

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

**AMES, IOWA**

**JANUARY 24, 2012**

**REGULAR MEETING OF THE AMES CONFERENCE BOARD**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Roll Call Vote: 3.0. Motion declared carried unanimously.

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

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

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

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

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

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

### **REGULAR MEETING OF THE AMES CITY COUNCIL**

The regular meeting of the Ames City Council was called to order by Mayor Campbell at 7:20 p.m. on January 24, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Davis, Goodman, Larson, Orazem, and Szopinski. *Ex officio* Member Finseth was also present. Council Member Wacha was absent.

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

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

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

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

6. RESOLUTION NO. 12-017 approving appointment of Council Member Victoria Szopinski to Story County Decategorization Empowerment Board
  7. RESOLUTION NO. 12-018 approving appointment of Council Member Victoria Szopinski to *Ames Reads* Steering Committee
  8. RESOLUTION NO. 12-019 approving Investment Report for quarter ending December 31, 2011
  9. RESOLUTION NO. 12-020 approving policy update on definition of retirement age for Utility Retirement Plan
  10. RESOLUTION NO. 12-022 approving preliminary plans and specifications for Main Street Alley (Kellogg Avenue to Douglas Avenue); setting February 22, 2012, as bid due date and February 28, 2012, as date of public hearing
  11. RESOLUTION NO. 12-023 awarding contract to Tri-City Electric Company of Iowa, of Davenport, Iowa, in the amount of \$127,500.00 for Breaker and Relay Maintenance for Power Plant
  12. RESOLUTION NO. 12-024 awarding contract to Alstom Power, Inc., of Windsor, Connecticut, in the amount of \$94,520.64 for Power Plant Unit No. 7 Coal Mill Parts
  13. RESOLUTION NO. 12-025 approving Change Order No. 1 for Power Plant Ash Hauling Services
  14. RESOLUTION NO. 12-026 accepting final completion of Substation Control Panel Installations
  15. RESOLUTION NO. 12-027 accepting final completion of Vet Med Substation Expansion Construction
- Roll Call Vote: 5-0. Resolutions declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

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

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

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

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

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

Mr. Schainker brought the Council's attention to two pages in the 2012-17 Capital Improvements Plan that had been revised and placed around the dais (Ames Public Library Renovation and New Water Treatment Plant). He advised that he would bring further information to the Council on pending items, specifically, extension of utilities to the north and east, rates, and the pedestrian bridge over the Squaw Creek. It was his recommendation that the Council hold its proposed revisions to the CIP until budget discussions scheduled for February 14.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**HEARING ON ZONING ORDINANCE TEXT AMENDMENT PERTAINING TO INDEPENDENT SENIOR LIVING FACILITIES:** Planning and Housing Director Steve

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Council Member Larson noted that the bid submitted by Plibrico was substantially lower than the engineer's estimate and he wanted to ensure that everything was included that needed to be. Electric Services Director Kom noted that the City has a current contract with Plibrico for boiler

tube repair. Plibrico is very familiar with the Ames Power Plant, and he felt perhaps that was why Plibrico's bid came in that much lower.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

on city streets. A portion of this group will accept a \$10 illegal parking citation in order to park illegally on city streets adjacent to the Stadium. It should also be noted that some illegal parking citations stem from misinterpretation of complex regulations or motorists who are simply misled by seeing someone else parked illegally.

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

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

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

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

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

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

to consider such annexation.

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

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

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

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

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

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

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

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

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

Council Member Orazem asked if the “redundant” water tower in West Ames could be recycled.

Mr. Flattery said that discussions were held with salvage contractors about moving that tank. Savings of approximately \$500,000 could be realized if that tank were used instead of building a new one.

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

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

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

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

Council Member Larson said it would be beneficial to know the cost of infrastructure to a fewer number of acres, e.g., 200. It did not make sense under any scenario to expand the sanitary sewer at the same size across to Barilla, and thus, spending approximately \$3 million to open up 100

acres, but have no capability to go any farther.

Council Member Szopinski said there are other factors that would have to be known before a decision is made, e.g., the willingness of property owners to sell and if there are any potential businesses that might be interested in the land in question. Mr. Orazem agreed, said that it will be expensive to get the first 100 acres; however, it would be less expensive to get the next 500.

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

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

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

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

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

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

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

**COUNCIL COMMENTS:** Moved by Davis, seconded by Larson, to refer to staff the letter from HCS Builders dated January 16, 2012, requesting that a Temporary Occupancy Permit be given to the apartment buildings at 3715 and 3613 Grayhawk without the sidewalks being installed  
Vote on Motion: 5-0. Motion declared carried unanimously.

Moved by Davis, seconded by Goodman, to refer to staff the letter from Campustown Action



Association requesting more trash cans on Stanton Avenue between Lincoln Way and Knapp.  
Vote on Motion: 5-0. Motion declared carried unanimously.

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

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

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

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

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

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

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

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

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

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Diane R. Voss, City Clerk

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Ann H. Campbell, Mayor

**MINUTES OF THE SPECIAL MEETING  
OF THE AMES CITY COUNCIL**

**AMES, IOWA**

**FEBRUARY 3, 2012**

The Ames City Council met in special session at 2:00 p.m. on February 3, 2012, in the Council Chambers of City Hall, 515 Clark Avenue, pursuant to law with Mayor Campbell presiding and the following Council members present: Goodman, Larson, Orazem, and Szopinski. Council Member Wacha arrived at 2:08 p.m. Council Member Davis and *ex officio* Member Finseth were absent.

**FY 2012/13 BUDGET OVERVIEW:** City Manager Steve Schainker told the Council that, as the City was beginning the preparation of the FY 2012/13 budget, State Legislators in Des Moines were beginning a debate regarding bills that would impose an arbitrary limit on the amount of property taxes a City Council could raise each year to support municipal services. He said that there appears to be fear among some in the State House that locally elected City Council members will take advantage of this trend and raise taxes on their constituents in excess of their needs. Mr. Schainker emphasized to the Ames citizens that year after year the Ames City Council members have been very prudent in their decisions to levy taxes to finance City services, and fiscal year 2012/13 will be no different. He advised that the budget that he is recommending for FY 2012/13 reflects expenditures of \$197,836,020.

Mr. Schainker reported that, in FY 2012/13, operational expenses estimated to grow 3.6%. In order to fund these expenditures, an additional \$502,094 in property taxes will be needed. However, because of the improvement in Local Option Sales Tax, new growth in the community, and an increase in the rollback percentage, there will be a reduction of \$.12 in the overall property tax rate from \$10.84 per \$1,000 of taxable valuation to \$10.72 per \$1,000 of taxable valuation. Mr. Schainker emphasized that the budget benefited from a recovery in Local Option Sales Tax revenue, which has been stagnant since FY 2008/09. Local Option Tax revenues transferred to the General Fund for property tax relief are expected to increase by \$501,370.

Council Member Wacha arrived at 2:08 p.m.

Finance Director Duane Pitcher stated that the City's levy makes up 33.57% of a property's total tax bill; the School District makes up 44.95% (if in the Ames Community School District); 19.65% is the County's share; and 1.83% goes to Des Moines Area Community College (DMACC).

Mr. Pitcher gave a comparison of City Property Tax Valuations and Total Levies to be collected for fiscal year 2012/13 for the 12 largest cities in Iowa. Ames has the third-lowest total city tax levy per \$1,000 valuation; Mr. Pitcher reiterated that for FY 2012/13, the total tax levy/\$1,000 taxable valuation will be \$10.72. He gave a detailed analysis of changes in taxable values among residential, commercial, industrial, and utilities. Residential increased by 5.90%, Commercial decreased by 0.52%, Industrial increased slightly (2.21%), and Utilities increased 13.62%. The net percentage change in taxable value on existing property equates to 2.04% broken down as follows: Residential (due almost exclusively to Rollback) is \$50,277,595; Commercial: (\$7,749,000); Industrial: (\$18,000); and Utilities: \$1,472,901.

The Fire & Police Trust Fund was reviewed in detail by Mr. Pitcher. City Manager Schainker told the Council that it would have to make policy decisions regarding this Fund. He noted that in FY 2012/13, \$200,000 will move from the General Fund Balance to help soften the amount needed from a tax increase, which will equate to approximately \$124,000.

Finance Director Pitcher reviewed the debt service cost allocation for the 2012/13 Budget. He told the Council how the bond proceeds will be used, with the largest portion (\$5.8 million) going to streets. According to Mr. Pitcher, the Library Expansion/Renovation (\$4,500,000) will first appear in the 2012/13 Budget. The debt service issues for Fiscal Years 2013 through 2017 were highlighted. City Manager Schainker said that there will be some policy decisions needed to be made by the City Council regarding storm sewer (flood-mitigation) issues, which have been shown in the CIP as being funded through G. O. Bonds. The total FY 2012/13 tax levy will be \$24,014,006, which is a change of \$502,094 (2.14%). The Residential property class will pay \$614,299 more, Commercial will be \$145,982 less, and Industrial will pay 1.06% more (\$14,893). He gave sample property tax calculations per \$1,000 taxable valuation. Residential will see a 3.4% increase, or \$17.88/\$100,000 in valuation. It was pointed out that \$295,522 in the debt service levy is attributable to the Library bond issue. If not for that recently approved bond referendum for the Library renovation, the residential property owners would have been asked to pay only 2.12% more in taxes (\$11.18 per \$100,000 of taxable valuation).

The costs of City services for 2012/13 per residence from property taxes (based on a \$100,000 home) were summarized, as follows:

|                              |    |                      |
|------------------------------|----|----------------------|
| Streets/Traffic              | \$ | 134                  |
| Police Protection            |    | 128                  |
| Fire Protection              |    | 88                   |
| Recreation and Parks         |    | 53                   |
| Library                      |    | 52                   |
| Transit                      |    | 33                   |
| General Support Services     |    | 24                   |
| Planning                     |    | 10                   |
| Storm Sewer                  |    | 7                    |
| Resource Recovery            |    | 6                    |
| Animal Control               |    | 5                    |
| Building and Grounds/Airport |    | 3                    |
| Inspections/Sanitation       |    | 1                    |
| TOTAL                        | \$ | <u>544/\$100,000</u> |

Mr. Pitcher explained how the new Census numbers helped with Road Use Tax Revenues. The population of Ames grew, thus the amount of Road Use Tax Revenue increased. That, in essence, means that more road improvements will be paid from Road Use Tax Revenues, rather than from the General Fund.

An historic breakdown of the budget, specifically valuation increases and rollback, from 1991/92 to the present was given by Mr. Pitcher. He also reviewed the Full-Time Equivalents (FTEs) recommended for 2012/13. There will be a net increase of 1.00 FTE from 2010/11 to 2012/13, which will be a Management Analyst position in the City Manager's Office.

A brief summary of utility rates was given by Finance Director Pitcher. Rate restructures are planned for Electric and Storm Sewer, Water will increase by 3%, and Sewer will increase by 5%.

Pertaining to the Resource Recovery Plant (RRP), City Manager Schainker explained that, in order to generate the same total revenue in FY 2012/13 that was realized in FY 2011/12, the per capita charge to the City's partners must be reduced from \$10.50 to \$9.10 due to the population

increase. Because Ames now represents a greater percentage of the County population, the City's property tax obligation to finance Resource Recovery operations will increase by \$29,386 (from \$423,476 to \$452,862), even with the reduction in the per capita charge. City Manager Schainker emphasized that the utility rates are strictly estimates; they may change depending on state- or federal-mandated improvements.

Pertaining to the Building Inspections budget, City Manager Schainker advised that the budget includes \$72,500 to contract with a private firm to supplement the City's inspection capabilities. While more costly in the short run, contracting out for inspection services will hopefully prove more effective in meeting peak demands. Mr. Schainker pointed out that if the construction activity continues to grow, the Council should give consideration to an additional full-time inspector to satisfy customers' demands. He also said that Inspections staff is currently exploring new software that will allow inspection reports, scheduling, and research to be accomplished in the field. The cost of the new software could be as much as \$250,000. Funds in the amount of \$175,000 are being earmarked from the General Fund balance to begin accumulating sufficient funds to purchase the new technology.

Mr. Pitcher brought the Council's attention to the rates for Parks & Recreation activities. Modest rate increases will be necessary. More details will be provided by Director Nancy Carroll during budget hearings next week.

City Manager Schainker reminded the Council about the new process for evaluating requests for City funds from community and student groups. A team of staff and residents met and discussed the general community grants. The Student Affairs Commission then reviewed the requests. Funding recommendations had been provided to the Mayor and Council as part of their budget information.

Three options for replacing the Squaw Creek Pedestrian Bridge, which was destroyed by the Flood of 2010, were offered by City Manager Schainker to the Mayor and City Council. One option would have the Council utilize \$400,000 of savings realized from better-than-expected bids that had been received for various street projects in 2009 to fund the bridge replacement. Council Member Larson noted that when the Grand Avenue Extension goes through, the Bridge would be torn down. Mr. Schainker noted that it is not anticipated that the Grand Avenue Extension, at a cost of \$17 to \$20 million, will occur in the near future unless federal funds can be obtained. Mr. Larson pointed out that there are a couple of old bridges that had been replaced and were laying in corn fields. He asked if there was any possibility of using a section of the bridge that was replaced on Dayton. Civil Engineer Corey Mellies advised that the City only owns one section of that bridge. It could cost approximately \$200,000 to move the bridge. Council Member Goodman said that it would be important for the Council to know when the Grand Avenue Extension might occur and what would be lost if the Squaw Creek Pedestrian Bridge was constructed and then later removed.

City Manager Schainker brought the Council's attention to the memos pertaining to 2012/13 ASSET Allocations and COTA Funding requests. He also noted that a report on the Summary of Proposed Flood Mitigation Projects that are reflected in the proposed Capital Improvements Plan (CIP) had been provided to them. Decisions on those items will need to be made by the Council on February 14 during Budget Wrap-Up.

Mr. Schainker told that Council that he would have to clarify the number of garbage cans being requested from the Campustown Action Association.

Budget Officer Carol Collings highlighted the General Fund ending balance of \$6,542,726. She noted the Council's policy of reserving 20%, and with that being removed, the unreserved fund balance totals \$969,600. She informed the City Council that the City was fortunate to end FY 2010/11 almost \$550,000 better in the General Fund balance than had been planned. She noted that the City Manager prefers to consider utilizing that funding for one-time expenditures that would lessen the tax burden for FY 2012/13.

City Manager Schainker explained that, due to that larger-than-anticipated ending balance of the General Fund, he is recommended that the following one-time expenditures be made:

1. \$81,161 for various capital items
2. \$175,000 for new Inspection software
3. \$200,000 towards City Hall/Police Department renovation project
4. \$195,000 towards the City's contribution to the Fire/Police Retirement System

Budget Officer Collings reviewed the Local Option Sales Tax Fund. Revenues exceeded the current year's estimate, and the estimate for 2012/13 is 1% higher.

The Council's attention was also brought to letters submitted by outside agencies for funding. Under the new policy, those amounts, which total around \$89,000, are not built into the budget; that is a change from last year. The only two allocations that had been built into the budget were those for the Ames Economic Development Commission and the Shared Sustainability Coordinator. City Manager Schainker noted that the budget would thus change when those funding decisions are made.

Ms. Collings pointed out that the City had experienced an increase in the Hotel/Motel Tax Fund, and the future looks optimistic.

In the Leased Housing Fund, Ms. Collings noted that the City Council made a decision to turn this program over to the Department of Housing and Urban Development (HUD) for administration by an agency other than the City of Ames. This Fund will be closed out.

Council Member Wacha left the meeting at 3:50 p.m.

Ms. Collings briefly reviewed Tax Increment Financing, which now only includes development on South Bell. She also gave highlights for the following funds: Park Development; Furman Aquatic Facility Construction Donations, which will be closed out. Miscellaneous Special Revenues, which includes the softball complex, Project Share, Public Safety Trusts, and Parks and Recreation Trusts, was highlighted because it had increased by \$1,600,000 with the G. Winakor Donation. Library Donations and Developer Projects were also explained. The Economic Development Fund, which was expanded to account for revolving loan, community investment, and pass-through State loan activity was explained by City Manager Schainker. Council Member Larson requested a report on the Homestyle Furniture and BioForce loans from the City Attorney. Ms. Collings explained the Cemetery Fund. The principal must be retained, per *Iowa Code*, to provide cemetery maintenance. Interest earnings are transferred to the General Fund for cemetery operations. The Donald & Ruth Furman Aquatic Center Operations Fund, Street Construction, Airport Construction, the American Recovery and Reinvestment Act Grant and Energy Block Grant Funds, and Bond Proceeds were briefly described by Ms. Collings.

City Manager Schainker pointed out the series of rate increases that had been anticipated to pay

for the new Water Plant. He noted that Water and Pollution Control Director John Dunn had been able to secure an SRF Loan of nearly \$6 million. Mr. Dunn said that as a result of that forgivable loan and a delay in the start of the project, reductions in the prospective rates had now been made. In FY 2012/13, instead of 10%, an increase of 3% will be needed. In 2013/14, 6%, instead of 10%, is being recommended. There is no increase anticipated for 2014/15. An increase of 7% is estimated for 2015/16. Sewer rate increases are also going to be less than originally anticipated. In 2012/13, 5% instead of 10%; and in 2013/14, 5% instead of 10%, is being recommended. It is anticipated that an 8% increase, instead of 6%, will be needed in 2014/15. There is no rate planned for FY 2015/16.

Pertaining to the Electric Utility, there is no need to increase the overall revenue in FY 2012/13 to finance the projected 3% increase in operating expenditures. Sufficient revenues are available in the Electric Fund to cover these costs. However, as a result of a recently completed Cost-of-Service Study, electric rates will be restructured. Highlights of this restructuring will include an increase in the minimum bills, the establishment of a flat block rate for all customer classes to promote consumption reduction, and a change in the unit of measure to determine the demand charge so that it is more accurate. It is anticipated that the City will receive the Ruling from the Iowa Utilities Board on the extension of the 161 kV Line in March 2012.

City Manager Schainker highlighted the Parking Fund. He noted that, in FY 2012/13, the expenditures exceed the revenue by approximately \$25,000. Since there remains a substantial available balance in this fund, no immediate action is required to correct this situation. However, based on the information recently presented by the Police Chief, the charges for overtime and illegal fines are not covering the costs. New technologies to improve customer convenience for paying meter fees and enforcement efficiencies will require one-time capital expenditures to purchase equipment. Mr. Schainker told the Council that it should be prepared to take action in the near future to increase fee and fine amounts to generate the needed revenue.

Budget Officer Collings reviewed the Transit Agency Funds, including Capital Reserve, GSB Trust, and the Intermodal Facility. It was noted that an additional 7% is being asked from the City, University, and GSB for FY 2012/13 in order to bring the fund balance up from 8.2% to 10.3%.

City Manager Schainker reviewed the Storm Sewer Fund. A new rate structure, expected to be revenue-neutral, will be implemented in 2012/13. Council Member Goodman referenced the flood-mitigation issues and asked what the City's requirements were related to maintenance of storm sewers, especially as they relate to post-development. Tracy Warner, Municipal Engineer, described the City's mandated Water Quantity Control program and other requirements that should help mitigate flooding.

Ms. Collings highlighted the Ames/ISU Ice Arena Fund and noted that no fee increases are planned for FY 2012/13. The Fund Balance of the Ice Arena Capital Reserve will be able to absorb the cost of the floor resurfacing. According to Ms. Collings, there are no fee increases planned for the Homewood Golf Course, as its balance is projected to be approximately \$115,000.

City Manager Schainker again reviewed the Resource Recovery Fund. The per capita fee was lowered to collect the same total dollars on the larger Census amounts. He reiterated that the City's share will increase because Ames' population increased.

Pertaining to the extension of utilities east of Interstate 35, Water and Pollution Control Director Dunn presented the effects on the debt levy that would occur as a result of each of the four scenarios that had previously been presented to the City Council on January 24, 2012.

Council Member Orazem left the meeting at 4:42 p.m. Since no decisions would be made by the City Council members present and they would be only receiving information, City Attorney Marek advised that the meeting could continue without a quorum.

Discussion pertaining to the four scenarios ensued. City Manager Schainker recommended that, if the City Council decides to pursue any of the scenarios, the amounts estimated in the scenario chosen should be put in the budget. If the Council has not made a decision by Budget Wrap-Up, Mr. Schainker advised that the budget could be amended. Council Member Larson suggested that another option could be to place the project in the second or subsequent years of the CIP.

Council Member Goodman recalled that he had asked to know the City's rate of return on investment for very large projects before any commitments were made to fund the project. Mr. Schainker said he is working with a consultant from Iowa State University to provide the data.

**COMMENTS:** Mayor Campbell noted that the deadline for applications for appointment to a Board or Commission had been extended to February 17. She asked for the assistance of the Council members in recruiting applicants.

**ADJOURNMENT:** The meeting adjourned at 4:57 p.m.

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Diane R. Voss, City Clerk

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Ann H. Campbell, Mayor

# MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

FEBRUARY 7, 2012

The Ames City Council met in special session at 5:18 p.m. on February 7, 2012, in the Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Campbell presiding and the following Council members present: Davis, Goodman, Larson, Orazem, Szopinski, and Wacha. *Ex officio* Member Finseth was also present.

**FY 2012/13 BUDGET PROPOSALS:** Moved by Wacha, seconded by Davis, to approve the proposed FY 2012/13 budget. (Vote will be taken on March 6, 2012.)

**Library.** Director Art Weeks presented the proposed budget for Library Operations, including Administration, Outreach, Collection Development, Youth Services, Information Services, Circulation, Network Services, and Grants and Gifts. Seventy-five percent (75%) of the Operating budget is allocated to Personal Services; 12%, Contractual; 11%, Collection, and 2%, Commodities. Increased participation in health benefit plan and increased contributions to IPERS increased the Personal Services line item. According to Director Weeks, the highlight of the Library budget is the \$18 million bond referendum, which was approved by 76% of the voters. Mr. Weeks pointed out the many partnerships to which the Library is a participant and the value of those partnerships, not only to the budget, but to the community. Pertaining to the partnership with Iowa Workforce Development, Mayor Campbell inquired if the State reimburses the Library for staff time or materials. Mr. Weeks replied that no funding is received from the State for that program. Council Member Larson asked to know the amount of Library staff time needed to assist those searching for jobs. Mr. Weeks advised that he did not have that information available. He noted that the State did provide equipment to facilitate the program. Special Programs offered by the Library were highlighted by Director Weeks. Relative to innovation, Mr. Weeks advised that the Library's E-Book collection has been expanded. In addition, the Library is beginning to implement Radio Frequency Identification and has improved the bandwidth of its T1 and DSL lines. It was pointed out by Mr. Weeks that only Iowa City out-circulates the Ames Public Library. It is anticipated, however, that usage of the Library will be slightly lower in 2012/13 due to the renovation project. The Library will close its present location for several months during the construction phase. It will relocate at an alternate site or sites depending on the size of the building they temporarily move into, but the location(s) might not be centrally located.

Director Weeks told the Council that the City of Gilbert elected not to renew its contract at \$55,000/year for service from the Ames Public Library. Gilbert then entered into a contract with Story City for a lesser fee. According to Mr. Weeks, Gilbert did not contact Ames or offer to negotiate the terms of the contract prior to signing with Story City. Council Member Larson pointed out that Gilbert residents are still using the Ames Library, and asked if it would be prudent for Ames to start charging to library cards. He expressed his concern about Ames residents paying property taxes for Library services, yet people outside the City are using the services for free. That is further exacerbated by the fact that Ames property taxes will be increasing to pay for the Library bond issue. Director Weeks explained that the Library is compensated somewhat through "Open Access" funding for circulation of items by residents of other communities that are not under contract with the Ames Library.

The Mayor compared services offered by the City's Parks and Recreation Department to those offered by the Public Library. Non-residents pay a higher fee to participate in Parks and Recreation Department activities. Non-residents do not pay property taxes, which supplement



the Parks and Recreation Department budget. Council Member Szopinski expressed her opinion that the Library provides an educational service. It was then noted by Council Member Orazem that there is limited access to resources at Iowa State University's Parks Library. Non-students and/or faculty pay a fee for those resources.

Council Member Goodman related that he had heard from residents of Gilbert who had expressed disappointment on the decreased level of service being provided by the Story City Library, specifically, there is no Bookmobile. Mr. Goodman suggested that Mr. Weeks discuss the situation again with Gilbert. Mr. Weeks advised that Gilbert had signed a three-year contract with Story City. He advised that circulation levels could be tracked.

**Water.** John Dunn, Water and Pollution Control Director, gave highlights of the budget of the Administration, Production, Treatment, Plant Maintenance, Plant Operation, Laboratory, and Water Metering/Cross-Connection Control. The 2012/13 Budget reflects an overall .6% change from the 2011/12 Adopted.

Water Administration budget is down 2.5%. The Smart Water Conservation Program will be ongoing to promote the role and importance of conserving drinking water to the community. Water Production will also reflect a -2.2% change from the 2011/12 Adopted. The first five-year cycle of the Well Rehabilitation Program will conclude in FY 2011/12, and a new cycle will be rebid in FY 12/13 at an estimated cost of \$110,000. There will be a 0.7% increase to the Water Treatment budget. For the first time in 12 years, a new operator was hired; that, in effect, reduced Personal Services expenses in the FY 2011/12 Adjusted. There will be an increase of 2.6% in the Water Laboratory budget. It was pointed out that Laboratory Services Division personnel and expenses are shared between Water and WPC programs. Highlights of the Water Pumping budget, which will increase by 10.4%, were given. A new federal rule changes the way sample locations for certain contaminants are selected. It requires utilities to identify locations at the average residence time and maximum residence time in the distribution system. To appropriately identify the sample locations, a Water Age Analysis Study is included in the current year's contractual expenses. Water Metering/Cross Connection Control reflects a .7% change from the 2011/12 Adopted. Mr. Dunn explained a survey left with customers following City staff replacing existing water meters. During the previous fiscal year, 99.8% of those surveys reported a "good" or "excellent" experience.

The proposed 2012/13 Budget for WPC Operations, including Administration, Plant Maintenance and Operation, and Laboratory, reflects a 3.5% change from the 2011/12 Adopted Budget. Larger maintenance projects are budgeted in the Capital Improvements Plan, but the staff time to administer the work is included in the Operating Budget. Mr. Dunn told the Mayor and Council that, for the 21<sup>st</sup> consecutive year, the City's Water Pollution Control Facility achieved 100% compliance with its NPDES Discharge Permit during calendar year 2010. He noted that only two facilities in the entire United States have longer compliance streaks. Mr. Dunn commended the staff members for that remarkable compliance record.

**Public Works.** The Council heard an overview of the major work activities for the Public Safety Program, which included Traffic Control (Traffic Maintenance and Traffic Engineering), presented by Public Works Director John Joiner. Replacing incandescent bulb signal indicators with LED lamps has resulted in nearly \$43,000 annually in electricity savings. Savings in materials cost will also be realized as the lamps will need to be replaced much less frequently.

Budget highlights of the Utilities Program, which included Resource Recovery, Water Distribution Maintenance, Storm Sewer Maintenance, and Sanitary Sewer Maintenance, were given. The Resource Recover Plant was recognized by the American Society of Mechanical Engineers for achievement in environmental and safety performance. It received the 2011 Facility of the Year Award, which was presented to the City of Ames at the Annual North American Waste-to-Energy Conference in Lancaster, Pennsylvania, in May 2011.

At the Council's previous request, Mr. Joiner advised that staff had estimated the cost to replace the Pedestrian Bridge over Squaw Creek at \$400,000. Eighty-five Thousand Dollars (\$85,000) would be for removal of the existing bridge. The new structure is estimated to cost between \$180,000 and \$200,000. When the Grand Avenue Extension goes forward, the bridge would be capable of being unbolted and reused at another site, possibly on the Skunk River Trail.

Also responding to a previous Council referral, Mr. Joiner advised that it would cost \$8,700 to install a railing on the 6<sup>th</sup> Street bridge over Squaw Creek. City Manager Schainker informed the Council that if it wished to move forward with that project, an amendment to the 2011/12 Budget would be necessary and could be made at the Budget Wrap-Up meeting on February 14.

Reports were summarized for Street Surface Maintenance, Street Cleaning, Snow and Ice Control; and Right-of-Way Maintenance. There have been 11 snow events accounting for ten inches of snow and two inches of rain. Mr. Joiner provided statistics on snow events from 1987 to the present. Mr. Joiner told the Council that the City was recently selected as one of three pilot cities for inclusion in an Iowa Department of Natural Resources (IDNR) grant application with the United States Forest Service. That grant would allow the City an opportunity to work with an urban forester on public education to build a network of volunteers to develop effective maintenance plans to ensure the health of trees and develop ordinances to protect and enhance the "urban forest." Two urban forestry interns will be hired to complete an inventory of all trees in the rights-of-way. Mr. Joiner believes that the inventory will be of great value for future planning, even if in the grant is not awarded to the Iowa DNR.

In reference to another previous referral to staff, Mr. Joiner showed where garbage cans are currently located in Campustown and where additional cans, requested by the Campustown Action Association (CAA), would be located. Council Member Goodman, who is a member of the CAA, told the Council about the usage patterns of the existing cans. Director Joiner advised that Capital costs would equate to \$850/can and ongoing operating costs would total \$17.32/can/month. Council Member Larson would like to know what type of partnership the City would have with the CAA and with business owners prior to authorizing additional trash cans. He also asked to know the location of dumpsters behind businesses as he does not believe it is the City's responsibility to clean up after commercial enterprises. Noting that if the number of additional trash cans being requested by the CAA is approved, it would mean a total of 40 trash cans for the City to maintain in Campustown. Director Joiner explained that the City contracts-out for emptying the trash cans. Mr. Larson stated that he preferred not to purchase 18 new trash cans all at once. Council Member Davis suggested that the City enter into a discussion with the CAA about long-term weekly maintenance.

Under Parking Operation and Maintenance, Mr. Joiner noted a pilot project where "Smart Cards" will be installed so that users may buy a prepaid card for parking time. Success of the pilot project may lead to changeover of the entire system over a ten-year period.

Lastly, Mr. Joiner reviewed the budget details for the Airport and Cemetery. Pertaining to the Airport, he pointed out that the Fixed Base Operator contract with Hap's Air Service is due to expire on June 30, 2012, and a Request for Proposal will be initiated. Council Member Larson asked if the new fencing being required at the Airport to comply with additional Federal Aviation Administration (FAA) security measures would require approval of a new Master Plan. Mr. Joiner stated that the City is due for an Master Plan update in the near future; the requirements will be rolled into that project. Mr. Larson requested to be informed as soon as possible about the scope of the construction of the terminal building, which will be funded in part by the FAA. City Manager Schainker noted that the City delayed construction of a new terminal building for a year to allow more public input to be provided. It was pointed out that there is a possibility of losing federal funds if the project is delayed.

Relating to improvements to the fence in front of Walgreen's, which was formerly referred to staff, Director Joiner reported that the fence is the responsibility of the City. A staff report pertaining to options for replacement of that fence will be provided to the Council in the near future.

Pertaining to the Cemetery, staff will be working on the implementation of a Focus Group to provide input and recommendations on how the cemetery can be a better experience for visitors. The budget includes \$7,500 in FY 2011/12 to allow for implementation of the recommendations from the Focus Group.

Lastly, Mr. Joiner reviewed the budgets for Public Works Administration, Engineering, and Public Buildings. The Engineering Division will focus on the Storm Sewer System. Inspections of construction sites for compliance with permits for erosion and sediment controls will occur.

The meeting recessed at 6:54 p.m. and reconvened at 7:05 p.m.

**Finance.** Finance Director Duane Pitcher presented the budgets for Storm Disaster Activity and Economic Development. Pertaining to Storm Disaster Activity, five projects remain incomplete, under appeal to FEMA, or include a request for an alternative project. City personnel costs associated with Economic Development have shifted from the Hotel/Motel Fund to the General Fund. Council Member Goodman questioned the shift, stating that time spent on economic development initiatives by the City Manager and Finance Director should be charged to the Hotel/Motel Fund. Mr. Schainker pointed out that the City's share of the Economic Development Coordinator (Seana Perkins) equates to \$60,000; that was the reason for increasing the allocation to the Ames Economic Development Commission from \$90,000 to \$150,000. Calculations demonstrating that retaining City personnel costs as well as the other expenses in the Hotel/Motel Tax would quickly deplete the Fund, as expenses would exceed revenues. Council Member Larson noted that to keep the amenities in the community, economic growth is necessary. Economic Development funds are used to stimulate that economic growth.

Mr. Pitcher gave an update on various companies that had received economic development funding from the City. He advised that one of the companies that had received City funding, i.e., BioForce Nanosciences, filed for bankruptcy. Any claims that will be made by the City will go through the bankruptcy proceedings. The City stands to be out approximately \$32,000.

Highlights of the budgets for Finance Administration, Accounting and Reporting, Information Technology and WiFi Services, and Communication were given by Director Pitcher. He also

reviewed budgets for Purchasing Services, Customer Service, and Parking Violation Collection. According to Mr. Pitcher, delinquency statistics are showing an upward trend in the number of customers who are having difficulty paying their utility bills. It was noted under Parking Violation Collection that expenses are indicating a need to increase the fines.

Lastly, Mr. Pitcher highlighted the City Council Contingency, which allows the Council to be able to respond to needs that were not foreseen at the time of budget preparation. City Manager Schainker noted that for FY 2012/13, the amount remains at \$50,000, however, the Adjusted budget annually is increased to \$100,000. Additionally, \$56,488 in carryover projects is shown in the 2011/12 amount. Mr. Pitcher explained past projects that had been covered through City Council Contingency. Council Member Davis asked at what point projects would be closed out, e.g., AMOS. City Manager Schainker indicated that amount (\$15,905) that was allocated for educational costs related to global warming and pollution reduction could be put back into the General Fund. He advised that if that is the desire of the Council, an amendment to the FY 2011/12 Budget could be made at Budget Wrap-Up.

Projects formerly funded by City Council Special Allocations were listed by Mr. Pitcher. The Council was reminded about the City's new grant process used to determine funding requests from outside groups. Discussion ensued about moving the funding for FACES from Hotel/Motel shown in the City Council's budget to the City Council Special Allocations program. Mr. Schainker indicated that an amendment could be made to do that at Budget Wrap-Up.

Finance Director Pitcher lastly explained the merit pool, which is used to reward employees for good performance. City Manager Schainker noted that City employees do not receive step increases, and other than those governed by Union contracts, City employees are not guaranteed any increases.

**ADJOURNMENT:** The meeting adjourned at 7:50 p.m.

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## **MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL**

**AMES, IOWA**

**FEBRUARY 8, 2012**

The Ames City Council met in special session at 5:15 p.m. on February 8, 2012, in the Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Campbell presiding and the following Council members present: Davis, Goodman, Larson, Orazem, Szopinski, and Wacha. *Ex officio* Member Finseth was also present.

**FY 2012/13 BUDGET PROPOSALS:** The Council heard and discussed highlights of the Community Enrichment, Public Safety, and Utilities Programs.

**Parks & Recreation.** Director Nancy Carroll advised that the Parks and Recreation Commission had approved the fees and charges for 2012/13 to support the Operating Budget. Staff worked hard to "hold the line" on expenses. Fees were increased where there was a direct program change. Many times the participants in that program had requested the change.

Ms. Carroll advised that, although the Recreation budget includes almost \$2 million in expenses, \$1.2 million is generated through fees and charges. The tax subsidy for that program is approximately \$660,000. The Parks Division generates revenue only through shelter reservations; 94% of that program budget is subsidized. Homewood Golf Course and Ames/ISU Ice Arena are both enterprise funds; no operational tax subsidy is used. The exception is for the capital improvements at both of those facilities.

The importance of volunteers to the Parks and Recreation Department was emphasized by Ms. Carroll. They have over 2,000 annual volunteers. Permanent staff in the Department totals 19.5; however, there are also over 400 seasonal workers.

Summarizing activities that occurred in 2010/11, Ms. Carroll advised that there were 12,000 program registrations in 141 programs; participants came from 8,700 Ames households. On-line registrations account for 30% of all registrations.

Highlights of the Instruction and Athletic Programs were given. The City partners with the Ames Racquet and Fitness Club to provide Parks and Recreation tennis lessons. Three out of 40 instructional programs have seen a decline in participation: youth basketball, soccer, and flag football, basically due to club teams. Registrations for instructional programs equated to 2,670. There were over 4,200 participants in adult athletic programs. Ms. Carroll gave statistics showing the program growth for adult sport leagues.

Council Member Goodman asked if there would be any way that the City could not staff the Brookside wading pool. Ms. Carroll said that staff will determine if there are any state requirements for staff to be present when the wading pool was in operation. It was also noted that this will be the last summer for the Municipal Pool Wading Pool. It will close and be demolished in Fall 2012 due to age, mechanical issues, and lack of usage.

Ms. Carroll reported that attendance totaled 103,000 in Summer 2010 and 100,298 in Summer 2011 at the Furman Aquatic Center. It is anticipated to show a net gain in FY 2012/13 of \$75,000. The facility receives no direct operating subsidy.

Activities for the Community Center/Auditorium/Bandshell and the Wellness Program were described. There were 115,000 visits to the Community Center Gymnasium; 81,000 programs were offered. The Auditorium hosts an average of 56 events per year. Bandshell averages over 800 people at each Municipal Band concert. There were over 2,400 participants in 60 fitness classes/week. Ms. Carroll reported that the Wellmark 3-Point-Play Program totaled \$16,560 as of February 1, 2012, and per Council direction, that money will be used to purchase fitness equipment. It was also pointed out that over 325 people/week participate in Zumba classes. Over 55 people participate weekly in the "Silver Sneakers" fitness classes for older adults. Humana reimburses the City for participate fees. Another private/public partnership, fitness and aqua classes will be offered to Green Hills residents. In exchange for City staff instructors, classes will be open to the public; it is anticipated to break even operationally.

Pertaining to Homewood Golf Course, fees will not increase for the 2012 season. It was noted that the cell tower revenue equates to \$26,800 and motorized carts bring in \$19,000. It is the City's goal to maintain a fund balance of 27% of operational expenses. There are approximately 19,000 rounds of golf played at Homewood last year. Two tee renovations occurred in 2011.

Regarding the Ice Arena, Director Carroll reported the policy is to also maintain a fund balance of 15% of operational expenses. No rental fee increases are being recommended; however, the fund balance will be drawn down. Ms. Carroll reported on the long-term users' ice rental revenues per year.

The Park System budget was reviewed. There are 37 parks and woodland/open spaces totaling over 1,200 acres; however, only 337 acres are mowed. Fifty (50) to 60 trees are planted each year. Ms. Carroll acknowledged Holub Greenhouse and Garden Center's annual donation of \$8,000 in flowers for the "Adopt a Flower Garden" program.

Ms. Carroll recalled that the City's mosquito control program moved from Inspections Division to Parks Activities. Methods of control include fogging and the use of larvicide.

**Electric.** Donald Kom, Director of Electric Services, highlighted the operations budgets for each division (Administration, Production, Fuel Purchases, Distribution, Technical Services, and Engineering). The total expenditures for all divisions of the Electric Services Department equate to \$50,813,853, which is an increase of 3.0% from the FY 2011/12 Adopted. No rate increase is planned for FY 2012/13. Rate restructuring will occur, but not generate any additional revenue.

Director Kom reported that the Administration budget is up 13.9% from the 2011/12 Adopted Budget. That is due to an increase in insurance premiums, even though no claims have been filed. There was also a sharp increase due to Mid-Continent Area Power Pool (MAPP) charges (\$80,000).

According to Mr. Kom, overall, Ames' rates are 3% lower than neighboring utilities. Residential rates are 17% lower and commercial rates are 1% lower. Industrial rates are 38% higher. Mr. Kom pointed out that what it costs Ames to serve the industrial customers is what they are paying. It was also noted that MidAmerican Energy is planning a rate increase. Council Member Larson advised that the industrial rates are a concern to the Ames Economic Development Commission. At some point in time, Mr. Larson said he would like a workshop to get an idea for what the impact would be if Ames lost a major industrial customer. Council Member said he would like to know if installing infrastructure that another electricity provider might have could eventually reduce rates. City Manager Schainker cautioned about lowering the rates for one class as it then puts additional burden on the other classes.

"Smart Energy" programs were specifically highlighted. The budget is currently \$1,000,000; \$556,857 has been paid out to date, which is 56% of the budget. The City is considering adding solar to the rebate program. The installation of 418 *Prime Time Power* switches has resulted in a reduction in demand of 3.3 MW. There were 1,066 participants in 2011/12 in the City's Smart Energy programs, saving 1,139,426 kWh.

Electric Production's total expenditures equate to \$10,442,787, which is an increase of 0.9% over the FY 2011/12 Adopted. A new peak demand was reached on July 19, 2011, at 128.6 MW. Director Kom noted that several projects were delayed and now rolled into the 2012/13 Budget; those equated to \$1.1 million.

The budget for Fuel and Purchased Power will increase 3.7% to \$32,702,186. It is the largest component of the Electric Services budget. The major items include coal, market energy purchases, wind, fuel oil, transmission service, and refuse-derived-fuel payments. At the inquiry

of Mayor Campbell, Mr. Kom explained that the City purchases 30 MW of wind power; wind energy is currently the most expensive source. Coal quantity is down, but the price is higher.

Council Member Wacha recalled that the City Council had directed staff to work on coal storage alternatives, and asked for an update on any progress. Responding, Assistant Director Brian Trower stated that he had received a phone call from a representative of a possible coal storage facility. In summary, there is a lot of uncertainty throughout the United States regarding coal usage due to anticipated regulations that might be imposed by the EPA. Due to that uncertainty, there is hesitancy to build such a facility.

Electric Distribution Operations and Maintenance will see an increase of 0.6% from FY 2011/12. The main expense will be the tree trimming contract.

Electric Distribution Extension/Improvements will increase 6.5%. While fewer single-family homes were constructed compared to past years, work on apartments and commercial projects increased in 2011.

There will be an increase of 1.5% for Electric Technical Services over FY 2011/12. There will be an increase in transformers, tap changer repairs will be done at the Top-O-Hollow and Stange substations, there will be an upgrade in the Downtown Network, and there will be electric relocation at the North Grand Mall in anticipation of its expansion. The Mary Greeley Medical Center expansion project was also explained by Director Kom.

There will be a decrease of 12.8% for Electric Engineering. The FY 2011/12 Adopted included \$25,000 to contract transmission relay testing. The amount was removed since work is now done.

**Police Department.** Details were given, by Police Chief Chuck Cychosz, of the budget for the Public Safety Program, which included Administration and Records, Crime Prevention and Police Services, General Investigation, Emergency Communications, and Forfeiture/Grants. It was noted that Animal Control and Parking Enforcement also falls under the Police Department. The budget for overall operations is up 5.1%.

Under Administration and Records, the main project in 2012/13 will be the remodeling of the Emergency Operations Center. Chief Cychosz recalled that, in 2010, the Police Department had received a \$600,000 grant from the Department of Homeland Security for that improvement as well as renovations of other areas of the Police Department and the City Hall basement.

Other highlights included the Department's partnership with Story County and Iowa State University, which has resulted in entering into a contract for a new information management system (OSSI). According to Chief Cychosz, the Records Division has faced the additional challenge of implementing the Iowa court system's new Electronic Document Management System. The project was designed to move the courts to a nearly paperless system for court filings. It has resulted in an unfunded mandate for the City of Ames, costing the Department both time and resources with little benefit. It has not resulted in any less paper being produced.

Council Member Orazem left the meeting at 6:42 p.m.

Chief Cychosz gave highlights of the Crime-Free Housing program under Crime Prevention

and Police Services. Approximately 80 apartment owners/property managers have expressed an interest in the program. The simpler, less-expensive improvements are being done; however, the larger-expense items, such as improved lighting, seem to dissuade owners/property managers from fully participating. According to Chief Cychosz, the Police Department has started to see the benefits from lower call volumes in the areas where the owners have made the investment. A joint component, the Safe Neighborhoods Team, is now fully functioning with success. The Team has fostered stronger working relationships with residents, neighborhood organizations, and students. Chief Cychosz showed a chart evidencing the decrease in Noise Permits and Disorderly Conduct calls even in light of the increase in high-density housing. Another highlight under Police Services was that automated external defibrillators had been deployed in three area cars. It is planned to have them in all ten patrol cars before June 30, 2012.

Special initiatives being conducted by the General Investigations Division were listed. According to Chief Cychosz, technology has had a profound effect on this Division; incidents increase annually. General Investigations also includes the School Resource Officer, Juvenile Investigations, and Fraud. The Chief noted that the School Resource Officer does not just have a presence in the schools, but also in the community.

Chief Cychosz reported that the Police Department has seen a 67% increase in mental health-related service calls in 2011. During the past year, 561 mental health related incidents resulted in Mental Health Task Force notifications. The FY 2012/13 Budget includes a part-time position as the most-cost-effective way of addressing that workload increase. The position will provide support services to officers by compiling information and data on mental-health-related calls for service and provide analysis of the data. Council Member Larson asked if the Department tracks the calls for mental health-related service. He specifically wanted to know if there are repeat calls for the same individual. Chief Cychosz said he would check to see if that information is available.

Under Emergency Communications, Chief Cychosz reported that the Communications Center began, on February 23, 2011, handling Emergency Medical Dispatching. The dispatchers field and average of 220 medical calls/month. The Emergency Communications Center continued its formal working relationship with Iowa State University and Story County, which has allowed for more effective emergency and citizen support responses.

Highlights of Forfeiture/Grants and Parking Law Enforcement were given. Under parking, expenses exceed the revenue received if the ticket is paid. Chief Cychosz noted that he had presented a report on this to the Council recently. Whether to raise the fines will be a decision of the City Council.

Chief Cychosz reported that the service levels continue to increase at the Animal Shelter. Chief Cychosz recalled that the Council had adopted an ordinance to deal with dangerous domestic animals. Staff continues to encounter dangerous dogs, which pose extra challenges. Hearings concerning dangerous animals are held annually. In terms of sheltering, Animal Control is currently at an 89% rate for animal reclamation and adoption. It was noted that staff has enhanced its public interaction through Facebook and Twitter. Chief Cychosz explained the energy savings program that has been undertaken to improve the Shelter environment for animals and staff.

The meeting recessed at 7:34 p.m. and reconvened at 7:43 p.m.



**Fire Department.** The Fire Safety Activities portion of the Public Safety program was presented by Chief Clint Petersen. This included budgets for Administration and Support, Suppression and Emergency Action, Prevention and Safety Education, and Building Safety. Overall, the Department will see a 3.4% increase.

Chief Petersen emphasized the benefits of partnerships to the Fire Department. Specifically noted was the partnership with Iowa State University, both financially and in providing education for fire fighters.

Deputy Chief of Support Services Shawn Bayouth presented information on the Fire Prevention and Safety Education activity. He explained the three components of fire prevention and safety education: Engineering, Education, and Enforcement. For the first time in the last ten years, the number of false alarms dropped to below 20%. In addition, good progress on the fire sprinkling program has been made and is ongoing.

Deputy Chief Bayouth gave highlights for Fire Administration and Support. In 2011, fire fighters gave educational programs in 100% of Ames schools. Partnerships with state and federal agencies were noted, specifically highlighting the benefits of having the Iowa Fire Service Training Bureau located in Ames.

Deputy Chief Paul Sandoval stated that another partnership was formed by a formal agreement with Story County Haz Mat and the Des Moines Hazardous Materials Team to provide additional resources and technical skills that might be needed. He pointed out that Ames Fire has an excellent mutual working relationship with Ames Police and Iowa State University. Under Fire Suppression and Emergency Action, Chief Sandoval relayed that Fire Department personnel conducted training for water rescue prior to the opening of the Furman Aquatics Complex, trained with Power Plant personnel on confined space rescue, and on trench rescue with other City employees. Fire partnered with state and local law enforcement agencies on automobile extrication training. They also worked with Ames Labs and Environmental Health and Safety on hazardous materials training. Ames fire fighters assist the State Fire Marshal with arson investigator training.

At the inquiry of Council Member Goodman, Deputy Chief Sandoval advised that call volume increased by only four incidents – the lowest increase ever.

Building Official David Brown explained the three parts of the Inspections Division: building inspection, rental inspection, and neighborhood inspection. Mr. Brown commended his skilled staff for the positive responses that have been received on customer service surveys. The Inspections Division has been researching several vendors' systems for new software that will dramatically improve operating efficiencies and enhance customer service through online permit applications, inspection scheduling, approval issuance, and reporting. A transfer of \$175,000 from excess General Fund balance to the Computer Replacement Fund will assist with a future purchase of that software.

According to Mr. Brown, projects totaling between \$250,000 and \$260,000 are anticipated in the next two years. If that occurs, it will represent a large increase in permit fees.

It was noted that a challenge being worked on by staff is to expedite the occupancy of new buildings while tying up loose ends found during the inspection process.

Mr. Brown noted that there seems to be more acceptance of the Rental Code standards enacted in 2009; that appears to be due to increased public education.

Regarding Neighborhood Inspection, proactive public education has been beneficial. The Neighborhood Inspector spends a good deal of time explaining standards to residents and working with them on the improvements that need to be made.

Mr. Brown also advised that the Inspections Division is working on improving its web site.

At the inquiry of Mayor Campbell as to whether the City is receiving inquiries now that the Sanitarian duties have been shifted to the State, Chief Petersen stated that the state inspector living in Ames has been very responsive, and no problems have been reported.

**ADJOURNMENT:** Moved by to adjourn the meeting at 8:32 p.m.

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**MINUTES OF THE SPECIAL MEETING  
OF THE AMES CITY COUNCIL**

**AMES, IOWA**

**FEBRUARY 9, 2012**

The Ames City Council met in special session at 5:16 p.m. on February 9, 2012, in the Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Campbell presiding and the following Council members present: Davis, Goodman, Larson, Szopinski, and Wacha. Council Member Orazem arrived at 5:18 p.m. *Ex officio* Member Finseth was also present.

**FY 2011/12 BUDGET PROPOSALS:** The City Council heard reports on the Transportation Program and General Government and Internal Services.

**Transit System.** Transit Director Sheri Kyras gave a six-year history of CyRide ridership. Ridership increased 1.5 million over those six years (34%), and it appears that that level of growth will continue. It is predicted that 6 million rides will occur in 2012/13. The increased ridership has necessitated the hiring of 20 more drivers, increased hours of service, and the budget rose from \$6.3 million to \$8.2 million in order to provide the same level of service to the community.

Service reductions necessary due to budget constraints were explained by Ms. Kyras. Significant expense increases were listed as fuel, wages and benefits, and property insurance. Cost-control measures were described by Ms. Kyras: They have entered into fuel contracts, hybrid buses are being purchased that increase the miles-per-gallon, they are paying lower maintenance costs due to a newer fleet, uniforms for the drivers and mechanics, the purchase of a support vehicle has been delayed, fare increases, and service reductions.

Ms. Kyras noted where the revenue will come from in 2012/13. There will be no change in federal dollars received; there will be a 15% increase in state dollars, local dollars from the three funders will increase a total of 7%, and it is anticipated that there will be \$200,000 more farebox revenue. Director Kyras explained that the 2013/14 Budget could be impacted by a reduction in federal dollars of \$141,000 and fuel prices if they remain volatile.

Director Kyras noted that the total operating budget is approximately \$8.3 million. The Transit Board wants to see at least a 10% closing balance. The budget presented should allow for that balance. As the Council representative on the Transit Board, Mr. Wacha advised that much effort by Board members and CyRide staff had been put into building a budget that would provide a 10% ending balance.

Major projects to increase efficiency were explained by Ms. Kyras: new scheduling software and new buses. According to Ms. Kyras, the Intermodal Facility is 70% complete, which will allow for increased customer service. Additional customer-service enhancements include vehicle-tracking software and bus shelter implementation.

Council Member Szopinski brought up that the Council had received a request from AMOS for CyRide to provide free ridership for children, particularly those in need. Director Kyras reported that discussions about that service had occurred at Transit Board meetings. It had been determined that to provide free ridership to K through 12-grade students would result in \$30,000/year in lost revenue. That figure is assuming that no new buses would be required and no additional staff would be hired. Ms. Kyras said that she had also heard that there was an initiative being looked at that a grant from United Way would be used to purchase CyRide tickets. The tickets would be provided to students whom have been identified by the School System as needing assistance.

At the inquiry of Mayor Campbell, Ms. Kyras reported that an RFP for Dial-a-Ride services was distributed on January 31, 2012. That will give staff several months to evaluate and discuss options prior to the current contract expiring on June 30, 2012.

The subject of efficiency of vehicles was raised by Council Members Larson and Goodman in light of the buses getting an average of 4.7 miles-per-gallon. Council Member Goodman suggested that smaller buses be used at night when ridership decreases.

**Fleet.** Director Paul Hinderaker presented the proposed budget for Fleet Maintenance Services and Fleet Acquisition and Disposal. Fleet Support Manager Rich Iverson was also present.

Under Maintenance Services, service levels have not changed. More maintenance is done in-house; that reduced costs by over \$25,000. The overhead charged to operating departments will be increased by \$130,000 to offset the loss of interest income. A portion of the Fleet salaries (\$15,000) will shift to Facilities. Discussion ensued on the projected cost of fuel. It was thought that the \$2.50/gallon was low. Mr. Hinderaker noted that the budget can be amended if the estimate is incorrect. City Manager also pointed out that fuel is charged back to the user departments.

Under Fleet Acquisition and Disposals, Director Hinderaker explained a Department objective to purchase 15% of the vehicles that contribute to the City's "green" goal.

**Facilities.** Director Hinderaker reported on the City Hall and the Maintenance Facility located on Edison Street. He noted that the facilities are aging and needing more attention. The list of needed improvements has been prioritized and replacement schedules created.

**Human Resources.** The budget for Human Resources was detailed by Human Resources Director Julie Huisman. In 2010/11, 54 recruitments were launched. A total of 3,244

applications were received, which was an increase of 37% from 2009/10. NEO-GOV, the on-line applicant tracking system, significantly reduced the amount of paper and postage used by the Department. Ms. Huisman listed the key recruitments performed during 2010/11.

The Employee Development Center (EDC) attendance was down 11% from 2010/11. Under leadership development, 105 “Power Hours” had been offered on a variety of topics.

Under Compensation and Benefits, the City of Ames was awarded a GOLD Well-Workplace Award in October 2011. Ames is the only city in Iowa to receive that Award.

Ms. Huisman advised that negotiations are currently being held with four bargaining units.

Council Member Orazem noted that the number of protected-class applicants doubled; however, those hired did not match that. He asked for information on the actual hires to be forwarded via email to the Mayor and City Council.

**Risk Management.** Risk Manager David Eaton highlighted the workers’ compensation, safety, and insurance categories. It was noted that claims for workers’ compensation and property insurance claims are the main budget-drivers. Current data indicates the potential to achieve a reduction in the number of claims by year end. Initiatives that allow the City to get out ahead of the claims were explained by Mr. Eaton.

The 2012/13 budget includes a 5% increase in the cost of Casualty Insurance. Mr. Eaton reported that an RFQ process is currently underway to qualify and select a property insurance broker. He also described the formal appraisal process underway to ensure that City facilities are adequately insured.

**Health Benefits.** Human Resources Officer Doug Garnett reviewed the service objective of Health Insurance Management: to keep average healthcare cost increases below national and regional averages. The health insurance rate increase calculated based on total City contributions is 5% for 2012/13. Mr. Garnett explained the Plan design changes to the pharmacy co-pay amounts.

He outlined the three programs that have strengthened the City’s ability to moderate and absorb expected fluctuations: (1) Outcomes Medication Therapy Management Services, (2) Disease Management Services provided by Wellmark/Healthways, and (3) Health Promotion.

**City Clerk.** Diane Voss presented the City Clerk’s Division budget. The Council’s use of iPads allowed for a large reduction in the Printing line item. The cost of iPads will be offset in savings in staff time and materials in less than one year. Major expenses for the City Clerk’s Division are the publication of legal notices, minutes, and ordinances, which is projected to equate to more than \$35,000/year; and the 2013 City Election.

**Public Relations.** Susan Gwiasda, Public Relations Officer, listed ways that the City communicates internally and externally. There were 169 media releases during 2011.

The new website was launched in February. Pertaining to social media, the City participates in Twitter and Facebook.

Ms. Gwiasda described the ongoing “Blue Zones” project that began in October 2011. She also detailed the Eco-Smart programs pertaining to “Smart Energy.” City staff also participated in several conservation events at ISU, Ames Schools, and the Farmers’ Market.

Discussion ensued about the risks associated with the City participating in social media and possible ways to protect the City against those risks.

Ms. Gwiasda also explained the many events that will be coordinated by the Public Relations Office, specifically, the Boards and Commissions Luncheon on March 21, ECO Fair on March 24, Yard Waste Free Day in April, opening day at Furman Aquatic Center on May 27. It was emphasized by Ms. Gwiasda that there will not be a spring Free Day at RRP.

**Cable TV.** Ms. Gwiasda pointed out that Derek Crisler, Cable Coordinator, was present. During Mr. Crisler’s tenure with the City, there has been an increase in programming and continued improvement in quality of programming. Embedded videos have been added to the City’s website. Three replacement cameras for the Council Chambers have been purchased and another one will be added in the near future.

According to Ms. Gwiasda, the Public Access Channel will move back to Channel 16. Under Mr. Crisler’s leadership, there has been an increase in programs and continued improvement in quality there as well.

Council Member Goodman gave his appreciation for the multiple improvements that Mr. Crisler has made to Channel 12.

Ms. Gwiasda gave tribute to the interns who assist the Public Relations Officer and Cable TV.

The meeting recessed at 7:30 p.m. and reconvened at 7:40 p.m.

**Legal Services.** According to City Attorney Doug Marek, Legal staff litigated over 600 enforcement and collection cases to final judgment. They represented the City in more than 77 Administrative actions. Property assessment appeals increased 126%. The City Attorney and two Assistant Attorneys drafted or reviewed over 19,089 documents, which was a 60% increase. Electronic filing for all court cases was fully implemented. Mr. Marek listed the major initiatives and public improvement projects on which legal support has been provided.

Funding sources contributing to the Legal Services’ budget were identified: Resource Recovery, Parking, Electric, Sewer, Water, Fees and Fines, Mary Greeley, other departments, and General Fund. Expenditures were reviewed. Personal Services are up 1.1%, Contractual is up 2.9%, and Commodities are down 2.0%.

Mr. Marek informed the Council that as the workload increases, some services are going to have to be cut. He explained the ways that they have tried to manage increased requests for legal services.

**Planning & Housing.** Highlights on the budgets for Long-Range and Current Planning were presented by Planning and Housing Director Steve Osguthorpe. Activities under Long-Range Planning were listed as land use planning, zoning, special studies, and annexations. Mr. Osguthorpe identified significant Land Use Policy Plan amendments that had been approved over the past year. He also described the projects in process and those anticipated. Director

Osguthorpe distributed a list of text and map amendments that had been made during the past year that helped make development happen. Under Current Planning, the types of development applications processed were listed.

Director Osguthorpe said the economy had caused a slight decrease in some application types, but the majority of applications had been stable or even increased.

Mr. Osguthorpe told the Council that Ames had been selected to host the 2012 APA Planning Conference from October 31 to November 2, 2012.

**Leased Housing.** Vanessa Baker-Latimer, Housing Coordinator, reminded the Council that the City had relinquished the administration of the Section 8 Housing Choice Voucher Program to the Department of Housing and Urban Development. The Program is now being administered by the Central Iowa Regional Housing Authority (CIRHA), and the City's budget no longer reflects the administration of that Program.

**City-Wide Affordable Housing.** Ms. Baker-Latimer advised that the County-Wide Partnership has been dissolved; it was in effect since 1990.

Ms. Baker-Latimer is currently administering the Hazard Mitigation Flood-Buy-Out/Demolition Process and the Iowans Helping Iowans program. In FY 2011/12 and FY 2012/13, the budget reflects .32 FTEs to cover the administration of non-CDBG-related programs and/or activities. In FY 2011/12 and 2012/13, staff will continue to host community forums and events to educate and engage the public on various housing topics, such as Hunger and Homelessness Awareness, Fair Housing, and Housing Fairs.

**Community Development Block Grant (CDBG).** Ms. Baker-Latimer said that the number of programs under the CDBG will be reduced. The programs to be implemented will be as follows: (1) Neighborhood Sustainability Program, which includes home improvement, home buyer assistance, dangerous buildings, and single-family conversion pilot program; (2) Public Facilities Improvement Programs, which include neighborhood infrastructure improvements. The projects to be completed under the CDBG-Recovery Funds Project were also explained.

**City Council.** Assistant City Manager Sheila Lundt presented the budget for the City Council. She listed the events that are proposed to be funded by the Council in 2012/13. Ms. Lundt advised that the GSB end-of-the-year event will only occur if the GSB requests it. It was also noted that there has been a decline in participation in the Ames Citizens Academy/"Civics 101." She advised that, for that reason, Council might want to suspend that program for one year. Ms. Lundt advised, however, that there is money set aside in the budget should the Council want to continue it. Financial support for the Main Street Cultural District activities is not included in the 2012/13 Budget.

Iowa State University partnerships that the City Manager's staff has been involved in were outlined by Ms. Lundt.

**Executive Management.** Ms. Lundt gave several highlights of the City Manager's Office budget. The many boards and commissions headed by members of that Office were listed. A major initiative is to work with staff on Excellence Through People. That program is currently concentrating on the Total City Perspective and how staff can all work together to provide excellent service at the best price.

Ms. Lundt advised that, in FY 2012/13, the part-time intern position will be converted to a full-time Management Analyst position. That person will assist all of the departments with special projects, write grants, facilitate process-improvement teams, and coordinate in-house sustainability programs for the total organization. The FY 2011/12 Adjusted Budget also reflects her retirement.

**COMMENTS:** City Manager Schainker reminded the Council of pending issues that will need decisions made at Budget Wrap-Up on February 14:

1. Pedestrian bridge over Squaw Creek
2. Railing on the 6<sup>th</sup> Street Bridge
3. Garbage cans in Campustown
4. Repair of City-owned fence in front of Walgreen's
5. Move funding for FACES out of Hotel/Motel Tax
6. Dropping funding for AMOS' educational forums (back into the Council Contingency Fund)
7. Parking fines
8. Flood-mitigation projects

Council Member Goodman suggested that a workshop be held to discuss the flood-mitigation projects. Council Member Larson said he did not want to be put in the position of having to make a decision on February 14 without having enough information about what caused the problems. He reiterated that he did not want to set a precedent of approving City funding related to flooding problems without having all the details. Assistant City Manager Bob Kindred recommended that a certain amount of funding be allocated with no specific locations identified. City Manager Schainker told the Council that staff will brainstorm options and bring those back.

9. Utilities to the east and utilities to the north
10. The Campustown group request for \$25,000 to support a Director position.
11. COTA funding
12. ASSET funding

**ADJOURNMENT:** Moved by Davis to adjourn at 9:26 p.m.

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Diane R. Voss, City Clerk

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Ann H. Campbell, Mayor