

MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

NOVEMBER 24, 2015

The Regular Meeting of the Ames City Council was called to order by Mayor Ann Campbell at 6:00 p.m. on the 24th day of November, 2015, in the City Council Chambers in City Hall, 515 Clark Avenue. Council Members Gloria Betcher, Tim Gartin, Chris Nelson, and Peter Orazem and *ex officio* Member Sam Schulte were present. Council Member Matthew Goodman arrived at 6:06 p.m. As it was not possible for her to be at the meeting in person, Council Member Amber Corrieri was brought in telephonically.

Mayor Campbell announced that there would not be a Closed Session held at this meeting as outside counsel had a scheduling conflict arise.

PRESENTATION OF NEW CITY WEB SITE: Susan Gwiasda, City Public Relations Officer, and Stan Davis, Information Technology Manager, gave a presentation highlighting the City's new Web site. The City went live with the new site on November 23, 2015.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of November 10, 2015, and Special Meeting of November 17, 2015
3. Motion approving certification of civil service applicants
4. Motion approving Report of Contract Change Orders for November 1-15, 2015
5. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Class C Liquor & Outdoor Service – Outlaws, 2522 Chamberlain Street
 - b. Class B Native Wine – Chocolaterie Stam, 230 Main Street
 - c. Class C Beer – Swift Stop #8, 705 24th Street
 - d. Class C Liquor & Outdoor Service – Aunt Maude's, 543-547 Main Street
 - e. Class C Liquor & Outdoor Service – The Café, 2616 Northridge Parkway
6. Motion approving 5-day (December 7-11) Special Class C Liquor License for Olde Main Brewing Company at ISU Alumni Center, 420 Beach Avenue
7. Motion approving Sunday Sales for Bar, 823 Wheeler Street, Suite 4
8. Motion approving Class B Beer Permit for Mongolian Buffet, 1620 South Kellogg Avenue, Suite 103
9. Motion approving Class B Liquor License and Outdoor Service for Country Inn & Suites, 2605 SE 16th Street (pending satisfactory background check)
10. RESOLUTION NO. 15-697 accepting Abstract of Votes for November 3, 2015, Regular City Election
11. RESOLUTION NO. 15-698 approving 36-month contract with CenturyLink for Internet Services
12. RESOLUTION NO. 15-699 approving Storm Water Easement with Arbor on the Green Homeowners Association for pond
13. RESOLUTION NO. 15-700 approving request to close Lynn Avenue for installation of storm sewer
14. RESOLUTION NO. 15-701 approving transfer of cellular antenna site lease at Homewood Golf Course from Iowa Wireless Services to TowerCo 2013, LLC
15. RESOLUTION NO. 15-702 approving reallocation of Wellmark "3-Point Play" monies for purchasing specified indoor fitness equipment instead than outdoor fitness equipment that was approved in FY 2013/14 CIP
16. RESOLUTION NO. 15-703 approving Modification to Self-Insured Health Insurance Summary Plan Document

17. RESOLUTION NO. 15-704 awarding contract to Wesco Distribution of Des Moines, Iowa, for 750 KCMIL Copper Cable in the amount of \$73,252.20 (Alternate) for Electric Services, subject to metals adjustment at time of order
 18. RESOLUTION NO. 15-705 approving preliminary plans and specifications for WPC Decant Line Replacement project; setting the bid due date for January 5, 2016, and January 12, 2016, as date of public hearing
 19. RESOLUTION NO. 15-706 approving contract and bond for Water Treatment Plant High Service Pump #3 Replacement Project
 20. RESOLUTION NO. 15-707 approving Change Order No. 3 with TEI Construction Services, Inc., for Power Plant Fuel Conversion - Mechanical Installation General Work in the amount of \$187,984
 21. RESOLUTION NO. 15-708 approving Change Order No. 3 with Integrity Construction for Library Renovation project in an amount not to exceed \$5,750
 22. RESOLUTION NO. 15-709 approving Change Order No. 4 with HPC, LLC, for City Hall Renovation Project, Phase 2 in the amount of \$18,684
 23. 2013/14 CyRide Route Pavement Improvements Program #2 (Garden Road, Garnet Drive, Viola Mae Avenue):
 - a. RESOLUTION NO. 15-710 approving Change Order No. 1
 - b. RESOLUTION NO. 15-711 accepting final completion
 24. 2011/12 Asphalt Pavement Improvements (Ironwood Court):
 - a. RESOLUTION NO. 15-712 approving Change Order No. 1
 - b. RESOLUTION NO. 15-713 accepting final completion
 25. RESOLUTION NO. 15-714 accepting partial completion of public improvements and reducing security requirement for Quarry Estates Subdivision, 1st Addition
 26. RESOLUTION NO. 15-715 accepting final completion of 2012/13 Concrete Pavement Improvements Contract #3 (Lincoln Way Frontage Road)
 27. RESOLUTION NO. 15-716 accepting final completion of 2014/15 Collector Street Pavement Improvements (West Street and Woodland Street)
- Roll Call Vote: 6-0. Resolutions/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

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

HEARING ON REZONING PROPERTY AT 101, 105, AND 107 SOUTH WILMOTH AVENUE AND 205 SOUTH WILMOTH AVENUE (Continued from November 10, 2015): Planning and Housing Director Kelly Diekmann advised that two rezoning applications had been received: one for 101, 105, and 107 South Wilmoth Avenue and one for 205 South Wilmoth Avenue. City Planner Karen Marren explained that the four lots (101, 105, 107, and 205 S. Wilmoth Avenue) proposed for rezoning contain 8.91 acres. The property at 205 S. Wilmoth is currently zoned Residential Low-Density and 101, 105, and 107 S. Wilmoth is zoned Residential High Density with the University West Impacted District Overlay. The developer of the sites proposed a mixed residential and commercial development and is requesting a rezoning from Residential Low Density to Residential High Density (RH) for 205 Wilmoth and from RH with the West University Impacted District Overlay to the base RH zoning.

Ms. Marren advised that there had been valid Protests filed by owners of property abutting all the subject parcels. An additional signature was received today pertaining to 101, 105, and 107 S. Wilmoth; that put the percentage of property area over the 20% threshold. Because of the valid Protests, a super majority (five out of six) vote must be received to approve the Ordinance. City

Attorney Judy Parks explained her interpretation of the *Code, Administrative Acts*, and case law pertaining to what constitutes a valid Protest.

Director Diekmann stated that staff received the signed Contract Rezoning Agreement today. It will be binding on its own and incorporated into the Ordinances. He clarified that the square footage (15,000) for required mixed use may be in one building or additional buildings along Lincoln Way; it does not mean that all buildings along Lincoln Way must be mixed use. There will be two Ordinances; however, the Contract Rezoning Agreement will pertain to both. The Agreement will be effective upon the third reading of the Ordinances rezoning the properties. Mr. Diekmann reminded the Council that the development of the properties will be required to be consistent with the approved Settlement Agreement from July 28, 2015, between the City and Breckenridge Group that would allow for future development of a residential use of up to 422 beds and the development of between 15,000 and 40,000 square feet of commercial development as mixed use. The property owner has also agreed to a three-story height limitation for development of the combined sites.

Mayor Campbell opened the public hearing.

Sharon Guber, 2931 Northwestern Avenue, Ames, advised that she had filed the Protests with the City Clerk for 101, 105, and 107 South Wilmoth Avenue and 205 South Wilmoth Avenue; the Protests had been verified to be valid. Ms. Guber reiterated that, since the Protests had been filed and proven to be valid, a super majority of the City Council will be necessary to pass any motion to approve the rezoning. Ms. Guber urged the Council to listen to the adjacent property owners and set the zoning at only Low-Density Residential. In terms of the “optional parcel (101, 105, and 107 South Wilmoth),” Ms. Guber noted that the number of property owners who had signed own smaller properties, so it takes a lot of them to total 20% or more of the area. Ms. Guber urged the Council to not accept the applications for rezoning.

Joanne Pfeiffer, 3318 Morningside Street, Ames, expressed her concerns that the Breckenridge development will be poorly planned and poorly constructed. She had hoped that the North Parcel would be a showcase, a sort of role model, on how to lift up a neighborhood with 422 students. She hoped it would bring a sense of belonging to the neighborhood. Ms. Pfeiffer questioned why the City would change the zoning to RH. She asked that the Council reject the applications.

Brian Torresi, DavisBrown Law Firm, Ames, asked the Council to approve Option 1, which would be in accordance with the Settlement Agreement and the Contract Rezoning Agreement. He pointed out that a full RH zone is in line with the HOC zone. Mr. Torresi advised that staff is in support of the requested rezonings.

Sharon Stewart, 437 Hilltop Road, Ames, asked why, if there is no difference whether the Overlay is in place or not, is its removal being requested. Director Diekmann said that there are very slight differences. Staff’s recommendation is based on the fact that with RH, certain requirements are still triggered.

The Mayor closed the hearing after there was no one else wishing to speak.

The uses to be allowed under RH zoning were listed by Mr. Diekmann. He emphasized that a Major Site Development Plan would be required for development of the site due to the requirement of the Settlement Agreement and stipulations of the contract rezoning for at least 15,000 square feet of mixed-use commercial development. Mr. Diekmann pointed out that there are many alternative

configurations of development that could occur under the proposed designation that are not actually known at this time.

Council Member Goodman also asked to know why the developers felt it necessary to remove the Overlay. Director Diekmann explained that there are subtle differences between having the Overlay in place and not have the Overlay in place. He gave a few examples comparing development with the Overlay and without it. Attorney Torresi explained that it is cleaner from a development perspective to have the Parcel be zoned the same instead of having split zoning.

It was noted by Director Diekmann that, at a public hearing on October 21, 2015, the Planning and Zoning Commission voted 5-0 to recommend that the City Council rezone the subject properties from RL and RH with the West University Impacted District Overlay to RH.

Moved by Nelson, seconded by Gartin, to pass on first reading an ordinance rezoning property at 205 South Wilmoth Avenue from Residential Low Density (RL) to Residential High Density (RH).
Roll Call Vote: 6-0. Motion declared carried unanimously.

Moved by Nelson, seconded by Gartin, to pass on first reading an ordinance rezoning property at 101, 105, and 107 South Wilmoth Avenue from Residential High Density (RH) with University West Impact Overlay to Residential High Density (RH).
Roll Call Vote: 6-0. Motion declared carried unanimously.

HEARING ON URBAN REVITALIZATION PLAN FOR SOUTH WILMOTH AVENUE:

Director Diekmann explained that Breckenridge was requesting the designation of 101, 105, 107, and 205 South Wilmoth as an Urban Revitalization Area (URA). The proposed URA comprises the former North Middle School Parcel (205 South Wilmoth) as well as three additional parcels (101, 105, and 107 South Wilmoth) acquired by Breckenridge. The property addressed as 205 South Wilmoth is a vacant parcel of land while the other three parcels have vacant residential structures on them. Mr. Diekmann reminded the Council that the Settlement Agreement with Breckenridge approved on July 28, 2015, allows Breckenridge to construct an apartment complex of up to 422 beds. The project must also have between 15,000 and 40,000 square feet of commercial space along the Lincoln Way frontage as mixed-use development.

Mr. Diekmann referenced the draft Urban Revitalization Plan, which includes all the materials required under *Iowa Code* and includes the qualifying criteria selected by the City Council at its October 13, 2015, meeting. It was noted that *Iowa Code* requires the Plan to state a time frame in which the Plan may expire. The Draft Plan includes an expiration date of December 31, 2021, when any improvement requesting abatement must be completed. If a project has already been determined to be eligible for abatement, then it would continue to receive abatement consistent with the chosen schedule and requirements of state law. Under “Applicability,” the Plan now states that, in addition to complying with a Site Development Plan approval, the buildings must have received Building Certificates of Occupancy. Mr. Diekmann emphasized that that does not mean the buildings must be occupied by people or businesses, but that the construction of the buildings complies with *Ames Municipal Code* requirements for occupancy of a building.

According to Director Diekmann, there is one major change. The Council’s qualifying criteria were modified for No. 1 and No. 8. To avoid confusion of the word “front,” staff inserted the term “street

facing” as was previously used in the Multi-Family Criteria, rather than the use of the term “front” that is used in Campustown. Mr. Diekmann said staff believes that the intent is still the same, which is that any facade oriented towards a street, Lincoln Way, or Wilmoth, would be required to have 80% brick, rather than 50% brick. In the event of a site being a corner or through lot, the Zoning Code considers a site to have two fronts, which could trigger two facades being street-facing. It was noted that Breckenridge believes that the meaning of that section should be that only buildings literally fronting upon a street must meet the 80% brick enhancement standard and that in the event that a building is located behind another building (“substantially blocked”), the second building would only be subject to the 50% brick requirement. Staff did not make any clarification as they felt it would be up to the City Council to make that determination. Council could insert language, if it so desired, to state, “Buildings substantially obstructed by other street-facing buildings must only have one facade that meets the 80% brick requirement.” The change to No. 8 is to add meaning to the phrase “architectural enhanced.” It was noted by Director Diekmann that Breckenridge had provided a letter prior to the October 13, 2015, City Council meeting that stated that it feels the criteria go beyond the expectations of the Settlement Agreement.

Council Member Gartin said that he is concerned about the precedent that will be set by approving the qualifying criteria for this URA. Specifically, he expressed concern over the use of the word “substantially blocked” as it pertains to the percentage of brick to be required. Mr. Gartin felt that the word should be defined so other developers would know the requirement. Council Member Betcher commented that the difference is really whether 80% or 50% would be required to be brick. Director Diekmann emphasized that every URA is unique; different criteria are approved for each URA.

Council Member Betcher asked staff to address Criterion No. 13 (“There shall be no balconies facing the south, west, or east on the perimeter of the project.”) She pointed out that in Campustown, there are no balconies in the right-of-way; this should be consistent. Ms. Betcher asked if a change could be made to state: “There shall be no balconies facing the south, west, or east on the perimeter of the project or adjacent to Lincoln Way.” Director Diekmann stated that the set back from Lincoln Way is 25 feet. The Council could prohibit balconies along Lincoln Way if it so desired. At the inquiry of Council Member Goodman, City Attorney Parks felt that that would be a minor enough change that it could be made. Council Member Gartin expressed his reluctance to say balconies in the right-of-way would not be allowed just because they are not allowed in Campustown. He said he is not necessarily in favor of prohibiting all balconies on Lincoln Way. Council Member Betcher explained her perspective that these properties are located in the University-Impacted Overlay. It is such because it is a University-Impacted neighborhood. She does not believe that a balcony prohibition would necessarily need to be applied to all areas along Lincoln Way.

Attorney Torresi stated that the developer is not protesting any of the items in the Plan; he is only asking for clarification. He expressed how the developer is interpreting street-facing facade or perimeter. The developer does not think it makes sense to require 80% brick facade when a building is blocked by another building. Another issue would be from what vantage point would the determination be made.

Council Member Gartin asked Mr. Torresi if the developer would be opposed to a prohibition of balconies along Lincoln Way. Mr. Torresi said, if this project’s criteria regarding balconies had to match that required of the Campustown URA, he would assume that the Council then would not allow any balconies for any project along the Lincoln Way Corridor. He also questioned whether or not the

“standard” had ever been applied to another URA project. Director Diekmann emphasized that nothing in this URA would be precedent-setting; each one is unique with its own unique set of circumstances.

Sharon Guber showed a three-dimensional rendition of what potentially could be developed on the Parcel. In reference to Criterion No. 11 (i.e., landscape buffering with certain standards), she asked if “by perimeter” meant putting a fence around the owner-occupied house along Lincoln Way.

Joanne Pfeiffer read a statement from Mike Petersen, 3302 Morningside Street, Ames, who could not be present at the meeting. In his statement, Mr. Petersen said that this was a perfect opportunity for the Council to prove that it is not to be intimidated by Breckenridge. He expressed his desire that the Urban Revitalization criteria to be approved by the City Council keep developers in check.

After no one else came forward to speak, the Mayor closed the hearing.

Council Member Goodman said that he had not seen a letter confirming that the developers are not objecting to any of the criteria. He would like to see a letter to that effect.

Moved by Betcher, seconded by Goodman, to amend No. 13 criterion so that it reads: “There shall be no balconies facing the south, west, or east on the perimeter of the project or adjacent to Lincoln Way.”

Council Member Goodman commented on his experiences with balconies along rights of ways. He believes that there are risks about placing balconies along major arterials.

Council Member Gartin said that if this were a concern, it should have been articulated before this meeting. If it is a public safety concern, he could support it; however, then it should be consistent throughout all major arterials. Council Member Betcher explained what her expectation had been after the discussion on October 13, 2015. She did not feel the motion was intended to cover the HOC portion of the lot. Balconies along Lincoln Way are a major concern of hers. She believes that balconies do constitute a public safety concern.

Council Member Gartin asked Planning Director Diekmann for his opinion on the possible amendment. Mr. Diekmann advised that he had not talked to Police Chief Cychosz about the safety aspect of prohibiting balconies on Lincoln Way. Mr. Gartin asked if staff felt balconies should be prohibited along the entire Lincoln Way Corridor Study. Mr. Diekmann advised that that would be discussed as part of the Lincoln Way Corridor Study.

Council Member Goodman said that what he had heard was that Mr. Torresi wanted to see consistency; so if balconies were to be prohibited along Lincoln Way for this development, they would be prohibited along Lincoln Way for other developments.

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

Council Member Betcher said that she would like to “cut the developer some slack on the brick facade requirement.” She believes that 50% brick is still a lot of brick. Council Member Goodman said he would be more willing to cut Breckenridge some slack if this were not part of lawsuit. He is not

willing to support such a motion.

Moved by Betcher, seconded by Gartin, to alter Criterion No. 1 to read: All buildings shall use clay brick as the principal building material for 80% of a street facing facade area excluding openings. The remaining facades shall incorporate clay brick or cut stone into 50% of the facade materials in the event that a building is behind another building and is set back more than 200' of Lincoln Way.

Council Member Gartin pointed out that the developer filed a lawsuit against the City because it felt that was its only remedy to retain its rights.

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

Moved by Betcher, seconded by Gartin, to pass on first reading an ordinance establishing the South Wilmoth Avenue Urban Revitalization Area.

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

Moved by Betcher, seconded by Orazem, to adopt RESOLUTION NO. 15-717 approving the Urban Revitalization Plan, as amended.

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

HEARING ON WATER POLLUTION CONTROL FACILITY STREET REPAIRS: Mayor Campbell opened the public hearing and closed same after no one came forward to speak.

Moved by Goodman, seconded by Orazem, to adopt RESOLUTION NO. 15-718 approving final plans and specifications and awarding a contract to Manatt's, Inc., of Ames, Iowa, in the amount of \$406,901.48.

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

HEARING ON REZONING PROPERTY AT 516 SOUTH 17TH STREET: Director Diekamnn recalled that, on October 13, 2015, the City Council had held a public hearing for the rezoning of approximately 12 acres of property at 516 S. 17th Street. At that meeting, the Council directed staff to proceed with rezoning of the site with a Contract Rezoning Agreement reflecting five conditions. The Development Agreement has now been prepared by the City Attorney's Office and addresses those five items. The developer, Scott Randall, has agreed to the conditions specified in the agreement and has signed same.

The public hearing was opened by Mayor Campbell. No one came forward to speak, and Mayor Campbell closed the hearing.

Moved by Goodman, seconded by Orazem, to pass on first reading an ordinance rezoning property at 516 South 17th Street from Highway-Oriented Commercial (HOC) to Residential High Density (RH).

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

CAMPUSTOWN FACADE PROGRAM: City Planner Karen Marren reminded the Council that it had, in November 2014, accepted the concept for a Campustown Facade Program based on the Idea Book and pilot projects. The City hired Haila Architecture-Structure-Planning as the consultant to assist in all phases of development of the Program. Council had directed that, at the completion of the pilot projects, staff would provide an assessment of the process. After the assessment, Council direction will be needed as to whether it wants staff to proceed with formalizing the Facade Program for continued use.

Ms. Marren described the five design concepts from the Campustown Facade Idea Book that had been approved by the Council.

A summary of both pilot projects (West Street Deli at 2812 West Street) and the Cranford Building at 103 Stanton) was given by Ms. Marren. The consultant has provided a Final Report on the evaluation and results of the two pilot projects. Staff believes that both projects have successfully embodied distinct concepts of the Idea Book.

Planner Marren commented that if the City Council is satisfied with the results of the pilot projects, the next step would be to consider policies necessary to establish a final program. She pointed out that there is \$50,000 budgeted in the FY 2015/16 Budget for the Facade Program. After the Council provides direction, staff would return with the final program in December with the intent to allow for a new round of facade applications this winter.

Staff outlined the following issues that should be addressed regarding eligibility criteria, requirements for awarding grants, and administration of the Program before establishing a formal Campustown Facade Grant Program.

Eligibility:

1. Building Use or Ownership
2. Second-Floor Facades

Grant Award/Process:

1. Application Timing
2. Scoring
3. Grant Awards

Facade Improvements:

1. Scope of Work
2. Applying the Concepts
3. Improvements Beyond Facades
4. Street Facing/Side/Rear Facades

Rebecca Olson, Director of the Campustown Action Association (CAA), stated that the CAA Board had discussed this Program. She expressed a few of the opinions of the Board members. Ms. Olson said that because the program is somewhat broad, you can have something historic and something modern; that still speaks to the fabric of Campustown.

At the inquiry of Council Member Gartin, Ms. Olson stated the the CAA Board had not taken an official stance on this issue. There will be additional discussion on the program in the future. She had talked to approximately 25 business owners about the program, and 100% of them was happy with the pilot programs and the possibility of the Program continuing. Council Member Goodman said it is important to know what the CAA Board thinks about whether there should be multiple grants allowed for each user in one year.

Moved by Goodman, seconded by Gartin, to include the \$2,000 for design and wait for decisions on the other two issues until the opinion of the CAA Board is known.

City Manager Schainker said that staff could meet with the CAA Board to get feedback and report that back to the Council. Staff then would bring a report back to Council for action. Director Diekmann stated that he could wait to bring this back to the Council at its December 22 meeting, which should allow time for the CAA Board to meet.

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

MAJOR FINAL PLAT FOR IOWA STATE UNIVERSITY RESEARCH PARK PHASE III, FIRST ADDITION: Moved by Goodman, seconded by Betcher, to adopt RESOLUTION NO. 15-719 approving the Sidewalk Installation Agreement.

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

Moved by Goodman, seconded by Betcher, to adopt RESOLUTION NO. 15-720 accepting the commitment letter from ISU as financial security for sidewalk improvements and maintenance of storm water facilities.

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

Moved by Goodman, seconded by Betcher, to adopt RESOLUTION NO. 15-721 approving the Major Final Plat.

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 8:18 p.m. and reconvened at 8:23 p.m.

118/120 HAYWARD STORM SEWER: Eric Cowles, City Civil Engineer, said that, on September 21, 2015, Dean Jensen, owner of the 118 and 120 Hayward, had submitted a Sketch Plan Pre-Application Conference request. The developers proposed to redevelop those two parcels into the Campus Plaza subdivision. The redevelopment would create a mixed-use structure, which would have two levels of parking at the commercial level and four (+/-) levels of student residential partment son the upper floors. The existing building at 118 Hayward Avenue was constructed over the in-place 8' x 7' box culvert. That culvert conveys College Creek under the site as well as beneath the buildings at 2522 and 2518 Lincoln Way. Ultimately, College Creek flows towards Lake LaVerne on the Iowa State University Campus. Prior to the Conference with the developers, staff had consulted with the City's Legal Department for guidance about how to proceed with the development discussion since City staff had not located a land record of any official easement covering the existing box culvert.

Legal's determination is that, since no written easement exists, the City has an "easement by prescription" for this structure and has the rights typically attendance to any other utility that runs through a private site.

On October 9, 2015, staff met with the developer and the developer's request as part of the Development Review sketch plan process. Staff stated its desire to not place a new building over the existing box culvert. Historically, if a utility is in conflict with a development, the developer is responsible for all costs associated with relocation of the utility to a location that is not in conflict with the proposed development. On November 10, 2015, the City Council referred a letter from Dean and Luke Jensen requesting that staff evaluate the possibility of leaving the culvert in place and building over it or relocating the culvert at the City's expense.

Mr. Cowles noted that the official abstract was presented to staff on November 19, 2015. Staff found an entry in that abstract dated April 5, 1934, that references a contemplated storm sewer by the City at the location in question. It is known that the building over the storm sewer was built in 1936. Staff believes the information that it does have supports the conclusion that the culvert was constructed in 1935. Another reason that the abstract entry was important is that the then-owners of the land in question executed a waiver of any claims for damangers now or hereafter sustained by the construction, reconstruction, perpetuation, repair, maintenance, or overflow of the proposed storm sewer and further waived any claims for damages sustained from any flood water caused by the inability of the storm sewer to receive same. The waiver was also made binding on their heirs and assigns. That waiver was granted by those land owners in consideration of the benefits that were going to be derived from having it in existence, which exceeds the benefits and rights the City presently receives when it is granted a storm sewer easement.

The alternatives available to the Council were outlined by Mr. Cowles, as follows:

1. Leave the culvert in place pursuant to the existing prescriptive easement and liability waivers contained in the abstract.

This option would require an existing conditions assessment of the existing box culvert, in-situ condition of the existing box culvert for load/vibration impacts must be monitored during construction, and a post-construction assessment of the existing box culvert must be completed, all at the developer's expense. The developer must certify that no additional load will be placed on the existing box culvert.

2. Leave the culvert in place and allow the developer to perform an analysis to determine if an upstream flow reduction project would allow for the abandonment of the box culvert.

This option would include the same requirements of the developer as noted in Option 1 with the additional provision that the developer can pay for an optional study to determine if it is possible to abandon the existing box culvert through the addition of up-stream flow reduction projects. If a viable solution is identified up stream within the College Creek Watershed, the city Council could then determine (1) whether or not to proceed with such a project and (2) whether to pay for the total cost of the project through the Storm Water Utility revenues or assess the cost to the benefitted property owners.

3. Relocate the culvert (around this building only) at the Developer's expense.

This option is not a long-term solution as it does not address the remaining portion of the box culvert that exists under buildings at 2522 and 2518 Lincoln Way as well as the undeveloped property at 110 Hayward.

4. Relocate the culvert (around this building only) at the City's expense.

In this option, the box culvert would no longer be impacted by the footprint of the proposed structure. This would provide the opportunity to maintain the box culvert from outside the structure. However, the ability for the city to bear the cost of the relocation is in question as this is not currently programmed in the Capital Improvements Plan and funding would need to be determined. It was also noted that historically the relocation of utilities in conflict with a development are relocated at the developer's expense.

According to Mr. Cowles, redevelopment of the site would still require the developer to meet all of the Post Construction Storm Water Management Ordinance requires set forth in *Municipal Code* Section 5B, along with other DRC-related requirements.

Dean Jensen, 2519 Chamberlain, Ames, said that the developers believe that enhanced redevelopment of Campustown in this area will further enhance Campustown. He said that the developers would be supportive of analyzing the condition of the culvert. They will look closely at the relationship of this culvert to other properties. The developers are willing to pay for the analysis. The developers would be willing to further look at mitigation techniques, but do not want to be required to do so.

Moved by Goodman, seconded by Orazem, to approve Option 2: to leave the culvert in place and allow the developer to perform an analysis to determine if an upstream flow reduction project would allow for the abandonment of the box culvert; and add that the City hire the consultant.

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

EMERGENCY REPAIR OF UNIT NO. 8 EXPANSION JOINTS: Electric Services Director Donald Kom explained that Power Plant staff members were in the process of accessing and security the siding (lagging skin) on the duct work on Unit No. 8 between the electrostatic precipitator and the air heater when it discovered the expansion joints were in bad shape. In fact, at least one is virtually non-existent. With the current condition of the expansion joints, unwanted outside air will be pulled through the failed leaking joints passing through the air heater and fan, which negatively will effect overall Plant performance and fan capacity. This must be fixed before test-firing of Unit No. 8 on natural gas.

Mr. Kom explained that Iowa Code Chapter 384.103(2) allows for a finding of necessity to institute emergency proceedings if it procures a certificate from a competent licensed professional engineer or registered architect not in the regular employ of the city certifying that emergency repairs are necessary. In that case, the governing body may contract for emergency repairs without holding a public hearing and advertising for bids. Black & Veatch Corporation has certified that emergency proceedings are necessary to avoid the risk of serious loss to the City.

According to Mr. Kom, two companies were contacted: Babcock & Wilcox and Frenzelit. The cost

comparison between the two companies were within 10% of each other; however, Babcock & Wilcox cannot meet the January testing schedule.

Regarding the expenditure, Mr. Kom advised that the Power Plant will be carrying forward \$1,500,300 of unspent maintenance funding from the approved FY 2014/15 Operating Budget into the FY 2015/16 Adjusted budget from which the contract will be funded. He noted that the City Council does not approve the FY 2015/16 Adjusted budget until March 2016, and approval of this contract is predicated on the approval of the FY 2015/16 Adjusted budget for the Power Plant.

Moved by Goodman, seconded by Gartin, to adopt RESOLUTION NO. 15-722 instituting emergency proceedings and authorizing staff to obtain informal bids and enter into contract.

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

Moved by Goodman, seconded by Gartin, to adopt RESOLUTION NO. 15-723 waiving the Purchasing Policy requirement for competitive bidding and awarding contract to Frenzelit of Lexington, North Carolina, in the amount of \$680,328, plus applicable sales taxes to be paid directly by City of Ames to State of Iowa.

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

CITY COUNCIL BUDGET GUIDELINES: City Manager Schainker said that, near the beginning of each year's budget preparation cycle, he and Finance staff present City Council with a budget overview. The presentation's purpose is to: present the "big picture" of the coming year's budget, including factors that might impact Council's later decisions on the budget; share budget-related input and requests that have been received from local citizens and organizations; seek Council direction on select components of the budget, such as overall funding levels for human services and arts; and to receive any general funding or service level direction Council wishes to incorporate into the budget.

Finance Director Duane Pitcher said that the City's overall financial situation continues to remain relatively strong. For FY 16/17, improvement in retail sales and overall property valuation are expected to have a positive financial impact on the City budget. However, some of this positive impact will be offset by higher-than-average increases in health care and the impact of the property tax reform.

Road Use Tax from fuel sales is expected to exceed the budgeted revenues for the current year due to the increase in the Road Use Tax rate; the increased revenue will continue in future years.

Interest revenues for the City will likely show some improvement in FY 2016/17 as the Federal Reserve appears to be in the process of increasing short-term interest rates in the near future. Though that action will provide some additional revenue, rates for G.O. Bonds are likely to increase from the current very favorable levels.

Mr. Pitcher shared that the General Fund balance ended FY 14/15 better than budgeted with the General Fund balance at 37.4% of expenditures, up from 23.3% anticipated in the adopted budget. Around \$2.3 million of the approximately \$3.7 million in added fund balance is due to uncompleted projects which are being carried forward into the FY 2015/16 adjusted budget. Major projects carried

over in the General Fund include improvements to the City Hall roof and parking lot, the completion of Phase 2 of the City Hall basement renovation project, brand marketing, the update to the Land Use Policy Plan, and the Emerald Ash Borer program. Of the remainder, large increases in two revenue sources account for approximately two thirds of the net \$1.4 million increase in the General Fund balance. Those are Building Permit revenue and Hotel/Motel Tax revenue. The remaining portion was the result of savings distributed across various programs funded through the General Fund. City Manager Schainker noted that the Council could decide to use some amount of the additional balance to subsidize operating costs and thereby reduce property tax levels in FY 16/17. He again warned, however, that that strategy would only lead to a larger increase the following year, since one-time monies would need to be replaced with a more permanent revenue source. He also stated that, in similar past situations, the Council had used those one-time increases in the available balance to fund one-time expenditures in the current year. Staff will develop a list of such recommended one-time uses as part of the Recommended Budget.

Finance Director Pitcher stated that there is good news in that improved investment returns and changes in funding plans for the Municipal Fire and Police Retirement System have resulted in a decrease in the City's pension contribution rate from 27.77% of covered wages to 25.92% for FY 2016/17. It is expected that the City contribution rate will fall slowly in the future.

Health Insurance. The Council was told by Mr. Pitcher that, due to the recent less-favorable claims experience and additional costs related to the Patient Protection and Affordable Care Act (PPACA), an 9% increase in health rates was necessitated in the FY 2015/16 budget. Based on recent claims experience, a 7% increase in health insurance rates is being built in for FY 2016/17. The status of the plan will be reviewed again in December.

Rollback. Finance Director Pitcher advised that, overall, modest increases in assessed property valuations are expected along with a slight decrease in the rollback rate. This will result in increased taxable valuation for residential property. Commercial and industrial property will continue to be taxed at 90% of value with state replacement tax frozen at the FY 2015/16 level. A new property classification will be implemented in FY 2016/17: multi-residential property formerly taxed at 90% of value will begin the first step of rollback to the residential rate and will be taxed at 86.25% of value with no state replacement tax; this will mean a loss to the City of approximately \$50,000 per year.

Long-Range Transportation Plan (LRTP). Public Works Director John Joiner advised that, as staff begins preparation of the 2016-2021 CIP, it is the City's intent to implement the LRTP by including the previously committed projects in the Plan as well as new short-term projects based on existing engineering data such as pavement condition, safety, and levels of service. Other important factors are responses from the Resident Satisfaction Survey and citizen input during LRTP development.

City Manager Schainker noted the motion made at the September 22, 2015, Council meeting by Council Member Goodman to get information on four projects, as requested by the Ames Bicycle Coalition. Those projects were: (1) Ontario improvements, (2) three intersection improvement categories, (3) two single block categories, and (4) Worrel Creek Trail project. It was later found that Items No. 1, 2, and 4 referenced projects are shown in the 2040 LRTP. Item No. 3 referenced one block extensions of existing shared use paths in two different locations. He also advised that certain bicycle/pedestrian projects that have been categorized in the LRTP beyond the short-term period could still be included in the Recommended CIP. Those projects might be accelerated to accomplish network

connectivity or coordination with previously programmed roadway projects.

Grand Avenue Extension Project. Council Member Gartin asked about the possibility of using part of the General Fund balance towards the Grand Avenue Extension project. City Manager Schainker pointed out that this Project is being done and noted the schedule. Construction could begin in Summer/Fall 2017 and be completed by Summer 2019.

East Industrial Area Utility Extension. City Manager Schainker pointed out that water and sewer rates were raised in FY 2014/15 to generate revenue to pay for extending a water line and a sanitary sewer line along Lincoln Way eastward all the way to 590th Street to facilitate additional industrial development. The City Council included a \$2,000,000 project in the CIP to extend a sanitary sewer line just east of Interstate 35. With that section in place, it was believed that the City could respond more quickly to any proposed development to the east.

According to Mr. Schainker, during the past year, staff has been engaged in negotiations with the Central Iowa Water Association to buy out its service territory. It is hoped that an agreement can be reached in the next month. In addition, the Ames Economic Development Commission has been contacting property owners in the Eastern Industrial Growth Area to gauge their support for annexation of their properties.

Mr. Schainker noted that the City Council had received a letter from the AEDC requesting that the City Council include in the CIP the total project, which includes the extension of both water and sewer lines to 590th Street. A decision by the City Council will help the staff in preparation of the CIP.

Storm Water Utility Fees. City Manager Schainker stated that, as developed areas within the City continue to expand, staff has received an increasing number of requests to deal with storm water issues. Last year, staff informed the City council that two \$.25/month fee increases would be needed over the next five years to finance the Storm Water Utility. In identifying the storm water projects for the upcoming CIP, it is now apparent that the two projected fee increases will not be sufficient to cover operating and capital improvement costs in this Utility over the next five years. Mr. Schainker referenced the four strategies that had been identified for dealing with the projected shortfall. He said that since the monthly fee has not been increased since 2013 and no other utility rate increase is scheduled for FY 2016/17, it might be an appropriate time to consider an increase in the Storm Water Utility monthly fee, perhaps by as much as an additional \$1.00/month for the Tier 1 properties.

Local Option Sales Tax. Finance Director Pitcher advised, that for the current year, local option sales tax receipts are expected to be \$7,831,295, up \$346,690 or 4.6% from the adopted budget. The adjustment payment reflects an underestimate of local option sales tax revenue by the Iowa Department of Revenue and Finance for FY 2014/15.

City Manager Schainker requested Council direction on funding levels for ASSET and COTA, as well as total funding direction for other outside organizations.

ASSET. Management Analyst Brian Phillips advised that for FY 2016/17, City ASSET funds being requested by agencies totals \$1,359,822, which is an increase of \$147,447 or 12% over the current FY 2015/16 contracted services of \$1,212,375. Mr. Phillips summarized the requests of the City by ASSET Panel, as follows:

Panel 1 - Health Services (mental health and substance abuse services). Requests for services in this Panel total \$276,024, which is a 25.2% increase from the FY 2015/16 contracted total. This is the largest percentage increase of the four panels. This increase is primarily attributable to two services: (1) MICA - from \$27,750 to \$52,608. (2) Eyerly Ball has requested \$55,000 for mental health crisis services, an increase of \$18,022 from the current contract amount. Council Member Orazem pointed out that Eyerly Ball did not request any funding for a couple years when it first became an agency under ASSET.

Panel 2 - Basic Needs Services (shelter, food, disaster services, transportation, and bill payer programs). Requests for services total \$529,372, which is a 10.9% increase from the FY 2015/16 contracted total. The increases are spread across a variety of services. Mr. Phillips noted that this is the City's No. 1 Priority Area.

Panel 3 - Children's Services. Requests in this Panel total \$357,128, which is an 8% increase from FY 2015/16. Child care services have increased approximately \$10,000 over the current contracted amount, or 6%. Youth and Shelter Services have requested city funds in two programs which did not receive City funds in FY 2015/16.

Panel 4 - Prevention/Support Services. Request for services total \$197,298, which is a 7.3% increase from the FY 2015/16 contracted total.

Discussion ensued as to the amount of detail being provided to the Council pertaining to the needs of the agencies. Council Member Gartin recalled that the Council had previously wanted to know how many persons asking for services are being turned away from the ASSET-funded agencies. Council members concurred that that information was crucial in order for the Council to make good decisions.

Council Member Corrieri noted that that question was added to the application. Mr. Phillips said he would provide the data to the Council if that line has been filled out on the application by the agencies.

Council Member Gartin noted that one of the things that was brought up last year is the question as to whom is being served and whether they are from Ames. He asked Mr. Phillips if that information was provided. Mr. Phillips said he would check on that. Council Member Gartin specifically made the request for that information to be provided to the Council.

Moved by Gartin, seconded by Corrieri, to continue the discussion on the amount of ASSET funding until the December 8, 2015, Council meeting.

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

Moved by Goodman, seconded by Gartin, to request staff to look into developing some sort of grant program to utilize Local Option that could be implemented in the following budget year (FY 2017/18) with the first piece being that staff reach out to human service agencies.

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

COTA. Management Analyst Phillips stated that the Commission on the Arts (COTA) allocation for FY 15/16 is \$148,733, which is 3% higher than the \$144,401 allocated in FY 14/15. For FY 16/17 COTA organizations have requested funding in the amount of \$183,571 (excluding special Spring

and Fall Grants). This is a 23% (\$34,838) increase over the FY 15/16 appropriation. No new groups have applied for COTA funds for FY 16/17.

Moved by Goodman, seconded by Orazem, to increase COTA's allocation by 5%. Vote on Motion: 6-0. Motion declared carried unanimously.

Outside Funding Requests. Management Analyst Phillips referenced the changes to the Ames Fall Grant Program process. The total amount allocated for Outside Funding Requests in FY 2015/16 was \$130,680. The total 2016/17 request is \$165,300, which is a 26.5% increase over the 2015/16 total.

The Council's attention was brought to the table listing the requests. Mr. Phillips noted that the Main Street Cultural District (MSCD) made a one-time request of \$20,000 for holiday lighting in the Downtown.

Moved by Goodman, seconded by Betcher, to increase the allocation by 5%.

Council Member Gartin said that he would not be opposed to increase the funding by 26.5%, which is the total amount being requested.

Vote on Motion: 3-3. Voting aye: Betcher, Corrieri, Goodman.

Moved by Gartin to fund the 26.5% increase.
Motion failed for lack of a second.

Moved by Goodman, seconded by Orazem, to increase the allocation by 10%.
Vote on Motion: 6-0. Motion declared carried unanimously.

ORDINANCE REVISING CHAPTER 23 PERTAINING TO BICYCLE PLANS AND BIKEWAYS: Moved by Goodman, seconded by Gartin, to pass on first reading an ordinance revising Chapter 23 pertaining to Bicycle Plans and Bikeways.
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE REVISING SIDE SETBACKS FOR S-HM (HOSPITAL-MEDICAL) ZONED PARCELS ON THE WEST SIDE OF DUFF AVENUE: Moved by Orazem, seconded by Nelson, to pass on second reading an ordinance revising side setbacks for S-HM (Hospital-Medical) zoned parcels on the west side of Duff Avenue.
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE PERTAINING TO SOLAR ENERGY SYSTEMS REGULATIONS: Moved by Nelson, seconded by Betcher, to pass on second reading an ordinance pertaining to solar energy systems regulations.
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE REZONING, WITH MASTER PLAN, PROPERTY AT 601 AND 705 DOTSON DRIVE: Moved by Goodman, seconded by Nelson, to pass on third reading and adopt ORDINANCE NO. 4234 rezoning, with Master Plan, property at 601 and 705 Dotson Drive from Government-Airport (S-GA) to Floating 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 Orazem, seconded by Gartin, to refer to staff for a memo the letter from Dan Culhane, President of the Ames Economic Development Commission, dated November 16, 2015, requesting the City to extend a Right-of-Notification to those interested in investing in the Airport at a level of \$50,000 or more.

It was clarified by City Manager Schainker that the Right-of-Notification would allow for any investors at \$50,000 or more to be notified when space in the new hangar was available for lease.

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

Moved by Goodman, seconded by Gartin, requesting that staff reach out to human service agencies and the faith-based community to gauge interest in whether they are willing to participate in accepting Syrian refugees if the City is asked to do so. Mayor Campbell suggested that the Council be allowed to think about that motion. She felt it would require a great deal of staff time to make those contacts. Council Member Gartin shared that he had had a conversation about this with Alan Kamp from the Iowa League of Cities. Mr. Kamp's recommendation was to wait to see what happens at the state level.

Motion withdrawn.

Moved by Betcher, seconded by Gartin, to refer an email from Leadership Ames about creating an ADA actuators grant program. City Manager Schainker noted that there is an established process, and the application deadline has passed. Ms. Betcher asked what action should be taken. City Manager Schainker said he would contact the group to explain the process.

The phone connection with Council Member Corrieri was lost.

Mayor Campbell noted that McFarland Clinic had requested that the Council suspend the rules and adopt the ordinance revising side setbacks for S-HM (Hospital-Medical) zoned parcels on the west side of Duff Avenue.

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

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

Moved Betcher, seconded by Goodman, to pass on third reading and adopt ORDINANCE NO. 4235 revising side setbacks for S-HM (Hospital-Medical) zoned parcels on the west side of Duff Avenue. Roll Call Vote: 5-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

ADJOURNMENT: Moved by Goodman to adjourn the meeting at 10:33 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor