

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

JUNE 19, 2012

The Ames City Council met in special session at 7:00 p.m. on the 19th day of June, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Ann Campbell presiding and the following Council Members present: Davis, Goodman, Larson, Orazem, Szopinski, and Wacha. *Ex officio* member Baker was also present.

RESOLUTION WAIVING PARKING ENFORCEMENT OF LOT M ON SATURDAY, JUNE 23, 2012: Mayor Campbell explained that the family of Howard Snider found another location for his funeral services, so the resolution is not necessary.

BRIEFING ON PROPERTY INSURANCE COVERAGE: Mayor Campbell asked Electric Services Director Donald Kom to update the Council on the power outage. Mr. Kom joined the meeting telephonically and explained that the major portion of a tree touched the 161kV transmission line and power was lost throughout the entire city shortly after 3:00 p.m. He updated the Council on how power was restored to the city. Mr. Kom said City staff has been working diligently the Iowa Utilities Board to install another 161kV line to the south. He said if that transmission line was in place an outage like this would not have occurred.

City Manager Steve Schainker said it is important to discuss property insurance coverage. He told the Council that FM Global has been the City's provider for many years, and because of rising premiums Risk Manager Dave Eaton has been pursuing other options. Mr. Schainker told the Council that a decision must be made at the meeting on June 26, 2012. He said historically, cities have tried to insure the full value of all their buildings, assuming one catastrophic event could destroy all buildings at the same time. He said that staff is now looking at not insuring up to 100% of every building and assuming more risk, which could save the City up to \$250,000 per year.

Risk Manager Dave Eaton reviewed the report, discussing the risk management process and how an organization can handle risk. He also reviewed letters and premium history from FM Global. Council Member Larson asked if the City has submitted any claims. Mr. Eaton said there was a CyRide claim of about \$800,000 for flood damage. Discussion ensued on the FM Global premiums.

Council Member Wacha asked why total insured values have increased. Mr. Eaton said appraisals were done on the Power Plant, CyRide, City Hall, and the gas turbines to make sure insured values are current. He said the appraisals resulted in about a \$12 million increase to insured values. Mr. Eaton said a category termed "multiple unnamed locations" was also analyzed which unveiled about \$7 million worth of properties and improvements that need added to the insurance policy. Mr. Eaton said the Intermodal Facility adds \$7.7 million and the ice arena will be insured in the main property program at \$4.1 million.

Mr. Eaton said the number of insurance companies with limit capacities to match the City's needs is very low, and also limiting the City is the number of companies that insure power generation. He said that the insurance broker contacted 16 insurance companies, of which seven provided terms, conditions, and rates, and the final four options are being presented.

Council Member Szopinski asked if it is in the best interest of the City to work with one insurance company. Mr. Eaton said it's not unusual to put together insurance programs

involving more than one insurance company. Mr. Eaton said that flood exposure is an additional challenge. Council Member Goodman asked if there are opportunities to be added to an insurance pool as a member of Midwest Independent System Operator (MISO). Mr. Eaton said the broker was not aware of any active pools.

Mr. Eaton showed Federal Emergency Management Agency (FEMA) flood maps of City locations located in flood zones. He said for facilities in a flood zone, insurance companies are restrictive in what they can offer for coverage. Mr. Schainker said CyRide will stay at its current location, but is planning to flood-proof the building during the next expansion. Finance Director Duane Pitcher said the culvert at the Water Pollution Control facility was widened and did not flood during the last flood event. There was also discussion on the location of the Intermodal Facility and the airport.

Mr. Eaton reviewed with the Council the self-insured risks that the City assumes. He also discussed a maximum foreseeable catastrophic loss scenario affecting all City facilities down the Lincoln Way corridor with devastation similar to the tornado that devastated Joplin, Missouri in May, 2011. Mr. Eaton discussed full replacement costs and cash values of City facilities. He said the question being considered is whether or not the City should continue buying about \$500 million worth of coverage.

Mr. Kom said the likelihood of replacing the Power Plant with another coal plant is unlikely because of new environmental regulations, and that most likely the City would build a gas turbine. He said the current insurance provider was asked if the City can insure partial value of the plant. The City was told that it must insure the full value, but if it must be replaced the City would not receive what it would cost to rebuild a coal plant, but rather what it would cost to build a gas turbine. Mr. Schainker told the Council the City is not sure it could ever replace the plant given the tight restrictions, so the City could be over-insuring itself. Mr. Pitcher said the City is buying coverage for something it likely could not do anyway.

Council Member Larson asked if, under any scenario, the City would receive a settlement if it didn't rebuild a facility. Mr. Eaton said if the City did not rebuild, then actual cash value of the damage would be received, which is the replacement cost less depreciation. He said if the entire Power Plant was lost, according to the recent appraisal, the actual cash value of the Power Plant would be \$112,663,000.

He discussed the current program with FM Global that will be expiring and the renewal quote from FM Global, which comprises Option A. Benefits and drawbacks of working with FM Global were discussed. Mr. Schainker said the premium proposal is \$823,915 which is a substantial increase. Discussion ensued on FM Global's loss control priorities. Mr. Schainker said there have been some disagreements with their recommendations. Mr. Kom said one of their recommendations was to directly sprinkle the turbines with water, which would destroy the turbines according to the manufacturer. Mr. Schainker said working with another company with a new perspective may be helpful.

Option B, a split program, was discussed. Mr. Eaton said for this option, property would be split between power-related and municipal-related with a premium of \$691,011. Mr. Schainker said with Option B there is \$300 million in coverage for power-related and \$141 million in municipal-related coverage. Council Member Goodman asked if FM Global has a lower value

option. Mr. Eaton said FM Global refused to offer a lower value option as they are not permitted to insure the power plant for less than its full replacement cost.

Mr. Eaton said that the City of Cedar Falls went through the same process of having an independent team evaluate brokers, and also ended up choosing Willis to do the marketing and ultimately chose AEGIS for its coverage. He said Cedar Falls went from insuring at 100% replacement values at \$170 million down to \$120 million in coverage. Discussion ensued on the expense of rebuilding a Power Plant.

Mr. Eaton reviewed Option C, which would be a split program with \$200 million in coverage for power-related, and \$141 million in municipal-related. Mr. Eaton said this option more closely lines up with the maximum foreseeable loss worksheet, and the premium would be \$601,089. He said this option does not include more coverage than the functional cost to replace megawatt capacity. Mr. Schainker asked for clarification on the replacement cost of the Power Plant. Mr. Eaton said the replacement cost, of which it is very unlikely the City could rebuild, is \$296 million, and the actual cash value of the Power Plant is \$112,663,000. Mr. Schainker reviewed the differences in power-related coverage for Options B and C.

Mr. Eaton reviewed Option D, a split program, with \$150 million in power-related coverage and \$141 million in municipal-related coverage at a premium of \$575,839. Mr. Eaton said this amount of coverage would still match up with the functional replacement cost of megawatts. He said it would be the lowest coverage the City could go with and still maximize the premium savings. Discussion ensued on possible scenarios given the United States Environmental Protection Agency (EPA) regulations and damage to the Power Plant.

Mayor Campbell asked if Mr. Eaton came up with the limit options. Mr. Eaton said \$300 million in power-related coverage is the most coverage available on a cost effective basis from the leading insurance companies as an alternate to FM Global, and covers the entire replacement cost of the coal plant. He explained that the option of \$150 million in power-related coverage would cover the replacement of the plant with alternate power and that the \$200 million in power-related coverage option came about because of the catastrophic property loss scenario that was looked at, of which power-related damages totaled \$196 million. He also said that the municipal-related coverage stays the same at \$141 million for Options B, C, and D and covers replacement values of all facilities in the municipal category.

Mr. Schainker asked what the power-related and municipal-related coverage breakdown would be for Option A. Council Member Goodman agreed that the information would be helpful for comparison. Mr. Eaton said he would provide that to Council.

Council Member Larson asked about the broker fee. Mr. Eaton said the fee is \$45,000 per year for routine services which includes policy administration and engineering. He said for the first year, a marketing fee of \$25,000 is also charged. Discussion ensued regarding the broker fee and proposed rates. Council Member Davis said FM Global is the only company that will work with the City directly, so the City needs a broker to access other companies.

Council Member Orazem said the City would not get \$515 million as in Option A if there was a catastrophe, but would only get what the City could rebuild. Mr. Eaton concurred. Member Orazem said it seems FM Global is deliberately overpricing.

Council Member Goodman said it would be helpful to see the account rates for Options B, C, and D. Mr. Eaton said he would provide those figures to the Council.

Mr. Eaton reviewed the flood limits and deductibles. Discussion ensued regarding the options.

Mr. Schainker said Council needs to determine the level of desired risk. He said protecting the City's money is very important and that he doesn't want saving money to be the only driving factor. Council Member Wacha said the only difference between Options B and C lies in the Power Plant, so Council needs to determine what the reasonable options would be if the Power Plant was destroyed. Member Orazem said if it would not cost more than \$200 million to build a new plant, the City wouldn't be buying extra coverage under Option C.

Council Member Goodman asked when the energy resource options study will be presented. Mr. Schainker said it should be completed by the end of this calendar year. Member Goodman said he feels that it is important to know what new generation will cost for insurance purposes. Member Larson asked if Council is just deciding on insurance coverage for one year. Mr. Eaton said the City will only be committing to one year.

Council Member Goodman asked how the deductibles would play out for Options B, C, and D given a catastrophic loss. Mr. Eaton said he would put together some scenarios. It was decided that the scenarios would assume a catastrophic loss down the Lincoln Way corridor as shown in the report, assuming a catastrophe like the tornado that devastated Joplin, Missouri in May, 2011.

Council Member Szopinski asked for clarification on the CyRide flood deductible. Mr. Eaton said that the \$500,000 flood deductible for CyRide is insured. He said that the City could also insure other deductibles. Discussion continued regarding the options.

Mr. Schainker introduced Assistant City Manager Melissa Mundt.

COMMENTS: Moved by Davis and seconded by Larson to refer to staff the request from Northcrest Community for an amendment to the Land Use Policy Plan .

Vote on Motion: 5-0-1. Voting aye: Davis, Goodman, Larson, Orazem, Szopinski. Voting naye: None. Abstaining: Wacha.

Moved by Davis and seconded by Szopinski to refer to staff the memo from Mr. Schainker regarding a vendor cart.

Vote on Motion: 5-0-1. Voting aye: Davis, Larson, Orazem, Szopinski, Wacha. Voting naye: None. Abstaining: Goodman.

Council Member Goodman said his thoughts are with the family of Sergeant Howard Snider.

Mayor Campbell reminded the Council that Thursday is Council Night at the Bandshell.

Council Member Larson commended staff for the response and efforts during the power outage.

ADJOURNMENT: The meeting adjourned at 9:12 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor

Erin Thompson, Recording Secretary

**MINUTES OF THE SPECIAL MEETING OF THE
AMES CONFERENCE BOARD, REGULAR MEETING OF THE AMES AREA
METROPOLITAN PLANNING ORGANIZATION POLICY COMMITTEE, AND
REGULAR MEETING OF THE AMES CITY COUNCIL**

AMES, IOWA

JUNE 26, 2012

SPECIAL MEETING OF THE AMES CONFERENCE BOARD

The Special Meeting of the Ames Conference Board was called to order by Mayor Pro Tem Jami Larson at 6:30 p.m. on June 26, 2012. In addition to Mr. Larson, present from the Ames City Council were Jeremy Davis, Matthew Goodman, Peter Orazem, Victoria Szopinski, and Tom Wacha. Story County Supervisors present were Wayne Clinton and Rick Sanders. Representing the Ames School Board were David Putz and Bill Talbot. Gilbert School District and United School District were not represented.

AMENDMENT TO 2012/13 CITY ASSESSOR'S BUDGET: City Assessor Greg Lynch explained that the Iowa Legislature had passed a law in regards to the Special Appraiser's Fund (House File 524). The Special Appraiser's Fund will be eliminated, and in order to be in compliance with House File 524, the 2012/2013 Assessor's budget will need to be amended to transfer \$387,352 from the Special Appraiser's Fund to the Assessment General Fund. A public hearing is required on the amendment, and a notice will need to be published.

Moved by Davis, seconded by Sanders, to set the date of public hearing for July 10, 2012, for amendment to the 2012/13 City Assessor's Budget to transfer money from the Special Appraiser's Fund to the Assessment General Fund.

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

ADJOURNMENT: Moved by Clinton, seconded by Davis, to adjourn the Ames Conference Board at 6:36 p.m.

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

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

The Ames Area Metropolitan Planning Organization (AAMPO) Transportation Policy Committee met at 6:37 p.m. on the 26th day of June, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with the following voting members present: Clinton, Davis, Goodman, Larson, Orazem, Szopinski, and Wacha. Rudy Koester, City of Ames Transportation Planner, and Tracy Warner, Municipal Engineer were also present. Voting Members Campbell and O'Brien were absent, and the Transit representative has not yet been named.

HEARING ON FISCAL YEAR 2013-16 TRANSPORTATION IMPROVEMENT PROGRAM

(TIP): Mr. Koester explained that the TIP provides for projects for street improvements, CyRide improvements, and trail projects. It also reflects expenditures for an annual pavement management program and support of the Statewide Urban Design and Specifications program. It was reported that a public input session was held on May 1, 2012, with no revisions being requested. Comments were made by the Iowa Department of Transportation (IDOT), the Federal Highway Administration, and the Federal Transit Administration and were addressed in the documents. Mr. Koester advised that the street project for FY 2013 is State Avenue from Oakwood Road to U. S. Highway 30 Overpass. Also, enhancement funds for FY 2013 will be banked and used along with the FY 2014 enhancement funds for the Skunk River Trail Extension from East Lincoln Way to South River Valley Park.

Mayor Pro-Tem Larson opened the public hearing. No one wished to speak, and the hearing was closed.

Moved by Clinton, seconded by Davis, to approve the FY 2013-16 Transportation Improvement Program (TIP).

Vote on Motion: 7-0. Motion declared carried unanimously.

COMMENTS: Supervisor Clinton said that he had received documents from the City of Ames regarding the AAMPO programming for the reconstruction of State Avenue for 2013, which included a 28E Agreement for Story County's review and comment. He had asked Darren Moon, Story County Engineer, for feedback. Mr. Clinton reported that the 28E will be on the Story County Board of Supervisors' meeting agenda of July 3, 2012. He also advised that the County had not budgeted for the project in FY 2013. Municipal Engineer Tracy Warner said that one of the City's engineers could be at the Board of Supervisor's meeting on July 3. She advised that the cost for the project would come out of maximizing the use of the STP funds through the AAMPO with the local match being split between Story County and the City of Ames.

ADJOURNMENT: Moved by Clinton, seconded by Szopinski, to adjourn the meeting at 6:45 p.m.

REGULAR MEETING OF THE AMES CITY COUNCIL

The regular meeting of the Ames City Council was called to order by Mayor Campbell at 6:48 p.m. on June 26, 2012, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Davis, Goodman, Larson, Orazem, Szopinski, and Wacha. *Ex officio* Member Baker was also present.

PROCLAMATION FOR "SUMMER OF SMART IRRIGATION:" Mayor Campbell read a Proclamation naming the season as the "Summer of Smart Irrigation," urging conservation of water and limited runoff by appropriate irrigation practices. Accepting the Proclamation were John Dunn, Director of Water and Pollution Control, and Steve DuVall, Assistant Director of Water and Pollution Control. Mr. DuVall spoke of the demands placed on the water supply caused by irrigation during the summer months. He noted that the water conservation campaign i.e., Smart Irrigation, is particularly important this summer due to the unusually hot and dry weather. The purpose of the campaign is not to discourage Ames residents from irrigating, but rather to encourage them to use smart irrigation techniques.

CONSENT AGENDA: Council Member Orazem requested to pull Consent Item No. 24 (Change Order #44 for the addition of the bike path to the Intermodal Facility) for separate discussion. The Mayor noted that staff had asked to pull Item No. 34 (Northridge Heights Subdivision, 15th Addition) for further explanation to the City Council.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of June 12, 2012
3. Motion approving Report of Contract Change Orders for June 1-15, 2012
4. RESOLUTION NO. 12-325 approving and adopting Supplement No. 2012-3 to *Municipal Code*
5. RESOLUTION NO. 12-326 approving appointment of Council Member Peter Orazem to Ames Economic Development Commission Board of Directors
6. RESOLUTION NO. 12-327 approving appointment of Julie Gould to fill vacancy on Planning and Zoning Commission
7. RESOLUTION NO. 12-328 approving 2012/13 Pay Plan

8. RESOLUTION NO. 12-329 approving 2012/13 Funding Agreement with Ames Economic Development Commission
9. RESOLUTION NO. 12-330 approving 2012/13 contract for Sustainability Coordinator
10. RESOLUTION NO. 12-331 approving contract with Iowa Economic Development Authority for State Energy Program funds totaling \$63,000 for three projects
11. RESOLUTION NO. 12-332 approving 2012/13 Human Services Contract with Big Brothers/Big Sisters
12. RESOLUTION NO. 12-333 approving 2012/13 Human Services Contract with Red Cross
13. RESOLUTION NO. 12-334 delegating staff the ability to administratively approve closure of 5th Street west of Clark Avenue to repair a water valve
14. RESOLUTION NO. 12-335 approving preliminary plans and specifications for 2011/12 Collector Street Paving Improvements (Ridgewood Avenue - 13th Street to 16th Street); setting July 18 , 2012, as bid due date and July 24, 2012, as date of public hearing
15. RESOLUTION NO. 12-336 approving preliminary plans and specifications for 2011/12 Storm Sewer System Improvements (Country Club Boulevard); setting July 18, 2012, as bid due date and July 24, 2012, as date of public hearing
16. RESOLUTION NO. 12-337 approving preliminary plans and specifications for 2012/13 Collector Street Paving Improvement (Meadowland Avenue - 13th Street to Carr Drive/Carr Pool Demolition); setting July 18, 2012, as bid due date and July 24, 2012, as date of public hearing
17. RESOLUTION NO. 12-338 waiving City's purchasing policy requirement for formal bidding procedures and authorizing purchase of software maintenance from Sungard Public Sector
18. RESOLUTION NO. 12-339 awarding contract to Jordan Transformer LLC, of Jordan, Minnesota, in the amount of \$9,327.00, plus applicable sales taxes, for Top-O-Hollow Transformer LTC Installation
19. RESOLUTION NO. 12-340 approving contract and bond for Southeast Entryway Project
20. RESOLUTION NO. 12-341 approving contract and bond for Brookside Park - East Side Improvements
21. RESOLUTION NO. 12-342 approving contract and bond for 2010/11 Asphalt Pavement Improvements (Abraham Drive and Todd Circle)
22. RESOLUTION NO. 12-343 approving contract and bond for Unit No. 8 Feedwater Heater Replacement
23. RESOLUTION NO. 12-345 approving renewal of contract with ChemTreat, Inc., of Glen Allen, Virginia, in an amount not to exceed \$224,000 for Power Plant Chemical Treatment Services and Supplies
24. RESOLUTION NO. 12-346 approving renewal of contract with Plibrico Company, LLC, of Omaha, Nebraska, in an amount not to exceed \$475,000 for Power Plant Boiler Maintenance and Repair Services
25. RESOLUTION NO. 12-347 approving renewal of contract with Allied Valve, Inc., of Bettendorf, Iowa, in an amount not to exceed \$55,000 for Valve Maintenance, Testing, Repair, Replacement, and Related Services and Supplies
26. RESOLUTION NO. 12-348 approving renewal of contract with Bodine Services of Clinton, LLC, of Clinton, Iowa, in an amount not to exceed \$49,500 for Specialized Wet/Dry Vacuum, Hydro Blast, and Related Cleaning Services for Power Plant
27. RESOLUTION NO. 12-349 approving renewal of contract with Asplundh Tree Expert Company of Fairfax, Iowa, in an amount not to exceed \$275,000 for 2012/13 Electric Distribution Line Clearance Program
28. RESOLUTION NO. 12-350 accepting completion of Precipitator Wire Replacement Project
29. RESOLUTION NO. 12-351 accepting completion of 2009/10 Arterial Street Pavement Improvements (13th Street/Stange - UPRR Overpass)
30. RESOLUTION NO. 12-352 accepting completion of 2010/11 Asphalt Resurfacing & Seal

Coat/Asphalt Reconstruction Program (IJOBS - East O'Neil Drive and Hunziker Drive)

31. **RESOLUTION NO. 12-353** approving Minor Final Plat for Green Hills Community Subdivision, 1st Addition

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

CHANGE ORDER #44 FOR ADDITION OF BIKE PATH TO INTERMODAL FACILITY:

Council Member Orazem asked how the City was able to include the bike path. Sheri Kyras, Transit Director, advised that the bike path extension (through Iowa State University's Arboretum to connect with the existing bike path on State Avenue) was originally included in the bid package as a \$285,000 bid alternate, but was not accepted as part of the contract due to budget concerns at that time. Staff has now determined that grant funding is available to complete the bike patch and has prepared a Change Order in the amount of \$304,906. The Federal Transit Administration has indicated that the bike path extension is an addition to the project that it would like to see included. The Transit Board of Trustees approved the Change Order at its June 25, 2012, meeting.

Moved by Orazem, seconded by Wacha, to adopt RESOLUTION NO. 12-344 approving Change Order #44 for the addition of the bike path to the Intermodal Facility.

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

NORTHRIDGE HEIGHTS SUBDIVISION, 15TH ADDITION: Planning and Housing Director Steve

Osguthorpe stated that the fire truck turn-around for this Subdivision still needed to be completed. Approval of the Final Plat for Northridge Heights Subdivision, 15th Addition will need to be deferred to the July 10, 2012, City Council meeting.

PUBLIC FORUM: No one came forward to speak.

REPORT ON HOSPITAL/MEDICAL (H/M) DISCUSSION GROUP: City Manager Steve Schainker advised that at its January 2012 Goal-Setting Meeting, the City Council had directed him to facilitate H/M Zone discussions between the medical providers and surrounding neighborhood association representatives to identify a mutually acceptable long-term solution to meet future expansion needs. That assignment was the outgrowth of the approval of McFarland Clinic's request to expand its facilities east of Duff Avenue; said approval had generated significant concern from adjacent property owners.

Members of the Discussion Group were introduced as follows:

Linda Feldman, Sunrise Neighborhood Association
Sharon Wirth, Historic Old Town Neighborhood Association
Jim Popken, North Old Town Neighborhood Association
Ray Bratsch-Prince, Bandshell Neighborhood Association
Sheri Anderson, Neighborhood Association north of 13th Street adjacent to the H/M Zone
Brian Dieter, Mary Greeley Medical Center
Steve Koger and Roger Kluesner, McFarland Clinic

In response to the Council's directive, the City Manager had met with medical providers and neighborhood representatives on December 1, 2011 to plan for upcoming meetings. Five additional meetings were held on January 26, 2012; February 23, 2012; March 22, 2012; April 5, 2012; and

May 3, 2012. Mr. Schainker emphasized that he had required the Group to brainstorm, but no

attempt was made to reach consensus within the Group on the comments made.

Mr. Schainker provided a Summary Report on the Hospital/Medical Group discussions. He noted the goals that had been agreed to by the participants and provided the perspectives of both the neighborhood representatives and the medical providers. The Group agreed that there were three viable strategies to accommodate expansion of the medical industry: (1) Intensification of medical uses within the current H/M Zone boundaries, (2) Expansion of the existing H/M Zone boundaries in an acceptable way, and (3) Move the new medical uses outside of the existing H/M Zone boundaries.

It was reported by Mr. Schainker that the Group had agreed to the following next steps:

1. A report needed to be written and presented to the City Council summarizing the discussions of the Group members and their recommendations.
2. The Group will meet throughout each year - at some yet to be agreed to interval - to discuss future facility needs as well as other issues of concern.
3. The Group will be expanded to include two representatives from each of the five surrounding neighborhoods and two representatives from both the Medical Center and Clinic.
4. The Group will work to develop conceptual strategies to facilitate growth within the current LUPP boundaries, recognizing boundary adjustments may happen.
5. The Group will decide at one of its future meetings when the time is right to begin the process of developing the growth strategies.

Jim Popken thanked the City Council, Mary Greeley representatives, McFarland Clinic representatives, and neighborhood representatives. He said that after 13 meeting hours, which oftentimes were contentious, some positives had resulted, one of which is that the Group is beginning to see each other's perspectives. Mr. Popken reported that all members of the Group had agreed that there was no need to change the Land Use Policy Plan (LUPP) in relation to the Hospital/Medical Zone for three to five years. The Group also agreed that it needed to find a way to make intensification of the H/M Zone more attractive, specifically, economically.

Brian Dieter stated that it was difficult to truly understand what had occurred from a Summary Report. He agreed with Mr. Popken in that a real positive was to hear and try to understand each other's perspectives. Mr. Dieter emphasized that it was important for the discussions to continue as there are many things yet to be decided, e.g., when the time is right to develop growth strategies.

Sharon Wirth brought the Council's attention to the five points agreed to by the Group. She pointed out that the meetings had changed the long-standing pattern of how the neighborhood residents and the medical providers interact. Ms. Wirth noted that it will be important for the City Council to be involved and supportive.

Linda Feldman encouraged others in the community to be creative and share comments and innovative ideas for solutions with the Group.

Steve Koger offered his opinion that the meetings had been productive. He also stressed the

importance of continuing the discussions. It is important for the Group to find a pool of things that would work for both the neighborhood and medical providers.

Council Member Wachua agreed with Ms. Wirth that the City Council will need to take a very active leadership role in an eventual long-term solution.

Council Member Orazem noted that 5% of the people employed in Story County are employed by the two medical providers (Mary Greeley Medical Center and McFarland Clinic). It was his opinion that a main problem is that the Land Use Policy Plan did not seriously consider the medical providers' needs to expand.

Council Member Szopinski asked for someone to speak on the use of consultants to assist the City in dealing with the need for expansion of medical providers while considering the infringement on established neighborhoods. Mr. Dieter said that it was important to first determine the work product – what the Group would be looking to accomplish - if consultants were hired. Ms. Wirth said she believes that at some point a consultant will be beneficial to the group.

Ms. Feldman said that she felt it was important to have ideas put down on paper that would show a conceptual well-thought-out and planned medical campus. Council Member Orazem agreed that it was important for people to know what to expect.

Council Member Davis agreed that this topic affects the entire community and suggested that the Group expand to include two representatives from neighborhoods not adjacent to the H/M boundary.

Council Member Larson suggested that the Group start thinking about where horizontal expansion could happen and what amenities could be included to make it neighborhood-friendly, e.g., pocket parks. Mr. Larson said that he hoped that the brainstorming sessions would involve not only the City Council and the Hospital/Medical Group, but also the City's Planning Department.

Council Member Goodman said that he hoped the medical providers would commit to not moving forward with any land acquisition in the interim. He felt that that kind of commitment would create a lot of trust in the neighborhood and ensure that issues could be worked out prior to expansion occurring.

Anne Kinzel, 720 Duff, Ames, raised two points: (1) There is a lot of uncertainty concerning the subject of health care. She pointed out that national powers do and will continue to influence the medical providers in Ames. (2) There is a need to find a way to intensify within or in proximity to the existing medical boundaries and pointed out that there are very few rules about what it means to locate businesses in residential neighborhoods.

Christianna White, 1421 Carroll Avenue, Ames, echoed appreciation to the Group and City Manager for meeting on this topic and to the City Council for supporting the process. She described the RON (Ring of Neighborhoods), which represents a group residents who live near the actual H/M Zone. The RON met regularly with and provided input to the Neighborhood Association representatives of the Group. She explained topics that had been discussed by the two groups. Ms. White encouraged that the next meeting of the Group occur prior to October and that it meet more frequently.

David Hallock, 114-8th Street, Ames, said that he lives three blocks from Mary Greeley Medical

Center. It is his belief that discussions should be held prior to when an actual need for expansion arises. He stressed that it was important to develop conceptual strategies that are scalable. Mr. Hallock applauded the Council for its directive to the City Manager to facilitate the Group.

The meeting recessed at 8:00 and reconvened at 8:05 p.m.

RENTAL INSPECTION CYCLES: Ms. Campbell advised that no action would be required of the City Council on this item; it was for information only.

Chief Clint Petersen introduced Natalie Herrington, Rental Inspection Supervisor, and Macaley Johnson, Rental Housing Inspector. Ms. Herrington introduced Julie Erickson, Principal Clerk.

Chief Petersen brought the Council's attention to a staff report on Rental Housing Inspection Cycles, which was originally provided to the City Council on December 9, 2011. He noted that one of the motivating reasons for a major revision was that the existing Rental Code had been modified 27 times over a 17-year period, which had created inconsistencies and difficulties for enforcement and compliance. It was noted that a citizen committee of rental property owners, renters, and neighborhood representatives recommended wide-ranging changes to Chapter 13, the Rental Housing Code.

Attention was brought to the data on how Ames' rental inspection cycles compared to other Iowa communities.

Ms. Herrington reported on how the new Program was working.

Ms. Johnson described the types of inspections performed by City personnel. The total number of rental units is 12,181; that number will be increasing. The Council was shown examples of rental units that staff had found in disrepair. Ms. Johnson stated that a longer or extended cycle will not allow for issues to be taken care of in a timely manner; many items, e.g., mechanical, require immediate action. Ms. Herrington stressed the need for inspectors to routinely visit rental units. She described how the recent increase in staff had benefitted the City and rental unit owners and tenants by increasing the level of safety for occupants/citizens.

Ms. Herrington said that she and Ms. Johnson would welcome the Mayor and Council members to accompany them on property inspections.

Chief Petersen told the Council that after the first year, Ms. Herrington and Ms. Johnson had cleared approximately 200 pending inspections. He gave the results from using the variable inspection cycle, specifically showing what five-year and six-year rental inspection cycles would look like. Chief Petersen emphasized that one inspector could not handle the work load. The Rental Inspection budget was reviewed, which revealed that expanding the inspection cycle would not save the City money. It was noted that the 2011/12 rental registration fees increased by an average of 17%. The 2012/13 approved budget calls for a 1.4% increase, which will equate to approximately \$5,000. It is estimated that new rental units coming into the Program in FY 2012/13 will range from anywhere from 151 to 270.

According to Chief Petersen, direction will be required by the Council to staff if the variable inspection cycles should be modified. He noted that, given the relatively recent implementation of the existing variable cycle, as well as the many recent *Code* revisions and staffing changes, staff is recommending that more time be given to test the new system before further modifications are

made. Council Member Larson said that it was important for the Rental Housing Association and the public to have an opportunity to hear the report and provide input.

At the inquiry of Council Member Szopinski, Chief Petersen advised that the inspection staffing levels in the City are very low compared to other cities, e.g., Iowa City has five inspectors.

Council Member Davis clarified that Rental Inspector McCaley Johnson is full-time and the plan is to keep the position full-time. He said that the Mayor and City Council had been receiving emails encouraging them to make Ms. Johnson's position full-time; however, this discussion was not about whether Ms. Johnson should be part-time or full-time.

Ex officio Sawyer Baker commented that she had witnessed the City's awareness efforts in the Great Hall of the Memorial Union.

DEVELOPER'S AGREEMENT FOR 605 AND 619-719 EAST LINCOLN WAY: City Manager Schainker recalled that the City Council had referred to staff, on June 12, 2012, a request from Kurt Friedrich for additional time to meet his obligation to construct additional parking spaces at his building at 605 East Lincoln Way. It was noted that Mr. Friedrich had, four months ago, sought approval to rent a portion of the building for a health club. There are 28 parking spaces available on the site, but according to the *Municipal Code*, the proposed health club use would require all 28 spaces, which means that there are not enough parking spaces to satisfy the requirements for the remaining 4,500 square feet of vacant space. To remedy that, staff had offered an innovative approach through the use of a Development Agreement, which granted temporary occupancy to the health club and use of all 28 parking spaces on the site. In exchange, the owner agreed to install an asphalt drive along the north side of 615-719 East Lincoln Way, construct a new parking lot that abuts the east side of 605 East Lincoln Way with not less than 13 spaces by no later than July 1, 2012, and not rent or occupy the remaining space at 605 East Lincoln Way until the new remote parking lot is completed. Mr. Friedrich has asked to extend the time frame to meet that obligation due in part, to the City considering reducing the parking requirements for existing buildings when the use changes. Mr. Schainker advised that, due to current workloads, staff has not yet analyzed the impact of such a parking requirement reduction.

Council Member Goodman asked if there were other developers who were in this same type of situation. Mr. Schainker said he was not aware of any similar situations. Mr. Goodman said that the City would have to ensure that the Occupancy Permit is withheld for the remaining 4,500 square feet of vacant space. If that is the case, it seemed reasonable to him to allow the extension.

According to Mr. Schainker, he could support delaying the requirement for up to one year if the existing Developer's Agreement would be modified. He would also want to ensure that all requirements originally agreed to remain. Mr. Schainker said that if the Council were in agreement, he and City Attorney Marek would need to draft the amendment.

Moved by Davis, seconded by Wacha, to adopt RESOLUTION 12-356 approving the request and authorizing the Mayor to execute an amendment to the March 2012 Development Agreement with R. Friedrich and Sons, Inc., to allow for the completion of the required new remote parking lot no later than July 1, 2013.

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

REQUEST OF MID-IOWA COMMUNITY ACTION (MICA) FOR MODIFICATION TO

2011/12 HUMAN SERVICES CONTRACT: Project Manager Brian Phillips told the Council that MICA was requesting to modify its 2011/12 ASSET allocations by moving \$3,252 in unspent funds from the Family Development Program to the Food Pantry Program. MICA indicated that the change was necessary because of turnover in family development staff. A new staff member had been hired, but will not begin work until the conclusion of the City's 2011/12 contract. The Food Pantry Program's allocation was spent by January. Since then, MICA had incurred approximately \$21,000 in additional Food Pantry expenses. Mr. Phillips noted that those funds had been expended, so if Council were to authorize a contract amendment, it should be applied retroactively in order to make those costs eligible for reimbursement. According to Mr. Phillips, the Story County Board of Supervisors had a concern about undermining the ASSET process by amending the agreed-upon allocations and voted to transfer \$4,500 of the requested \$6,460 to the Food Pantry Program. Mr. Phillips advised that \$4,366.09 remains in MICA's Family Development and Education Program.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION 12-357 authorizing an amendment to the City's 2011/12 contract with MICA to move \$3,252 in unspent Family Development and Education funds to the Food Pantry program.

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

REQUEST OF HEARTLAND SENIOR SERVICES FOR SUPPLEMENTAL FUNDING FOR 2011/12 HUMAN SERVICES CONTRACT: Brian Phillips advised that Heartland Senior Services (Heartland) had requested ASSET funders for additional funds to supplement its 2011/12 allocations in the Nutrition Program. It is projecting a deficit of \$36,052 in its Nutrition Program, split between Congregate Meals (\$10,328) and Home-Delivered Meals (\$25,723.80). Heartland is requesting an additional \$5,990.47 in City funds for 2011/12 based on the proportionate share of City clients participating in Congregate Meals. Story County and United Way are being asked for additional funding for both Congregate Meals and Home-Delivered Meals. The City does not fund Home-Delivered Meals. Over the past nine months, Heartland has been in the process of revising its budget to provide a true cost of service. It has experienced an increase in the price of food and fuel.

According to Mr. Phillips, the County Board of Supervisors, at its meeting held today, advised that it would like to see the volunteers for ASSET's Panel 1 first consider the request and make a recommendation on whether additional funds should be allocated for the Program. The County's draw-down date for FY 2011/12 had already past, so it is aware of what funds might not have been drawn down by other agencies for the year. Mr. Phillips advised that if the City allocates additional funding, it would come from the Local Option Sales Tax Fund Balance. He also stated that United Way had not made its decision on this request. City Manager Schainker stated that staff did not recall a time in the past when an agency has requested additional funds after the allocation process has concluded.

Elizabeth Beck, Heartland Senior Services, 205 South Walnut, Ames, advised that some of their funding comes from Aging Resources of Iowa (federal funding from the Older Americans Act), which does not allow them to charge a fee for meals. It does allow for contributions to be requested. With permission from Aging Resources, Heartland has set the contribution request at \$3.50; however, the average contribution received is between \$2.85 and \$2.91/meal. The actual meal costs an average of \$8.50 (between congregate and meal delivery). Aging Resources pays \$2.58 towards that \$8.50; from the USDA, \$.45, which equates to \$3.03. Even with a \$3.50 contribution and the reimbursement from Aging Resources of Iowa and USDA, Heartland is approximately \$2.00 short for every meal. According to Ms. Beck, a total of 42,000 meals are provided annually.

According to Ms. Beck, each congregate site must have a Registered Site Manager, who passes certification standards; that alone costs approximately \$10,000/year per meal site. Ms. Beck advised that Maxwell, McCallsburg, and Zearing congregate meal sites had already been closed. Without the additional funds, Ms. Beck advised that Heartland would have to look at eliminating the Congregate Meal Program.

City Manager Schainker emphasized that the situation would likely be recurring. If the Council were to choose to make up the difference this fiscal year, a precedent would be set. Ms. Beck pointed out that the City of Ames had allocated \$22,266 towards the ASSET's contribution for Heartland for FY 2012/13; in FY 2011/12, Heartland was allocated \$14,700. On behalf of Heartland, Ms. Beck stated that they are committed to stay on budget if it is possible; it is difficult to say how many meals will be served.

At the inquiry of Council Member Larson, Ms. Beck advised that Heartland does post the cost of the meal along with the requested contribution; however, Aging Resources only permits them to post the cost of \$7.44. Aging Resource will not increase its contribution; it is flat until FY 2015. They will allow the requested contribution to increase to \$3.60. According to Ms. Beck, they received a donated 12-year-old oven to replace the 37-year-old oven and are hoping to see some efficiency from that.

Moved by Goodman, seconded by Szopinski, to adopt RESOLUTION NO. 12-358 amending the Heartland Senior Services 2011/12 ASSET contract to reflect the higher cost-per-unit in order to provide an additional \$5,990.47 in the Congregate Meals program.

Council Member Larson advised that he does not want the Congregate Meal Program to cease; however, he would prefer to send the request back to ASSET for evaluation and recommendation since it is not just the City of Ames' funds that are involved.

Council Member Wacha said that he was not supportive of the motion as there is a process in place to allocate ASSET funding that works well. The City Council hears requests from agencies for funding short-falls during budget time. He noted that there is not an ASSET agency that could not use more money, and he is concerned about setting a precedent. Mr. Wacha would like the request sent to ASSET for recommendation.

Mr. Phillips advised that the ASSET Administrative Team will meet on July 11, 2012; however, Panel 1 would have to be brought together earlier than that to discuss the request. Finance Director Duane Pitcher stated that the absolute final deadline for disbursements from the City would be around July 20, 2012. Ms. Beck noted that Heartland does not close its books for its fiscal year until after it receives its Transit dollars, which will be in October.

Council Member Szopinski sees the request in question as a unique situation and believes that the issues that caused the situation are being addressed as well as possible.

Roll Call Vote: 3-3. Voting aye: Goodman, Szopinski, Orazem. Voting nay: Davis, Larson, Wacha. Resolution failed.

Noting that only \$5,990.47 was being requested from the City and the service provided was crucial to many in the community, Council Member Goodman expressed his disappointment in the lack of support for the motion.

Moved by Wachar, seconded by Larson, to refer the request back to the ASSET Panel for its recommendation as to how to proceed regarding the City's portion of the funding.

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

LIBRARY CONSTRUCTION/RENOVATION: City Manager Schainker recalled that, during the informational campaign leading up to the Library bond referendum, the Library Board had emphasized that the renovation of the facility would involve a \$20,000,000 project funded by \$18,000,000 in General Obligation Bond revenues, \$1,000,000 from a previous Library bequest already in the City accounts, and \$1,000,000 from future donations. Mr. Schainker stated that he had recently been informed that the estimated project cost had grown to over \$20,000,000, and the amount of donations received to date totaled only \$313,000. The remaining donations were to come from yet-to-be-received pledges that are scheduled to be paid over a period of three years, and even the outstanding pledges (\$470,966) will not generate sufficient revenue to cover the new estimated project cost.

Mr. Schainker reported that the City is about to incur substantial costs; therefore, an update as to how the project will be financed needed to be given to the Council. There is one contract on this Agenda and there will be another in the near future for leasing temporary space for the Library to move into during the construction/renovation.

According to Mr. Schainker, the City had never proceeded with a project based on projected pledges. He noted that he preferred that there be a plan in place to only enter into project contracts that total the actual cash on hand. In addition, it is not unusual for departments to cut back their project cost and eliminate some of the amenities they had hoped for to stay within the revenue available at the time of bid letting.

Although the City hopes to accomplish a project totaling over \$20,000,000, the Library Board is willing to accomplish the project in phases, starting out with \$19,458,000 (cash on hand), and as revenue comes in through fund-raising, the final important pieces of the project will be able to be finished. Mr. Schainker reviewed the budget: Bond Proceeds of \$18,000,000; Existing Bequests of \$1,085,000; Grant Secured: \$60,000; and Donations Received to Date: \$313,000. Expenditures were also listed. City Manager Schainker emphasized that it was important for the Council to understand the financing strategy for the Library project prior to approving any contracts.

Kevin Stowe, President of the Library Board of Trustees, advised that the Library Board was very supportive of the approach being recommended by Mr. Schainker to finance the renovation project. The Board had agreed to only obligate the City to contracts where there is cash on hand to support the financial obligation. While the total project cost is estimated to be \$20,085,000, the Library Board had agreed to proceed with a project totaling \$19,458,000 to match existing revenues. As additional revenues are received, additional improvements can be added to the project. Fund-raising activities are continuing. Mr. Stowe advised that the Library Board has received a Letter of Understanding with Hastings for a temporary location.

Council Member Wachar suggested that, if the Board is forced to make cuts, the \$62,000 for the LEED certification should be the first thing cut. He advised that he had formerly worked very closely with the LEED Program and the items that allow for energy savings can be done without the certification; all the LEED certification gets you is a "plaque on the wall and your name on a list."

It was noted that the Board of Trustees and the architect through a series of presentations on the bond issue had told the community that LEED Certification would be sought. City Manager

Schainker also relayed that the Board was following the direction of the City Council that it wanted all new buildings to be LEED-certified under its Sustainable Community goal.

Council Member Larson noted that the final cost for the project won't be known until it is bid. He is interested in the type of bidding structure that will be used. Brad Heemstra advised that it is a single prime general contract, project delivery method. The construction cost estimate is from the architect's consultant, CPMI, based on the design development documents.

Moved by Goodman, seconded by Szopinski, to adopt RESOLUTION NO 12-359 authorizing the City Manager to sign the Professional Services Agreement for LEED Certification.

Recalling that the LEED Certification component had been told to the voters, Council Member Wacha advised that he would support the motion. However, he suggested that the City Council might want to revisit its directive to always pursue LEED Certification and possibly change it to build to LEED standards, and if the funding is there, pursue certification.

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

ENCROACHMENT PERMIT FOR 410-412 DOUGLAS: Moved by Davis, seconded by Larson, to approve an Encroachment Permit for awnings at the Ames Pantorium building, 410-412 Douglas Avenue.

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

FIREWORKS PERMIT: Eric Divishek, Chairman of the Jaycees Fireworks Committee, explained the circumstances surrounding the fireworks shoot occurring on July 3, instead of July 4. He said that for the last couple years, fireworks have been shot from City property next to the Ames Christian School. Since the last fireworks display, apartment complexes have been built at that location. The Jaycees did not get permission from one of the complexes to hand-fire from that location; so, on May 10, 2012, the Jaycees made the decision to go with an electronic shoot from ISU property. J & M Displays, who sells the fireworks, attempted to find a technician for the electronic shoot for the 4th, but could not, so they had to commit to an alternate date (July 3). Mr. Divishek apologized to the City of Ames.

Moved by Davis, seconded by Wacha, to approve a permit to shoot fireworks from ISU Lot G7 on July 3, 2012, at approximately 9:45 p.m., with rain date of July 7, 2012, subject to approval from ISU Risk Management.

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

CLASS C LIQUOR LICENSE FOR TEXAS ROADHOUSE: Moved by Davis, seconded by Szopinski, to approve a Class C Liquor License for Texas Roadhouse, 519 South Duff Avenue.

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

OUTDOOR SERVICE AREA PRIVILEGE FOR AMERICAN LEGION #37: Moved by Davis, seconded by Larson, to approve an Outdoor Service Area privilege on July 14, 2012, for American Legion #37, 225 Main Street.

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

5-DAY CLASS C LIQUOR LICENSE FOR OLDE MAIN BREWING COMPANY: Moved by Davis, seconded by Larson, to approve a 5-Day Class C Liquor License for Olde Main Brewing

Company at the ISU Alumni Center, 420 Beach Avenue.
Vote on Motion: 6-0. Motion declared carried unanimously.

SHRINE BOWL PARADE ON JULY 21, 2012: Moved by Goodman, seconded by Wacha, to approve RESOLUTION NO. 12-360 approving closure of portions of Main Street, Douglas Avenue, Fifth Street, Burnett Avenue, Kellogg Avenue, Pearle Avenue, and Clark Avenue from 8:00 a.m. to approximately 11:00 a.m. for parade scheduled at 9:30 a.m.

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

Moved by Goodman, seconded by Wacha, to adopt RESOLUTION NO. 12-361 approving closure of Parking Lot MM and south portion of Lot M (west of City Hall) for parade staging between 6:00 a.m. and Noon.

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

Moved by Goodman, seconded by Wacha, to adopt RESOLUTION NO. 12-362 approving waiver of the fee for electricity usage in Tom Evans Plaza .

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

STORM SEWER/FLOOD MITIGATION PROJECT PRIORITIZATION: Municipal Engineer Tracy Warner again reported to the City Council that nine (9) of the 11 flood mitigation projects submitted for consideration under the Federal Emergency Management Agency's (FEMA) Hazard Mitigation Grant Program were denied.

Ms. Warner gave a description of each of the projects: Castlewood Place, Waterbury Court, North Park Villa, Oakwood Road Area, Schubert Street and Todd Drive, Trail Ridge Landslide, Pi Kappa Alpha (PIKE) and Phi Kappa Theta (PTA), Utah Drive Landslide, and South Duff Siphon Access Structure. She asked the Council for a decision on which projects the City should move forward with and a prioritization of those projects. City Manager Schainker noted that \$820,000 in General Obligation Bond funding and \$325,000 in Storm Sewer Utility Funds had been included in the 2012-17 Capital Improvements Plan (CIP) as local match (15%) for the 11 requested projects. The FEMA funds will not be received, so the City Council will need to decide whether to proceed to issue all of the \$820,000 in G. O. Bonds for neighborhood flood mitigation projects and to determine which, if any, of the remaining nine projects should be funded totally from local City monies.

Mr. Schainker recommended that, since the budget was approved including \$820,000 in G.O. Bond financing and the City has already levied taxes to pay that debt, the City should proceed to issue the bonds. They could be used for any or all of the flood mitigation projects or on road projects. The Finance Director needs to move ahead with the bond issuance in the near future, so a decision needs to be made.

Council Member Larson said that he would like the City Council to hold a discussion on the various flood mitigation projects some time in the future.

Moved by Goodman, seconded by Larson, to direct staff to begin engineering on the following projects: (1) Trail Ridge Landslide (2) Utah Drive Landslide.

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

Council Member Goodman noted that he was unsure whether he would be in favor of the remainder of the bond funding to be allocated towards roads. He would like the Council to consider allocating it towards the flood mitigation process.

Council Member Davis recommended that the City receive true engineering estimates on those two projects prior to making a decision on where the remainder of the G. O. Bond funding would be allocated.

Municipal Engineer Warner advised that letters would be sent to the property owners affected by the projects not being pursued.

EXCESS WORKERS' COMPENSATION COVERAGE: Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 12-363 approving renewal of policy with Holmes Murphy and Safety National to provide Excess Workers' Compensation coverage.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

LIABILITY INSURANCE COVERAGE: Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 12-364 approving renewal of policy with ICAP for Liability Insurance coverage.
Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these minutes.

PROPERTY INSURANCE POLICY: Risk Manager David Eaton noted that, at the Council's workshop on this topic held June 19, staff had been asked for a table showing the account rates for each part of the options, which involved more than one insurance company. A summary of the four options showing costs and deductibles was provided to the Mayor and Council around the dais.

Moved by Larson, seconded by Orazem, to adopt RESOLUTION NO. 12-365 accepting Option C (Aegis Power, Chubb Muni) with a premium cost of \$601,089.

Discussion ensued on what was the best option weighing the amount of risk. Council Member Davis offered that insuring at a rate to allow for the total replacement cost of the Power Plant (a coal-fired plant) that would never be realized because of current EPA standards was not the best option. Electric Services Director Donald Kom said that if the Plant were destroyed, and the City would attempt to build a coal plant, the EPA would consider it under the standards for a new plant. He advised that he believed \$200 million would be sufficient to build a plant with the same power capacity as what currently exists. Council Member Szopinski noted that the policy is for one year; EPA standards could change, and the City could consider something different at the end of that policy.

Mr. Eaton advised that Option C contemplates not valuing the Power Plant at appraised replacement cost, but closer to its actual cash value.

Council Member Orazem suggested that the City could still charge City departments the planned expense and build the balance to be used in the case of a catastrophe.

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

CAMERAS IN CAMPUSTOWN: Police Chief Chuck Cychosz recalled that in July 2011, Council directed staff to report on the suggestion that security cameras be installed on the Campustown Clock Tower. Police Department staff met with the Student Affairs Commission and various stakeholder groups to gather input on the concept. The Chief gave crime statistics from last year for nine blocks of Campustown, stating that cameras have the potential to deter some criminal behavior.

City Manager Schainker asked the Council if it agreed philosophically to the idea of putting cameras in Campustown.

Chief Cychosz explained how the cameras could be used, their projected costs, and sources of funding. He noted that the Police Department had received two grants totaling \$29,000 that had been awarded specifically for surveillance equipment.

Mr. Cychosz also reported that the Council was being asked to consider a strategy to improve the quality of lighting in the Campustown area. He described challenges associated with installing cameras in Campustown due to the type of streetlights in the area. He advised that staff had tested metal halide lamps retrofitted in four existing fixtures at the corner of Welch Avenue and Chamberlain Street. Those lamps produce a whiter light, but require annual replacement. Another alternative to improve lighting in the area would be to replace the lamps with LED lights. Those are costlier up front at an estimated \$1,500/lamp for materials, but last 15-20 years and use about 50% as much energy as the existing lamps.

City Attorney Marek summarized the experience of the Public Library on the use of security cameras. If the Council opts to purchase cameras for an area of Campustown, it could set the policies associated with who has access to real-time viewing and the retention period of the recordings.

Mayor Campbell asked *ex officio* Member Baker to comment on discussions held at the Government of the Student Body (GSB) meetings. Ms. Baker said that the discussion on this topic had occurred last September. Some students felt that cameras might provide a false sense of security. Overall, however, there was overwhelming support of the proposed lighting improvements and general support for cameras.

After being informed that no discussion of the Campustown merchants on this topic had transpired, Council Member Larson stated that he felt it was important for Campustown business owners to be asked for input.

Jim Popken, 920 Clark Avenue, Ames, explained that as a software engineer, the surveillance possibilities are vast and exciting; however, as a citizen, he is concerned about the amount of data that would be gathered and what would be done with that data. There is a possibility of governmental misuse of the data.

Council Member Orazem noted that the cameras would have storage capacity, but could be viewed only under investigative conditions.

Council Member Wacha said that he was comfortable with the cameras because it would contribute to the public safety benefit. Council Member Davis noted his anxiety over cameras capturing people's every move. He stated that he was philosophically against the installation of cameras in Campustown and his position will not change on that.

Moved by Goodman, seconded by Larson, to ask for Campustown Action Association's opinion on the cameras.

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

Moved by Wacha, seconded by Orazem, to direct staff to develop a proposal for implement cameras and lighting in Campustown.

Council Member Goodman advised that he would not support that motion as he did not want staff to go to the work of developing a proposal until it has been determined that there are four votes in favor of the concept.

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

Council Member Larson said that it was broader than the CAA; input should be garnered from the public in general, especially those in the adjacent neighborhoods.

Moved by Davis, seconded by Larson, to direct staff to develop a proposal for implementing LED fixtures.

Council Member Wacha asked if the lighting choice would be affected by whether cameras are used. Mark Imhoff, City Electrical Engineer, advised that the lighting component could stand alone.

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

HEARING ON ADOPTION OF NEW PARKING REQUIREMENT FOR ALL RETAIL SALES:

Director of Planning and Housing Steve Osguthorpe advised that Theisen's Home-Farm-Auto store had requested a zoning text amendment to either reduce the parking requirements for retail in general or add another category to the minimum off-street parking requirements for farm/home stores, at a parking space requirement of 2.5/1,000 square feet of building area.

Mr. Osguthorpe explained two options available to the City Council. He informed the City Council that, at its meeting of June 6, 2012, the Planning and Zoning Commission had unanimously recommended that the City Council approve the text amendment to repeal current parking requirements for general retail sales and services, retail and shopping center of any size, major retail and shopping center, and grocery stores of any size and adopting a new parking requirement of one space per 300 square feet of building floor area for all retail sales.

Mayor Campbell opened the public hearing.

Chris Theisen, 6201 Chavonelle Road, Dubuque, Iowa, was present and asked the City Council to consider suspending the rules and adopting the new ordinance at this meeting.

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

Moved by Davis, seconded by Wacha, to pass on first reading an ordinance repealing current parking requirements for general retail sales and services, retail and shopping centers of any size, major retail and shopping centers, and grocery stores of any size and adopting a new parking requirement of one space per 300 square feet of building floor area for all retail sales.

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

Moved by Larson, seconded by Davis, to suspend the rules necessary for the adoption of an Ordinance.

Roll Call Vote: 3-3. Voting aye: Davis, Larson, Orazem. Voting nay: Goodman, Szopinski, Wacha. Motion failed.

HEARING ON ORDINANCE PERTAINING TO REQUIREMENTS FOR MASTER PLANS:

The public hearing was opened by the Mayor. She noted that staff had requested that the hearing be continued until July 10, 2012, to afford them additional time for preparation of the Ordinance.

Moved by Davis, seconded by Goodman, to continue the hearing until July 10, 2012.

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

ORDINANCE TO ADOPT ALTERNATIVE LANDSCAPING STANDARDS FOR AUTO AND MARINE CRAFT TRADE USES:

Planning and Housing Director Osguthorpe explained to the Council that staff had unintentionally left out the word “building” in Section 29.403(5)(b) in the ordinance it had approved on first reading at its June 12, 2012, meeting. The omission of that word changes the meaning from what was intended when staff drafted the language. Mr. Osguthorpe requested that the Council first amend the ordinance to read: “...Landscaping around perimeter of all principal *building* facades visible from a public street...”

Moved by Davis, seconded by Goodman, to amend the ordinance to add the word “building” in the sentence in Section 29.403(5)(b).

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

Moved by Davis, seconded by Goodman, to pass on second reading the ordinance, as amended, to adopt alternative landscaping standards for auto and marine craft trade uses.

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

ADJOURNMENT: Moved by Davis to adjourn the meeting at 10:58 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor