

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

AMES, IOWA

MAY 22, 2012

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

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

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

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

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

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

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

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

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

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

Moved by Davis, seconded by Goodman, to approve the amendment to the 2035 Long-Range Transportation Plan to include the Interstate 35 and Highway 30 Interchange project.
Vote on Motion: 8-0. Motion declared carried unanimously.

DRAFT FY 2013-16 TRANSPORTATION IMPROVEMENT PROGRAM (TIP): Moved by Davis, seconded by Szopinski, to approve the Draft FY 2013-16 TIP and set June 26, 2012, as the date of public hearing.
Vote on Motion: 8-0. Motion declared carried unanimously.

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

ADJOURNMENT: Moved by Clinton, seconded by Szopinski, to adjourn the meeting at 7:11 p.m.
Vote on Motion: 8-0. Motion declared carried unanimously.

REGULAR MEETING OF THE AMES CITY COUNCIL

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

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

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

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

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

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

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

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

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

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

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

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

PUBLIC FORUM: No one spoke during this time.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Motion withdrawn.

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

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

Motion withdrawn.

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

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

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

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

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

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

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

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

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

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

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

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

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

Council Member Orazem asked if the proposed lake would be open to the public or private. City Manager Schainker said that if the City accepted ownership of the 10.8 acres offered by the Deery Brothers, which is designed to hold storm water, it would be an "attractive nuisance" for the City

due to liability issues of a body of water that people might try to use for recreation. Mr. Schainker noted that even if the City does not take ownership of that body of water, the Deery Brothers have indicated a willingness to give the wetland credits to the City free-of-charge; there is value to the wetland credits.

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

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

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

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

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

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

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

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

Kurt Friedrich, Friedrich Iowa Realty, 100 Sixth Street, Ames, said he had recently spoken with

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

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

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

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

Council Member Orazem, noting the comments made by Mr. Wheelock indicated that he would be in favor of a broader focus; however, that was not what was before the Council tonight. He also stated that, should the City ever get the Iowa DOT's cooperation in terms of removing the dams (bridges) on U. S. 30 and I-35, there would still be the opportunity to channelize the Skunk River to lower the peak flood at the Squaw Creek and Skunk River. Mr. Orazem believes that the only way to lower the peak flood is if there is the option of speeding the water flow from

south of Lincoln Way and to get the Iowa DOT to allow the water to go through. He understands that that is going to be a topic of discussion during the Flood Study. Council Member Orazem said that this project is a great financial deal for the City. However, the public good in this case is on maintaining the potential of eventually lowering the peak flood; that would include the other properties in the area. Mr. Orazem said he was willing to start with the Deery property.

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

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

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

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

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

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

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

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

Moved by Larson, seconded by Davis, to direct staff to bring back the criteria presented to the

Council on April 10, 2012, for review.

Council Member Orazem wanted the criteria to take into account changes that would improve the flow of water through the floodway if the changes to the bridges on Interstate 35 and Highway 30 were to be made by the Iowa DOT. This would entail leaving enough property undeveloped to allow for channel straightening.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Moved by Wacha to direct staff to include the paving of Adams Street (Calhoun Avenue to Dawes Drive) in the CIP in a specified year with funding accomplished through a special assessment whereby the property owners will pay specified amounts equal to the estimated

increase in assessed value per parcel (\$12,600 for Parcel 1; \$8,800 for Parcel 2; and \$139,100 for the City).

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

Motion failed for lack of a second.

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

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

Motion withdrawn.

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

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

Motion died for lack of a second.

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

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

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

Mr. Kom explained that SPX had taken numerous exceptions to the City of Ames Standard Terms & Conditions on its bid submittal. The City Attorney identified two exceptions taken that would pose the greatest risk for the City; both exceptions dealt with liability issues. The first would subject the company's liability to the City only for acts of malicious or gross negligence. Normally, the City's liability standard is for ordinary negligence. The second involved capping the company's liability to equal the contract amount. In this case, it would be \$752,007. The

City's normal practice would be to require liability coverage for \$1 million per occurrence and \$2 million in the aggregate. Staff contacted SPX and communicated to them that the City has some major concerns regarding their exceptions. As a result of this communication, staff was able to negotiate with SPX and they agreed to withdrawal all of the exceptions (including the gross negligence standard) taken in their bid except one. There is now only one modified exception for City Council to consider. SPX still wants to cap their liability, but is willing to increase the cap to two times the contract amount (\$1,504,014). While this is an improvement over their original proposal, the exception still contradicts sections of the standard terms and conditions of the bidding document. Staff reviewed the remaining exception proposed by SPX and the exceptions presented in the non-responsive bid and determined that it was worth the risk by agreeing to the modified SPX exception. Pertaining to the non-responsive bid, when asked why a bid bond was not included, the respondent indicated that they did not know a bid bond was required, but could submit one after-the-fact.

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

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

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

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

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

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

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

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

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

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

MIXED-USE BUILDING AT 127 STANTON AVENUE: City Planner Jeff Benson advised that the property owner of 127 Stanton was proposing to replace the existing wood frame residence with a three-story “amenity building” that would provide recreational and leisure facilities for the residents of all the properties that Campus Acquisitions owns in Campustown. The building would include facilities for an outdoor pool area, yoga, weight, circuit, and cardio training as well as tanning and sauna. The third story of the building would contain four residential units with a total of nine bedrooms. Parking would be provided in the existing parking structure in the Legacy Tower if the City Council approves the Remote Parking Agreement.

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

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

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

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

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

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

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

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

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

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

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

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 12-273 approving a 3-year lease with Green Book, LLC, for Welch Avenue Parking Lot T.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

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

Moved by Davis, seconded by Orazem, to adopt RESOLUTION NO. 12-274 approving Cost-Sharing Agreements with Quarry Estates, Hunziker, and Rose Prairie.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

Moved by Davis, seconded by Orazem, to adopt RESOLUTION NO. 12-275 waiving City's policies for solicitation of professional services; awarding a contract to Civil Design Advantage of Grimes, Iowa, in the amount of \$119,756; and approving \$15,000 from savings in previous General Obligation Bond projects for the City's portion of the street design work.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

FLOOD ACTIONS AND UPDATE/EMERGENCY RESPONSE TIME POLICY: Moved by Davis, seconded by Goodman, to delay the flood actions and update and emergency response time policy.
Vote on Motion: 6-0. Motion declared carried unanimously.

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

Moved by Davis, seconded by Goodman, to adopt RESOLUTION 12-276 approving preliminary plans and specifications for City Hall Space Reuse Project; setting June 27, 2012, as bid due date and July 10, 2012, as date of public hearing.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby

made a portion of these minutes.

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

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

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

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

HEARING ON ZONING ORDINANCE TEXT AMENDMENT TO ADOPT ALTERNATIVE LANDSCAPING STANDARDS FOR AUTO AND MARINE CRAFT TRADE USES (CONTINUED FROM May 8, 2012): Moved by Davis, seconded by Goodman, to continue the hearing to June 12, 2012.

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

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

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

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

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

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

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

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

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

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-277 amending the current budget for Fiscal Year ending June 30, 2012.

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

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

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

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

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

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

ORDINANCE TO ADOPT PROVISIONS FOR INTEGRATED SITE PLAN SUBDIVISIONS:

Moved by Goodman, seconded by Davis, to pass on second reading an ordinance to adopt provisions for integrated site plan subdivisions.

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

ORDINANCE ESTABLISHING PARKING REGULATIONS FOR TIMBER RIDGE DRIVE:

Moved by Goodman, seconded by Davis, to pass on second reading an ordinance establishing parking regulations for Timber Ridge Drive.

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

ORDINANCE ADOPTING WATER AND SEWER RATES:

Moved by Goodman, seconded by Larson, to pass on third reading and adopt ORDINANCE NO. 4112 adopting water and sewer rates.

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

ORDINANCE INCREASING ILLEGAL PARKING FINES AND REMOVING REFERENCES TO COINS IN THE FORM OF PAYMENT FOR PARKING METERS:

Moved by Goodman, seconded by Larson, to pass on third reading and adopt ORDINANCE NO. 4113 increasing illegal parking fines and removing all references to coins in the form of payment for parking meters.

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

COUNCIL COMMENTS:

Moved by Davis, seconded by Goodman, to refer to staff the letter from the Rassmussen Group dated May 18, 2012, requesting waivers from subdivision regulations.

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

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

Moved by Szopinski, seconded by Orazem, to refer to staff the letter from Campustown Action Association dated May 16, 2012, requesting changes to the Ordinance pertaining to sidewalk cafes.

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

ADJOURNMENT:

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

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor