

COUNCIL ACTION FORM

SUBJECT: AMENDMENT TO 2009-10 CONTRACT WITH AMES HISTORICAL SOCIETY

BACKGROUND:

During its February 2008/09 budget decisions, the City Council approved a contract with the Ames Historical Society in the amount of \$15,000. This allocation was increased to \$16,000 for 2009/10. The contract which is in place for the current fiscal year, and was in place for the previous year, both designate that the City's funding may be used for "rent and utilities and/or other operational costs" associated with the facilities that house the Society's collections. The organization has drawn down \$7,200 of its 2008/09 allocation.

On August 7, 2009, the City Council received communication from the Society requesting an amendment to its 2009/10 contract to allow for the reimbursement of mortgage payments out of City funds. The Society also asks for the modification of the 2008/09 contract, but since that year has ended, the current contract will be modified to address the payment needs.

Staff is suggesting that the language in the 2009/10 contract be revised to read, "rent, mortgage and related occupancy costs necessary to provide the facilities to house the Society's collections". This will shift the focus of the contract from specific expenses to the provision of the facilities to house the collection, which is the real service that the City is purchasing.

This request will then also change the total allocation for the current contract to \$23,800, allowing the City to then reimburse the \$7,800 in mortgage and other expenses incurred during the 2008/09 year.

ALTERNATIVES:

1. The City Council can approve the Ames Historical Society's requested revision to the 2009/10 contract to allow for the reimbursement of rent, mortgage and related occupancy costs necessary to provide the facilities to house its collections, and to also increase the 2009/10 contract amount to \$23,800 to allow for the reimbursement of expenses incurred during 2008/09.
2. The City Council can not approve this request.

MANAGER'S RECOMMENDED ACTION:

These contract changes seem consistent with the Council's intent to help provide facilities for the Ames Historical Society. Funding is available from the Local Option Sales Tax Fund balance, since these funds were not drawn down in the previous year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 and approve the request from the Ames Historical Society to revise its contract with the City to allow for the reimbursement of rent, mortgage and related occupancy costs necessary to provide for facilities to house its collections, and to increase the current year contract amount to \$23,800 to allow for the payment of expenses incurred during the previous fiscal year.