

**MINUTES OF THE MEETING OF THE AMES AREA
METROPOLITAN PLANNING ORGANIZATION POLICY COMMITTEE
AND REGULAR MEETING OF THE AMES CITY COUNCIL
COUNCIL CHAMBERS - CITY HALL**

AMES, IOWA

SEPTEMBER 10, 2013

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

The Ames Area Metropolitan Planning Organization (AAMPO) Transportation Policy Committee met at 7:00 p.m. on the 10th day of September, 2013, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with the following voting members present: Ann Campbell, Wayne Clinton, Jeremy Davis, Matthew Goodman, Chet Hollingshead, Peter Orazem, and Victoria Szopinski. City of Ames Transportation Planner Rudy Koester was also present. Voting Members Jonathan Popp, Gilbert City Council representative; Jami Larson and Tom Wacha, Ames City Council representatives, and Dan Rediske, Transit Board representative, were absent.

FISCAL YEAR (FY) 2014 TRANSPORTATION IMPROVEMENT PROGRAM (TIP)

AMENDMENT: Public Works Transportation Planner Koester explained that the proposed amendment had initially been presented to the AAMPO last month when it set the date of public hearing. Three projects were being added to the FY 2014 TIP; they had been erroneously programmed in the Central Iowa Regional Transportation Planning Agency's TIP. Due to the boundary update, those three projects should have been included in the AAMPO's TIP.

According to Mr. Koester, the requirements to amend the TIP include an opportunity for public review and comment, as well as approval by the Policy Committee. A public comment period was open from August 13 to September 10, 2013. In addition, a public meeting was held on August 22 to provide another opportunity for review and discussion of the amendment. No comments were received from the public on the projects.

Moved by Davis, seconded by Clinton, to approve the amendment to the FY 2014 TIP to include the following three projects:

TPMS #21264: North Dakota Avenue over Onion Creek Bridge Replacement

TPMS #22016: I-35 - U. S. 30 Interchange in Ames New Bridge Construction, Grading, ROW

TPMS #15628: Gilbert to Ames Trail - Trail connection from Gilbert, Iowa, to Ames, Iowa

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

ADJOURNMENT: Moved by Davis, seconded by Clinton, to adjourn the AAMPO Transportation Policy Committee meeting at 7:02 p.m.

MINUTES OF THE REGULAR CITY COUNCIL MEETING

Mayor Ann Campbell called the Regular Meeting of the Ames City Council to order at 7:03 p.m. with Jeremy Davis, Matthew Goodman, Peter Orazem, Victoria Szopinski. Council Members Jami Larson and Tom Wacha were absent. *Ex officio* Member Alexandria Harvey was also present.

Mayor Campbell announced that the Council would be working from an Amended Agenda; a Permit to shoot fireworks at Gateway Hotel & Conference Center had been added under Permits, Petitions,

and Communications. Also, Item 4e, renewal of the Class C Liquor License for LaFuente Mexican Restaurant at 217 South Duff Avenue, had been pulled by staff.

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

1. Motion approving payment of claims
 2. Motion approving Minutes of Regular Meeting of August 27, 2013
 3. Motion approving Report of Contract Change Orders for August 16-31, 2013
 4. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class C Liquor - Corner Pocket/DG's Taphouse, 125 Main Street
 - b. Class B Liquor & Outdoor Service - Hilton Garden Inn Ames, 1325 Dickinson Avenue
 - c. Class C Liquor - Whiskey River, 132-134 Main Street
 - d. Class C Liquor & Outdoor Service - Wallaby's Grille, 3720 West Lincoln Way
 - e. Class C Liquor & Outdoor Service - Hickory's Hall, 300 South 17th Street
 5. RESOLUTION NO 13-418 renewing 28E Agreement with Iowa Alcoholic Beverages Division for enforcement of underage tobacco laws
 6. RESOLUTION NO. 13-419 approving revisions to Records Retention Schedule
 7. RESOLUTION NO. 13-420 approving preliminary plans and specifications for 2012/13 Flood Response and Mitigation Project (Northridge Parkway Subdivision) & 2009/10 Storm Water Facility Rehabilitation Program (Moore Memorial Park); setting October 2, 2013, as bid due date and October 8, 2013, as date of hearing
 8. RESOLUTION NO. 13-421 approving preliminary plans and specifications for Sunset Ridge Subdivision, 5th Addition HMA Paving Project; setting September 18, 2013, as bid due date and September 24, 2013, as date of public hearing
 9. RESOLUTION NO. 13-422 waiving formal bidding procedures and awarding contract to Detroit Stoker Company of Monroe, Michigan, in the amount of \$76,476.16, plus freight, for Unit No. 8 Dump Grate Parts
 10. RESOLUTION NO. 13-423 awarding contract to Generator & Motor Services of Turtle Creek, Pennsylvania, in the amount of \$225,400 for Unit 8 Generator Repairs/Re-Wedging Stator
 11. RESOLUTION NO. 13-424 awarding contract to ODB of Richmond, Virginia, in the amount of \$53,578 for two leaf vacuums
 12. RESOLUTION NO. 13-425 approving revised awards for water meters and related parts for Water and Pollution Control
 13. RESOLUTION NO. 13-426 approving contract and bond for 2013/14 CDBG Public Facilities Neighborhood Infrastructure Improvements Program (South Maple Avenue)
 14. RESOLUTION ON. 13-427 approving contract and bond for 2010/11 Stormwater Facility Rehabilitation Program (Spring Valley) and 2012/13 Flood Response and Mitigation (Clear Creek)
 15. RESOLUTION NO. 13-428 approving contract and bond for 2013 Softball Field Fencing and Lighting for South River Valley Park (Lighting Project)
 16. RESOLUTION NO. 13-429 accepting completion of Unit No. 8 Feedwater Heater Replacement Project
 17. RESOLUTION NO. 13-430 accepting completion of Steam Turbine No. 8 Overhaul Project
 18. RESOLUTION NO. 13-431 accepting completion of Wastewater Treatment Plant Diesel Tank Replacement
- Roll Call Vote: 4-0. Resolutions/Motions declared adopted/carried unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

PUBLIC FORUM: No one requested to speak, and the Mayor closed Public Forum.

IMPROVEMENTS TO BICYCLING IN CAMPUSTOWN: Management Analyst Brian Phillips recalled that, in December 2012, the City Council had a brief discussion concerning the safety of bicyclists and pedestrians in Campustown, which had been prompted by the Student Affairs Commission after the occurrence of bicycle/pedestrian and bicycle/car collisions. The particular issues raised included ways to make Campustown more bike-friendly and reduce bicycle/car and bicycle/pedestrian collisions.

Mr. Phillips reported that staff had met with Campustown Action Association's (CAA) Transportation Task Force and developed surveys to send to bicyclists and Campustown businesses. The feedback received indicated that bicyclists, in particular, felt unsafe primarily along Lincoln Way and Welch Avenue.

The current state of bicycling in Campustown was explained by Mr. Phillips. He reported that bicycling features in Campustown are limited. The bicycle prohibition on the south side of Lincoln Way is due to the concentration of pedestrian traffic and the narrower building setback. According to Mr. Phillips, if Lincoln Way in Campustown were to be built from scratch today, it would not support parallel parking. Parking would be provided at lots behind businesses, on lower-volume side streets, or in area parking ramps/facilities. In place of the parallel parking, the sidewalk would be constructed wider to accommodate more pedestrians, allow more street furniture, and handle features such as sidewalk cafes or signs. The street itself would have the same number of vehicular traffic lanes, but would also have on-street painted bicycle lanes. Welch Avenue, in an ideal state, might also have less on-street parking, wider sidewalks, and dedicated bike lanes or sharrows.

It was reported by Mr. Phillips that Campustown businesses were separately surveyed. Unfortunately, only seven responses were received, compared to over 400 from bicyclists. Although the low number of responses likely makes this survey's results invalid, six of seven respondents had a negative feeling about bicyclists on the sidewalks in Campustown. Six of seven also indicated that they would support the CAA and the City focusing on ways to increase bicycle traffic in Campustown, encouraging fewer people to drive and more people to bike. However, only three business owners supported reducing the number of parking spaces to provide bike lanes, wider sidewalks, and sidewalk cafes, while four were opposed to those suggestions.

According to Mr. Phillips, the surveys and discussions yielded two projects that staff was recommending to the City Council for consideration. These projects will improve some minor amenities for both bicyclists and motorists, as follows:

1. Install several smaller bicycle racks on the sidewalks throughout Campustown. According to the survey, these upside-down U racks on the sidewalk are the preferred means of securing bikes and more of them are desired. These racks cost approximately \$150 each and staff believes that four to six more could be placed in the Campustown area. If directed by Council, staff would include funding for bike racks in the 2014/15 proposed budget and would work with the CAA to identify locations that would minimize impact on sidewalk usage.
2. Develop a public parking signage program throughout Campustown. This signage may help direct motorists to the area parking facilities (Intermodal Facility, Memorial Union Parking Ramp) on the outskirts of the District, rather than adding to traffic congestion in the center

of the District. If that option were to be pursued, staff recommended that it be directed to work with the CAA and Iowa State University to develop this program. Public parking signage that does not use standard highway signage, but instead uses a theme, tends to be more effective. The CAA is currently working on a Campustown way-finding program that may be complementary to a public parking signage effort.

Mr. Phillips said the challenge that had been identified was that there was no easy way to address the bicycle/pedestrian and bicycle/car collisions. It is recognized that whatever solution is chosen, it will involve removing some parking. The following options were presented:

1. Determine that parking is the more important priority and take no further action. If the City Council is satisfied with the current level of service for bicyclists in Campustown, or if the City Council believes that motor vehicle traffic is the higher priority for the Campustown District, the City Council may choose to take no action.
2. Determine that bicycling is the more important priority, and direct staff to investigate modifications to remove parking on Lincoln Way and/or Welch Avenue in order to install bicycle lanes.

If it is determined that there is a willingness to shift parking to area parking facilities, these on-street spaces might be converted to a bike lane and wider sidewalks. In addition to improving the primary complaint of bicyclists, the loss of parking spaces to businesses could be offset by wider sidewalks that could host sidewalk cafes, sidewalk sales, or other activities that have previously been limited or not possible due to space constraints.

3. Determine that balancing parking and bicycling needs is important and direct staff to form a task force to identify creative solutions to satisfy both needs. If that alternative were to be selected, staff recommended that the task force consist of three community bicyclists, three student bicyclists, two Lincoln Way business owners, two Welch Avenue business owners, two CAA representatives, and be facilitated by City staff. This task force would be charged with identifying physical improvements to Campustown to address the safety of bicyclists and pedestrians while still respecting the needs of businesses to have public resources such as parking. City staff would facilitate discussion and provide cost and feasibility estimates. The task force would return to the City Council with recommendations, if any, to address any conflicts.

Council Member Davis asked staff to comment on which option was the better one. Mr. Phillips replied that staff felt comfortable recommending installing more bike racks and developing a way-finding system that would encourage drivers of vehicles to routinely use the Intermodal Facilities or other parking facilities on the outskirts of an area, rather than using on-street parking spaces.

City Transportation Engineer Damion Pregitzer noted that periphery parking facilities have the best success when they are accompanied by good signing throughout the district.

Council Member Orazem said that it was important to consider how bicyclists are getting to Campustown; Lincoln Way is not the best route. He noted that a better route would be on Mortensen, 13th/Ontario, or on the shared-use path that goes right past the Intermodal Facility. Mr. Pregitzer agreed and pointed out that, as the traffic volume on Lincoln Way has exceeded

23,000 daily trips and speeds have increased, challenges have been created for all users of the road. In addition, there is heavy pedestrian use.

Mr. Orazem stated his opinion that, if parking was going to be sacrificed, it should be removed from an area where there are the fewest businesses disadvantaged, e.g. Hayward or Stanton. Mr. Pregitzer noted that staff learned from the surveys that there are some bicyclists who would use alternate routes (other than Lincoln Way); however, there always will be a group of users whose needs won't be met unless some kind of change within the right-of-way is made. If something has to be taken away, e.g., on-street parking, staff is trying to balance it out by offering other benefits, i.e., sidewalk cafes or parklets.

Council Member Goodman said he believed the best solution was to put together a Task Force, but did not want to limit it to bicyclists. He also didn't want to be too specific as to what groups should be included. Mr. Goodman stated that he did not want to move forward with adding more bike racks or signage until the task force discussion had occurred; there might be better solutions that come out of that.

Moved by Goodman, seconded by Szopinski, to direct staff to put together a task force, including the two issues stated above (bike racks and signage) as part of that task force as well as parking or any other solutions, including sharrows, and that this include all modes of transportation (motorized and non-motorized).

Vote on Motion: 4-0. Motion declared carried unanimously.

ANALYSIS OF HOTEL MARKET AND FUNDING SOURCES FOR FLAT SPACE

PROJECT: Brian Dieter, Chairman of the Ames Chamber of Commerce Board of Directors; Tina Colburn, Vice-President of Ames Convention & Visitors Bureau (ACVB); and Kevin Cook, President of the Ames Convention & Visitors Bureau, were present.

Mr. Cook said that, since last year's presentation before the City Council, several sessions had been held with local residents and clients to gather additional information on the need and opportunity for additional convention space in Ames. Discussions had also continued with Iowa State University.

Tina Colburn requested that the City Council consider funding the continuation of the study. She presented an update to the CSL Market Analysis. Ames severely lacks exhibit space; currently, only 20% of the demand is being met. The new request would fund a study that would look at the feasibility of the hotel development and how it would impact current hotels in Ames and the surrounding area as well as to determine the likelihood of private funding and in what amount for the convention space. Ms. Colburn advised that the total cost of the study would not exceed \$38,500, which would be split 50% by the ACVB, and 50% by ISU (1/3), the City (1/3), and the Chamber and AEDC (1/3).

Mr. Dieter identified himself as the Chairman of the Ames Chamber of Commerce Board of Directors and explained the phased approach for the third study. He reviewed the original plan, Phase I (Exhibit Space), Phase II (Scheman Remodel), Phase III (the south entry), and Phase IV (proposed hotel).

At the inquiry of Council Member Orazem, Mr. Cook advised that, at this point, the ownership of the potential hotel, is anticipated to be private.

Council Member Goodman asked what led to the recommendation of adding a hotel to the project. Mr. Cook pointed out that they had not had anyone step forward who was interested in building a hotel. Other models had been looked at, and it appeared that hotels are a bit hesitant to come into the project until the market had grown a little bit. However, at this point, there might not be a hotel that is ready to join in. It had been discussed for many years that a hotel would complement the project; however, it is unknown whether a hotel can be attracted to the project.

Duffie Lorr, 233 Hilltop Road, Ames, said that she found this project very interesting. She noted that the proposed convention center appeared to be located very close, in geographical terms, to an existing hotel. If the existing hotel is not enthusiastic about this project, she asked to know where a new hotel would be constructed. Mayor Campbell replied that that is why a study is needed. Ms. Colburn advised that the original analysis indicated that the convention space should be attached to the Scheman Building to be the most cost-efficient; it would not be built out by Gateway.

Council Member Orazem asked if the study would examine what the likely shares of dollars that could be raised through the City's taxing authority or through the Iowa State Foundation and what the possible bill would be if proceeding with a bond issue. Mr. Cook confirmed that it would. Council Member Goodman noted that, ultimately, this concept would have to come to the community for conversation as to what amenities it wants and what it is willing to pay for.

Moved by Goodman, seconded by Orazem, to adopt RESOLUTION NO. 13-439 approving an allocation of \$6,417 from Council Contingency towards a two-phase study proposed by the ACVB, which includes a market analysis for a potential hotel adjacent to the convention facilities and a private funding analysis for the flat space project.

Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

AMES COMMUNITY PRESCHOOL CENTER (ACPC) PLAYGROUND EQUIPMENT:

Parks and Recreation Director Keith Abraham reported that, earlier this year, the ACPC purchased the former Willson-Beardshear school from the Ames Community School District. Prior to the purchase of the former school, ACPC staff contacted the City about funding a playground structure for the site. In exchange for the funding, it was agreed that the playground equipment and recreational space could serve as a neighborhood park when ACPC was not in session.

According to Mr. Abraham, the concept was presented to the City Council during budget hearings in February 2013. The City Council, at that time, approved setting aside funding in the amount of \$30,000 to help in the purchase of the playground equipment and directed staff to develop an agreement by which ACPC would pay one-third of the playground equipment cost. Any Agreement would confirm that ACPC would be responsible for installation and surfacing costs. However, in a letter dated August 23, 2013, ACPC asked the City Council to reconsider this funding arrangement based on unforeseen costs associated with its building project. The ACPC is now requesting \$32,720 for the purchase of playground equipment, installation and surfacing, and suggested the City pay one-third of the total cost. Repayment would be made in two installments, one-half paid by June 30, 2014, and one-half paid by June

30, 2015. The equipment cost is approximately \$22,000; installation is a little less than \$8,000, and the surfacing would cost \$3,000.

Director Abraham reviewed three possible funding options based on the new request.

The Council was apprised that if the cost of installation was to be included, it would trigger City bidding requirements for the project as a public improvement. According to Mr. Abraham, after learning of that fact, Sue Wuhs, Director of ACPC, suggested that the City up-front the funding for the purchase of the equipment. If that were approved, ACPC would have to come up with the money for installation and surfacing, and as a result, would request to change the pay-back date to June 30, 2015, instead of June 30, 2014.

Council Member Orazem asked about the ACPC's ability to reimburse the City by June 30, 2015. Sue Wuhs, 2920 Monroe, Ames, Director of the ACPC, said 2015 was chosen because of ACPC's anticipated revenues and expenditures for 2014. Mr. Orazem asked how people could donate to the project if they so chose. Ms. Wuhs directed those persons to ACPC's Website.

Moved by Goodman, seconded by Orazem, to direct staff to prepare an agreement whereby the City will up-front \$21,799 for the purchase of the playground equipment only; ACPC will reimburse the City one-third of the \$21,799 by June 30, 2015, and ACPC will be responsible for installation (\$7,811) and surfacing (\$3,110).

Vote on Motion: 4-0. Motion declared carried unanimously.

CLUBHOUSE USE IN RESIDENTIAL HIGH-DENSITY ZONE: Planning and Housing Director Kelly Diekmann recalled that, at its August 27, 2013, meeting, the City Council referred a letter from Scott Renaud, Fox Engineer, on behalf of Copper Beach, which requested that the City consider a zoning text amendment to allow a clubhouse in the Residential High-Density Zone. He noted that the City Council had directed staff to prepare a report providing background information on this subject.

City Planner Karen Marren advised that, at issue is the ambiguity of the Zoning Code in considering principal and accessory uses related to a clubhouse within the Residential High-Density Zoning District. The Zoning Code does not directly list or define the use of a clubhouse, but instead relates to a use description: "recreational activities," which are an acceptable accessory use for permitted Household Living uses (single-family, two-family attached, and apartment style dwellings). According to Ms. Marren, the Zoning Code does not define what is intended by the term "recreational activities." However, in a separate section of the Zoning Code, "recreational facility" is defined. The definition would fit the intent and functions of a clubhouse; however, "recreational facilities" are only listed as an accessory use under the Group Living use category, which allows for such uses as assisted living facilities, boarding and rooming houses, dormitories, or fraternities and sororities. Ms. Marren reported that a club house is also considered a commercial use as an Entertainment, Restaurant, and Recreation Trade. Within the Residential High-Density Zoning District, a limited amount of entertainment, restaurant, and recreation uses are allowed as part of a mixed-use residential building. As a commercial use, it is open to use by any person and not restricted to residents or members. A stand-alone recreational facility is not a permitted use within Residential High-Density zoning.

Ms. Marren advised that there are existing clubhouses in the City as accessory uses to residential developments. However, they were constructed either under the approval of an old

PUD (Planned Unit Development), or as an F-PRD (Planned Residential District). One recently constructed Residential High-Density Zoning clubhouse was allowed to be constructed as a permitted Entertainment, Restaurant and Recreation Trade use within a mixed-use building because a residential use is located above the first floor. In the case of a mixed-use development, the entertainment/recreation use is limited to an area of not more than 5,000 square feet. In the case of Copper Beach, however, the clubhouse is intended to be a stand-alone structure for residents' use and not be integrated into a mixed-use building. The Council was told by Ms. Marren that it will have to be decided whether clubhouses should be permitted as Household Living specific to Residential High-Density or just to a Household Living use type.

Ms. Marren said that staff believes there is merit to adding a Zoning Code amendment for clubhouses for residential developments to accommodate a desirable outdoor/indoor activity and amenity space for residential dwellings. In addition, such an amendment would provide an opportunity to clarify the definitions of "recreational activity" and "recreational facility." Staff could review the description of the uses, arrangement of the use table, and potentially any needed development standards. It was noted that, since there are existing clubhouses in other zoning districts, the Council could direct staff to broaden the review of a clubhouse text amendment to consider provisions and standards for clubhouse/recreational facility use in other districts that allow multi-family dwellings. Whether Council determines that clubhouses are appropriate for all residential use types or only specific to multiple-family uses within the Residential High-Density Zone, the request and desire of Copper Beach for their development would be satisfied.

According to Director Diekmann, the core issue is whether the City wants to allow clubhouses in the High-Density zone. Council Member Goodman asked how the addition of a clubhouse would affect the density requirement. Mr. Diekmann replied that a clubhouse would be viewed as an optional element and accessory use on the site, which should not affect the density calculation. Mr. Goodman indicated that he would want the clubhouse to be counted towards the density calculation. He does not want a clubhouse to be counted as an outlot where it doesn't count as part of the density calculation, which decreases the net return for the City in terms of property taxes.

Council Member Orazem inquired if existing clubhouse-type structures that have been built in other high-density apartment complexes would be validated by the same zoning text amendment. Director Diekmann said that it could be - there are options: they might be allowed "by right," they might require a Special Use Permit, or there might be standards about where they may or may not be located. However, at least a path would be provided to remove the ambiguity.

Moved by Goodman, seconded by Orazem, to direct staff to prepare a zoning text amendment to add the use (clubhouse) to Residential High-Density with the caveat that it be included in the density calculation and with a definition of what a clubhouse is.

Director Diekmann said that staff would like to have the freedom to look at the Recreational category as part of this, so there might be more than one definition; it might not just be a clubhouse definition.

Vote on Motion: 4-0. Motion declared carried unanimously.

8-MONTH SPECIAL CLASS C LIQUOR LICENSE FOR CAFÉ DIEM: Moved by Davis, seconded by Szopinski, to approve an 8-Month Special Class C Liquor License for Café Diem, 229 Main Street.

Vote on Motion: 4-0. Motion declared carried unanimously.

5-DAY SPECIAL CLASS C LIQUOR LICENSE FOR OLDE MAIN BREWING: Moved by Davis, seconded by Orazem, to approve a 5-Day Special Class C Liquor License (September 18 - 22) for Olde Main Brewing at Reiman Gardens, 1407 University Boulevard.
Vote on Motion: 4-0. Motion declared carried unanimously.

OUTDOOR SERVICE AREA EXTENSION FOR WEST TOWNE PUB: Moved by Goodman, seconded by Orazem, to approve an Outdoor Service Area extension on September 14 for West Towne Pub, 4518 Mortensen Road, Suite 101.
Vote on Motion: 4-0. Motion declared carried unanimously.

SIGN ENCROACHMENT PERMIT FOR WHIMZE BOUTIQUE: Moved by Davis, seconded by Orazem, to approve an Encroachment Permit for a sign for Whimze Boutique, 429 Douglas Avenue.
Vote on Motion: 4-0. Motion declared carried unanimously.

FIREWORKS PERMIT AT GATEWAY HOTEL & CONFERENCE CENTER: Moved by Davis, seconded by Goodman, to approve a Fireworks Permit to shoot fireworks at Gateway Hotel & Conference Center on September 21, 2013, for the Lange wedding, pending final approval by the Fire Inspector.
Vote on Motion: 4-0. Motion declared carried unanimously.

The meeting recessed at 7:56 p.m. and reconvened at 7:58 p.m.

HEARING ON ZONING TEXT AMENDMENT TO SECTION 29.401(5) TO ELIMINATE PROVISION (C) PERTAINING TO MORE THAN ONE SINGLE-FAMILY OR TWO-FAMILY STRUCTURE ON SAME LOT (Continued from August 27, 2013): Director Diekmann reviewed the history of this issue. He reiterated that the proposed amendment would directly require an individual lot for each single-family or two-family structure. This would result in the requirement for a future development to go through the City's subdivision review process in order to build multiple homes.

According to Mr. Diekmann, as part of the analysis for the proposed zoning text amendment, staff had looked at issues of non-conformity and consistency with the Land Use Policy Plan. The Council's attention was brought to a map that showed the residentially zoned properties in the City that were greater than one acre. Staff was only able to identify one property that would become non-conforming by the proposed amendment: it is a property on Ontario that has multiple duplexes on one lot.

Mayor Campbell noted that the hearing had been continued to this meeting from August 27, 2013.

Duffie Lorr, 233 Hilltop, Ames, advised that she has lived in Ames since 1972 and is currently a member of the College Creek Neighborhood Association. Ms. Lorr said that she and her husband support Alternative 1, as it will ensure compatibility of new developments to existing neighborhoods and ensure that there is compatible infrastructure in all Ames neighborhoods

Moved by Orazem, seconded by Goodman, to pass on first reading an ordinance amending Section 29.401(5) to eliminate provision (c) pertaining to more than one single-family or two-family structures on same lot.
Roll Call Vote: 4-0. Motion declared carried unanimously.

HEARING ON VACATING PUBLIC UTILITY EASEMENTS AT 1606, 1610, AND 1614 SOUTH KELLOGG AVENUE: The public hearing was opened by the Mayor and closed after no one came forward to speak.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 13-432 vacating the public utility easements at 1606, 1610, and 1614 South Kellogg Avenue.

Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

HEARING ON WATER POLLUTION CONTROL TRICKLING FILTER PUMPING STATION CHECK VALVE REPLACEMENT: The Mayor opened the public hearing. No one requested to speak, and the public hearing was closed.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 13-433 approving final plans and specifications and awarding a contract to Story Construction Company of Ames, Iowa, in the amount of \$62,900.00.

Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

HEARING ON CONTROL PANELS FOR AMES PLANT SWITCHYARD: The hearing was opened by Mayor Campbell. She closed same after no one asked to speak.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 13-434 approving final plans and specifications and awarding a contract to Schweitzer Engineering Laboratories, Inc., of Pullman, Washington, in the amount of \$198,469.55.

Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

XENIA RURAL WATER UPDATE: Assistant City Manager Bob Kindred advised that over the past two months, the City Council had given staff direction to:

1. Attempt to ascertain Xenia's best offer to buy out the service territory to the north of Ames.
2. Completely search for all of the City's existing records dealing with any service territory interactions that have transpired in any location with Xenia Rural Water.
3. Seek outside legal counsel to help identify strengths that might exist in the City's position in its negotiations with Xenia to arrive at the best possible buy-out arrangement.

Mr. Kindred provided an update to the Council's direction. He reported that staff had reviewed existing City files to gather all available documentation of past dealings regarding service territory transfers between the Xenia Rural Water District and the City, and a summary of that research had been provided as part of the Council Action Form. Xenia was also asked to search its records for additional documentation, but was not able to locate any files that substantially cleared up the territory transfer questions. Using the information available, a map was prepared to show the status of various Xenia territory requests over the past 20 years. That map was shown, which illustrated areas where the documentation appeared to confirm that Xenia has the right to serve territory as well as areas where such transfers had not been made or where questions remain. Existing Xenia customers were also depicted on the map as was the City's current two-mile fringe area. Mr. Kindred reported that, based upon the findings, City and Xenia staff will have to work together to more clearly define the City's respective service territories to the west and south of Ames.

City Attorney Judy Parks recalled that, following Council direction, the City engaged the Des Moines legal firm of Dorsey & Whitney to assist in determining the City's legal position. That firm reviewed pertinent laws and the available documentation to verify if the proper processes had been followed in Xenia's service territory transfer requests. The Council was told that the Chapter of the *Iowa Code* that covers this particular type of transfer doesn't have a lot of specificity in what has to be provided when a rural water provider gives notice by means of a water plan. Unfortunately, there is no concrete documentation of how the rural water request was made for the northern area. Ms. Parks advised that, after reviewing the 1996 northern area agreement with Xenia, Dorsey & Whitney confirmed that the City was bound by the terms of the 1996 agreement. According to Attorney Parks, in Section 13, that agreement specifies that "the City and Xenia may negotiate a buy/sell agreement for all or parts of the water distribution system" based on the actual value of Xenia's infrastructure within the specified northern area. Although the agreement identified acceptable terms to be considered during negotiation of that price, it also provided for additional issues to be considered. Ms. Parks pointed out that the agreement used the term "may," not "shall," and did not mandate the negotiations of a buy/sell agreement.

Mayor Campbell asked to know how it had been done in the past. Ms. Parks replied that, in the last situation for the Northridge Heights development, there was not any City involvement. Xenia had a water line through the area. The developer approached Xenia, and the parties agreed that the developer would move the line at its cost. Assistant City Manager Kindred added that the agreement was included in the Development Agreement for that Subdivision. Mayor Campbell noted that Xenia's financial status was different in 1996 than it is today.

Council Member Goodman questioned whether Xenia could be asked if it has records. Ms. Parks answered that the City could ask Xenia; that is something that the City would like to work out in a collaborative process. Xenia might choose not to share the information; if litigation transpires, the City could force the issue. Mr. Kindred noted that the City sent them a request to "fill in the blanks," and they sent three documents that the City already had. Ms. Parks pointed out that if Xenia had records that indicated it had clear rights to serve specific areas, it would have produced those documents. City Attorney Parks said that the absence of documentation by Xenia is interesting since it would have been in its best interest to produce those documents when requested to do so by the City. Xenia has now utilized that opportunity in requesting a very large payment before this service territory is transferred back to the City. City Attorney Parks added that the Dorsey & Whitney legal team believes that there are avenues that might be pursued to seek to better establish the City's interests in these areas. Those actions, however, would be time-consuming. Furthermore, given the lack of legal precedent on adjudicating the process of service territory transfers, there would be no assurance of success.

Mr. Kindred reported on the City's recent developments with Xenia. He advised that, within the last two weeks, Xenia staff reported that they had met with the local Ames developers who are seeking annexation in the Northern Growth Area. As a result of those discussions, Xenia staff reported that they and the developers have reached a tentative agreement on a per-customer buy-out payment. Xenia's General Manager reported that the framework he discussed with the developers has received tentative approval by the Xenia Board; and that, if the developers and City Council are amenable to that arrangement, he will take that framework to Xenia's creditors to seek their consent. Even though Xenia and the City have spent several months negotiating possible territory transfer scenarios, this approach by the land developers of working directly with the rural water agency to negotiate a service territory buy-out is consistent with how these buy-outs have historically been handled when development

stretched out into rural water territory. Should the developers be willing to assume the obligation to see that Xenia is compensated for this service territory, as has historically happened in other locations, then this impediment to northern annexation will have finally been removed. Mr. Kindred recalled that for the Barilla annexation and the former Wolford mall land, developers paid a buy-out to the rural water provider.

It was noted by Mr. Kindred that the City had not seen the terms of the developers' agreement with Xenia. However, legal counsel from Dorsey & Whitney have stated that, in the event that Xenia and the northern developers agree to buy-out terms, it would be advisable for the City to also enter into an agreement with Xenia to confirm the transfer of service territory. This agreement should show the specific service territory to be transferred and could include all of the City's Northern Growth Area. Following consummation of those agreements, the City and developers should enter into pre-annexation agreements confirming the buy-out terms. The same language for rural water buy-outs that has historically been included in development agreements could be used.

Kurt Friedrich, Friedrich Development Company, 100 Sixth Street, Ames, and specifically, developers of Quarry Estates, provided a brief update on the status of negotiations with Xenia after the City Council had suggested that affected developers become involved. He advised that the developers asked Xenia what kind of agreement could be reached that would be agreeable to Xenia. Mr. Friedrich said that the developers and Xenia seemed to have found some common ground and have a tentative agreement. According to Mr. Friedrich, it appears that the tentative agreement would allow the service agreement previously surrendered to Xenia by the City in 1996 to be turned back over to the City. There would be no cost to the City for that buy-out. He advised that the developers would be happy to set up a meeting with the City to discuss the potential terms of their agreement with Xenia. Because the negotiations have not been finalized, Mr. Friedrich preferred not to disclose the terms of the agreement at this meeting.

Chuck Winkleblack, 105 S. 16th Street, Ames, said that his review of all documentation did not yield any mention of a buy-out. He noted that when developing Northridge Heights, Xenia had a water line where Hunziker wanted to build lots, and the developer paid for moving that line. That has been the past practice; they do that all the time. It was Mr. Winkleblack's contention that that is a separate issue from who has water rights or who owns the service territory. Mr. Winkleblack took issue with the comment that "historically," or what the developers have "always" done. He emphasized that the developers have never bought-out territory.

Mr. Winkleblack explained that the developers had only been discussing the issue with Xenia for approximately two weeks. He clarified that the only area that the developers had discussed was for the Northern Growth territory. Mr. Winkleblack asked to hear what the Council's solution was for resolving the issue of developing land to the north.

Council Member Szopinski said that she believes the Council understands the developers' immediate need for more buildable lots for housing; however, the Council has to look at what effect this would have on the City long-term. There is a concern that if a precedent is set, it may mean growth would not be allowed to happen in other areas. Ms. Szopinski said the Council directed staff to negotiate, not just "to get the deal done." She noted that extortion was not the word that was legally appropriate in this situation, but it was close to it. Ms. Szopinski commended that Xenia is in debt and has never charged those kinds of fees before; "however, now they want over \$6 million from the City." Mr. Winkleblack reported that he thought there were places in the state that had actually paid more than \$3,700/customer. Ms. Szopinski said that was not a reason for the City to continue with "those bad deals." She pointed out that the

City is still negotiating; Assistant City Manager Kindred is dealing with the issue on a daily basis. According to Ms. Szopinski, political involvement might change the manner in which rural water can move into urban areas; they were never intended to be serving urban areas in the first place.

Moved by Davis, seconded by Orazem, to refer it back to staff to work with the developers and Xenia; after the agreement has been reached between the developers and Xenia regarding water rights, bring the agreement back to the City for approval.

Council Member Goodman advised that he would prefer the motion be that staff meet with developers to ascertain the numbers. He said he did not understand why the developers had not shared the numbers with the staff so that they could have been included in the staff report. Mr. Goodman also said that he would prefer to have a full Council present before a decision is made on this issue.

Mr. Winkleblack said that the tentative agreement had not been shared with City staff as the developer was hoping that the City would come up with its own solution. The developers want to pay “nothing.” Until the staff report came out, they did not know what the staff’s position was. Mr. Winkleblack said that neither his firm nor Friedrich Development signed the agreement that gave away the water rights in the first place; they have only been subject to them. He noted that he had not had any discussion with the staff about negotiations for several weeks.

City Manager Schainker clarified that, as he understood what was indicated by the developers at this meeting, the City would not be a part of this; they will have an agreement with Xenia Rural Water to make the buy-out. However, before the City annexes any land, it has to ensure that there is a declaration of the transfer of that service territory. Council Member Szopinski said she wanted to see the terms of the agreement even if the City was not a party to the agreement. Council Member Goodman said he was comfortable as long as the agreement is ultimately brought back to the City for approval.

Assistant City Manager Kindred pointed out that, at this point, there would be no agreement to approve because Xenia has stated that they want to take the framework to its lenders. He said he believes that there will be three two-party agreements: one between the developers and Xenia; one between Xenia and the City to confirm the transfer of the service territory; and there would be the Annexation Agreements between the City and the developers confirming that the developers are assuming that responsibility.

Vote on Motion: 4-0. Motion declared carried unanimously.

The meeting recessed at 8:55 p.m. and reconvened at 9:04 p.m.

INTERMODAL FACILITY OPERATING SUBSIDY: City Manager Steve Schainker recalled that, in February 2011, the City entered into a three-party agreement with Iowa State University and the Ames Transit Agency regarding operations of the new Intermodal Facility. Among other provisions, that agreement specified that, if the revenue generated from the Facility users were insufficient to cover the operations and capital improvement expenditures, the University and City would each provide equal supplemental operational support necessary to maintain a positive balance.

Mr. Schainker pointed out that the first full year of operations for the Intermodal Facility came to an end on June 30, 2013, and the University, which manages the facility, had provided a budget summary to the City. The report indicated that expenditures for the facility exceeded

revenues by \$27,973.37. In accordance with the Operations Agreement, the City then owes the University one-half of that amount (\$13,986.69) for the first year.

According to Mr. Schainker, in analyzing the budget data, it appeared that the expenditures for the operations actually came in \$2,560 less than the anticipated \$124,284. Therefore, the cause for the deficit can be isolated on the revenues where the receipts from meter and space rentals were \$48,559 less than budgeted. Fortunately, revenue from the rental of office space for the Jefferson Bus Line and Executive Express was \$16,470 greater than expected; otherwise, the operational deficit would have been even greater.

The Council was told by City Manager Schainker that one reason for the lower-than-anticipated revenue from meter and rental revenues was that fees in the Intermodal Facility were higher than the City parking fees in the surrounding area. Those higher fees are necessitated by the higher costs of maintaining a parking garage. In order to enhance the revenue opportunities of the facility, the City Council might want to give consideration to increasing the metered parking fees in the Campustown area to be more in line with the Intermodal Facility rates.

Mr. Schainker suggested that, in order to prevent an operational subsidy in the future, the City Council might want to consider either 1) increasing the parking and rental space fees in the other areas in Campustown so that they are more in line with the Intermodal fees, 2) lowering the Intermodal fees to match the other fees in Campustown with the expectation that prices will attract more overall use of the facility, or 3) hope that the increase in enrollment at ISU and expected new redevelopment projects in Campustown will result in greater parking demand at the Intermodal Facility.

Moved by Davis, seconded by Goodman, to adopt RESOLUTION NO. 13-435 approving an allocation of \$13,986.69 from Council Contingency for City's share of operating deficit. Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Council Member Orazem reported that there was a "glitch" in the meters at the Intermodal Facility. He said he had already informed the Campustown Action Association. According to Mr. Orazem, the meters do not add to the time already paid for, which dramatically increases the payor's cost. City Manager Schainker said that he would look into that problem.

ADVANCED ANALYTICAL TECHNOLOGIES, INC. (AATI): Finance Director Duane Pitcher stated that a couple things had come up since last Friday when the Council Action Form was distributed. The first was related to the cash portion of the local match, which was shown in the Council Action Form as \$125,000. Mr. Pitcher advised that the ISU Research Park is putting some money into this and that is listed as being amortized into the rent; however, the Iowa Economic Development Authority had not evaluated that yet. If that equates to \$125,000, the City's match would become the industrial abatement. The second issue was that AATI has some preferred stockholders, and one of the preferences that they receive is the ability to veto, or the need to sign off, on additional debt. That step had not been finished and won't be finished before the Economic Development Authority meets in September. The City may endorse the application if the Council so chooses; however, it won't go to the Economic Development Authority until October. Once all details are worked out, staff will inform the Council if there is a cash match need from the City.

Moved by Davis, seconded by Orazem, to adopt RESOLUTION NO. 13-436 to endorse the application of Advanced Analytical Technologies, Inc., requesting economic development assistance from the Iowa Economic Development Authority, with a local match to be

determined at a later date.

Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

CHAPTER 14 REVISIONS: Assistant City Manager Melissa Mundt recalled that, at the July 2, 2013, Ames Human Relations Commission (AHRC) meeting, the Commission was approached by oneiowa, an organization which supports full equality for lesbian, gay, bisexual, and transgender Iowans. Matthew Skuya, Deputy Director of oneiowa, noted that Chapter 14 -Human Relations - of the *Ames Municipal Code* was not consistent with the Iowa Civil Rights Act as it did not list gender identity as a category for discrimination. That area of the Iowa Civil Rights Act was amended in 2007; however, the City had not undertaken any changes to Chapter 14 since 1996. AHRC recommended that City staff bring back changes to Chapter 14 of the *Ames Municipal Code* to reflect the changes to the *Iowa Code* as soon as possible.

According to Ms. Mundt, in addition to the changes regarding gender identity, the City Attorney's Office also noted that the *Municipal Code* was missing several sections that were adopted into the Iowa Civil Rights Act, which included a section on wage discrimination adopted in 2009, a section on Additional Housing Exceptions adopted in 2007, a section on Exceptions for Retirement Plans, Abortion Coverage, Life, Disability, and Health Benefits adopted in 2006, and a section on Promotion or Transfer adopted in 1996. Several other lesser housekeeping changes were also made to the Chapter, including changing the wording in Section 14.5(1) to read *Affirmative Action Officer*, instead of *Director*; in Section 14.5(8) changing the wording to read *Mayor and City Council*, instead of *City Council*; in Section 14.10 deleting Chapter 534 because it was repealed from the *Iowa Code* in 2012; and in Section 14.12, adding *sexual orientation* and *gender identity* as it was adopted into the Civil Rights Act in 2007.

The Council was told that, at its August 22, 2013, meeting, the AHRC voted unanimously to forward the amendments to Chapter 14 to the City Council for consideration and approval.

Moved by Szopinski, seconded by Goodman, to direct the City Attorney to draft an ordinance making revisions to Chapter 14, as recommended by the Ames Human Relations Commission. Vote on Motion: 4-0. Motion declared carried unanimously.

ASSET POLICIES AND PROCEDURES: Assistant City Manager Mundt advised that each year, the ASSET Administrative Team and ASSET volunteers review the the Policies and Procedures. As a result of the 2013 review and discussions with the Department of Human Services (DHS), a change is being recommended to Section III - Team Structure. Ms. Mundt explained that, in the spring of 2013, the DHS staff indicated that they no longer desired to appoint volunteers to ASSET since they do not provide any funding directly to the services. It was noted that the DHS does provide funding to assist with ASSET administrative expenses and has stated that it would continue to do so. After considerable discussions by the ASSET Administrative Team, the change was recommended to the ASSET volunteers at the August 2013 ASSET meeting, and the volunteers approved the change. ASSET's funders are now being asked to approve the change as well.

According to Ms. Mundt, ASSET's Administrative Team and volunteers have thoroughly discussed the impacts of the reduction of DHS involvement in the ASSET process and feel comfortable with DHS's continued support and participation with the ASSET Administrative Team.

Moved by Goodman, seconded by Orazem, to adopt RESOLUTION NO. 13-437 approving the revised ASSET Policies and Procedures.

Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

EASEMENT AGREEMENTS FOR 2008/09 WATER SYSTEM IMPROVEMENTS EAST PRESSURE ZONE LOOP: Operations Manager Corey Mellies reported that staff had been working on this project for several years. It will provide a loop from Billy Sunday Road to Crystal to loop Southdale. Currently, Southdale is on one water main on Duff, which causes issues. At the time of the project, all the property owners seemed agreeable to grant the easements; three out of the five property owners had signed the agreements. The City will continue to work with the apartment complexes in an attempt to get voluntary agreement; if that fails, staff will likely start the condemnation proceedings to get the easements so that the project can be built next year.

Moved by Goodman, seconded by Szopinski, to adopt RESOLUTION NO. 13-438 approving Easement Agreements with Teresa J. Yearly in the amount of \$2,500; Jerry J. Miller and Judy A. Miller in the amount of \$3,500; and the State of Iowa in the amount of \$8,300.

Roll Call Vote: 4-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

ORDINANCE REVISING *MUNICIPAL CODE* SECTION 29.1503(4) (b) (iii) PERTAINING TO THE WEIGHT OF TRUCKS SERVING SPECIAL USE PERMIT USES IN RESIDENTIAL ZONES: Moved by Goodman, seconded by Davis, to pass on second reading an ordinance revising *Municipal Code* Section 29.1503(4) (b) (iii) pertaining to the weight of trucks serving Special Use Permit Uses in residential zones.

Roll Call Vote: 4-0. Motion declared carried unanimously.

ORDINANCE REVISING APPENDIX Q PERTAINING TO WATER METER FEES: Moved by Goodman, seconded by Davis, to pass on second reading an ordinance revising Appendix Q pertaining to Water Meter Fees.

Roll Call Vote: 4-0. Motion declared carried unanimously.

COUNCIL COMMENTS: Moved by Davis, seconded by Orazem, to refer to staff the letters from Lowell and Norma Elwick dated June 10, 2013, and Attorney Rebecca A. Reisinger on behalf of Helen Anderson dated June 14, 2013, pertaining to 1311 George Avenue and 1401 Georgia Avenue, respectively.

Vote on Motion: 4-0. Motion declared carried unanimously.

Moved by Szopinski, seconded by Goodman, to refer to Parks and Recreation staff regarding the need for community gardens and include the e-mail from David Hoffman dated September 8, 2013, requesting that the City acquire a portion of land connecting the two pieces of Ross Road for use as community garden plots.

Council Member Orazem said he believes that there are other areas in existing City parks that could be used for community gardens. He doesn't want to see additional land purchased for use as community gardens, particularly land that otherwise would be a house.

Vote on Motion: 4-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Orazem, to refer to staff the letter from Reinhard K. Friedrich dated August 8, 2013, requesting a time extension for the completion date for the remote parking easement for 605/615 East Lincoln Way.

Vote on Motion: 4-0. Motion declared carried unanimously.

ADJOURNMENT: Moved by Davis to adjourn the meeting at 9:30 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor