concern would be turning the volume of water over in the pipe, keeping the chlorine residuals up, keeping it safe. On the wastewater side, if there are large pipes with very little flow, then the concern is keeping the waste from going septic, which then causes gases that would corrode the pipe.

Council Member Orazem asked if the “redundant” water tower in West Ames could be recycled. Mr. Flattery said that discussions were held with salvage contractors about moving that tank. Savings of approximately \$500,000 could be realized if that tank were used instead of building a new one.

Council Member Goodman asked how many acres are taken up by the Barilla plant. Mr. Joiner said he thought it was 70 acres, which counts the out-parcel to the east. Actual operations are on 35 to 40 acres. Mr. Goodman expressed his concern over the “astronomical” amount of infrastructure for a ton of land that the ratepayers would have to pay for.” He noted that one of Ames’ largest projects to date was a 35-acre project and the total industrial acres in Ames totals approximately 300-350 acres. He is primarily concerned that the investment would be of such a scale that he feels it would be irresponsible to bring in that many acres. Mr. Goodman said he felt that it was important to have large parcels available, but 800 acres for \$15 million is “very, very large.” Council Member Orazem said the cost could be scaled back to \$9 million. He noted that there could have been potential employers wanting to come into Ames, but there was no where to put them. Mr. Goodman said he did not disagree that there is a need for industrial acres, but he disagrees with the scale of the project. To him, it looks like “overkill and waste.” Mr. Orazem asked him how much less expensive it would be to bring in 50 acres. Mr. Goodman said that had not been asked; the only possibility explored was to extend infrastructure all the way to 590th.

Council Member Larson said he felt Mr. Goodman had blown the costs out of proportion when he was telling the public how “ridiculously expensive” it will be to extend utilities east of Interstate 35; however, many of the improvements could be phased-in or reduced in cost if a developer assumes some of the costs. He pointed out that there is a current Development Agreement for some of the land that obligates the developer to install infrastructure from 13<sup>th</sup> Street across the Interstate, which is approximately \$2 million.

Mr. Goodman advised that there were two issues: one was expense and the other was having 800 acres or 563 acres of capacity for projects that currently do not exist. That would be for more acres than had ever been developed for industrial use in the history of Ames. He also wants to look at the entire community to find the best location for industrial growth. In Mr. Goodman’s opinion, the City is having cost estimates prepared for a certain area based on a request from the Ames Economic Development Commission for infrastructure out to 590th. Mr. Orazem stated his opinion that there needs to be enough infrastructure on the east side of Interstate 35 so that there is scalability of the projects. The potential to easily serve up to 500 acres at a reasonable cost needs to exist. He also pointed out that there are not alternative locations that have access to rail and two four-lane highways.

Council Member Orazem asked what the cost would be to get infrastructure to the first acre on the east side of Interstate 35 in Scenario 1. Mr. Flattery said the consultants did look at a scenario to bring in the first 100 acres east of Barilla, which would use the sewer that extends to Barilla, and that came to over \$3 million. Director Joiner noted that there would be no expansion capabilities to the sanitary sewer if that scenario was chosen. Mr. Orazem asked to know the cost to have the expansion capacity, i.e., extend water and sewer under the Interstate, for 100 acres. Mr. Flattery said that he did not have those figures available, but it would be at least an additional \$2 million. Council Member Orazem pointed out that there needs to be enough infrastructure to get scalability of the project. He pointed out that the initial investment should be expandable.

Council Member Larson said it would be beneficial to know the cost of infrastructure to a fewer number of acres, e.g., 200. It did not make sense under any scenario to expand the sanitary sewer at the same size across to Barilla, and thus, spending approximately \$3 million to open up 100 acres, but have no capability to go any farther.

Council Member Szopinski said there are other factors that would have to be known before a decision is made, e.g., the willingness of property owners to sell and if there are any potential

businesses that might be interested in the land in question. Mr. Orazem agreed, said that it will be expensive to get the first 100 acres; however, it would be less expensive to get the next 500.

Director Joiner said that Mr. Flattery had just done a quick check of the engineer's estimate to get underneath the Interstate, up-size the pipe back to Freel, and install the first segment of gravity; that would cost a little over \$2 million.

Mayor Campbell asked to know the time frame for installing infrastructure if there were a potential industrial developer. Mr. Flattery estimated that it would take approximately a year to complete the installation.

Council Member Goodman reiterated that he is very supportive of industrial growth, but it is a matter of scale for him.

Assistant Manager Kindred informed the Council that, in 1992, Central Iowa Water Association (CIWA) asked the City of Ames for approval of CIWA's proposal to provide potable water service to existing and new customers within the City's two-mile fringe east of Interstate 35. CIWA needed City approval in order to be eligible for USDA Rural Development Administration loan funds. The City granted CIWA's request, and thereafter CIWA installed water infrastructure in the area using federal loan funds. Because CIWA is a "federally indebted water association," federal law prohibits the City of Ames from any curtailment or limitation of CIWA's service within this area. CIWA could voluntarily give up rights to serve this area (as it did several years ago for the Barilla property) as long as the USDA Rural Development Administration consented. Together with the City of Nevada, staff recently held an initial meeting with CIWA staff to discuss possible transition of the proposed east industrial area to allow water service by the City of Ames. At that time CIWA indicated that they do not desire to give up rights to serve addition 1 parcels east of I-35 and west of Nevada.

According to Mr. Kindred, the Benesch report provides important information related to the costs for extending water and sewer infrastructure to the eastern industrial area. It will also be important for Council to consider the impact of these potential expenses upon utility rates. He reiterated that staff would have that information prepared in time for Council's budget overview on February 3.

**VALUE PLANNING FOR NEW WATER TREATMENT PLANT:** Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-036 approving an Agreement with Benesch Engineering to facilitate Value Planning for new Water Treatment Plant.

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

**COUNCIL COMMENTS:** Moved by Davis, seconded by Larson, to refer to staff the letter from HCS Builders dated January 16, 2012, requesting that a Temporary Occupancy Permit be given to the apartment buildings at 3715 and 3613 Grayhawk without the sidewalks being installed

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

Moved by Davis, seconded by Goodman, to refer to staff the letter from Campustown Action Association requesting more trash cans on Stanton Avenue between Lincoln Way and Knapp.

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

Moved by Davis, seconded by Larson, to refer to staff the letter from Wilson Toyota Scion requesting amendments regarding land development (site plans, parking lot striping, landscaping)

as they pertain to automotive dealerships.

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

Moved by Larson, seconded by Goodman, to refer to staff the letter from Phi Kappa Theta Fraternity dated January 17, 2012, to ensure that it is discussed during the CIP discussion

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

**CLOSED SESSION:** Moved by Davis, seconded by Goodman, to hold a Closed Session as provided by Section 21.5c, *Code of Iowa*, to discuss strategy with counsel for matters in litigation.

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

Moved by Davis, seconded by Goodman, to reconvene in Regular Session at 9:55 p.m.

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

**ADJOURNMENT:** Moved by Davis to adjourn the meeting at 9:56 p.m.

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Diane R. Voss, City Clerk

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Ann H. Campbell, Mayor