

**COUNCIL ACTION FORM**

**SUBJECT: AMES ECONOMIC DEVELOPMENT COMMISSION – CONTRACT FOR SERVICES**

**BACKGROUND:**

For several years the Ames Economic Development Commission (AEDC) has provided economic development services to the City of Ames under a contract for services agreement. In addition to economic development services, the agreement includes a provision that provides for City of Ames representation on the AEDC Board.

The proposed contract includes a maximum reimbursement for services in an amount not to exceed \$90,000. This is the amount that was approved by Council as part of the 2009/10 budget. The contract specifies the services to be provided by AEDC and the method for payment. Under the proposed contract, AEDC will continue to serve as the lead contact for economic development in the City of Ames. Similar to other City contracts for services, the total dollar amount of the contract is not guaranteed, but payment is made for services delivered as specified in the contract.

**ALTERNATIVES:**

1. Approve a \$90,000 contract for economic development services with the AEDC.
2. Approve a contract for economic development services agreement with the AEDC at an amount less than \$90,000.
3. Refer this item back to staff for changes to the contract terms.

**MANAGER’S RECOMMENDED ACTION:**

The AEDC plays a key role in the economic development of the City of Ames. The services provided by the AEDC cannot be provided internally with the current approved staffing levels at the City of Ames. The contract terms are consistent with the 2009/10 budget.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a \$90,000 contract for economic development services with the AEDC.