

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

AMES, IOWA

FEBRUARY 28, 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 February 28, 2012. Present from the Ames City Council were Davis, Larson, Orazem, Szopinski, and Wacha. Story County Board of Supervisors present were Clinton and Toot. Representing the Ames School Board were Espeset and Talbot. Gilbert School District and United School District were not represented.

Chairperson Campbell announced that the Conference Board would be working off of an Amended Agenda: the second appointment to the Board of Review (Judy Albright) had been added.

MINUTES OF THE JANUARY 24, 2012, CONFERENCE BOARD REGULAR MEETING:

Moved by Davis, seconded by Clinton, to approve the minutes of the Regular Meeting of the Conference Board of January 24, 2012.

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

APPOINTMENTS TO BOARD OF REVIEW: Moved by Davis, seconded by Espeset, to adopt RESOLUTION NO. 12-062 approving appointments of Roy Zingg and Judy Albright to the Board of Review.

Roll Call Vote: 3-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

PUBLIC HEARING ON PROPOSED FY 2012/13 BUDGET FOR AMES CITY ASSESSOR'S OFFICE: Chairperson Campbell opened the public hearing. No one came forward to comment, and the hearing was closed.

Moved by Davis, seconded by Clinton, to adopt the proposed FY 2012/13 Budget for the Ames City Assessor's Office.

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

ADJOURNMENT: Moved by Davis, seconded by Clinton, to adjourn the Ames Conference Board 6:34 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 6:38 p.m. on February 28, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Davis, Larson, Orazem, Szopinski, and Wacha. *Ex officio* Member Finseth was also present. Council Member Goodman arrived at 7:10 p.m.

CONSENT AGENDA: Council Member Davis requested to pull Consent Item No. 4 (renewal of beer permits, wine permits, and liquor licenses) for separate discussion. Council Member Szopinski asked to pull Consent Item No. 9 (setting date of hearing on General Obligation Loan Agreement) for separate discussion. Council Member Orazem wanted Consent Item No. 10 (rebate to Bethesda Lutheran Church) pulled for separate discussion.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Special/Regular Meeting of February 14, 2012
3. Motion approving Report of Contract Change Orders for February 1-15, 2012
4. Motion directing City Attorney to draft ordinance changing Library Board of Trustees' term appointment dates from July 1 to April 1
5. RESOLUTION NO. 12-063 approving Agreement with Iowa DOT for Traffic Safety Improvement Program (TSIP) funds for West Lincoln Way Intersection Improvements (Lincoln Way and Dotson Drive Intersection)
6. RESOLUTION NO. 12-064 approving Extension Amendment to Agreement for Joint and Cooperative Action for Waste Disposal with Boone County
7. RESOLUTION NO. 12-065 approving Certificate of Consistency on behalf of Assault Care Center Extending Shelter and Support (ACCESS) Non-Profit Organization
8. RESOLUTION NO. 12-068 approving Real Estate Contract with Martha Benson for acquisition of 4.3 acres between McCarthy Lee Park and Munn Woods
9. RESOLUTION NO. 12-069 approving preliminary plans and specifications for 2011/12 & 2012/13 Neighborhood Curb Replacement Program; setting March 21, 2012, as bid due date and March 27, 2012, as date of public hearing
10. RESOLUTION NO. 12-070 approving preliminary plans and specifications for 2010/11 Asphalt Resurfacing/Seal Coat Reconstruction/Asphalt Reconstruction Program; setting March 21, 2012, as bid due date and March 27, 2012, as date of public hearing
11. RESOLUTION NO. 12-071 approving preliminary plans and specifications for 2012/13 Water System Improvements, Water Service Transfers Contract, #1; setting March 21, 2012, as bid due date and March 27, 2012, as date of public hearing
12. RESOLUTION NO. 12-072 approving preliminary plans and specifications for 2012/13 Water System Improvements, Water Main Replacement; setting March 21, 2012, as bid due date and March 27, 2012, as date of public hearing
13. RESOLUTION NO. 12-073 approving preliminary plans and specifications for Secondary Feed System for Pre-Processed Boiler Fuel at Resource Recovery Plant; setting March 20, 2012, as bid due date and March 27, 2012, as date of public hearing
14. RESOLUTION NO. 12-074 approving preliminary plans and specifications for Replacement of Rubber Flooring at Ames/ISU Ice Arena; setting March 20, 2012, as bid due date and March 27, 2012, as date of public hearing
15. RESOLUTION NO. 12-075 awarding contract to IP Pathways, LLC, of Urbandale, Iowa, in the amount of \$107,647.38 for hardware, software, and services to support Public Safety Information Management System
16. RESOLUTION NO. 12-076 awarding contract with NOVA Bus, Inc., for up to \$1,396,600 for purchase of two articulated buses
17. RESOLUTION NO. 12-077 awarding contract to INIT Innovations in Transportation, Inc., for Transit Scheduling software in an amount not-to-exceed \$180,481.71
18. RESOLUTION NO. 12-078 approving Change Order No. 15 with Weitz Company for deduct of \$9,200 for Intermodal Facility
19. RESOLUTION NO. 12-079 approving renewal of contract with RESCO of Ankeny, Iowa, for purchase of Electric Distribution Transformers, in accordance with unit prices and energy losses bid
20. RESOLUTION NO. 12-080 approving contract and bond for NCAH Pump Station and Wastewater Metering Facilities Improvements
21. RESOLUTION NO. 12-081 accepting final completion of 2010/11 Water System Improvements, Water Service Transfers (Ash Avenue)

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

RENEWAL OF BEER PERMITS, WINE PERMITS, AND LIQUOR LICENSES:

Council Member Davis asked that the Police Department comment on the number of violations issued to Headliner’s at 2430 Lincoln Way. He thought perhaps that a six-month license should be approved in lieu of an annual license to see if the situation improves. Commander Huff noted that Headliner’s had been cited 11 times. He acknowledged that that number is not necessarily acceptable, but not incredibly high. According to Commander Huff, in some of the incidents, those cited did enter with a fake ID. In one case, some of the employees were fired on the spot when there were three violations in one night. On that night, the bar manager called Commander Huff, before he had a chance to call him, to explain what had happened and what had been done to remedy the situation. He also followed up with a letter. Since that date, there have not been any problems at Headliner’s; so the Police Department was recommending renewal.

Moved by Davis, seconded by Larson, to approve renewal of the following beer permits, wine permits, and liquor licenses:

- a. Class C Beer – Almost Always Open, 419 Lincoln Way
- b. Class C Beer & B Native Wine – Casey’s General Store #2905, 3612 Stange Road
- c. Class C Liquor – Headliner’s, 2430 Lincoln Way
- d. Class C Liquor w/Outdoor Service – Coldwater Golf Links, 615 S. 16th Street

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

SETTING DATE OF PUBLIC HEARING ON GENERAL OBLIGATION LOAN AGREEMENT:

Council Member Szopinski asked for a clarification of the line item for extension of utilities east, which is listed as \$4.3 million. It was her recollection that no utility rates would be raised at this point in time. City Attorney Marek advised that *Iowa Code* requires the public hearing to be on the total maximum amount that could be levied. He noted that the action requested at this meeting was simply to set the date of public hearing for the total maximum amount; however, it does not mean that bonds in that amount will be issued. City Manager Schainker further stated that the action gives the City authority to issue bonds up to that amount, but it will require separate action to issue those bonds. He also indicated that staff might not have all the answers by the budget hearing date to make the decision on whether to proceed with extending utilities east of the Interstate, but by state law, the City has to set a maximum amount to match its budget, which currently has \$4.3 million for that project. There will be action taken at a later date that will give staff authorization to sell the bonds and/or raise rates, if necessary. Mr. Marek explained that if the \$4.3 million was not included at this time, the City would be precluded from issuing bonds for that project if the Council decided to proceed with it in the future.

Moved by Szopinski, seconded by Davis, to adopt RESOLUTION NO. 12-066 setting March 6, 2012, as date of public hearing on General Obligation Loan Agreement in an amount not to exceed \$13,150,000 for the purpose of paying for improvements to streets, water and sanitary sewer lines, flood mitigation projects, rehabilitating City parks, and replacing a City park bicycle/pedestrian bridge.

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

REBATE PAYMENT TO BETHESDA LUTHERAN CHURCH: Council Member Orazem advised that he had no concerns about approving the rebate; however, he would like to have an explanation of what the terms are and what kind of businesses could qualify for the rebate. City Manager Schainker stated that the rebate was being awarded as part of the City’s Demand Side Management program. Mr. Orazem asked if the amount was calculated by determining the anticipated savings on the part of the utility. Assistant City Manager Lundt advised that the rebate is based on avoided costs, i.e., the number of kilowatt hours saved, which either delays or prevents the City from having

to make power purchases or build more generation. The rebate is paid after the equipment is installed. Electric Services Director Donald Kom further explained that the purpose of the City's Demand Side Management program is to delay the eventual need for the next generator. The rebate program is based on a value of \$500 per kilowatt. He said that, typically, to install new generation, it costs approximately \$1,000 per kilowatt. To qualify for the program, there must be a fairly substantial investment by an entity that demonstrates a substantial investment to the City utility.

Moved by Orazem, seconded by Davis, to adopt RESOLUTION NO. 12-067 approving a rebate payment to Bethesda Lutheran Church for installation of geothermal heating and cooling.

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

PUBLIC FORUM: No one came forward to speak.

NEW 8-MONTH CLASS B BEER PERMIT FOR HOMEWOOD GOLF COURSE: Moved by Davis, seconded by Larson, to approve a new 8-month Class B Beer Permit for Homewood Golf Course.

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

5-DAY LICENSES FOR OLDE MAIN BUILDING: Moved by Larson, seconded by Davis, to approve:

a. Class C Liquor (March 1-5) at ISU Alumni Center, 420 Beach Avenue

b. Class C Liquor (March 13-17) at Reiman Gardens, 1407 University Boulevard

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

GREEK WEEK 2012: Tyler Kai, General Co-Chair, and Joe Hora, Logistics Chair, explained requests for temporary parking prohibitions and street closures that will facilitate Greek Week activities. Leslie Schacht, Office of Greek Affairs, advised that a Greek Affairs staff member will be present at all events.

Moved by Davis, seconded by Larson, to adopt RESOLUTION NO. 12-082 approving closure of portions of Sunset Drive, Ash Avenue, Gray Avenue, Greeley Street, and Lynn Avenue from 5:00 p.m. on Friday, March 30 to 7:00 p.m. on Saturday, March 31.

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

Moved by Davis, seconded by Larson, to adopt RESOLUTION NO. 12-083 approving suspension of parking regulations for portions of Gray Avenue, Greeley Street, Pearson Avenue, Lynn Avenue, and Sunset Drive from 7:00 p.m. Thursday, March 29 to 7:00 p.m. Saturday, March 31.

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

Mayor Campbell announced that Item No. 28, request of Deery Brothers for tax abatement, would be delayed since the meeting was running ahead of schedule and a Deery representative was not yet present.

LIBRARY RENOVATION AND ADDITION: Library Director Art Weeks explained that, on July 21, 2009, the Library Board of Trustees approved a contract for architectural services with Meyer, Scherer & Rockcastle, Ltd. The contract allowed for the second phase of the project in the event the referendum passed. According to Mr. Weeks, Meyer, Scherer & Rockcastle has done a wonderful

job for the Library so far. The second phase includes design development, contract documents, cost estimations, bid procedures, construction administration, building commissioning, and all work required under the contract for the conclusion of the project. Phase II also includes all work required for selection and procurement of furnishings, fixtures, signage, equipment, and interior design. Mr. Weeks advised that it is anticipated for design development to conclude by mid-May, with the project bid in October. It is hoped that construction would begin as early as December 2012 or January 2013. The construction period is estimated to be 18 months. At the inquiry of Council Member Larson, Mr. Weeks advised that the contract specifies professional services fees of 9% of the estimated costs of construction and furnishings, less a lump sum credit of \$102,223 for work done during Phase I that was applicable to Phase II.

Moved by Orazem, seconded by Wacha, to adopt RESOLUTION NO. 12-084 awarding a contract to Meyers, Scherer, & Rockcastle, Ltd., of Minneapolis, Minnesota, in the amount of \$1,487,325, plus reimbursable expenses in an amount not to exceed \$40,000, for Phase II of Ames Public Library Renovation and Addition.

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

PROPOSED 2012/13 ANNUAL ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM:

Housing Coordinator Vanessa Baker-Latimer recalled that the City Council members, at their January 24, 2012, meeting had indicated agreement with the proposed 2012/13 Action Plan projects and budget. Ms. Baker-Latimer noted that all of the activities would be of 100% benefit to low- and moderate-income persons and/or neighborhoods. On February 15 and 16, 2012, staff had hosted three public forum opportunities regarding the Plan. Ms. Baker-Latimer summarized the comments received during the forums. She said that interest had been expressed about using CDBG funds under the Neighborhood Housing Improvements Program to include a program that would provide funds to assist rental property owners in making repairs to properties to make them available to rent to low-income households and families. According to Ms. Baker-Latimer, in order to include that program, there would have to be a stipulation that those residences would have to remain affordable for a certain period of time and made available only to low-income households. Staff would have to monitor that to ensure compliance with that requirement. Ms. Baker-Latimer also commented on the single-family conversion program, which is a program listed under the proposed Annual Action Plan. The deadline for proposals was extended until March 2, 2012.

Moved by Wacha, seconded by Davis, to adopt RESOLUTION NO. 12-085 approving the proposed 2012/13 Annual Action Plan projects and authorizing staff to prepare the Action Plan document for a 30-day comment period.

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

REQUEST OF DEERY BROTHERS FOR TAX ABATEMENT:

City Manager Steve Schainker recalled that on February 14, 2012, the City Council had referred a letter from Brad Deery requesting that the Council consider granting a five-year tax abatement for their proposed development.

Mr. Schainker noted that staff had prepared a report outlining the issues dealing with the particular request. In that report, staff had provided arguments for and against granting tax abatement for the property at the southwest corner of SE 16th Street and South Dayton Road. Mr. Schainker commented that Council Member Wacha had provided copies of the previously approved Highway

Commercial tax abatement criteria to the City Council. Staff had reviewed that criteria and determined that they were not relevant to this particular request because they dealt with redevelopment infill projects. Mr. Schainker also noted that under that criteria, auto dealerships would be exempt. He emphasized that if Council were to choose to offer tax abatement for the project in question, a plan and criteria would have to be established, either for the three lots or for a larger area.

City Council Member Goodman arrived at 7:10 p.m.

City Attorney Marek explained to the Council that tax abatement provisions are contained in Chapter 404 of the *Iowa Code*. That Section provides that local governments may establish areas that meet certain eligibility criteria. The area is defined by ordinance and a public hearing would be held to approve the plan and set the eligibility criteria for the abatement, which is based on the percentage of property tax increase from the improvements. Staff had determined that none of the current urban revitalization programs that had been established by the City addressed the Deery proposal; there is no area previously defined by Council that would cover this and there is no plan that would cover it. The property in question is not an established Urban Revitalization Area. City Manager Schainker emphasized that the Council could establish a new plan for the area in question with its own eligibility criteria. Mr. Marek said that an area under the state law that might define the area could be a economic development area if the Council decided it wanted to encourage development for the betterment of the community.

Council Member Larson stated that he sees the Deery proposal as a bare piece of ground where nothing has developed for years and perhaps should be incentivized so that it could be turned into productive land.

Council Member Wacha questioned why auto dealerships were exempted from eligibility in the previous criteria. Planning and Housing Director Steve Osguthorpe noted that automotive sales was listed as a non-qualifying use in the redevelopment criteria for creation of an urban revitalization area; however, he is not certain if that was a Council directive or a staff recommendation. Pertaining to the criteria established related to redevelopment of South Duff, staff believed, at that time, that automobile dealerships might be a use that would “break” the synergy of pedestrian movement from one retail use to another.

Council Member Orazem asked to know the rationale as to why SE 16th/Dayton was a priority area and improvements, i.e., paving, new bridge, were constructed. City Manager Schainker said that the owners of the hotels wanted a direct route to the South Duff commercial area. The second reason was that the City Council at that time indicated a desire to develop the area into a viable commercial district. At the inquiry of Council Member Larson, City Attorney Marek said that three lanes were constructed during the paving project. Area property owners were assessed for part of the paving and the bridge. Mr. Larson offered his opinion that if the City doesn’t do something to spark development in the area, it would be like “building a bridge to nowhere.”

Council Member Goodman said it was his recollection that there were two benefits to the City making such a large investment in the area: (1) “clean up” the graveled road from existing hotels to the commercial area of South Duff and (2) to spur development. He did not believe that Council ever intended to use additional incentives if the initial investment was not enough. Mr. Goodman also noted that, at the time, there was no need to pave the road per the transportation model of the community. A traffic analysis had been performed, and Highway 30 was determined to move traffic adequately. Council Member Larson noted that approximately one-third of the project was paid for

by adjacent land owners. City Attorney Marek advised that the paving and bridge project in this area equated to \$4.3 million; 1.3 million was assessed to business owners in the area, and \$3 million was paid for the City.

John Lott, Benjamin Design, advised that he was representing Deery Brothers. He pointed out that the property in question had been vacant for quite some time, and the request presents an opportunity for development. Mr. Lott believed that, by asking for tax abatement, it only meant that there would be a “rest period” before tax revenues would be collected. He advised that the City is collecting less than \$5,000 in taxes now. He alleged that the property taxes on only the land would bring in over \$40,000/year. Out of the 26 acres, only 11.5 acres are available for development. The remaining acres would be planted in prairie grasses, which would improve the area aesthetically. In addition, when the land is sold, the assessment for the land, which would no longer be ag, would be paid to the City in an amount of approximately \$300,000; that would be an immediate infusion of funds to the City coffers. Mr. Lott noted that over ten times the current amount of property taxes would be collected, if the development is allowed to move forward, before the tax assessments are made on the buildings.

Mr. Lott again pointed out that the abatement would be for a short period of time, possibly only three years depending on the schedule; after which, the full amount of property taxes would be collected. In addition, projections are that 40 new jobs would be provided for just the Deery Brothers development, with two lots remaining to be developed. It is possible that over 100 new jobs would be created from three lots.

Mayor Campbell was concerned that the price of the land did not take into account the fact that it is located in a flood area. She felt that the price should have been reduced for that reason, rather than the owner requesting tax abatement from the City to pay for infill dirt. Mr. Lott said that he had not been involved in negotiations for the land and did not know the cost. He noted that Ames did not have a lot of land to offer that met the criteria needed by an auto dealership, e.g., next to a major road that is next to a major interchange. According to Mr. Lott, to make it usable, it will take \$1.4 to \$1.5 million to raise the site (three properties) approximately five feet above the minimum level set by the local flood zone maps. Upon being questioned by Council Member Wacha, Mr. Lott advised that tax abatement would probably not have been requested if the land was not located in the floodway. He pointed out, however, that the City had set the stage for commercial development in this area by investing millions of dollars to make it appealing to developers.

Council Member Larson also noted that the City Council was committed to establishing a positive image of Ames from Highway 30 and Interstate 35. Previously, Council established the Southeast Overlay with its greater design requirements to ensure a higher quality appearance and approved a decorative lighting project along the Highway 30 entryway.

Council Member Larson reiterated that the land in question is now taxed as Agricultural land; once it is developed, it would be taxed as Highway-Oriented Commercial land.

Council Member Goodman noted that there are many commercial projects on South Duff Avenue who had to build their sites up before developing the land and not one of them had asked for tax abatement.

Council Member Szopinski noted that pictures she has seen has shown the property under water during the flood. She felt that, with that knowledge, the new owner should have negotiated a lower

price for the land. Mr. Lott again indicated that he did not know if the price of the land had been negotiated based on the fact that it was located in the floodway.

Council Member Goodman felt strongly that the market should determine whether a project will work. He feels that it is very unique for a project to come in and state that it has to have tax abatement to be successful. Mr. Goodman stated his opposition to incentivizing retail.

Dan Culhane, President of the Ames Economic Development Commission, advised that the amount of tax abatement based on a \$1,000,000 project would be approximately \$96,000. He believes that the potential developer is a reputable Iowa company that would bring 40 new jobs to Ames. Mr. Culhane advised that the AEDC is fully supportive of this project to be located in a currently underperforming corridor in the Ames community.

Council Member Orazem noted that, according to Mr. Deery's letter, there will be total tax revenues of \$320,000 when all 11.5 acres is developed. Council Member Davis pointed out that the Deery project would be on approximately three (3) acres of the total 11.5 acres available.

Council Member Larson believes that the odds are rather slim that a project is going to come in and develop anything commercially in this area in the next three years, which would be the tax abatement schedule. He sees this project as giving a sense of vitality from the eastern edge of the community. At the end of those three years, the City would receive taxes for 100% of the property's valuation.

City Manager Schainker advised that, if the City Council continues with past practice, three tax abatement schedules would be offered to the developer – a three-year 100% abatement, a five year partial/decreasing abatement, and a 10 year partial/decreasing abatement. This is different than the five year/100% abatement that Mr. Deery had requested. Mr. Schainker recommended that the City stay with its normal three-year 100% abatement.

Council Member Larson believes that this project would be the perfect use for the land in question; however, it does not fit under any of the current City's Urban Revitalization criteria. He suggested that a new area be created with its own eligibility criteria.

Council Member Orazem asked to know the exact numbers for the abatement. City Manager Schainker said staff would have to get those numbers to the Council.

Council Member Larson said he felt that if the developer is going to spend more on building up the land to make it usable than what the tax abatement would be, that should justify the granting of the tax abatement. Noting that the area in question is in the floodway, it is his opinion that commercial development will not occur in this area without tax abatement. Council Member Goodman said that flooding is an even bigger issue, as many residents believe that development should not be allowed in the floodway and it definitely should not be incentivized.

Council Member Wacha said that, as the City has attempted to make itself more developer-friendly, it makes itself susceptible to receiving this type of request. However, he believes that the City definitely must have criteria in place before making a decision on this type of request because it would not be fair to those who have already made commercial investments and those who will make them in the future. City Manager Schainker stated that staff is not asking Council to approve tax abatement at this meeting. If it indicates a desire to pursue this, staff will have to come back with a plan and eligibility criteria. The process will take at least 90 days.

Council Member Orazem would like to see the ultimate tax abatement tied to valuation.

Moved by Larson, seconded by Davis, to refer this request back to staff to develop criteria for an economic development tax abatement area from South Duff Avenue to Dayton Road along SE 16th Street, and that the criteria would specifically include costs for raising land at least three feet out of the floodway fringe and an engineering study showing that the impact of raising the land would have no impact on surrounding properties, and any other criteria that staff feels are necessary.

Council Member Wacha wanted one of the criteria to include a specific number of jobs. City Manager Schainker indicated that tying tax abatement to performance is difficult to prove. Once the project has been built, but the performance issue has not been met, it is very difficult, if not impossible, to get the tax abatement repaid to the City. He suggested that staff come back with eligibility criteria first.

Council Member Goodman again argued that retail should not be incentivized. He contended that business owners take risks with their own money with the intention and hope of making a profit.

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

WATER POLLUTION CONTROL LONG-RANGE FACILITY PLAN: Water and Pollution Control Director John Dunn explained the multi-step process to determine the firm to perform the work. He described the selection criteria that staff felt were important and the weights assigned to each. Mr. Dunn advised that Statements of Qualifications (SOQs) were publicly solicited from 15 firms to prepare the Long-Range Facility Plan. Eight proposals were received. After the nine-member selection committee reviewed the SOQs, five consulting teams were invited to interview. Each team was evaluated based on its qualifications and understanding of the project. The selection committee identified HDR, Inc., as the preferred firm to prepare the Plan.

Environmental Engineer Kris Evans explained that a Long-Range Facility Plan is a document describing how the treatment facility is going to handle increased flows, loads, and regulatory requirements for the next 20 years. Ms. Evans also described the scope of work to be performed by the firm selected to create the Plan. Simultaneously with preparation of the Plan, Asset Management and Sanitary Sewer studies will be undertaken.

Moved by Orazem, seconded by Wacha, to adopt RESOLUTION NO. 12-086 awarding a contract to HDR, Inc., of Omaha, Nebraska, for Water Pollution Control Long-Range Facility Plan in an amount not to exceed \$379,200.

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

TEMPORARY INCREASE OF ONE FTE AT WATER TREATMENT PLANT: Assistant City Manager Bob Kindred advised that the agenda that had been posted did not include this item. When the Agenda was amended, it appeared that Item No. 32 had been inadvertently omitted. City Attorney Doug Marek confirmed that this item could not be discussed as it would be a violation of the Open Meetings law since it had not been included on the Agenda that had been posted.

HEARING ON MAIN STREET ALLEY PROJECT: Mayor Campbell opened the public hearing. There being no one who wished to speak, the hearing was closed.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 12-087 approving final plans and specifications and awarding a contract to Absolute Concrete of Slater, Iowa, in the amount of \$94,457.

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

SEMI-ANNUAL REPORT OF BUSINESS DEVELOPMENT COORDINATOR: Seana Perkins reminded the Council that the shared position for business development and marketing is jointly supervised by the City Manager and the Ames Economic Development Commission President. Ms. Perkins began her work as the Business Development Coordinator on July 18, 2011. The Council's attention was brought to the FY 2011/12 Business Development Goals that had been set through an internal process. It was noted that Goals 1 through 11 had been accomplished.

Ms. Perkins explained how customer feedback is received. She said that as feedback is obtained, opportunities have been created for process improvement. It was pointed out that her position is utilized as an information resource. Typically, requests involve businesses that have an end goal in sight, but do not know how to resolve a specific unexpected issue. In an effort to identify those issues early in the process, a Development Toolkit has been created. Ms. Perkins reviewed the proposed components of the Development Toolkit. She advised that once the Development Toolkit is deployed, it is anticipated that more specific toolkits will be created, e.g., restaurant/bar, retail.

According to Ms. Perkins, she will be assisting with the update of the economic development portion of the City's website, which will provide consistency of information between the City's and AEDC's websites. Information contained in the Toolkits will be added to the websites.

2012/13 COUNCIL GOALS, OBJECTIVES, AND TASKS: City Manager Schainker noted that on January 7, 2012, the newly constituted City Council met to set its goals and objects for the next two years. He had summarized the deliberations and identified tasks for accomplishing the work and provided same to the Mayor and Council members for review. He asked if they had any additions, deletions, or corrections to the document.

Council Member Larson asked that a correction be made under the second objective under "Support Environmental Sustainability," on Page 1. It should read, "The City Manager will approach AMOS to determine their interest in conducting this type of session."

Council Member Szopinski requested a correction to the first paragraph on Page 3. It should state, "The Public Relations Official will create a public information campaign to make sure those who are contemplating developing a new business and/or expanding a business in the City are aware of Business Development Coordinator services."

It was also noted that the last goal on Page 5 should read, "ENHANCE RELATIONSHIPS WITH ISU THROUGH ADDITIONAL PARTNERSHIPS."

Moved by Davis, seconded by Larson, to approve the 2012/13 Council Goals, Objectives, and Tasks, as modified..

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

COUNCIL COMMENTS: Moved by Larson, seconded by Davis, to refer the letter from the Ames Economic Development Commission dated February 20, 2012, requesting that the City pay for half

of the cost of a retail analysis to be performed by Buxton.
Vote on Motion: 6-0. Motion declared carried unanimously.

CLOSED SESSION: Moved by Orazem, seconded by Goodman, to hold a Closed Session as provided by Section 21.17(3), *Code of Iowa*, to discuss collective bargaining strategy.
Roll Call Vote: 6-0. Motion declared carried unanimously.

The Regular Session reconvened at 9:16 p.m.

Moved by Goodman, seconded by Larson, to adopt RESOLUTION NO. 12-088 ratifying the contract with the IUOE (Power Plant).
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

ADJOURNMENT: Moved by to adjourn the meeting at 9:21 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor