

MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

AUGUST 23, 2016

The Regular Meeting of the Ames City Council was called to order by Mayor Ann Campbell at 6:00 p.m. on the 23rd day of August, 2016, in the City Council Chambers in City Hall, 515 Clark Avenue. Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Tim Gartin, Chris Nelson, and Peter Orazem were present. Council Member Amber Corrieri was brought in telephonically. *Ex officio* Member Sam Schulte was also in attendance.

Mayor Campbell announced that the City Council would be working from an Amended Agenda. Added under the Consent Agenda was an item pertaining to the re-allocation of approved funds for outside counsel for the Legal Department. The wording had also changed for Item 37a to reference approval of a Zoning Agreement for Adoption of a Revised Master Plan for Outlot A for South Fork Subdivision, 8th Addition. Added under Item 44 pertaining to 5871 Ontario Street was a Resolution approving a Zoning Agreement for Adoption of a Master Plan.

CONSENT AGENDA: The Mayor advised that she had received requests to pull Items No. 6 (Ames High Homecoming requests); 7 (Fireworks Permit for ISU Home Football Games); 9 (2016/17 Airport Improvements Program); and 11 (Professional Services Agreement with Bolton & Menk) for separate discussion.

Moved by Betcher, seconded by Nelson, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of August 9, 2016
3. Motion approving Report of Contract Change Orders for August 1-15, 2016
4. Motion approving extended Outdoor Service Privilege (September 10-11) for Tip Top Lounge, 201 East Lincoln Way
5. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Class E Liquor, C Beer, & B Wine – Hy-Vee Drugstore, 500 Main Street
 - b. Special Class C Liquor & B Native Wine – Indian Delights, 127 Dotson Drive
 - c. Class C Liquor – Mandarin Restaurant of Ames, 415 Lincoln Way
 - d. Special Class C Liquor & Outdoor Service – Noodles & Company, 414 South Duff
 - e. Class E Liquor, C Beer, & B Wine – Cyclone Liquors, 626 Lincoln Way
 - f. Class E Liquor, C Beer, & B Wine – Kwik Stop Liquor & Groceries, 125 6th Street
6. RESOLUTION NO. 16-506 approving reallocation of approved funds in the amount of \$50,000 for outside counsel to be split between Coppola Law Firm (prosecution assistance) and Hopkins and Huebner Law Firm (time-sensitive matters)
7. RESOLUTION NO. 16-478 approving Federal Aviation Administration Grant for 2015/16 Airport Improvements Program (Terminal Building Site - Phase 2 Utilities)
8. RESOLUTION NO. 16-480 approving Iowa DOT/City Funding Agreement for 2016/17 CyRide Route Pavement Improvements (S. 3rd & 4th)
9. Power Plant Conversion Project:
 - a. RESOLUTION NO. 16-482 approving Change Order No. 3 to Sargent & Lundy in an amount not to exceed \$154,000 for Engineering Services

- b. RESOLUTION NO. 16-483 authorizing use of \$637,011 of unspent funds from Cooling Tower Replacement Project
 - 10. RESOLUTION NO. 16-484 setting September 13, 2016, as date of hearing for transfer of right-of-way at South Dayton Place and U. S. 30 to Iowa DOT
 - 11. RESOLUTION NO. 16-485 setting September 13, 2016, as the date of public hearing for vacating Water Main Easement at 1010 Dickinson Avenue
 - 12. RESOLUTION NO. 16-486 waiving motorized vehicle prohibition to allow mobility-impaired individuals to tour Ada Hayden Heritage Park on September 14, 2016
 - 13. RESOLUTION NO. 16-487 approving plans and specifications for the WPC Trickling Filter Pump Station Pipe Re-coating Project; setting September 20, 2016, as bid due date and September 27, 2016, as date of public hearing
 - 14. RESOLUTION NO. 16-488 approving preliminary plans and specifications for 2007/08 Shared Use Path Expansion (Oakwood Road); setting September 21, 2016, as bid due date and September 27, 2016, as date of public hearing
 - 15. RESOLUTION NO. 16-489 awarding contract for Bernels and Hotel Vault Lid Replacements for Electric Services Department to Woodruff Construction, LLC, of Ames, Iowa, in the amount of \$61,700
 - 16. RESOLUTION NO. 16-490 awarding contract to Wesco Distribution of Des Moines, Iowa, in the amount of \$69,336 (inclusive of Iowa sales tax) for Aluminum Cable for Electric Services
 - 17. RESOLUTION NO. 16-491 approving contract and bond for CyRide - Interceptor Pit Upgrades 2016
 - 18. RESOLUTION NO. 16-492 accepting completion of GT1 Combustion Turbine - Generator Preaction Sprinkler System, Carbon Dioxide System, and Fire Alarm Upgrade
 - 19. RESOLUTION NO. 16-493 approving completion of Inis Grove Sand Volleyball Court Lighting Project
 - 20. RESOLUTION NO. 16-494 approving partial completion of public improvements and reducing security requirement for Sunset Ridge Subdivision, 6th Addition
- Roll Call Vote: 6-0. Resolutions/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

AMES HIGH HOMECOMING COMMITTEE REQUESTS FOR HOMECOMING PARADE ON SEPTEMBER 12, 2016: Council Member Betcher said that she had requested to pull this item to point out that this was yet another request for a fireworks display. This one, however, will occur earlier in the evening. She also wanted Ames High representatives to be given an opportunity to talk about the planned Ames High Homecoming festivities.

Taylor Junck, 916 Vermont Circle, Ames; Allyson Goodman, 2327 North Dakota Avenue, Ames; and Elizabeth Jackson, 825 Pennsylvania Avenue, Ames; were present on behalf of the Ames High Homecoming Committee.

Ms. Junck advised that the Parade is planned to occur on September 12. The Parade route will be the same as in past years; it will begin at 6:30 p.m. and last approximately 45 to 60 minutes. Ms.

Goodman stated that the fireworks would be displayed at approximately 8:15 p.m. on September 16, 2016, which is the date of the Homecoming football game.

Moved by Betcher, seconded by Nelson, to adopt/approve the following:

- a. RESOLUTION NO. 16-475 approving closure of Parking Lot MM, south half of Parking Lot M, portions of CBD Lot Z, and portions of Main Street, Burnett Avenue, Kellogg Avenue, Fifth Street, Clark Avenue, and Pearle Avenue from 5:30 p.m. to approximately 7:30 p.m.
- b. RESOLUTION NO. 16-476 approving waiver of parking meter fees in Main Street Cultural District from 1:00 p.m. to 6:00 p.m. and for Parking Lot N from 4:00 p.m. to 6:00 p.m.
- c. RESOLUTION NO. 16-477 approving waiver of fee for Fireworks Permit
- d. Motion approving fireworks permit for display (approximately 8:15 p.m.) on September 16, 2016

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

FIREWORKS PERMITS FOR DISPLAY FROM JACK TRICE STADIUM FOR ISU HOME FOOTBALL GAMES: Council Member Betcher asked for more specific information about the pyrotechnics that will be used for the fireworks displays. Mary Penk, 4629 Prairie Ridge Circle, Ames, replied that they plan to use flames for all home ISU football games to be shot off as the team enters the Stadium. A test was performed; at that time, the Fire Marshal was present as was a representative of the Office of Environmental Health and Safety. In addition, on November 3, for the Oklahoma game, fireworks will be displayed off the video board as the team enters the Stadium. Ms. Betcher asked what the significance was for the display to be requested for that game. Ms. Penk advised that it is a night game that will be broadcast on national television.

Council Member Betcher expressed her concerns about the number of times the South Campus Neighborhood has to listen to fireworks. She also said that there are a number of Veterans, who will be returning to Iowa State University, and pyrotechnics can be problematic for those who suffer from Post Traumatic Stress Disorder. Ms. Betcher believes that that should be in the back of the Council members' minds when these requests are on an agenda. She noted that these particular displays are scheduled to occur during the day or early evening hours.

Moved by Betcher, seconded by Beatty-Hansen, to approve the following requests for Fireworks Permits for display from Jack Trice Stadium for ISU Home Football Games:

- a. Saturday, September 3
- b. Saturday, September 24
- c. Saturday, October 1
- d. Saturday, October 29
- e. Thursday, November 3
- f. Saturday, November 19
- g. Saturday, November 26

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

2016/17 AGREEMENT WITH AMES ECONOMIC DEVELOPMENT COMMISSION (AEDC): Noting that the amount of the annual Agreement totals \$150,000, Ms. Beatty-Hansen asked her colleagues if they felt the City was getting what it wanted from the services of the AEDC. She also asked to have a representative of the AEDC talk about its efforts to help small businesses.

Drew Kamp, representing the Ames Chamber of Commerce, 304 Main Street, Ames, reported that one of the tasks that John Hall, Business Development Coordinator and Marketing Director, does is to work directly with businesses, especially the small business and start-up communities. According to Mr. Kamp, Mr. Hall works directly with the Directors of the Main Street Cultural District and Campustown Action Association and the Small Business and Entrepreneurialship Group and Start-Up Communities. He noted that the AEDC has resources available to assist small businesses.

Ms. Beatty-Hansen asked how the AEDC measures success. Mr. Kamp replied that it has a number of tools that track the number of jobs created, increases in the sales tax base, and increases in the property tax base.

Moved by Beatty-Hansen, seconded by Betcher, to adopt RESOLUTION NO. 16-479 approving the 2016/17 Agreement with Ames Economic Development Commission.

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

TEAGARDEN AREA DRAINAGE IMPROVEMENTS PROJECTS: Council Member Betcher asked staff to give an update as to what is happening in the Teagarden Area for the benefit of the citizens and the City Council. Municipal Engineer Tracy Warner stated that after the 2010 Flood, residents were concerned about drainage and minor flooding in the Area. Since that time, various improvements have been programmed into the City's Capital Improvements Plan. According to Ms. Warner, the Professional Services Agreement with Bolton & Menk will allow for at public outreach and informational meetings with the residents to be conducted and for the design of the project. Ms. Warner advised that the drainage area is broken down into three watersheds: North Branch, Middle Branch, and South Branch. The North Branch crosses South Duff Avenue just south of Crystal Street. The Middle Branch crosses South Duff Avenue north of Garden Road. The South Branch crosses South Duff Avenue north of Ken Maril Road. All three Branches eventually meet where a concrete channel conveys the storm water southeast to a drainage ditch. The water is then conveyed to the South Skunk River. The specific project will focus on improvements to the Middle Branch and South Branch on the east side of Highway 69.

City Manager Schainker clarified that the action being requested at this meeting is approving the Professional Services Agreement only; it is not to approve any particular project.

Moved by Betcher, seconded by Orazem, to adopt RESOLUTION NO. 16-481 approving a Professional Services Agreement with Bolton & Menk of Ames, Iowa, for the Teagarden Area Drainage Improvements project in an amount not to exceed \$69,500.

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

PUBLIC FORUM: Mayor Campbell opened Public Forum and closed same after no one requested to speak.

EAST INDUSTRIAL ANNEXATION: City Planner Charlie Kuester stated that the City had received Annexation Petitions from ten property owners; those properties comprise approximately 1,083 acres. Under *Iowa Code*, up to 20% of the area may be brought in under the 80/20/Rule to annex non-consenting properties. Eight additional properties need to be included in order to avoid creating islands and to create more uniform boundaries. The proposed annexation with uniform boundaries would total 1,349.63 acres. The consenting owners comprise 80.23% of the entire annexation area. Mr. Kuester commented that the Council will need to make a decision to determine what boundaries it wishes to comprise the annexation or whether to bring in only the consenting owners. According to Mr. Kuester, the City Manager has recommended that the Council direct that all 1,349.63 acres be annexed.

Joe Rippetoe, 419 Pearson Avenue, Ames, stated his opinion that the Eastern Annexation is the most ill-conceived City project since the Wolford Mall. Referencing an increase in utility rates, he believes that Ames taxpayers have been misled as to the how the costs will be paid. It was pointed out by Mr. Rippetoe that the City and County's Planning Boards had recommended denial of changes to the Land Use Policy Plan. He stated that there will be opportunities lost by pursuing the East Industrial Annexation, specifically in that this project will be so time-consuming for staff that residents will be told other significant projects, such as an indoor pool, will have to be put on hold because staff just can't get to them. Mr. Rippetoe commented that, lacking any specific project, water and sewer rates were raised and millions were included in the Capital Improvements Plan. He also said that the City's flyer, "City Side," provided very little information about the water and sewer rate increases and failed to cite that Eastern Annexation was the project was the reason for the increases; the information bore no resemblance to this project. Mr. Rippetoe believes that there has been no widespread community conversation about what the citizens actually want on the land. He also asked if the City had even thought about being able to provide bus service to the area. Mr. Rippetoe noted that the largest property owner consenting to the annexation is from Texas. He alleged that the City is once again catering to out-of-town business interests.

John Hall, representing the AEDC and Ames Chamber of Commerce, thanked the Council for its support of creating more industrial land for projects that currently, the City cannot even be considered for due to the lack of available land. He noted that conversations regarding the East Industrial area have been occurring over the past eight years.

Merlin Pfannkuch, 1424 Kellogg Avenue, Ames, stated that he would be speaking on the process followed by staff on this project and how major decisions are made in Ames. In his opinion, this project was included late in the process for the Capital Improvements Plan. He referenced the payment of \$254,000 for a contract to conduct a design study, and then, on this Agenda is approval

of an agreement for General Obligation Bonds in the amount of \$3.3 million to install the infrastructure. Mr. Pfannkuch called the process followed “an embarrassment.” He stated that he was fundamentally opposed to this project due in part that he does not believe taxpayer subsidies to businesses are leading to a better quality of life. Mr. Pfannkuch contended that the City had worked behind the scenes with the AEDC on this; there was no analysis done on this project. It was also the opinion of Mr. Pfannkuch that the AEDC does not have a particularly good track record, and it is gambling with \$90/resident and just “rolling the dice” hoping that this leads to significant industrial growth. He questioned why the City did not schedule a workshop on this issue so that the public could learn about it and comment on it. Mr. Pfannkuch did not believe neither he nor the public was afforded an opportunity to receive information about this project and/or comment. He wants to see evidence that industrial development will occur in this area.

Lauris Olson, Buchanan Drive, Ames, asked about a piece of property that seemed to create an uneven boundary on the annexation map, i.e., the Brekke Parcel. City Manager Schainker said that originated after he had asked what lands could be supported after the City’s negotiations with Central Iowa Water for service territory. The map was developed to show the natural gravity line.

Dave Benson, 1416 Buckeye Avenue, Ames, advised that he was the current Chairman of the AEDC. He commented that the AEDC 5-Year Plan was approved in 2012, and one of its goals under Objective 1 was to identify the best place for the development of a new business and industrial park. Mr. Benson pointed out that the area in question is bounded by the Interstate, railroad, four-lane highway, and a natural gas line. According to Mr. Benson, the City of Nevada and DuPont/Lincoln Way Energy pretty much sealed the fate of this area. He said it is the view of the AEDC as well as his own personal view that the best alternative is for the City of Ames to be able to control the development of this area. By doing so, there will be orderly development of the area and not an unplanned hodge podge of developments. He stated, with regard to other priorities of the City referred to by Mr. Rippetoe, it is this kind of industrial development that will provide the revenue for projects such as an indoor pool, improvements to the Lincoln Way Corridor, and extension of bike trails. If the City does not take advantage of this opportunity, it is those kinds of things that will suffer. Mr. Benson urged the City Council to take advantage of the opportunity to annex the lands for the East Industrial Park and allow for planned development.

Council Member Orazem stated that Ames is not currently considered for large industrial developments; it simply does not have land of the size needed. He noted that cities around Ames have land available. Mr. Orazem also pointed out that the City’s LUPP had included the annexation of this area since 1997.

Council Member Gartin asked City Manager Schainker to again provide a brief overview of the process that the City had gone through regarding industrial lands. Mr. Schainker provided a chronological history, noting that this topic had been discussed during public City Council meetings many times.

Mr. Gartin asked Mr. Schainker to also comment on the rural water buy-out, which was relevant to this item. Mr. Schainker explained that the City had entered into an Agreement with Central Iowa Water Association (CIWA) to establish rates for the buyout of CIWA territory and incorporation into the Ames service area. He noted the incremental cost increases contained in the buyout Agreement.

Council Member Gartin then asked Public Information Officer Susan Gwiasda to comment on the flyer that had been included with the utility bills that was being referenced by Mr. Rippetoe. Ms. Gwiasda stated that the flyer is intended to explain any change in utility rates; it does not give a detailed description of any particular project.

Moved by Nelson, seconded by Gartin, to initiate the annexation of 1,349.63 acres of land, including 266.85 acres of non-consenting property; directing staff to forward the Annexation Petitions to the Planning and Zoning Commission; and, designating Planning and Housing Department staff as the representative to the consultation with Township Trustees and County Supervisors.

Council Member Beatty-Hansen commented that she was really torn on this project. She noted that she had voted against the LUPP change. Ms. Beatty-Hansen also thinks that this project is a gamble, and she feels that the City has not planned well enough in case there are no industries wanting to develop the land.

Council Member Gartin offered his belief that it is not a question of whether the land is going to be developed; it is very likely that it will be. Because of the land's proximity to Ames, it is extremely essential that Ames be able to control the development of it. He noted that the tax base of Ames is still very dependent on federal and state dollars, and it is vital that Ames receive private sector dollars. In the opinion of Mr. Gartin, Ames has many opportunities for people with post-secondary degrees; however, it needs to be able to provide job opportunities for those who do not have that level of education.

Vote on Motion: 5-1. Voting aye: Betcher, Corrieri, Gartin, Nelson, Orazem. Voting nay: Beatty-Hansen. Motion declared carried.

SUPERVISED TRANSITIONAL HOMES: Director Diekmann stated that the City Council had received a request to consider initiating a Zoning Text Amendment to create a "transitional housing" use option for residential zoning districts. The requesting parties' desires are to allow for a broader range of choices for meeting "transitional living" needs within existing single-family dwellings. They would like to acquire facilities for youth or adults needing transitional housing with live-in support. Staff anticipates that such facilities would exceed the maximum occupancies of the household living category with a "family," as defined by the Zoning Ordinance, and group living is only allowed within a limited number of zoning districts and areas. If a use does not meet the definition of "family," the Zoning Ordinance currently has two use types under which similar housing options could be allowed based on interpretation of such uses: Group Living or Social Service Providers. Current definitions of those two uses were provided by Director Diekmann. Mr. Diekmann noted that the City Council had determined that the current ordinances of the City may

not effectively address the needs of the human services agencies, and it had directed staff to initiate a text amendment to allow for a new supervised transitional home for inclusion in the Zoning Ordinance and to propose standards for such a use.

According to Director Diekmann, the Zoning Ordinance allows Group Living for transitional living facilities only in the Residential High Density Zone and the South Lincoln Mixed Use Zone. Social Service Providers are permitted in a broader range of zones within the City; however, the uses permitted under a Social Service Provider category are limited to shelter services or counseling centers, which do not appear to fit the needs of the type of housing being requested. Mr. Diekmann said that, at this time, staff believes the described use of a supervised type of group home would fit under Transitional Living Facility under Group Living if no changes were made to the Zoning Ordinance.

The Council was told by Mr. Diekmann that, based on the Social Service Providers' interest in using one- and two-family home structures, rather than apartments, staff has analyzed potential sites. Within the RH and S-SMD Zoning Districts, there are approximately 160 properties that are one-or two family structures that could be reused as Transitional Living Facilities. When factoring in the use classification of Social Service Providers, there are approximately 490 properties within one-or two-family homes that would meet the described interest. There are a few additional HOC-zoned properties that could also be approved for Group Living or Social Service Provider, but that does not significantly expand the opportunities.

Council Member Betcher asked if there was any possibility of tying in the number of people to the number of bedrooms. Mr. Diekmann replied that some Social Service Providers could have a family unit of two or three people in one bedroom.

Ms. Betcher noted the number of apartments that are being built in an attempt to keep up with the growing ISU student population. She said it is her belief that the current rate of growth will not continue, and perhaps those apartments could offer an opportunity for transitional living units.

Mr. Diekmann noted that, similar to other group living uses within the Zoning Ordinance, a separation distance has been established between such uses to prevent a concentration of any one type of use within residential neighborhoods. Although this use would generally be similar to household living uses in a neighborhood, to ensure compatibility, staff believes a separation distance would be appropriate to avoid over-concentration in one neighborhood. Staff is recommendation that 500 feet be set as the separation required between such supervised transitional homes.

Director Diekmann also noted that staff was not recommending any parking ratios. Additional parking spaces for single-family homes would not fit in with neighborhoods. In addition, there are front-yard parking prohibitions. Staff believes that utilizing existing parking on site with the use of public street parking would be sufficient for smaller scale uses; however, if the occupancy of units was greater, a parking requirement is probably needed to ensure appropriate integration into a neighborhood.

Regarding licensing and inspections, to ensure some element of minimum life safety, without the need for continued inspection as is done under the Rental Housing Code, Director Diekmann said that City staff is suggesting establishment of minimum standards for review at the time of application for the use. Such requirements could include proof of operable windows, means of egress, egress windows/emergency escape openings, and minimum fire protection system addressing equipment to detect a fire, actuate an alarm, or suppress or control a fire in accordance with the International Fire Code. Those types of requirements would exceed what a single-family homeowner must do for purchase and use of a property and would make it similar to how a rental property is currently evaluated. Council Member Gartin shared that he would like to require inspection of the transitional homes, specifically, the same base level of inspection as rental homes in the City.

Council Member Corrieri said she wants to ensure that agencies providing transitional housing are accredited to provide this type of service. Council Member Orazem agreed, asking how the City would know that there is actual supervision of the transitional home. Mr. Diekmann pointed out that, if federal or state dollars are received, there would have to be oversight.

Council Member Betcher said there might be issues with rental property owners who are restricted as to the number of people that may occupy a house based on the number of bedrooms. Parking, occupancy, and health and safety issues are of concern to her.

Director Diekmann told the Council that staff believes the issues of registering a small transitional home and verifying compliance can be done administratively if objective standards are in place. If the Council is not comfortable with that, the proposed use could be reviewed by the Zoning Board of Adjustment if there are elements of the building and occupancy or issues with compliance with such items as separation distance or parking on site that merit a case-by-case review to determine appropriateness of the use on a site and compatibility with its surroundings.

Matthew Youngs, 112 East 2nd Street, Ames, said he was speaking on behalf of Roger Wheeler, who was not able to be present at this meeting. Mr. Youngs expressed concern over any licensing requirement. He understands the need to know if the property is being used as permitted or intended, but it might be more difficult for the groups who want to provide this type of housing to get licensed.

Moved by Gartin, seconded by Beatty-Hansen, to approve Alternative No. 1 and direct staff to prepare a Zoning Text Amendment to allow staff to approve Supervised Transitional Homes meeting the following requirements:

- a. Use meets the definition of “Supervised Transitional Home,” as defined by staff
- b. Occupancy limited to a maximum of eight occupants per dwelling unit
- c. Separation Distance of 500 feet to any other Supervised Transitional Home
- d. No additional parking above the Code-required parking established based on the dwelling type
- e. Meet minimum life safety requirements for operable windows, egress windows, and fire detection/suppression equipment prior to the approval of a permit (no ongoing licensing or

- inspections)
- f. Allow within all residential zoning districts, only within a single-family structure (attached or detached)

and direct staff to work with the Fire Department on giving alternatives for providing inspections for minimum life safety requirements.

Moved by Betcher, seconded by Corrieri, to amend the motion to link the maximum number of occupants to the number of bedrooms, allowing no more than two occupants per bedroom with a maximum of eight.

Vote on Amendment: 5-1. Voting aye: Beatty-Hansen, Betcher, Corrieri, Nelson, Orazem. Voting nay: Gartin. Motion declared carried.

Vote on Motion, as Amended: 6-0. Motion declared carried unanimously.

PRELIMINARY PLAT FOR ASPEN BUSINESS PARK, 3RD ADDITION: *Ex officio* Member Schulte shared that he had heard from some students concerns about safety pertaining to the Grand and South 16th Street intersection. He asked specifically if a signal would be installed. Director Diekmann and Municipal Engineer Warner stated that signalization would be a part of the intersection improvements.

Moved by Gartin, seconded by Nelson, to adopt RESOLUTION NO. 16-495 approving the Preliminary Plat for Aspen Business Park, 3rd Addition, with the following condition: At the time of Final Plat approval, a deed restriction be placed on the Final Plat for the no-build area for the future extension of S. Grand Avenue (consistent with language of the current Contract Rezoning Agreement).

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

The meeting recessed at 8:06 p.m. and reconvened at 8:12 p.m.

4004 PHOENIX STREET: Fire Chief Shawn Bayouth introduced Community Codes Liaison Sara VanMeeteren. Ms. VanMeeteren gave a chronological history of complaints against the subject property. She stated that she had received an email this date from the bank that within 24 to 48 hours, the sale should be finalized. Ms. VanMeeteren emphasized that that doesn't mean the property will be improved, but the City would be working with the new owner to do so.

Council Member Orazem noted that the City currently has no easy way of resolving these types of issues where the property owner seems to have abandoned the property; taxes are apparently still being paid on it. Ms. VanMeeteren advised that it was the condition of the house that brought this property to the attention of City staff.

Ms. Betcher asked if a Minimum Property Maintenance Code would assist City staff in being able to take action. Ms. VanMeeteren said it would not because this is more than just requiring a house to be painted or landscaping to be maintained.

Karen Kerper, 4008 Phoenix, Ames, told the Council that she lives next door to the property in question. She stated that she has lived in her house for 16 years, and the person who owns the house a 4004 Phoenix has not lived in it for at least ten years. Ms. Kerper noted that staff notes on this case indicated that it was closed due to inactivity. She asked for an explanation. Ms. VanMeeteren noted that there had been many complaints. Some of those were for vegetation; those were taken care of, and the case was closed. When each complaint was resolved, the case was closed. Complaints have been coming in recently on the actual condition of the house. Ms. Kerper noted that she would be pleased if the sale of the property would occur within the next 24 to 48 hours.

Council Member Gartin said he wants City staff to have authority to move forward if the sale does not move forward. He would like to pursue the declaration of a dangerous building under Section 5.400 of the *Ames Municipal Code*. Chief Bayouth said that staff is concerned that if the City moves forward under Section 5.400, it could stop the sale.

City Manager Schainker noted that it is not just the sale of the property. City staff would need to have a conversation with the new owner to see what his or her intention is for the property and their time frame.

Council Member Gartin encouraged Ms. VanMeeteren to contact the realtor Steve Bock to determine when the closing will actually occur.

Moved by Beatty-Hansen to direct staff to pursue Option 3 with a six-month window to allow the sale to occur and give the new owner time to improve the property.

Motion died for lack of a second.

Moved by Betcher, seconded by Beatty-Hansen, to choose to do nothing and wait for the completion of the bank's short sale and come back to the Council with an update at its September 13, 2016, meeting.

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

FIXED-BASE OPERATOR (FBO) SELECTION FOR AMES MUNICIPAL AIRPORT:

Traffic Engineer Damion Pregitzer noted that on June 11, 2013, the City Council approved an extension of the current Fixed Base Operator contract until such time that the new Terminal Building is constructed or upon 30 days written notice of a newly established termination date. It was decided that, given the current vision for the future of the Ames Airport as a gateway to the community, it would be in the best interest of the City to create a new FBO contract to coincide with the award of contract to construct the new Terminal Building.

Mr. Pregitzer described the selection process for the new FBO. A FBO Selection Advisory Committee was created using a subset of the Terminal Building Design Focus Group. Proposals were due on June 3, 2016. Three FBOs responded to the RFP: (1) North Iowa Air Service of Mason City, Iowa; (2) Classic Aviation of Pella, Iowa; and (3) Exec 1 Aviation of Ankeny, Iowa. All three FBOs were brought on-site to participate in an interview process. The projected financial benefit to the City offered by each firm over a five-year contract was reviewed by Mr. Pregitzer for the Council.

According to Mr. Pregitzer, after applying the selection scoring matrix, the Advisory Committee generated a composite score for each FBO. The score was based on the information presented during the firms' respective proposals and garnered during their on-site interviews. Classic Aviation of Pella, Iowa, was found to be the highest-scored FBO based on the strength of its proposal and its plans for leveraging the opportunity to grow the Ames Airport and become part of the community. Classic Aviation has shown that it is a successful FBO that can manage the difficult market of General Aviation and does so with a commitment to customer service, innovation, and growth.

A major contributing factor for recommending Classic Aviation, according to Mr. Pregitzer, was its proposal to establish a Part 141 Flight School. Part 141 schools have more FAA oversight, more rigid schedules, and more paperwork. In exchange for those added requirements, they are allowed to reduce the minimum required hours of private pilot training to 35 hours, rather than the typical 40-hour requirement. Along with partnering with ISU, this will be a significant improvement for the community that few General Aviation airports are able to provide. This will become a resource for area residents and ISU students who are looking to get their pilot's license.

According to Mr. Pregitzer, Classic Aviation is a certified Cirrus Service Center, which is the highest grade service possible for all types of Cirrus airports. Classic Aviation will also establish a certified service center at the Ames Airport and have sales available for Cirrus aircraft. It has committed to having a minimum of two certified flight instructors. The relationship will strengthen the growth of people looking to enter aviation by buying planes or learning to fly.

City Manager Steve Schainker recalled that, rather than provide up-front funds to help construct the new Terminal, Iowa State University agreed to pay to the City the amount of any shortfall (up to the annual debt service amount) between the annual operating revenues and annual operating expenses at the Airport (excluding the farm operation), which includes the debt service on \$943,000 - a portion of the debt that was issued by the City to finance the new terminal. It is anticipated that because of the new facilities being constructed at the Airport, the City could expect to receive \$100,000 or \$120,000 annually from a new FBO Agreement. The amount of revenue estimated from each of the three proposals is significantly less than the anticipated amount, which places the University at a greater risk to owe the City funds each year to pay the debt service on the new Terminal.

Mr. Schainker advised that, with the Council's approval, staff will begin negotiating with Classic Aviation on a contract. If that doesn't go well, staff would move to the second-best proposal, which

was submitted by North Iowa Air Service out of Mason City, Iowa.

Moved by Orazem, seconded by Gartin, to adopt RESOLUTION NO. 16-496 approving Classic Aviation of Pella, Iowa, as the City's preferred FBO and directing staff to begin negotiations for a new management contract for the Ames Municipal Airport; if acceptable terms of a new contract cannot be negotiated with Classic Aviation, direct staff to select North Iowa Air Service of Mason City, Iowa, as the new preferred FBO and begin contract negotiations with them.

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

SOUTH SKUNK RIVER WATERSHED IMPROVEMENTS (CITY HALL PARKING LOT):

Civil Engineer II Eric Cowles reported on the re-bidding of the project previously bid in June when bids were rejected and the project was sent back for re-design. At that time, the new bids were again over-budget and staff needed time to develop a recommendation on how to proceed with the project.

Providing the background, Mr. Cowles reported that, on February 24, 2015, the City Council had authorized application for two state-funded grants to facilitate storm water quality and quantity improvements in the downtown area. The City subsequently received \$100,000 from the Iowa Department of Agriculture and Land Stewardship (IDALS) for water quality improvements as proposed in the application. Funding from the State Revolving Fund (SRF) Sponsored Project Program was also awarded in connection with two SRF funded sewer improvement projects. Essentially, the interest paid to the Iowa Department of Natural Resources (IDNR) on the SRF loans for those projects is being returned to the City for use on these storm water-related parking lot improvements. At the June 28, 2016 meeting, the City Council rejected all bids due to high costs and directed staff to rebid the project at a future date. Staff then worked with Bolton & Menk, consulting engineer on the project, to identify measures to modify the project with the intent to lower project costs. These included revising the completion date to spring 2017, providing additional clarification on certain bid items, and replacing portions of existing curb and gutter in parking Lot M as an alternate bid item. According to Mr. Cowles, those adjustments will still fulfill the requirements of the IDALS and SRF Sponsored Project Water Quality Grants. On August 3, 2016, two bids were received on the project: Woodruff Construction and Con-Struct were the bidders.

Mr. Cowles stated that project award would typically be based on the lowest cost pavement alternative, which in this case is Woodruff bidding Base and Alternate #1 (asphalt) at a cost of \$1,180,223.95. However, the specifications for the project require the successful bidder to self-perform at least 50% of the work on the project. As a part of the evaluation, it was determined that the low bidder, Woodruff, is unable to meet this self-performance specification requirement. The second-lowest bidder, Con-Struct, met the requirement, with the lowest bid being Base + Alt #2 (concrete) in the amount of \$1,270,739.70. With engineering and contract administration estimated in the amount of \$150,000, however, total estimated expenses are over \$1,420,000, which exceeds previously identified funding by approximately \$280,000. Staff is recommending that the bids be rejected and the project be re-bid at a future date.

Noting that the bids came in approximately \$280,000 over budget, Council Member Gartin asked if staff has concerns that the same will be true when it gets re-bid. Mr. Cowles replied that by

rejecting the bids, staff will work with the consultant to redesign the project for a future letting date and construction likely beginning in spring 2017. This will allow staff to analyze the 50% self-performance requirement. Lowering this requirement could open the project for bidding by more firms, which may lead to lower costs. Additionally, this will also provide staff time to look for additional funding sources to ensure the project's successful future bid. The IDALS Water Quality Grant originally had a deadline of June 30, 2016, for expenditure of the funds. Staff has worked with IDALS for an extension of this date to June 30, 2017. IDALS staff has been contacted and it was determined that expending these funds first (prior to June 30, 2017) with spring 2017 construction will meet the requirements of the grant.

Moved by Beatty-Hansen, seconded by Betcher, to reject the bids and direct staff to re-bid the project at a future date.

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

CAPITAL FUNDING FOR HUMAN SERVICES AGENCIES: Assistant City Manager Brian Phillips introduced Miranda Wehde, City Manager's Office Intern, who assisted with the survey conducted to gather information about capital project needs of the Human Services agencies.

Council Member Corrieri indicated her conflict of interest with this item; she will be abstaining from any vote taken.

Assistant City Manager Phillips noted that, on November 24, 2015, the Council had directed staff to look into developing a one-time grant program for FY 2017/18 to fund capital projects for Human Services agencies, with the first task involving the staff reaching out to those agencies. A survey was sent to 30 agencies to gather the requested information. The results of the survey were reviewed by Mr. Phillips.

City Manager Schainker advised that if the City Council decides to allocate funds for this project, it would need to be brought up and discussed during budget time. If the project was to move forward, it could not take place any sooner than July 1, 2017, since it has not been included in the current budget.

Mayor Campbell indicated her very serious reservations about entering into a program that provides capital funding of this type. She noted that United Way does give capital project grants. The Mayor commented that the City has a very good process already in place for funding services to be received from Human Services agencies through its partnership in ASSET.

Council Member Betcher said that she is not opposed to providing funding for capital projects for human services agencies; however, she does not want it to equate to more than \$1,000,000 over two years.

Council Member Gartin noted that it is very difficult for non-profits to fund-raise for things like HVAC systems. He would want traditional capital improvement projects, e.g., roofs, not something

like vehicles. Mr. Gartin indicated a desire to have further conversations with United Way before such a program was approved.

Moved by Gartin, seconded by Beatty-Hansen, to direct staff to have further conversations with United Way to better understand its capital grant program and report back to the City Council.

Vote on Motion: 5-0-1. Voting aye: Beatty-Hansen, Betcher, Gartin, Nelson, Orazem. Voting nay: None. Abstaining due to a conflict of interest: Corrieri. Motion declared carried.

Moved by Gartin, seconded by Beatty-Hansen, to direct staff to list this as an issue for the Budget Guidelines Session to be held next November.

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

SALE OF GENERAL OBLIGATION ESSENTIAL CORPORATE PURPOSE BONDS: City Treasurer Roger Wisecup introduced Susan Gerlach from PFM. Ms. Gerlach reported that the City received six bids from 44 firms. The bids ranged from a 1.52% to 1.61% interest rate. The savings will equate to over \$215,000. The winning bid came from Robert W. Baird & Co., Inc.

Moved by Gartin, seconded by Betcher, to adopt RESOLUTION NO. 16-497 approving the sale of General Obligation Essential Corporate Purpose Bonds, Series 2016A, in a principal amount not to exceed \$12,705,000 to Robert W. Baird & Co., Inc.

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

UNIFY PHONE SYSTEM UPGRADE: Stan Davis, Information Services Manager, explained that the City's existing digital phone system is outdated. The current handsets are 26 years old and the system itself is 19 years old. The last upgrade of the system was ten years ago, and software enhancements can no longer be made. Upgrades to certain departments have been necessary at a cost of \$132,814. Upgrading the existing Siemens digital phone system to a Unify network phone system would allow the City to keep the existing \$132,814 investment.

Moved by Orazem, seconded by Betcher, to adopt RESOLUTION NO. 16-498 approving a waiver of Purchasing Policies and awarding a contract to Black Box Network Services for a single-source purchase of a Unify Phone System upgrade in the amount of \$417,408.

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

HEARING ON AMES PLANT TO N. E. ANKENY 161kV TRANSMISSION LINE RELOCATION: Mayor Campbell opened the public hearing. No one requested to speak, and the hearing was closed.

Moved by Nelson, seconded by Orazem, to accept the report of bids and delay award of a contract. Vote on Motion: 6-0. Motion declared carried unanimously.

HEARING ON SEWER REVENUE STATE REVOLVING FUND PLANNING AND DESIGN LOAN AGREEMENT: The public hearing was opened by the Mayor. She closed same after no one asked to speak.

Moved by Nelson, seconded by Gartin, to adopt RESOLUTION NO. 16-499 approving entering into a Sewer Revenue State Revolving Fund Planning and Design Loan Agreement in an amount not to exceed \$375,000.

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

HEARING ON PROPOSED CONTRACT FOR SALE OF CITY-OWNED PROPERTY AT 1125 MAXWELL AVENUE (Continued from July 12, 2016): Mayor Campbell noted that the hearing was open, having been continued from the July 12, 2016, meeting. The Mayor closed the hearing after no one came forward to speak.

Moved by Beatty-Hansen, seconded by Betcher, to adopt RESOLUTION NO. 16-500 approving a Contract with Habitat for Humanity for the purchase of City-owned property at 1125 Maxwell Avenue in connection with Community Development Block Grant Neighborhood Sustainability Program.

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

HEARING ON PROPOSED CONTRACT FOR SALE OF CITY-OWNED PROPERTY AT 306 WELLONS DRIVE (Continued from July 12, 2016): Mayor Campbell explained that the public hearing had been continued on this item as well from the July 12, 2016, meeting. No one requested to speak, and the hearing was closed.

Moved by Beatty-Hansen, seconded by Betcher, to adopt RESOLUTION NO. 16-501 approving a Contract with Habitat for Humanity for the purchase of City-owned property at 306 Wellons Drive in connection with Community Development Block Grant Neighborhood Sustainability Program.

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

HEARING ON REVISION TO MASTER PLAN FOR 499 SUNFLOWER DRIVE (SOUTH FORK SUBDIVISION, 8TH ADDITION): The public hearing was opened by the Mayor.

Keith Arneson, Pinnacle Properties, LLC, said he was seeking approval of a revised Master Plan for a portion of the South Fork development. The change would be to the housing types proposed for the remaining outlot from nine single-family detached homes to five single-family detached homes and eight twin-home lots. There would be a net increase of four homes with the proposed change. Lots to the west of Sunflower Drive would be unaffected by the proposal.

No one else came forward to speak, and the Mayor closed the hearing.

Moved by Nelson, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 16-502 approving the Zoning Agreement for Adoption of a Revised Master Plan for Outlot A.

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

Moved by Nelson, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 16-503 approving the Revised Preliminary Plat.

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

HEARING ON AMENDMENT TO MAJOR SITE DEVELOPMENT PLAN FOR PARKING LOT LANDSCAPING FOR GREEN HILLS PLANNED RESIDENCE DISTRICT: The public hearing was opened by the Mayor. It was closed after there was no one wishing to speak.

Moved by Beatty-Hansen, seconded by Nelson, to adopt RESOLUTION NO. 16-504 approving an Amendment to the Major Site Development Plan for parking lot landscaping for Green Hills Planned Residence District located at 2200 Green Hills Drive.

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

ORDINANCE ASSIGNING NEWLY ANNEXED PROPERTIES: Moved by Orazem, seconded by Beatty-Hansen, to pass on first reading an ordinance assigning newly annexed properties to Ward 3, Precinct 1; and Wad 3, Precinct 4.

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

Moved by Betcher, seconded by Nelson, to suspend the rules necessary for the adoption of an ordinance.

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

Moved by Betcher, seconded by Orazem, to pass on second and third readings and adopt ORDINANCE NO. 4272 assigning newly annexed properties to Ward 3, Precinct 1; and Ward 3, Precinct 4.

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

ORDINANCE CHANGING NAME OF GRANT AVENUE TO HYDE AVENUE: Moved by Betcher, seconded by Beatty-Hansen, to pass on second reading an ordinance changing the name of Grant Avenue to Hyde Avenue.

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

ORDINANCE REZONING 720 SOUTH DUFF AVENUE: Moved by Betcher, seconded by Nelson, to pass on second reading an ordinance rezoning 720 South Duff Avenue from Agricultural (A) and Highway-Oriented Commercial (HOC) to Highway-Oriented Commercial (HOC).

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

ORDINANCE TO ALLOW CLUBHOUSES IN FS-RM ZONING DISTRICT: Moved by Beatty-Hansen, seconded by Betcher, to pass on third reading and adopt ORDINANCE NO. 4269 to allow clubhouses in the FS-RM Zoning District.

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

ORDINANCE ESTABLISHING “NO PARKING HERE TO CORNER” ON WEST SIDE OF EATON AVENUE FROM BRISTOL DRIVE SOUTH FOR 325 FEET AND ON WEST SIDE OF PUBLIC ALLEY FROM BRISTOL DRIVE NORTH FOR 180 FEET: Moved by Betcher, seconded by Orazem, to pass on third reading and adopt ORDINANCE NO. 4270 establishing “No Parking Here to Corner” on the west side of Eaton Avenue from Bristol Drive south for 325 feet; and establishing “No Parking Here to Corner” on the west side of the public alley from Bristol Drive north for 180 feet.

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

5871 ONTARIO STREET: Moved by Betcher, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 16-505 approving the Zoning Agreement for Adoption of a Master Plan for 5871 Ontario Street.

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

Moved by Betcher, seconded by Beatty-Hansen, to pass on third reading and adopt ORDINANCE NO. 4271 rezoning, with a Master Plan, 5871 Ontario Street from Agricultural (A) to Suburban Residential Low Density (FS-RL).

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

COUNCIL COMMENTS: Moved by Nelson, seconded by Gartin, to direct staff to place on a future agenda the request for underground geothermal wells within the Conservation Easement in Quarry Estates, 1st Addition.

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

Moved by Gartin, seconded by Beatty-Hansen, to refer for a staff report the request of Jean Goodwin dated August 2, 2016, pertaining to the amount of her water bill due to a broken pipe.

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

Moved by Gartin, seconded by Beatty-Hansen, to refer to staff for a memo the request of the Somerset Property Association and residents to partner with the City’s Parks and Recreation Department to develop a park at 2910 Sheffield Avenue.

Vote on Motion: 5-1. Voting aye: Beatty-Hansen, Betcher, Corrieri, Gartin, Nelson. Voting nay: Orazem. Motion declared carried.

Moved by Gartin, seconded by Nelson, to direct staff to schedule a workshop to address the subject of Internet capacity in Ames, which should include inviting representatives of the current Internet providers in Ames.

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

Moved by Betcher, seconded to Beatty-Hansen, to direct staff to retrieve the documents - Ordinance and Minutes - from the last time the Minimum Property Maintenance Code was discussed and include the make-up of the group who studied it.

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

ADJOURNMENT: Moved by Betcher to adjourn the meeting at 10:16 p.m.

Ann H. Campbell, Mayor

Diane R. Voss, City Clerk